JURNAL SYNTAX TRANSFORMATION

Volume 5, No. 1 January, 2024
p-ISSN 2721-3854 | e-ISSN 2721-2769

THE INFLUENCE OF ORGANIZATIONAL CULTURE AND DIGITAL COMPETENCE ON EMPLOYEE PERFORMANCE MEDIATES DIGITAL TRANSFORMATION IN ENGLISH LANGUAGE EDUCATION INSTITUTIONS IN MALANG CITY

Abbadi Said Thalib, Fetty Poerwita Sary, Edi Witjara
Prodi Magister Management, Fakultas Ekonomi dan Bisnis, Telkom University
Email: abe.auto2000@gmail.com, fettyps@telkomuniversity.ac.id,
ewitjara@staff.telkomuniversity.ac.id

ABSTRACT
From the existing phenomenon, with so many course institutions in Malang and in order to continue to exist as the choice of English course seekers in Malang, it is necessary for all institutions to have good service performance for consumers. Likewise for teachers at the English course institution. A teacher also has demands on their performance in improving learning activities along with the times, including today, when technological advances are increasingly utilized by society as a whole. From the explanation of the phenomenon, it directly explains if there is an influence of culture and competence on the performance of a person, including educators or in an educational institution through digital transformation that occurs. In an institution or organization certainly has a culture that is formed and also the competence skills of organizational members that affect their performance as members of educators. In this era of digital transformation, educators are highly required to be able to adapt to the influence of digital technology developments that affect their performance in providing material. The purpose of research can be exploratory or descriptive or causal, these three properties of study depend on the stage at which knowledge of the topic under study increases. In this study, researchers used causal studies where one variable caused the other variable to change or not. In causal studies it is used to explain one or more factors that cause problems (Sekaran &; Bougie, 2017). The characteristics of respondents in this study were based on age, gender, and length of work. The characteristics of these respondents were identified based on questionnaires collected, namely in accordance with the sample in this study, namely 113 in English Language Education Institutions in Malang City, including *English First* (EF), *Intensive English Course* (IEC), Mayantara School and *Malang International School* (MIS).
Keyword: Organizational, Transformation, Digital Competence

INTRODUCTION
EF is one of the few English language courses with experience and potential teachers. EF's programs cover children, adolescents and adults. The age of these children is divided into 2 classes. Age 3-6 (EF *Small Stars*) and age 7-9 (*EF High Flyers*). *English First* is an English course institution that has a modern learning system using the latest technology called the *Efekta System* (Volobueva, 2020).

Intensive English Course-IEC is also a place for English courses in Malang. The institute has been dabbling in English language education since 1968. IEC focuses on preparing course participants to be able to communicate using English, for the benefit of lectures, conferences, socialization and even business. IEC has a variety of programs according to age and ability. First, *English for children* is a learning program for kindergarten, elementary and junior high school children. Second, *General English for communication* is a learning program for high school and adult students with four levels (Azizi & Farid Khafaga, 2023).

Malang International School or abbreviated as MIS has been known by many people as a trusted and quality English and Japanese language course institution in Malang. This institution provides regular and private classes that can be chosen according to financial capabilities and needs. While *Mayantara School* is one of the English language course institutions in Malang that uses *natives* as its teachers. This institution is quite popular among Malang students. *Mayantara School* provides *private classes*, meaning 1 teacher holds 1 student and regular classes. This regular class is limited to a maximum of only 5 participants per session, this is done so that learning efficiency can be optimal. This institution is oriented to meet the needs of the community so that the packages and curricula applied also adjust to the needs of course participants consisting of various levels, ranging from student packages to employee packages (Langton et al., 2023).

