



## The Influence of Public Service Management Policy and Organizational Culture on Work Performance with Service Quality as a Mediating Variable

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### Abstrak

The objective of this research is to examine and analyze: (1) the impact of public service management policies on Service Quality, (2) the effect of organizational culture on Service Quality, (3) the relationship between Service Quality and work performance, (4) how public service management policies affect work performance through Service Quality, and (5) the influence of organizational culture on work performance via Service Quality. A quantitative approach was employed, utilizing a questionnaire for data collection. The study focused on the entire population of Medan Police Traffic Units involved in SIM management, totaling 45 informants, using a saturated sampling technique. Path Analysis was the analytical technique applied, facilitated by SmartPLS. The analysis involved assessments of the outer model, mediation tests, and inner models. Findings from the field revealed the following: (1) The Public Service Management Policy positively and significantly impacts Service Quality, reflected by a coefficient of 0.778 and a p-value of 0.000; (2) Organizational culture has a negative yet insignificant effect on Service Quality, indicated by a coefficient of -0.021 and a p-value of 0.920; (3) Service Quality has a significant positive effect on work performance, with a coefficient of 0.770 and a p-value of 0.000; (4) Service Quality serves as an effective mediator in the relationship between Public Service Management Policy and work performance; however, (5) it does not mediate the influence of organizational culture on performance.

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## 1. INTRODUCTION

Public organizations as institutions that provide services to the community concerned and provide services to the community to manage an agency, institution or company will be said to be successful or not in achieving previously set goals depending on the skills of employees in carrying out the tasks and responsibilities given by direct leaders (Misnawati, 2017). Therefore, to help smooth the achievement of organizational goals, human resources must be considered so that they can help the series of achieving organizational goals. An organization is formed to achieve common goals, but to achieve goals effectively, a management policy is needed. Service reform in Indonesia is related to the Public Service Management Policy (Nasution et al., 2020). The aim of implementing



service reform throughout Indonesia is to improve the quality of service so as to create public trust in the government (Ikhsan et al., 2024). In the execution of public services, The government has established the principles, guidelines, and standards for public services in Law Number 25 of 2009 and Decree Number 63/KEP/M.PAN/7/2003, which was issued by the Minister of State Apparatus Empowerment. The aim of these measures is to improve the quality of public services (Harahap et al., 2023).

Organizational culture is defined as a framework rooted in the concept of symbolic interaction among individuals within social structures (Imsar, Nurhayati, 2023). It encompasses a system of shared meanings that differentiates one organization from another, reflecting the core values and traits that are important to that organization. Rather than focusing on whether employees enjoy the culture, organizational culture emphasizes how they perceive its defining characteristics (Aslami et al., 2022). Research by Gordon and DiTomaso indicates that for a company to be considered successful, it should cultivate an adaptive culture characterized by risk-taking, trust, and proactivity (Andi R, 2017).

Article 1, paragraph (4) of the Regulation of the Chief of the Republic of Indonesia Police Number 9 of 2012 concerning Driving Licenses (SIM) defines a Driving License (SIM) as evidence of competency legitimacy, a regulatory tool, and a source of police forensic data for individuals who have successfully completed the knowledge, skills, and ability assessments for operating a vehicle. Leadership behavior is significantly linked to organizational engagement, and research indicates that corporate culture is crucial in moderating this relationship. Muflihah (2019) noted that organizational culture is a key factor in determining an organization's success. In the realm of organizational behavior studies, Gash (2016) highlighted that organizational culture is a significant aspect despite its various interpretations and ongoing debates. Scholars concur that organizational culture is vital for adapting to the organizational environment, defined as a collective understanding. Additionally, managers play a critical role and are closely intertwined with organizational culture as they contribute to establishing a competitive advantage (Zainul, 2017).

Referring to the theory of participatory public service and organizational culture, this theory emphasizes the importance of involving the community as partners in decision-making and the provision of public services and that service quality has a major influence on the success of the performance carried out. (Raynald K., Victor P., 2015). Employee a person's work in terms of quality and has been achieved by the employee in carrying out tasks according to (Nurbaiti, 2022). Therefore, this research contributes to building public trust and participation in making SIM, the public will feel positive things in the service process, such as increased efficiency, clarity of procedures, transparency and equality in obtaining services (Hafsah, 2017). This will increase public trust in the government and help strengthen the relationship between the government and the community (Ali, 2018). This applies to the direction of change in the Polri body. Some things that are still of concern to the public in the Polri body include low professionalism in law enforcement, unsympathetic public services, excessive violence and the arrogance of power that still exists.

