



The Effect Organizational Structure and Work Motivation On Vendor's Employee performance at Automotive Distributor in Indonesia

Oloan Situmorang

Universitas Negeri Jakarta

Email: oloansitumorang_7647140261@mahasiswa.unj.ac.id

Mukhneri Mukhtar

Universitas Negeri Jakarta

Email: mukhneri@unj.ac.id

Mahmuddin Yasin

Universitas Negeri Jakarta

Email: mahmuddinyasin@unj.ac.id

ABSTRACT

This study aim to determine and analyze the effect of organizational structure and work motivation on the employe performance at Automotive Distributor in Indone-sia. This study use quantitative research method with survey technique to respond the test hypotheses that have been formulated. The respondents are 100 employees, the sampling technique used was sampling random technique. The questionnaire of organizational structure and work motivation and employe performance were vali-dated with the product moment correlation formula, while reliability was meas-ured by the Alpha Cronbach formula. Tested of the hypothesis in this study use of the path analysis. The research result of the study found that: (1) The organiza-tional structure affects positively on employee performance (2) The work motiva-tion affects positively on employee performance and (3) The organizational struc-ture affects positively on work motivation. The results of the study show that in the effort to improve the employe performance can be done by the effective of organi-zational structure and to improve of work motivation.

Keywords: Organizational Structure, Work Motivation, Employe Performance.

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INTRODUCTION

In an increasingly competitive industrial era, especially the automotive industry, any company that wants to win the competition in the business world will pay full attention to the quality of its human resources. In this case, the employing company has full attention to ensure the logistics partner can support its business well. So that the employing company has a role to ensure that the logistics vendor can run its services efficiently.

Employees are an important resource for the company, because they have the skills, energy and creativity that are needed by the company to achieve its goals. In a dynamic business environment, by running a business with vendors, each vendor company needs an organizational structure that is able to provide the best performance and is able to develop highly motivated and agile employees in carrying out its business processes. Through an optimal organizational structure, high employee motivation, effective decision-making processes will provide value to the organization through performance.

PT. Toyota-Astra Motor, the vehicle logistics division (VLD) has a role in carrying out vehicle logistics operations, namely handling new vehicles, starting from receiving from factories, installing accessories and distributing vehicles to all dealers in Indonesia while maintaining vehicle quality (fresh from the oven) and safe operation (safety operation) for all stakeholders. Various functions of business unit activities in the Logistics Division. In carrying out its roles and responsibilities, VLD partners with logistics vendors / suppliers to carry out some of its functions.

Internally, VLD is always built on the Toyota Way philosophy. The Toyota way is all about tacit knowledge. Tacit knowledge is knowledge gained from experience and reflection, not from reading recipes. The two pillars of the Toyota Way are Respect for people and continuous improvement. Each pillar is translated into cultural values that are applied daily, especially in the innovative behavior of every employee who supports Toyota's business.

Marchet et.al (2017) stated that "third party logistics (3PL) providers are primarily required to perform services that add value to the shippers business than the shippers can accomplish on their own. This value can be taken in different perspectives and includes principle aspects. So that researchers have an interest in conducting research on the vendor employee analysis unit. "

From the results of evaluating the performance of existing vendors, there are still not optimal achievements, such as on time delivery of new vehicles from the factory to the dealer (on time delivery), and defects in new vehicles (damage ratio) during the process. delivery of new vehicles. The performance of vendor employees has an important role to play in supporting company performance, which in turn will have an impact on VLD performance.

Many factors influence employee performance, including organizational structure and work motivation. Ivancevich (2011) states that performance is a set of employee jobs related to behavior in accomplishing organizational goals. Gibson et al. (2012), view that performance is the level of success in carrying out tasks and the ability to achieve predetermined goals. Employee performance, according to Gomes (2003) can be successful at work includes: (1) Quantity of work: (2) Quality of work, (3) Job knowledge, (4) Creativeness, (5) Cooperation, (6) Dependability,, (7) Initiative, (8), Personal qualities.

In an effort to improve employee performance, it is necessary to be supported by a solid and professional organizational structure, because in practice work specializa-

tion, departmentalization, chain of command, span of control, centralization and decentralization, formalization has a direct effect on the amount of work, quality of work, breadth of knowledge about work and skills, authenticity of the idea of willingness to cooperate with others (fellow members of the organization), awareness and trustworthiness, enthusiasm for carrying out new tasks, and personality.