From the existing phenomenon, with so many course institutions in Malang and in order to continue to exist as the choice of English course seekers in Malang, it is necessary for all institutions to have good service performance for consumers (Purwanto & Nurhamidah, 2021). Likewise for teachers at the English course institution. A teacher also has demands on their performance in improving learning activities along with the times, including today, when technological advances are increasingly utilized by society as a whole. From the explanation of the phenomenon, it directly explains if there is an influence of culture and competence on the performance of a person, including educators or in an educational institution through digital transformation that occurs. In an institution or organization certainly has a culture that is formed and also the competence skills of organizational members that affect their performance as members of educators. In this era of digital transformation, educators are highly required to be able to adapt to the influence of digital technology developments that affect their performance in providing material.

The results can show the use of digital media and ICT for the last 4 years during 2019 – 2023 in English language course institutions in Malang City which include English *First (*EF), *Intensive English Course* (EIC), *Mayantara School* and *Malang International School* (MIC). The table above shows the use of digital media and ICT by course institutions as a form of digital technology development that they apply to marketing systems, administration, teaching media and customer relationship management. The survey results show that of the four English language course institutions, institutions that have adjusted the use of digital media and ICT well in their overall system over the last 4 years are English *First* (EF) institutions where EF institutions show a higher percentage compared to the other three institutions still have not implemented the use of digital media and ICT optimally for the last 4 years, including *Intensive English Course* (IEC), *Mayantara* School and *Malang International School* (MIS) which can only develop adjustments to the use of digital media and ICT in marketing, administration and teaching media systems.

Performance is a measure of how an employee performs or completes their tasks well or not (Groen et al., 2017). Performance can be interpreted as what is required for an organization or institution to realize its goals. Employees create something that is said to be performance based on the work they do. Performance is said to be the result of the compilation of a job that has been

done by an employee within a predetermined period of time with a number of different options, such as standards, targets / targets, or criteria that have been set or agreed before (Febriyana & Sary, 2015). Performance can also be viewed as the result of work that can be done by a person or group of people in an organization in accordance with their roles or responsibilities, so that organizational goals can be achieved legally, without violating the law and in accordance with norms and ethics (Nurcahya & Sary, 2018). Performance can also be considered as work outcomes that can be achieved by people or groups of people in an organization (Muis et al., 2018). The performance of a person or group is an indication of success or failure in carrying out the real tasks assigned to him by an organization. Performance can be measured quantitatively or qualitatively. Performance in certain functions is inseparable from other factors, but is related to the performance of the company or the environment in which it operates. The performance of a function cannot be considered in isolation. Performance can also be understood if a person or group of employees already has standards or achievement criteria set by the organization. Therefore, it is difficult to know the performance of individuals or groups if there is no benchmark of success or there are no goals or objectives specified in the measurement (Jufrizen, 2018). Based on what is known, the definition of "employee performance" can be summed up as the amount of work performed by a person or group of people while carrying out their work in accordance with what the organization wants or orders (Febriyana &; Sary, 2015).

The condition of the performance of English language course institutions in Malang City can be known through marketing performance, teaching staff performance and operational performance that has been obtained by researchers through surveys.

Problem Formulation

Research problems that can be formulated based on the research phenomena described in this study are as shown as follows

- What is the descriptive description of organizational culture, Digital Competence, digital transformation and employee performance at English Language Education Institutions?
- How much does organizational culture affect employee performance?
- How much does Digital Competency affect employee performance?
- How much does digital transformation affect employee performance?
- How much does organizational culture affect digital transformation?
- How much does Digital Competence affect digital transformation?
- How much does organizational culture and digital competence influence digital-mediated employee performance?

Research Objectives

Based on the formulation and research questions, it can be known the purpose of the research as shown below:

- To find out a descriptive picture of organizational culture, Digital Competence, digital transformation and employee performance
- To find out how much influence organizational culture has on employee performance.
- To find out how much influence Digital Competencies have on employee performance.
- To find out how much influence digital transformation has on employee performance.
- To find out how much influence organizational culture has on digital transformation.
- To find out how much influence Digital Competence has on digital transformation.
- To find out how much influence organizational culture and digital competence have on employee performance mediated by digital transformation.

Research Benefits

It is expected that this research will produce various benefits, which are outlined in the order below:

Practical Benefits

Practically, it is expected that this research will later bring benefits in the form of further insights that will help a company in improving the performance of its employees related to organizational culture, digital competency skills, and digital transformation.