In the initial observations and interviews with three informants, the researcher discovered that Mr. Rizki expressed, "I still believe that the most challenging aspect of dealing with the police is obtaining a driver's license, as there are numerous brokers outside." Similarly, an informant named Miftah remarked, "Obtaining a driver's license in Medan is complicated; we struggle to understand the costs, which are quite high." Mr. Ferry echoed this sentiment, stating, "In reality, obtaining a driver's license is straightforward since it can be done online, but we haven't received adequate information about its usage, which sometimes leads to difficulties when we visit the Traffic Police to process our licenses." From the results of the initial study, the researcher found that the quality of bureaucratic services is still very poor, especially in North Sumatra. One of the services that is still considered bad is the SIM making service. One of the leaders of the

Republic of Indonesia Ombudsman (ORI) said that there are three service institutions that are the worst in providing public services, namely the Police

The problem of SIM service is one of the internal problems in terms of service to the community. This is related to the competence of Polri HR, the quality of service is not yet optimal, SOK, SOP which is still complicated, SOK-based assessment which is still not running well and the weak integrity of officers, are various things that must be continuously fixed and improved in the SIM service. In fact, the issuance of all traffic-related administration such as driving licenses, Vehicle Registration Certificate (STNK) services, Motor Vehicle Ownership Certificate (BPKB) services, and complaints about loss, accidents, deaths, crowds and others are forms of service from the Police to the public.

SIM services themselves are closely related to difficult procedures, namely from the services provided such as suboptimal service quality, SOK, SOPs that are still complicated, SOK-based assessments that are still not running well and weak integrity of officers, because there are many things that must be taken care of, from administrative requirements to written and practical tests. Implementation in the field itself seems long because of the complexity of the quality of human resources to the facilities and infrastructure that are inadequate facilities, so it is considered necessary to be improved. Especially in this era of globalization with tight and challenging competition conditions, all services are asked to be provided as well as possible to the community and oriented to the needs of the community itself.

In prior research conducted by Sudaryati and Nugraha (2020) titled "The Influence of Performance Management Characteristics on Government Apparatus Performance," it was found that implementing a performance management system can enhance the performance of government personnel and rebuild public confidence in government institutions. Similarly, the study by Syah et al. (2021), titled "The Influence of Service Management on Employee Performance at the Enrekang Regency Council Secretariat Office," along with the research by Islamiyah et al. (2021) entitled "The Influence of Employee Performance on the Quality of Public Services at the Office of Manpower and Transmigration," also explores related themes of Gowa Regency", states that good work performance is influenced by good service quality. So the phenomenon that occurs is that the public service at the Medan Police Traffic Unit is still lacking, especially in the SIM making service. However, from previous research it is known that public service policies can be influenced by work performance so that a good organizational culture is created.

## **2. METHODS**

The method used is quantitative with the approach used in this research uses explanatory research. Quantitative research is a method that relies on objective measurements and mathematical analysis of data samples to prove or test hypotheses (Sugiyono, 2017). The research location is at the Medan Police Traffic Unit on Jl. Adinegoro, Gaharu, Medan Tim. District, Medan City. Data collection using primary data, namely distributing research questionnaires.

The study population consists of all employees from the Medan Police Traffic Unit involved in the issuance of driver's licenses, amounting to 45 informants. A saturated sampling method was employed, meaning the entire population was included in the study. Thus, the sample comprised 45 informants. Data collection was conducted using primary data through the distribution of questionnaires to the selected samples (Hardani, Ustiawaty, 2017). The study utilized a Likert scale to measure responses, indicating agreement or disagreement with statements related to the beliefs or behavior of a specific subject. The analytical technique applied was Path Analysis using SmartPLS software version 3.3 and IBM SPSS version 25, which included outer model measurements, mediation tests, and inner model assessments.

### 3. RESULTS AND DISCUSSION

#### 3.1. Results

##### Data Instrument Test

Important requirements that must be met in the validity of data instruments are that they must be valid and reliable. Arikunto explains that a good data instrument is an instrument that meets important requirements, namely that it is valid and reliable (Arikunto, 2016). State whether this data instrument is good or not, it is necessary conducting validity and reliability testing.

##### 1. Validity Test

Validity using product moment correlation. A tool is considered valid if its total score is  $\geq 0.3$ . Validation in this study used IBM SPSS 25 software with the results stated in table 1 below showing that all items used have a correlation coefficient number  $\geq 0.3$ . So that sem2 items are declared valid.

