The Role of Employee Cognitive Ability Mediating In The Effect Of Organizational Culture On Employee Creativity In Cv. Ambassador Of Jembrana

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ABSTRACT: Small and medium industries are one of the drivers of economic growth that causes an increase in total income and income per capita, one of them is the creative industry sector. Creative industry is one of the sectors that is expected to become a new national economic power in the future. One of the factors supporting the success of the creative industries is employee creativity. The purpose of this study was to determine the role of employee cognitive abilities in mediating the influence of organizational culture on employee creativity. This research was conducted at CV. Duta Laksana Jembrana. The number of samples used in this study were 49 people, using path analysis techniques. The results showed that organizational culture had a positive and significant effect on cognitive abilities. Organizational culture has a positive and significant effect on employee creativity. Employee cognitive abilities have a positive and significant effect on employee creativity, and employee cognitive abilities are variables that mediate organizational culture to employee creativity.

Keywords: cognitive ability, organizational culture, employee creativity

I. INTRODUCTION

Small and medium enterprises is one of the drivers of economic growth, which leads to an increase in total revenue and income per capita (Allo, 2017). The industrial sector played a key role as an engine of development for the industrial sector has several advantages compared to other sectors as capital tied capitalization is very large, the ability to absorb a large workforce, as well as the ability to create added value of each input or base materials are processed. Creative Economy (Ekraf) is one sector that is expected to become a new force of the national economy in the future.

The construction of the craft industry in Bali is now growing rapidly, even for a few commodities have been exported to many countries in the world (Idayanti, 2015). Bali handicraft industry is required to provide a variety of ways in order to continue to grow and increase their competitiveness. Achievement of the objectives of the handicraft industry in order to compete would be supported by reliable human resources, so that they can excel in competitive (Bakhtiar, 2009). Human resources can be defined as individuals who design and produce output in the achievement of the strategy and the goals set by the organization (Joseph and Arif, 2015). Development increasing business world, competition is increasingly fierce, and the technology is growing, more and more managers who realize that they need to encourage their employees to be creative (Mubarak and Noor, 2018).

Creativity is the production of ideas, products, or new procedures and potentially useful for organizations (Sabrina, 2017). Employee creativity is a complex behavior that includes the intellectual and social abilities (Ardiansyah and Wulansari, 2018). Creativity divergent thinking skills in cognitive activity that generates a pragmatic view, reflect fluency, flexibility, originality, and elaboration of an idea that became one of the basic human needs for self actualitasi embodiment (Sabrina, 2017). Kyllonen and Zu (2016) states that individuals with greater cognitive abilities have information processing speed is higher, usually measured as a reaction in basic cognitive tasks at the level of behavior.

Organizational culture, or corporate culture is often defined as the values, symbols that are understood and adhered together, which is owned by an organization so that members of the organization feel the family and create a condition of members of the organization feel different from other organizations (Poerwaringrum and Sudirjo, 2016). Organizational culture is a pattern, norms, beliefs, and values that apply in a company, patterns, norms, beliefs and values may affect the actions or behavior of the human resources of existing employees in an organization that has implications for the performance of existing employees in an organization (Junaidi and Susanti, 2019).

Environment and organizational culture play a role important in creativity and innovation of employees (Woodman et al., 1993). Culture in an organization is a big influence on the formation of a person's personal for
supporting the growth of creative organizational cultures that foster innovative behavior of the organizational members (Parashakti, 2016).

The research was carried out in the CV. Duta LaksanaJembrana was established in 1997. CV Duta LaksanaJembrana is an exporter company engaged in handicraft industry of home decor (home decor) on the iron plate with the number of employees as many as 49 people. There have been many other companies that go jump in the industrial sector, but the resilience of the company will be tested when the order to experience significant fluctuations. So to deal with this, CV. Duta LaksanaJembrana continue to strive to produce innovative products and thus has its own advantages in terms of both function and aesthetics. There is a considerable difference between the amount of production of goods to production of new products, the comparison was strongly influenced by the level of creativity of each employee. The level of creativity in employees CV. Duta LaksanaJembrana will certainly have an impact on the overall performance of perusahaan.

II. LITERATURE REVIEW AND DEVELOPMENT HYPOTHESIS

Creativity Organizational Theory suggests that organizational creativity constituted with the innovations that are supported through the processes, products, attitudes and situations that encourage members of the organization to create a new case with a different concept. Creativity is one of the human potential that exist in individuals with varying degrees of each other (Zuliawati, 2016). According to Barron's (1969) definition of organizational creativity is part of a broad and comprehensive innovation. The concept of organizational creativity theory is the creation of a product, service, new ideas are useful and usable by individuals who work together in a complex social system (Woodman et al., 1993).