For students, the results of this research are expected to foster interest in independent learning and encourage students to be more motivated in learning English.

Theoretical Benefits

Theoretically, it is expected that this research will later be useful for future research that carries out similar research in order to analyze employee performance in a company.

For students, this research is expected to be a study or reference material for students who conduct further research related to improving employee performance.

RESEARCH METHODS

Types of Research

This type of research is a plan for the collection, measurement and analysis of data based on the researcher's questions from the study. According to (Sekaran & Bougie, 2017b)) suggests that there are several parts to the type of research, including research objectives, research methods, research strategies, research analysis units, research involvement, research background and time of research implementation.

The purpose of research can be exploratory or descriptive or causal, these three properties of study depend on the stage at which knowledge of the topic under study increases. In this study, researchers used causal studies where one variable caused the other variable to change or not. In causal studies it is used to explain one or more factors that cause problems (Sekaran & Bougie, 2017a).

The approach in this study is a quantitative approach, because the study is presented with numbers. This is in accordance with Arikunto's opinion, (2017) which suggests quantitative research is a research approach that is widely demanded using numbers, starting from data collection, interpretation of the data, and the appearance of the results. In this study data was collected using a questionnaire, from the results of the questionnaire were analyzed to determine the influence of each variable calculated using SEM PLS analysis.

The strategy applied in this study uses a survey strategy, where surveys as a method to obtain data from certain natural places (not artificial), where researchers carry out treatment in data collection, for example by circulating questionnaires, tests, and so on (Sugiyono, 2020). The survey system includes creating goals for data collection, designing studies, preparing reliable and valid survey instruments. The questions in surveys are usually made for questionnaires where respondents complete the questions themselves, either on paper or through a computer.

The unit of analysis is a certain unit that is taken into account as the subject of research (Saputro & Arikunto, 2018). The unit of analysis in this study is employees at the English Language Education Institute in Malang City. Data collection is carried out individually by researchers directly and naturally where phenomena or events normally occur or *non-contrived*.

Sekaran and Bougie (2017) data collection carried out only once (period of days, weeks, months) in order to answer research questions is referred to as *a one-shot* or *cross-sectional* study. In this study, it used a *cross-sectional time dimension*, whereby questionnaires were distributed and returned over a period of several days. This study aims to see the results of employee

performance at English Language Education Institutions which are associated with their relationship to organizational culture, digital competence and digital transformation.

Data Collection

Data collection techniques in this study used surveys with data collection tools, namely questionnaires or questionnaires. Questionnaire is one of the tools that can be used for research that uses a quantitative approach with survey methods (Hadi & Dwijananti, 2015).

The type of questionnaire method that the author uses is a closed questionnaire. A closed questionnaire is a questionnaire that is presented in such a way that respondents are asked to choose one answer that matches their opinion by giving a cross (X) or (V) This method is used to obtain data on each variable to determine the influence.

The data collection technique using questionnaires or questionnaires used in this study is scale. According to Azwar, (2012) scale is a procedure for taking data on an effective measuring instrument which is a construct or psychological measurement tool that describes aspects of individual personality. The measurement scale used in this study is the Likert scale. According to (Sugiyono, 2020), the Likert scale is used to measure the attitudes, opinions and perceptions of a person or group of people regarding social phenomena. The measured variables are broken down into variable indicators. The indicator is used as a starting point for compiling instrument items that can be questions or questions.

RESULTS AND DISCUSSION

The characteristics of respondents in this study were based on age, gender, and length of work. The characteristics of these respondents were identified based on questionnaires collected, namely in accordance with the sample in this study, namely 113 in English Language Education Institutions in Malang City, including *English First* (EF), *Intensive English Course* (IEC), Mayantara School and *Malang International School* (MIS). The results of descriptive statistical analysis for respondent characteristics are presented as follows:

Description of respondents by age

The first characteristic of the respondents analyzed is the comparison of the number of respondents based on age in employees of English Language Education Institutions in Malang City in full can be seen below.