**Table 1.** Validity Test Results

Variables	Indicator	Item	Correlation	P-Value	Information
Public Service Management Policy	Charismatic / Idealized	X1.1	,593	0,000	Valid
		X1.2	,766	0,000	Valid
	Influenced	X1.3	,695	0,000	Valid
		X1.4	,714	0,000	Valid
	Inspiration / Inspirational	X1.5	,636	0,000	Valid
		X1.6	,711	0,000	Valid
	Stimulation	X1.7	,845	0,000	Valid
		X1.8	,471	0,000	Valid
	Intellectual / Intellectual Stimulation	X1.9	,757	0,000	Valid
		X1.10	,502	0,000	Valid
	Individually / Individual Consideration	X1.11	,553	0,000	Valid
		X1.12	,598	0,000	Valid
Culture Organization	Habits	X2.1	,568	0,000	Valid
		X2.2	,654	0,000	Valid
		X2.3	,718	0,000	Valid
	Regulations	X2.4	,816	0,000	Valid
		X2.5	,708	0,000	Valid
	Values	X2.6	,691	0,000	Valid
		X2.7	,761	0,000	Valid
Quality of Service	Quality of physical services	Z1	,637	0,000	Valid
		Z2	,568	0,000	Valid
		Z3	,513	0,000	Valid
		Z4	,530	0,000	Valid
	Environment work non-physical	Z5	,635	0,000	Valid
		Z6	,740	0,000	Valid
Performance	Quantity	Y1	,702	0,000	Valid
		Y2	,694	0,000	Valid
		Y3	,625	0,000	Valid
	Quality	Y4	,545	0,000	Valid
		Y5	,632	0,000	Valid
		Y6	,731	0,000	Valid

Source: Data Processed (2023)

## 2. Reliability Test

Reliability testing is conducted to assess the appropriateness of the measuring instrument utilized. For reliability testing that employs the Cronbach alpha coefficient, a value of  $\geq 0.6$  is required. In this study, reliability testing is performed using IBM SPSS software version 25, and the findings are presented in Table 2 below, indicating that all Cronbach alpha values for the variables are  $\geq 0.6$ . Therefore, all variables are considered reliable.

**Table 2.** Reliability Test Results

No	Variables	Alpha Cronbach's	Conclusion
1	Public Service Management Policy	,864	Fulfil
2	Culture a Organization	,797	Fulfil
3	Quality of Service	,832	Fulfil
4	Performance	,794	Fulfil

Source: Data Processed (2023)

## 3. Classical Assumptions Test

In this study, the compare means method was used to verify the linearity of each independent variable against the dependent variable, and the results are shown in Table 3:

**Table 3.** Results of Classical Assumption Testing

No	Variables	Goddessionation from Linearity	Conclusion
1	X1*Y	0.020 < 0.05	Fulfil
2	X2*Y	0.001 < 0.05	Fulfil
3	Z*Y	0.001 < 0.05	Fulfil

Source: Data Processed (2023)

## Structural Equation Test PLS Approach

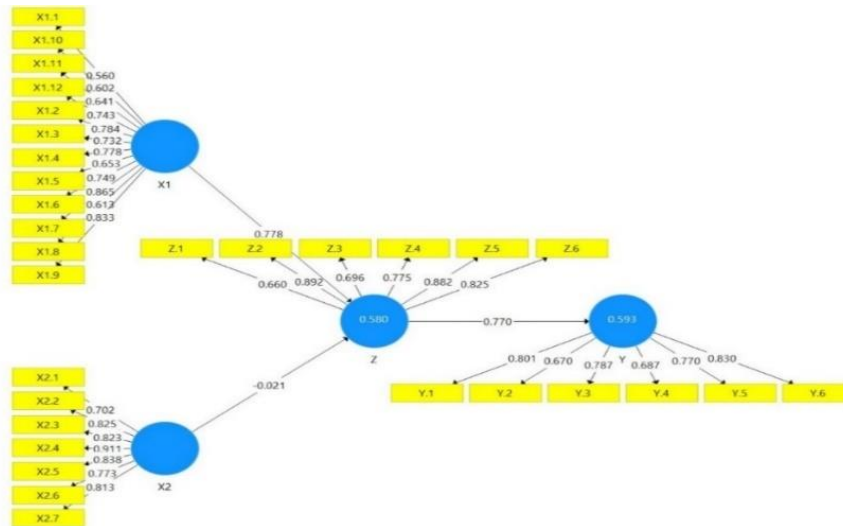
Results empirical research model data processing is as follows. The tests carried out include 1) structural model hypothesis testing (outer model), 2) mediation testing (Intervening), and 3) structural model hypothesis testing (inner model)

### 1. Loading Factor Test Results (Outer Model)

The analysis method utilizes six criteria to evaluate the outer model using SmartPLS software: and goodness of fit testing. Convergent validity is assessed by analyzing the reflective scores of the research model, focusing on the correlation between item scores and component scores, which is evaluated through SmartPLS. software. For reflective indicators, a measured composition and correlation values above 0.70 are regarded as high. However, Chin suggests that previous studies have deemed loading factor scales of 0.5 to 0.6 as adequate. In this research, we will adopt a loading factor threshold of 0.50.