Creativity is an important source of competitiveness for the creation of all organizations concerned with the growth (growth) and change (changes) (Susrite et al., 2019). Creativity is the potential of every human being and not received from outside the individual (Hidayat, 2018). Creativity is the ability of someone's imagination or creative thinking individual who can also be influenced by the environment in the creation of a product or something that has a power-to or the design process of the output has a novelty (Hermabang, 2015). With the creativity in making something good stuff, the idea that led to beautify, simplify the way work is expected to achieve a profit for the company (Suroyo, 2017).

Kyllonen and Zu (2016) states that individuals with greater cognitive abilities have information processing speed is higher, usually measured as a reaction in basic cognitive tasks at the level of behavior. Ibda (2015) found higher cognitive abilities of employees who will facilitate the acquisition of information and problem solving that can enhance organizational creativity, Cognitive processes related to the level of intelligence (intelligence) that-tag someone with different interests is particularly addressed to the ideas of learning (Khatimah, 2018). Innate cognitive processes can be influenced by the attitudes and managerial decisions (Shin, 2015).

According to Seyed et al. (2017) organizational culture is defined as a group of beliefs and values were similar between an organization or similar rules and regulations that are the basis of the solution of organizational members when he faces the problem of social status attached to parts of the organization. Organizational culture is important, because it is the habits that take place in the hierarchy of the organization that represents the norms of behavior that is followed by the members of the organization (Rosyidah et al., 2018). Organizational culture is a set of basic assumptions and beliefs held by members of the organization, then developed and passed on to address the problems of external adaptation and internal integration problems (Faisal and Dewi, 2019). The main characteristics of the culture is a shaper of culture of the organization so that the culture is a system of shared purpose or meaning held by members of the organization (Delviyandri and Aziz, 2017). Organisasi strong cultural support organizational objectives, and weak or negative otherwise inhibit or contrary to the objectives of the organization (Ansari and Amin, 2017). Strong organizational culture will lead these employees to run the existing rules (Zelmiyanti and Anita, 2015).

Mischel (1968) stated that culture is channeled both genetically and through the cognitive process through the observation of the events, people, and verbal symbols and pictures. Knowledge of the cultural and social experience of the individual provides an interpretive framework that guides the process of reasoning and problem solving. In other words, there is a cultural aspect to the cognitive process (Derry, 1996). Penelitian by Betancourt and Lopez (1993) states that individuals with acculturation tend to be flexible in adapting or adopting new beliefs or patterns of behavior so that the cultural environment around the individual can affect the cognitive abilities of individuals because it changed the framework in both the reasoning and solving problem. Based on these descriptions can be formulated hypotheses as follows:

H1: Organizational culture is positive and significant effect on cognitive abilities

Research Henrik (2012) concluded that the culture greatly affect their freedom of creativity in the organization. Research results Greguras and Diependoff (2009) said that when the nature, purpose, or personal values aligned with the organization's employees, it is considered suitable and positive matches can maximize the creativity of employees (Jansen and Kristof-Brown, 2006).Riansyah and Wahab (2017) stated that cultural factors influence organizational partially on creativity. Based on these descriptions can be formulated hypotheses as follows:
H2: Organizational culture is positive and significant effect on employee creativity

Research has been conducted to determine the effect of cognitive ability of employees to the creativity of employees by (Koenig et al., 2008) suggests that cognitive ability can moderate the relationship between exposure to stimuli associated with creativity and creative performance. Kuncel research results and Hezlett (2004) states that there is a positive relationship between cognitive ability and creativity. Guilford (1977) has identified that the cognitive abilities of a smooth, flexible and original are important in the creation of creative ideas. Based on these descriptions can be formulated hypotheses as follows:

H3: Cognitive ability and significant positive effect on employee creativity,

Based on the results of research Ahmed et al. (2017) states that the cognitive ability has a great influence in enhancing creativity. Cognitive abilities of employees is a concern to the organization because it affects the mental perception of employees to do something new or think differently (King and Anderson, 1990). Based on these descriptions can be formulated hypotheses as follows:

H4: Organizational culture is positive and significant effect on employee creativity by mediating the cognitive abilities of employees