Organizational structure is a formal organizational framework that is carried out through the division of tasks and responsibilities, grouped and coordinated, building relationships between individuals and groups and creating formal channels to provide authority and allocate resources (Robbins and Coulter, 2009). An Organizational Structure defines how work tasks are formally divided, grouped and coordinated. The indicators regarding organizational structure according to Stephen Robbins in the index team (2006) are as work specialization, departmentalization, chain of command, span of control, centralization and decentralization, formalization.

LITERATURE REVIEW

1. Employee Performance

According to Suwanto M.S (2014), performance is the behavior or what employees do. There are 2 behavioral characteristics that can be labeled as performance, Colquit et al. (2019)., States Job performance is formally defined as the value of the set of employee behaviors that contributes either positively or negatively to organizational goal achievement. It has three components: 1) task performance, or transformation of resources into goods and services; 2) citizenship behaviors, or voluntary employee actions that attribute to the organization; and 3) counterproductive behavior "Gibson et al., (2012), states" Performance refers to the level of success in implementing the task and the ability to achieve the goals set. Otherwise good performance and successful if the desired goal can be achieved with good quality "According to Ivancevish (2008)" Performance is a set of employee work related behaviors designed to accomplish organizational goals " behavior in completing organizational goals. While Cascio (2015), describes performance as a way to ensure that individual or team workers know what is expected of them and remain focused on effective performance by paying attention to objectives, measures and assessments.

Some measurements of employee performance, according to Gomes (2005) that can be used as indicators of employee performance as follows: (1) Quantity of work: The amount of work done in a specified period; (2) Quality of work: The quality of work achieved is based on conditions of suitability and readiness; (3) Job knowledge: The extent of knowledge about the job and its skills; (4) Creativeness: Authenticity of ideas arising from actions to solve problems that arise; (5) Cooperation: Willingness to cooperate with others (fellow members of the organization); (6) Dependability: Awareness and trustworthiness in terms of attendance and completion of work on time; (7) Initiative: enthusiasm to carry out new tasks in enlarging their responsibilities; (8) Personal qualities: Regarding personality, leadership, hospitality and personal integrity.

2. Organization Structure

Various definitions of organizational structure have been put forward by management experts. According to Robbins, (2012), Organizational structure is the formal arrangement of jobs within an organization, which serves many purposes divides work, assigns tasks and responsibilities, coordinates diverse organizational tasks, clusters jobs into units, establishes relationships among individuals, groups and departments,

establishes formal lines of authority and allocates and deploys organizational resources.

An organizational structure defines the way tasks are divided, grouped and formally coordinated. The indicators of the organizational structure according to Robbins in the index team are work specialization, departmentalization, chain of command, span of control, centralization and decentralization, formalization. According to Shane, (2008) that there are three components to the organizational structure; namely (1) shows formal reporting channels, (2) identifies the grouping of individuals into departments into the organization as a whole; and (3) includes system designs to ensure smooth communication, coordination and integration of cross-departmental efforts.

Robin (2012) also agree that the organizational structure describes how work tasks are formally grouped and coordinated. According to him there are also six key elements that need to be considered in designing the organizational structure, namely: "1) work specialization, 2) grouping departments, 3) chain of command, 4) scope of control, 5) centralization and decentralization, 6) formalization.

According to Mullins (2003), Structure is the pattern of relationships among positions in the organization and among members of the organization. The structure makes possible the application of the process of management and creates a framework of orders and commands through which the activities of the organization can be planned, organized, directed and controlled. The structure defines tasks and responsibilities, work roles and relationships, and channels of communication.

According to Richard (2004), there are 3 main requirements that must be considered when determining the organizational structure, namely 1) The organizational structure must show formal relations between employees, including the level of hierarchy, and the range of control of managers and supervisors; 2) Organizational structure establishes a work group for employees, merging groups within departments, and integrating departments into the company as a whole; and 3) Organizational structure includes system planning to ensure effective communication, good coordination and integration between departments.