#### a. Convergent validity

The following presents the outcomes of the outer model evaluation. The loading factor value reflects the significance of each indicator element as a metric for each variable. An indicator element with a high loading factor suggests that it serves as a strong (dominant) measure for the variable. In the SmartPLS software, the loading factor for reflective indicators is referred to as the outer loading, while for formative indicators, it is called the outer weight. The results of the convergent validity indicate that all indicator items across all variables exceed a value of 0.5, as illustrated in the structural diagram of the PLS model below:



**Figure 4.** Structural Diagram in PLS Model  
Source: Data Processed (2023)

For a more detailed explanation, each variable will be explained as follows:

**1) Public Service Management Policy Makers (X1)**

Public Service Management Policy variables are measured by reflective indicators. The results of the loading factor of Public Service Management Policy are as in the table below:

**Table i5.** Results of Testing Factors Forming Public Service Management Policy

No	Variables	Loading Factor	Mean	P-Value
1	X1. 1	0.702	4.094	0,000
2	X1.12	0.825	4.257	0,000
3	X1. 3	0.732	4.458	0,000
4	X1. 4	0.779	4.390	0,000
5	X1.5	0.653	4.456	0,000
6	X1.6	0.779	4.437	0,000
7	X1.7	0.865	4.390	0,000
8	X1.8	0.693	4.265	0,000
9	X1.9	0.833	4.267	0,000
10	X1.10	0.600	4.111	0,000
11	X1.11	0.645	3,718	0,000
12	X1.12	0.743	4.080	0,000

Source: Data Processed (2023)

The Public Service Management Policy variable consists of four indicators: Technology Integration in Public Services, Openness, Accountability, and Development of Apparatus Capacity. The data processing results indicate that these twelve items significantly contribute to the formation of the Public Service Management Policy, with the loading factor values for each item detailed in Table 5.

Based on the table above, it can be concluded that the three indicators significantly reflect the Public Service Management Policy variable because the value of the p-value <0.5. From the highest loading factor value (0.865) and (0.833), it is obtained that Intellectual Stimulation is the most dominant index forming the Public Service Management Policy variable. The most reflective aspect of the Public Service Management

Policy is highlighted by intellectual engagement, characterized by problem-solving, innovative thinking, and the capacity to foster creativity. The effectiveness of this policy in Public Services can be assessed through the mean values, which indicate that the Medan Police Traffic Unit possesses Idealized Influence. Additionally, transparency is crucial in evaluating the quality of the Public Service Management Policy, as evidenced by the mean value reflecting Inspirational Motivation within the Medan Police Traffic Unit. Furthermore, accountability plays a key role in determining the feasibility of the Public Service Management Policy, which is indicated by the mean value that demonstrates the capacity development of personnel within the Medan Police Traffic Unit.

## 2) Factor in Forming Organizational Culture

Organizational culture variables are assessed through reflective indicators. The loading factors for organizational culture are presented in the table below:

**Table 6.** Results of Testing Factors Forming Organizational Culture

No	Variables	Loading Factor	Mean	P-Value
1	X2. 1	0.702	4.28 9	0,000
2	X2. 2	0.82 5	3.811	0,000
3	X2. 3	0.82 3	4,40 0	0,000
4	X2. 4	0.921	3,820	0,000
5	X2. 5	0.8 18	4.232	0,000
6	X2. 6	0.723	4,100	0,000
7	X2. 7	0.871	4.220	0,000

Source: Data Processed (2023)

The variable of organizational culture is comprised of three indicators: the habit indicator, which has three items; the regulation indicator, which contains two items; and the values indicator, which includes two items. Data processing results show that all seven indicator items are crucial in shaping organizational culture, with the loading factor values for each item detailed in Table 6. This table reveals that three of the indicators significantly represent the organizational culture variable, as their p-values are below 0.5.

The regulation indicator demonstrates the highest loading factor values of 0.911 and 0.838, indicating that it is the most influential factor in shaping the organizational culture variable. This dominance reflects the organizational culture marked by order and comfort provided by the Medan Police Traffic Unit. The influence of the habit indicator on organizational culture is determined by its mean value, which indicates its presence within the Medan Police Traffic Unit. Similarly, the values indicator's impact on organizational culture can also be assessed through its mean value, confirming its ownership by the Medan Police Traffic Unit.