III. METHODS

This research is associative ie to determine the relationship between two or more variables. In this study discusses the influence of organizational culture on cognitive abilities, the influence of organizational culture on to the creativity of employees, the effects of cognitive ability on the creativity of employees, as well as the role of cognitive ability in mediating influence of organizational culture on employee creativity. The location of this research is in the CV. Duta LaksanaJembrana is located at Jl. Kingdom Berambang, Negara, Bali, Indonesia (82 212). A company that produces material iron plate. Handmade products such as home decor (home decor) manufactured by this company have been exported to various countries such as Australia, Germany, USA, Japan, and the UK. The object of this study is the creativity of employees arising due to the influence of organizational culture and cognitive abilities of employees in the CV. Duta LaksanaJembrana. The independent variable in this study is the culture of the organization, the dependent variable used this research is the creativity of employees, as well as intervening variables in this study is the cognitive ability. The type of data used in this study are: 1) The quantitative data in this research is that respondents to a statement that includes the variable of organizational culture, cognitive ability, and creativity of employees 2) The qualitative data in this research is the history of the company and organizational structure obtained from the Human Resource Development (HRD) CV. Duta LaksanaJembrana 2018. Data source datam this study are: 2) Secondary sources in this research include the history of the company and number of employees as many as 49 people (HRD PT. Duta LaksanaJembrana, 2019). In this study, researchers using observation, interviews and questionnaires as data collection techniques with a Likert scale includes data score answer a questionnaire designed based on the indicators of each variable with five (5) points "Strongly Agree", "Disagree", "Neutral", "Agree" and "Strongly Agree" to the respondent. The population used is employees CV. Duta LaksanaJembrana, amounting to as many as 49 people. The samples used in this study is the whole of the employees that amounted to 49 respondents. Data analysis techniques used in this study using descriptive statistical analysis and pathway analysis and Sobel test to test the significance of the indirect effect of mediating variables are preceded by testing research instruments namely; validity and reliability test.

IV. RESULT AND DISCUSSION

4.1 characteristics of respondents

Based on respondents’ gender is dominated by men with the number 34 (69.38%) and women as many as 15 people (30.61%). Characteristics of respondents by age categories, it can be seen that the respondents aged 20-29 years as many as 12 people (24.49%), aged 30-39 years as many as 22 people (44.89%), aged 40-49 years as many as 14 people (28.58%), and aged over 50 years by 1 person (2.04%). Based on education level, it can be seen that the respondents who have primary school education last 2 (4.09%), Junior Highschool education were 9 people (18.36%), Senior highschool as many as 35 people (71.42%), and the Diploma as much 3 (6.13%).

4.2 Results Testing Instrument

Validity test is done with SPSS to calculate the correlation. Validity test results showed that all of the instruments used to measure the research variables have Pearson Correlation above 0.3 so that the overall value of the indicators used otherwise valid. Reliability test results show that each variable has a value of Cronbach's alpha coefficient of more than 0.6. This shows that all the variables in this study revealed reliable.

4.3 Test Path Analysis

Testing equation 1 is to determine the influence of organizational culture on cognitive ability. The results of the analysis as follows:

<table>
<thead>
<tr>
<th>variables</th>
<th>Coefficients</th>
<th>standardized</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
</table>

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Based on the analysis that has been presented, the obtained equation as follows:

\[ M = \beta_1X + e_1 \]

\[ M = 0.767X + e_1 \]  

(1)

Based on the equation Path analysis results obtained by analysis big beta coefficient value of 0.767 with 0.000 significance value less than 0.05, it can be stated that organizational culture influence on cognitive abilities in a positive and significant. The amount of independent variables on the dependent variable indicated by the total value of determination (R Square) of 0.572 means that 57.2 percent of variations in cognitive ability is affected by variations in organizational culture, while the remaining 42.8 percent is explained by other factors not included into the model.

Table 2: Path Analysis Regression Model 2

<table>
<thead>
<tr>
<th>variables</th>
<th>Coefficients</th>
<th></th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unstandardized</td>
<td>standardized</td>
<td>beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>-0.278</td>
<td>0.301</td>
<td>-0.922</td>
<td>0.361</td>
</tr>
<tr>
<td>Organizational culture</td>
<td>0.464</td>
<td>0.112</td>
<td>0.423</td>
<td>4.156</td>
</tr>
<tr>
<td>cognitive abilities</td>
<td>0.572</td>
<td>0.110</td>
<td>0.529</td>
<td>5.198</td>
</tr>
<tr>
<td>independent variables</td>
<td>employee creativity</td>
<td>0.797</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R Square</td>
<td>0.788</td>
<td>90.030</td>
<td>5.198</td>
<td>0.000</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>0.563</td>
<td>62.923</td>
<td>4.156</td>
<td>0.000</td>
</tr>
<tr>
<td>F Statistics</td>
<td>0.000</td>
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<td></td>
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<tr>
<td>Significance Test F</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on the analysis that has been presented, the obtained equation as follows:

\[ Y = \beta_2X + \beta_3M + e_2 \]

\[ Y = 0.464X + 0.572M + e_2 \]  

(2)

Table 2 is to see the influence of organizational culture variables and cognitive abilities of the employee creativity. Results Table 2 shows that the major beta coefficient organizational culture and cognitive abilities of 0.464 and 0.572 with 0.000 significance value less than 0.05 so that the culture of the organization and cognitive abilities affect the creativity of employees expressed a positive and significant. The amount of independent variables on the dependent variable indicated by the total value of determination (R Square) of 0.797 means that 79.7 percent of the variation Creativity of employees affected by variations organizational culture and cognitive ability, while the remaining 20.3% percent is explained by factors others are not incorporated into the model.