Kreitner, Robert (2010) said that the current organizational structure planning is required to be responsive to the changing demands of dynamic external conditions such as technological progress, product development, market development, globalization and others. The structure must be flexible, not rigid. So that the term learning organization appears, or organizations that are ready to proactively respond to creativity, innovation, technological progress, and changes in the external environment in order to achieve company goals.

According to Brooks (2009), "Organization structure is the way an organization is configured into work groups and the reporting and authority relationships that connect individuals and groups together. Structure act to create separate identities for different work groups and have a big influence on the effectiveness with which individuals and groups communicate. Brooks (2009), states variables and concepts of organizational structure include: centralization and decentralization, integration, specialization, formalization, span of control, bureaucracy. According to Jerald (2010), the organizational structure is "the formal configuration of individuals and groups with respect to the allocation of tasks, responsibilities, and authority within the organization," (formal configuration of individuals and groups within the allocation of duties, responsibilities and authority within organization). According to Shane, Steven L.Mc (2008), the organizational structure is defined as "the division of labor as well as the conditions of conditions, communication, workflow, and formal power that direct organizational ac-

tivities," (division of work and coordination patterns, communication, formal employment and power lines related to organizational activities).

To deepen the understanding of organizational structure, it is necessary to understand various organizational structure designs that can be done through several approaches. Approach

3. Motivation

According to Luthans (2008), "Motivation as a process that starts with the physiological or psychological deficiency or needs that activates behavior or a drive that is aimed at a goal or incentive". Furthermore Luthans (2008) that in a motivation system consists of three elements that interact and are interdependent, namely: needs (needs), drives (incentives), incentives (incentives), while Nohria (2002) states, there are 4 impulses (four drive) that applies to everyone, namely drive to acquire (drive to reach), drive to bond (drive to bond) and drive to learn (drive to learn),

Steven L (2009) states motivation refers to forces within a person that affects the direction, intensity, and persistence of voluntary behavior. Motivation according to Pinder (1998), motivation is a set of energetic forces that originate both within as well as beyond an individual's being, to initiate work-related behavior, and to determine its form, direction, intensity and duration.

The theory that is often used by experts in conducting research on motivational problems is the theory that has to do with human needs. One theory related to motivation is the theory of needs developed by Maslow. Abraham Maslow developed a theory of motivation known as (hierarchy of needs). Maslow in Burton, (2012) holds that the theory of the hierarchy of human needs can be used to describe and predict motivations. Motivation theory is based on two assumptions. First, what someone's needs have been fulfilled. Second, needs are a hierarchy of interests. In this theory a classification of needs is proposed which consists of five groups of human needs that form a hierarchy of needs, namely the first physical needs (physiological Needs), the physical needs of a person are in dire need of food, clothing and shelter. After the activity fulfillment needs are met and has decreased, then the need for security increases. When the physical needs for food, clothing, shelter have been met, then a person switches to the need to associate with the community, the need for affiliation with others, the need to find meaningful relationships.

According to David Nadler and Edwar Lawler in Stone (2005) that motivation is the result of three different types of beliefs that a person has. The three types of beliefs are expectations or beliefs, valuable or yielding, the adequacy of funds (valance). In this connection Lazaroiu (2015) states that work motivation has a direct effect on employee performance, so increasing work motivation is an effective way to improve employee performance. Salleh, Dzulkifli (2011) shows that affiliate motivation has a positive relationship with performance. Research by Mawoli & Babandako (2011) states that academic staff motivation influences the performance of university employees ,, for that the improvement of university employee performance can begin with the academic motivation of their employees.

Synthesis of motivation is the size of the work done by an employee in carrying out their duties with indicators of employee motivation, including: (1) employee's desire to get good performance, (2) employee's drive to get awards and recognition for the work performance achieved, (3) encouragement of employees to get a sense of security at work, (4) relationships between employees with fellow workers at work, and (5) needs of employees are met (6) secondary needs are met.

RESEARCH METHODS

The method used in this study is to use a survey method that is conducting research directly into the field. Data collection tool used was a questioner (questionnaire). With this data collection tool data can be obtained in accordance with the research theme. Research data is captured using a questionnaire developed by researchers and given to samples from the population. Research respondents numbered 100 employer. Samples were determined using cluster random sampling techniques. Instruments of organizational structure, work motivation and performance are validated by product moment correlation, while reliability is measured by Cronbach's Alpha. Data is analyzed using path analysis techniques.