## 3) Service Quality Formation Actor (Z)

The variables of Service Quality are assessed through reflective indicators. The table below displays the loading factors for Service Quality:

**Table 7.** Testing Results of Factors Forming Service Quality

No	Variables	Loading Factor	Mean	P-Value
1	Z.1	0.80 1	4.20 0	0,000
2	Z.2	0.680	4.323	0,000
3	Z.3	0.717	3,741	0,000
4	Z.4	0.637	4.220	0,000
5	Z.5	0.770	4.348	0,000
6	Z.6	0.83 0	4.234	0,000

Source: Data Processed (2023)

The Quality of Service is determined by two indicators: physical Service Quality and non-physical Service Quality. Each of these indicators includes three items. Data analysis reveals that all six items significantly impact Service Quality, with their loading factors presented in Table 7. The highest loading factor values (0.687), (0.770) and (0.830) showed that the non-physical work environment is the most dominant indicator in forming organizational culture variables. This is that the most dominant reflects the Quality of Service indicated by the non-physical Quality of Service marked by the good working relationship between subordinates and superiors, relationships with fellow co-workers and working relationships with the Medan Police Traffic Unit to workers. The physical Service Quality Indicator assesses whether the quality of service is adequate. This is evident from the mean value, which indicates that the physical Service Quality aspects, such as facilities and infrastructure, environmental conditions, and security, have been effectively implemented by the Medan Police Traffic Unit.

#### 4) Work Performance Shaping Actor

Work performance variables are assessed using reflective indicators. The loading factors for work performance can be observed in the table below:

**Table 8.** Results of Testing Factors Forming Work Performance

No	Variables	Loading factor	Mean	P-Value
1	Y.1	0.66 0	4.121	0,000
2	Y.2	0.872	4.034	0,000
3	Y.3	0.695	4.177	0,000
4	Y.4	0.77 5	4.232	0,000
5	Y.5	0.8 82	3,869	0,000
6	Y.6	0.82 5	4.042	0,000

Source: Data Processed (2023)

Work performance variables are comprised of three indicators: quantity, quality, and punctuality. Each of these indicators is further divided into two specific items. Data analysis reveals that these six items significantly influence work performance, with their loading factor values detailed in Table 8. Among them, punctuality emerges as the most influential indicator, with loading factor values of 0.882 and 0.825, indicating its strong correlation with work performance. This suggests that punctuality—evidenced by adherence to work schedules and timely completion of tasks—is particularly well executed by the Medan Police Traffic Unit for its members.

The quantity indicators also play a role in determining work performance, as indicated by mean values reflecting that standards of work and workloads are appropriately managed by the Medan Police Traffic Unit. Similarly, the quality indicators influence work performance as well, with mean values indicating that aspects such as accuracy and neatness are effectively upheld by the unit's personnel.

#### a. Discriminant Validity

**Table 9.** Results of Discriminant Validity Values (Cross Loading)

	X1	X2	Y	Z
X1.1	0.660	0.801	0.872	0.702
X1.2	0.872	0.680	0.695	0.825
X1.3	0.695	0.717	0.775	0.823
X1.4	0.775	0.637	0.882	0.921
X1.5	0.882	0.770	0.825	0.818
X1.6	0.825	0.830	0.660	0.723
X1.7	0.660	0.801	0.872	0.871
X1.8	0.872	0.680	0.695	0.702
X1.9	0.695	0.717	0.775	0.825



X1.10	0.775	0.637	0.882	0.823
X1.11	0.882	0.770	0.825	0.921
X1.12	0.825	0.830	0.801	0.818
X2.1	0.801	0.702	0.680	0.723
X2.2	0.680	0.825	0.717	0.871
X2.3	0.717	0.823	0.872	0.702
X2.4	0.637	0.921	0.695	0.825
X2.5	0.770	0.818	0.775	0.823
X2.6	0.830	0.723	0.882	0.921
X2.7	0.801	0.871	0.825	0.818
Y.1	0.680	0.702	0.660	0.708
Y.2	0.717	0.825	0.872	0.368
Y.3	0.637	0.823	0.695	0.498
Y.4	0.770	0.921	0.775	0.429
Y.5	0.830	0.818	0.882	0.612
Y.6	0.801	0.723	0.825	0.742
Z.1	0.680	0.871	0.801	0.360
Z.2	0.717	0.702	0.680	0.492
Z.3	0.637	0.825	0.717	0.796
Z.4	0.770	0.823	0.872	0.475
Z.5	0.830	0.921	0.695	0.682
Z.6	0.801	0.818	0.723	0.885

Source: Data Processed (2023)

From the data shown in the table above, it can be concluded that the loading factor values for each item representing the latent variable indicators exceed those of the indicator items for other variables. This suggests that each latent variable exhibits strong Discriminant Validity, thereby confirming that Discriminant Validity has been successfully established in this study.