There is the indirect effect of the variable cognitive abilities through organizational culture on the creativity of employees with effect as 0.438 bringing the total influence of organizational culture on employees' creativity through the cognitive abilities of 0.902. The level of significance of mediating variables were tested using Sobel test. Mediating variables otherwise be able to mediate the effect of independent variables on the dependent when the value of Z count is greater than 1.96. Based on Sobel test of 4.3206 Z values obtained so that the cognitive abilities otherwise be able to mediate the influence of organizational culture on employee creativity.

Total determination value of 0.914 means that amounted to 91.4 percent of the variation Creativity of employees at CV. Duta LaksanaJembrana influenced by variations in organizational culture and cognitive ability, while the remaining 8.6 percent djelaskan by other factors not included in the model.

V. HYPOTHESIS AND RESULT

The influence of organizational culture on cognitive abilities
The results showed that organizational culture positive and significant effect on cognitive abilities at CV. Duta Laksana, for the better implementation of organizational culture on employees, then the cognitive abilities of employees will increase. Based on this hypothesis organizational culture positively affects cognitive abilities at CV. Duta LaksanaJembrana. The results are consistent with research Mischel (1968), Shore (1996), Derry (1996), Betancourt and Lopez (1993), Hayward and Everett (1983).

The influence of organizational culture on employee creativity
This result means that organizational culture positive and significant impact on the creativity of employees at CV. Duta LaksanaJembrana, because companies are implementing good organizational culture will tend to increase the creativity of employees. Based on this hypothesis organizational culture positive effect on employee creativity can be received on the CV. Duta LaksanaJembrana. The results are consistent with research Williams (2005), Walter (2012), Greguras and Diefendorff (2009), Jansen and Kristof-Brown (2006), Riansyah and Wahab (2017).

Effect of cognitive abilities for the creativity of employees
This result means that cognitive abilities of employees positive and significant impact on the creativity of employees at CV. Duta LaksanaJembrana, because the higher the cognitive abilities of employees employed by the creativity of employees is increasing. Based on this hypothesis of cognitive abilities of employees positive influence on employee creativity can be received on the CV. Duta LaksanaJembrana. The results are consistent with research Koenig, Frey and Dettman (2008), Amabil (1988), Kuncel and Hezlett (2004), Dollinger and Skaggs (2011), Guilford (1977).

Organizational culture positive and significant effect on employee creativity by mediating the cognitive abilities of employees
The test results showed that the value of Z count equal 4.3206> 1.96 with a significance value of 0.000 <0.05, which means that the cognitive abilities of employees are variables that mediate the organizational culture on the creativity of employees at CV. Duta LaksanaJembrana or in other words organizational culture indirect effect on employee creativity through cognitive abilities of employees.

This study supports some of the results of previous research conducted by Seyed et al. (2017) culture of the organization is a group of hypotheses underlying discovered and developed by employees and then adapted to the environment by reaching the unity of the internal factors that affect all organizational phenomena such as the behavior of employees, the group's performance, the performance of the organization, the level of creativity and innovation, employee commitment, motivation and satisfaction work. One of the most influential factors in developing and facilitating these was the ability of creativity and innovation that is mediated by the cognitive abilities of employees (Barron and Harrington, 1981). Another study by Thornburg (1991) proves that by providing organizational culture to better serve our employees can improve the cognitive skills of employees so that the creativity of employees can also be raised through a well-organized, because the culture of the organization is a compactness, leadership, and diversity that directly affect the creativity of individuals and groups with mediated by cognitive ability (Kolb, 1992).

VII CONCLUSION
Based on the results of data analysis and discussion that has been presented, the conclusion of the results of this study are as follows: 1) organizational culture positive and significant effect on cognitive abilities, 2) organizational culture positive and significant influence employee creativity, 3) cognitive ability have positive effect significantly to the creativity of employees, and 4) the cognitive abilities were able to mediate the influence of organizational culture on employee creativity.

REFERENCES