RESULT AND DISCUSSION

Testing Hypothesis Pathway In Hypothetic Models γ_1 , γ_2 , γ_3 . Path coefficients in the hypothetical model of the study are γ_1 , γ_2 , γ_3 , in determining the magnitude of the path in a hypothetical model the study is obtained by determining the magnitude of the path coefficient value, and then the path coefficient significance test is continued.

1) Structural path coefficient 1

Causal relationships between variables in sub-structural 2 consist of one endogenous variable, Y (Employee performance) and two exogenous variables, X1 (Organizational Structure) and X2 (Work Motivation) From the results of data processing the structural path coefficient 1 as follows:

Table 1 Path coefficient and Path Significance Test structure 1

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	73.937	4.346		17.011	.000
	Organization structure	.189	.044	.396	4.308	.000
	Work motivation	.122	.042	.267	2.899	.005

a. Dependent Variable: Employee Performance

Table 2 Coefficient terminated R Square for structure 1

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.560 ^a	.314	.300	2.905

a. Predictors: (Constant), Work Motivation, Organization structure

a. Predictors: (Constant), Work Motivation, Organizational Structure

From the path coefficient table, the analysis results obtained the path coefficient p value of 0.396 and t_{count} 4.308, with $t_{table} (0.05: 98) = 1.98$, so $t_{count} > t_{table}$, reject H_0 , meaning that the variable X_1 has a positive effect on the Y variable. It is thus proven that the organizational structure has a direct positive effect on employee performance.

The results of the analysis obtained the path coefficient p_{32} of 0.267 and t_{count} 2.898, with $t_{table} (0.05: 98) = 1.98$, so $t_{count} > t_{table}$, reject H_0 , meaning that the X_2 variable has a positive direct effect on the X_3 variable. Thus it is proven, that work motivation has a direct positive effect on decision making.

From the results of the analysis, the coefficient of determination obtained by 0.314 so that it can be stated that the organizational structure and work motivation have a direct positive effect on employee performance

2) Structural Path coefficient 2

Causal relationships between variables in sub-structural 2 consist of one endogenous variable, X_2 and one exogenous variable, X_1 . From the results of processing the structural path coefficient 3 data as follows:

Table 3. Path coefficient and Structural Significance Test Structure 2

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	48.420	9.212		5.256	.000
	Organization structure	.422	.096	.405	4.381	.000

a. Dependent Variable: Work motivation

Table 4. R Square terminated coefficient for structure 2

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.405 ^a	.164	.155	6.971

a. Predictors: (Constant), Organization Structure

From the path coefficient table, the analysis results obtained p_{21} path coefficient of 0.422 and $t_{count} = 4.381$, with $t_{table} (0.05: 98) = 1.98$, so $t_{count} > t_{table}$, reject H_0 , meaning that the variable X_1 has a positive effect on the X_2 variable. It is thus proven, that organizational structure has a direct positive effect on work motivation.

From the results of the analysis, the coefficient of determination obtained by 0.164 so that it can be stated that the organizational structure has a direct positive effect on work motivation.

Based on the test analysis of the path above, it can be explained the following hypothesis testing:

1. The organizational structure (X_1) has a positive direct effect on employee performance (Y) and indirectly through work motivation (X_2).

From the results of the path analysis of the influence of organizational structure (X_1) on employee performance (Y) obtained path coefficient p_{y1} of 0.395 with a t_{count} of

4.284, while the value of $t_{table} = 1.98$ ($\alpha = 0.05$; $df = 98$). Because $t_{count} > t_{table}$, then H_0 is rejected, H_1 is accepted. Thus it can be concluded that the organizational structure has a direct positive effect on employee performance. While the effect of organizational structure (X1) on employee performance (Y) through work motivation (X2) is the result of the path coefficient $\rho_{y1} \times \rho_{y3}$ (0.365×0.296) = (0.154). Thus it can be concluded that the organizational structure has a direct positive effect on employee performance through work motivation.