#### b. Evaluate Average Variance Extracted (AVE)

The validity and reliability assessment criteria can be established by analyzing the reliability score of a construct and the Average Variance Extracted (AVE) for each construct. A construct is deemed reliable if its AVE value is greater than 0.5. The AVE values for all constructs are presented in Table 10 as follows:

**Table 10.** Result of Average Variance Extracted (AVE) Value

	Average Variance Extracted (AVE)
X1	0.517
X2	0.663
Z	0.619
Y	0.558

Source: Data Processed (2023)

Based on the table above, we can conclude that all constructs demonstrate reliability, as evidenced by the AVE values being greater than the recommended threshold of 0.50.

#### c. Composite Reliability Value Evaluation

The next test to test the reliability value is by using the value of Composite Reliability. The construct can be said to be reliable if the value is > 0.70 as in the table 11 as follows:

**Table 11.** Composite Reliability Value Results

	Composite Reliability	Conclusion
X1	0.927	Reliable
X2	0.932	Reliable
Z	0.910	Reliable
Y	0.891	Reliable

Source: Data Processed (2023)

Based on the table above, it can be concluded that all constructs meet the Composite Reliability requirements, as evidenced by Composite Reliability values exceeding 0.70, which is the suggested threshold.

**d. Structural Model (Inner Model) Test**

The inner model is utilized to analyze the connection between the constructs of significance value and the R Square of the research framework. The structural model is evaluated using R Square, in conjunction with the t-test for the dependent construct and the significance of the parameter coefficient for the structural path.

**Table 12.** R Square Value Results

No	Variables	R Square
1	Z	0.580
2	Y	0.593

Source: Data Processed (2023)

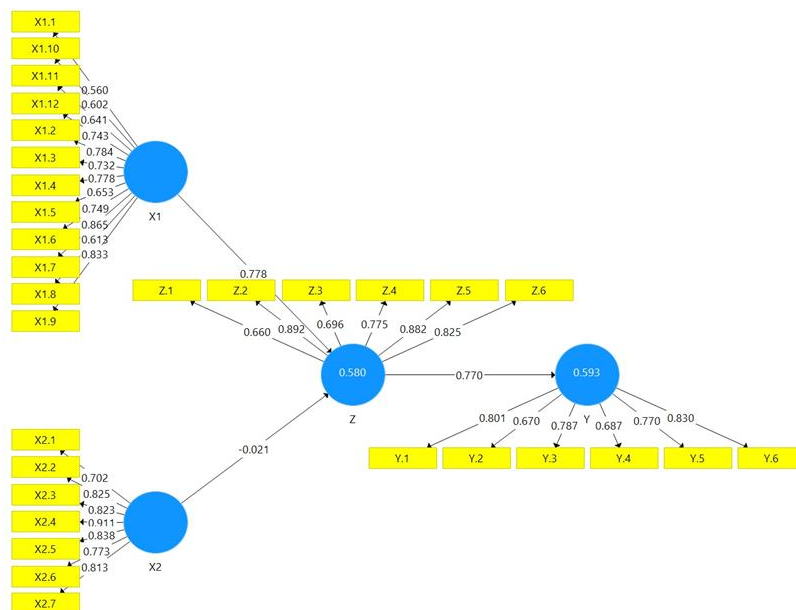
This study primarily examines two variables that are affected by other factors: Public Service Management Policy and organizational culture. According to Table 12, the R Square value for the Service Quality variable (Z) is 0.580, while the R Square value for the work performance variable (Y) is 0.593.

**e. Goodness of Fit Test**

Based on the results of the calculations, it can be concluded that the Prediction Relevance value is 0.82906, or 82.90%, indicating that this model has a relevant predictive value. This Prediction Relevance value shows that 82.90% of the data information is represented within the model, with the remaining percentage attributed to other variables. Consequently, this outcome suggests that the PLS model is well-formed, as it accounts for 82.90% of the total information.

**1. Mediation Test Results (Intervening)**

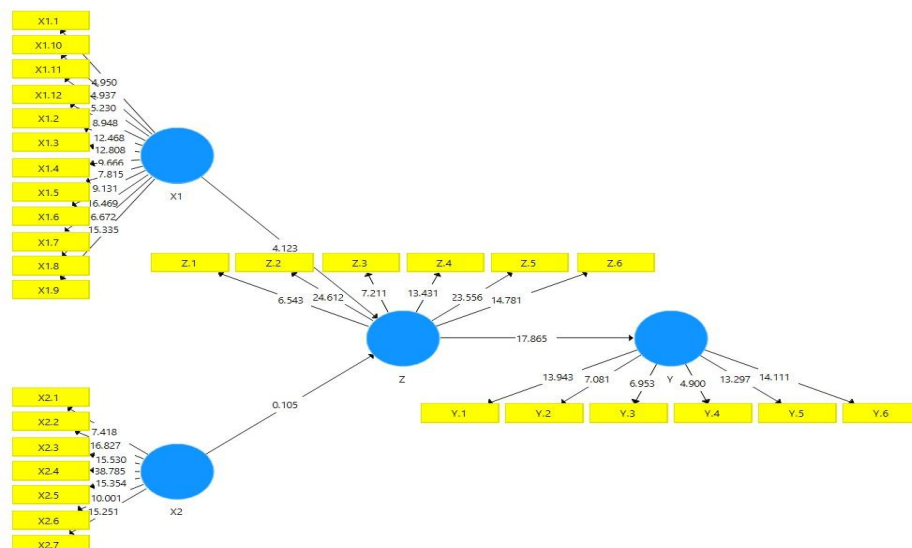
Mediation test with the coefficient value and significance approach as follows:



**Figure 2.** Results of Mediation Test with Algorithm  
Source: Data Processed (2023)

Based on the test results presented in Figure 3, the relationship between the Public Service Management Policy variable (X1) and work performance variable (Y) is indicated by a value of 0.354. In contrast, the relationship between organizational culture (X2) and work performance (Y) is represented by a value of 0.526. When the Service Quality variable is included as a mediator, the coefficient for the Public Service Management Policy variable increases to 0.778, indicating that Service Quality effectively mediates the relationship between Public Service Management Policy and work performance. Conversely, for the organizational culture variable, the inclusion of the Service Quality variable as a mediator results in a decrease in the coefficient to -0.021, suggesting that Service Quality does not mediate the relationship between organizational culture and work performance.

IntervalNext, a mediation test is carried out using the bootstrap technique with the aim of none other than to find out the difference in value between the algorithm and bootstrap techniques. Then it will be used as a basis for determining the Service Quality variable as a mediating or moderating variable.



**Figure 4.** Results of Mediation Test Using Bootstrap  
Source: Data Processed (2023)

Based on the mediation test using the algorithm and bootstrap techniques involving the Service Quality (Z) variable above, it can be concluded that the relationship between the Public Service Management Policy (X1) variable and the work performance variable (Y) has a greater value than not involving the Service Quality (Z) variable. Then the relationship between the organizational culture variable (X2) and the work performance variable (Y) has a smaller value (decreased) than not involving the Service Quality (Z) variable. So it can be used as a basis for decision making, that the Service Quality (Z) variable can be used as a mediating variable for the Public Service Management Policy (X1) on the work performance variable (Y). However, it is not recommended to use the Service Quality (Z) variable as a mediating variable for organizational culture (X2) on the work performance variable (Y).

Next, we aim to identify the nature of the relationship between the variables, whether it functions as a partial perfect mediation variable or a partial mediation variable. Therefore, the analysis results will differentiate the values obtained from the algorithm and bootstrap methods according to Solimun's theory.

The results can be used in drawing conclusions.

- a. In this study, the relationship between. This suggests a significant relationship between these two variables. Additionally, the relationship between the Public Service Management Policy variable and work performance (b) has a coefficient of 0.354 with a significance value of 0.031, also less than 0.050, implying a significant association. The relationship between Public Service Management Policy and Service Quality (c) shows a coefficient of 0.778 with a significance of 0.000, also indicating a significant relationship. Based on these findings, it can be summarized as follows: the relationship between (c) and (d) is significant, with Service Management Policy on work performance.
- b. In this research, the correlation between organizational culture and work performance (a) is represented by a coefficient of -0.016 and a significance level of 0.923, which exceeds 0.050. This suggests there is no significant correlation between these two variables. Conversely, the correlation between organizational culture and work performance (b) yields a also above 0.050, suggesting an insignificant relationship. Therefore, it can be concluded that the relationship between (c) and (d) is not significant, and given that (a) is also insignificant, service quality does not serve as a mediating variable in the impact of organizational culture on work performance.

## 2. Hypothesis Testing Results (Inner Model)

In this study, the importance of the parameterized parameters concerning the relationship between variables is reflected in the values presented in the output results for the inner weight, which details the estimation of the structural measurement model found in Table 13, as follows:

**Table 13.** Inner Weight Value Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
X1 -> Y	0.589	0.606	0.159	3,772	0,000
X1 > Z	0.788	0.763	0.196	3,943	0,000
X2 -> Y	-0.096	0.002	0.156	0.077	0.923
X2 -> Z	-0.021	0.011	0.219	0.110	0.920
Z -> Y	0.710	0.714	0.031	18,739	0,000

Source: Data Processed (2023)

### 3.2. Discussion

In statistical testing of each hypothesized relationship is done using simulation. The technique used is using bootstrapping analysis on the sample.

#### H1: The Influence of Public Service Management Policy on Service Quality

The results of the first hypothesis test indicate a positive relationship between the Public Service Management Policy variable (X1) and Service Quality (Z), with a path coefficient of 0.778 and a p-value of 0.000, which is less than 0.05. This suggests that as the level of Public Service Management Policy increases, so does the level of Service Quality. Thus, this finding confirms the first hypothesis, indicating that Public Service Management Policy has a significant positive impact on Service Quality. Hypothesis 1 is therefore accepted.