2. Work motivation (X2) has a positive direct effect on employee performance (Y)

From the results of the path analysis the effect of work motivation (X2) on employee performance (Y) obtained the path coefficient ρ_{y2} of 0.269 with a t_{count} of 2.917 while the value of t_{table} while 1.98 ($\alpha = 0.05$; $df = 98$). Because $t_{count} > t_{table}$, then, H_0 is rejected, H_1 is accepted. While the influence of work motivation (X2) on employee performance (Y). Thus it can be concluded that work motivation has direct and indirect positive effects on employee

3. The organizational structure (X1) has a positive direct effect on work motivation (X2)

The statistical hypothesis tested was a positive direct effect on organizational structure (X1) on work motivation (X2). From the results of the path analysis of the influence of organizational structure (X1) on work motivation (X2) obtained path coefficient ρ_{x1} of 0.422 with $t_{count} = 4.381$ while the value of $t_{table} = 1.98$ ($\alpha = 0.05$; $df = 98$). Because $t_{count} > t_{table}$, then H_0 is rejected, H_1 is accepted. Thus it can be concluded that the organizational structure has a direct positive effect on work motivation.

Discussion

From the results of hypothesis testing shows that there is an effect of organizational structure directly and indirectly effects positively on employee performance. The more positive the organizational structure, the employee's performance tends to increase. As stated by MC Robbins, Sephen P, (2012) states that a good organizational structure can produce good performance, therefore in an effort to improve performance can be done through strengthening the organizational structure. In an effort to improve employee performance, it needs to be supported by the structure solid and professional organizations, because in practice work specialization, departmentalization, chain of command, range of control, centralization and decentralization, formalization has direct and indirect effects on the amount of work, quality of work, breadth of knowledge about work and skills, authenticity of the idea of willingness to work together with others (fellow members of the organization), awareness and trustworthiness, enthusiasm for carrying out new tasks, and personality

In managing company resources, work motivation has a direct effect on employee performance, because managing employees by increasing organizational authority, delegating tasks, supervising work division can directly influence work quantity, work quality, work effectiveness, work efficiency, and work methods. According to Kreitner, Robert (2010) that the drive to work effectively can be influenced by decision making, because decision making requires the identification and selection of alternative solutions that lead us to the desired conditions in accordance with organizational expectations. Likewise, according to Glinow, (2008), that the process of choice in making a decision, starting from identifying a problem and recognizing an opportunity, involves several parties how to process a decision, identify and develop possible solutions in line with the interests of motivation in the organization.

The results of hypothesis testing indicate there is an effects of organizational structure on work motivation. As stated by . The conclusion shows that the more pos-

itive the work motivation, the lower the decision making. The proportion of decision making variance can be explained by work motivation.

CONCLUSION

Based on the research discussion, organizational structure affects employee performance and indirectly through work motivation. This shows the comparison of employee performance variables can be approved by the organizational structure. The more effective the organizational structure it will increase the performance of employees, beside that work motivation affects employee performance. If the work motivation may be upgraded, it will encourage the employees to improve thier performance and relating to the organizational structure of work motivation. This shows the variety of work that can be seen by the organizational structure. The effective and lean organizational structure, it will encourage work motivation .This final section of our paper discesses the limitations of this study and suggest potential direction for future research. First, the empirical findings are based on Vendor's data and hence country-specific factors may limit the external validity of these findings. A simple generalization of this study might not apply to others countries. Second , In order to extract detailed information on collaborations, our analysis used unique project level data and relied on small sample of observations. Further research is needed on larger sample using additional method of enquiry analysis. A larger sample would also permit us to ask wheter other specific characteristics of industry and automotive partners play a role in increasing performance

Recommendation

Based on the results of the study showed that motivation is the lowest variable influence on employee performance. Therefore, in improving the performance of employees, it is necessary to increase and improve motivation by increasing employee motivation to get good performance, increasing employees to get awards and performance to improve their performance, encouraging employees to get a sense of security at work, relationships between employees and participants at work, and the needs of employees are met, secondary needs are met need to improve the organizational system. In building achievement, it is necessary to strive through giving of insintive and rewarding employees who excel by giving a position on a sturdy chair or giving other awards that can support employee performance. In increasing motivation, the company supports providing a sense of security at work providing work facilities that meet the needs and work standards that ensure employee safety. In building employee motivation, the company also supports building harmonious relationships through vertical and horizontal communication, this is because community communication is a strategic factor in building good organizational structure.

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