This aligns with the view of Syah et al. (2021), who state that public sector service management encompasses all activities managed by the government, either directly by government agencies or indirectly through other legally authorized entities, to provide services to the community. The core principle of public service management is comparable to that of private sector service management, as both strive to deliver high-quality services to maximize user satisfaction. Public service management involves planning, implementing, directing, and coordinating public service activities to meet set objectives. Effective public

service management enhances service quality, whereas poor service quality can erode public trust in the government (Management et al., 2024). These studies support the notion that management policies significantly affect the quality of services delivered by employees to customers.

## **H2: The Influence of Organizational Culture on Service Quality**

Which is greater than 0.50. This suggests that as organizational culture increases, the level of service quality decreases. Consequently, these findings show that organizational culture has an insignificant negative relationship with service quality, which contradicts the first hypothesis regarding the impact of organizational culture on service quality. Therefore, Hypothesis 2 is rejected.

According to Judge (2016), culture represents norms created and developed by a specific group to address issues and adapt to internal and external environments. In practice, cultural values based on Islamic teachings are expected to align with organizational values as a priority. However, in reality, these cultural values often adapt to management practices, with an emphasis on assessment and organizational outcomes. In Islamic values, however, organizational outcomes are submitted to Allah SWT, ensuring that Islamic organizational culture minimizes opportunities for errors.

This finding aligns with prior studies, such as those by Karnila Ali (2018), titled These studies suggest that organizational culture can evolve and be influenced by management practices and established policies, thereby indicating that organizational culture does not have a strong impact on service quality.

## **H3: The Influence of Service Quality on Work Performance**

Strong human resource performance is essential for an organization's sustainability. For rapid organizational growth, it is critical to have human resources capable of demonstrating strong performance. High employee performance not only fosters loyalty and motivation but also enhances job satisfaction, which in turn can lead to greater productivity and overall performance (Manali, 2020).

This finding is also consistent with prior research, such as that by Syah et al. (2021) in "The Influence of Service Management on Employee Performance at the Enrekang Regency Council Secretariat Office" and by Djuremi & Leonardo BH (2016) in "The Influence of, Organizational Culture, and Leadership on Employee Performance at the Semarang City Market Service." Both studies found that service quality directly impacts organizational performance.

## **H4: The Influence of Public Service Management Policy on Performance Work Through Quality Service**

According to the mediation test conducted, it was found that Service Quality partially mediates (partial mediation) the relationship between Public Service Management Policy and Work Performance. This is demonstrated by the significant impact of Public Service Management Policy on Work Performance ( $p = 0.000 < 0.50$ ) and Service Quality on Work Performance ( $p = 0.000 < 0.50$ ), thus supporting Hypothesis 4.

Syah et al. (2021) define public sector service management as the comprehensive range of service management activities performed by the government, operationalized by government agencies or legal entities under governmental authority, covering both direct services to the community and indirect services through specific policies. The public service management concept is essentially aligned with the service management approach in the private sector. High-quality service can also enhance public satisfaction and trust in government agencies, positively impacting employee performance by boosting motivation and recognition. Previous research indicates that management policies significantly affect the quality of service delivered by employees, thereby impacting work performance through service quality.

#### **H5: The Influence of Organizational Culture on Work Performance Through Quality of Service**

Based on the mediation test conducted, it is evident that Service Quality does not mediate the effect of Organizational Culture on Work Performance. This is shown by the significance level of organizational culture on work performance, which is 0.923 (not significant, as it is  $> 0.50$ ), while the significance of Service Quality on work performance is 0.000 (significant, as it is  $< 0.50$ ). Therefore, Hypothesis 5 is rejected.

According to Judge (2016), culture is a set of norms created and developed by a specific group to address problems and facilitate internal adaptation and integration. In principle, organizational values should ideally be rooted in cultural values that align with Islamic teachings and are prioritized. However, in practice, current cultural values are adapted to management practices, emphasizing evaluation and organizational work outcomes. Within Islamic values, organizational achievements are ultimately entrusted to Allah SWT, leaving no room for errors within Islamic organizational culture.

#### **4. CONCLUSION**

Field findings reveal the following: (1) Public Service Management Policy has a significant positive effect on Service Quality; (2) Organizational Culture has a negative effect on Service Quality, though it is not statistically significant; (3) Service Quality positively and significantly impacts Work Performance; (4) Service Quality can mediate the impact of Public Service Management Policy on Work Performance; however, (5) Service Quality does not mediate the effect of Organizational Culture on Work Performance.

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