From 113 respondents, it can be concluded that some employees of English Language Education Institutions in Malang City are employees aged 20-25 years as much as 43.4% of the total research respondents while the rest are employees aged 26-30 years as much as 32.7%, aged 31-35 years as much as 15.0% and > 35 years old as much as 8.8%. So it can be concluded that the research respondents were dominated by employees of English Language Education Institutions in Malang City with the age of 20-25 years as much as 43.4%.

Description of respondents by gender

The second characteristic of the respondents analyzed is the comparison of the number of respondents by gender at English Language Education Institutions in Malang City in full can be seen in Table 4.2 below:

Table 1 . Characteristics by Gender

No	Gender	Sum	Percentage
1	Woman	69	61.1%
2	Male	44	38.9%
	Total	113	100.0%

Source: Primary Data processed (2023)

Based on table 4.2 of 113 respondents, it can be concluded that most employees of English Language Education Institutions in Malang City are employees with female gender, which is 61.1% of the total research respondents while the remaining 38.9% of research respondents are respondents with male gender. So it can be concluded that the respondents of the study were dominated by employees of English Language Education Institutions in Malang City who were female, which was 61.1%

Description of respondents based on length of work

The third characteristic of the respondents analyzed is the comparison of the number of respondents based on the length of work of employees of English Language Education Institutions in Malang in full can be seen in Table 4.3 below:

Table 2 Description of respondents based on length of work

No	Length of Work	Sum	Percentage
1	< 1 Year	18	15.9%
2	1 - 3 Years	47	41.6%
3	4 - 6 Years	37	32.7%
4	> 6 Years	11	9.7%
	Total	113	100.0%

Source: Primary Data processed (2023)

Based on table 4.3 above, it can be seen that the majority of respondents were dominated by respondents with a working period of 1 – 3 years, which amounted to 41.6% of the total research respondents, while the remaining 15.9% of respondents with a working period of < 1 year, there were 32.7% of respondents with a working period of 4 – 6 years and there were 9.7% of respondents with a working period of > 6 years. Based on the data on the characteristics of respondents, it can be seen that the majority of respondents are dominated by employees with a working period of 1-3 years, which is 41.6%.

Description of respondents based on recent education

The third characteristic of the respondents analyzed is the comparison of the number of respondents based on the last education of employees of English Language Education Institutions in Malang City in full can be seen in Table 4.4 below:

Table 3 Description of respondents based on recent education

No	Recent Education	Sum	Percentage
1	SMA	10	8.8%
2	Diploma	39	34.5%
3	S1	46	40.7%
4	S2	18	15.9%
	Total	113	100.0%

Source: Primary Data processed (2023)

Based on table 4.4 above, it can be seen that the majority of respondents were dominated by respondents with the last S1 education, which amounted to 40.7% of the total research respondents,

while the remaining 34.5% of respondents with the last education was Diploma, there were 15.9% respondents with the last education S2 and there were 8.8% respondents with the last education of high school. Based on the data on the characteristics of respondents, it can be seen that the majority of respondents are dominated by employees with the last S1 education, which is 40.7%.

Descriptive Analysis

Descriptive analysis was obtained from the results of tabulations of research questionnaires distributed to 113 respondents who were willing to become research respondents. To determine the ranking in each research variable, it can be seen from the comparison between the actual score and the ideal score. To get the tendency of respondents' answers will be based on the average score of the answers which will then be categorized in the following score range:

Minimum score= 1, and Maximum score= 5

$$\text{Lebar Skala} = \frac{5-1}{5} = 0.8$$

Table 4 Scale Categories

Scale	Category
1.00 - 1.80	Very Low/Weak/Bad
1.81- 2.60	Low/Weak/Bad
2.61- 3.40	Keep
3.41- 4.20	High/Strong/Good
4.21- 5.00	Very High/Strong/Good

Source: Sugiyono (2020)

Descriptive Organizational Culture Variables (X1)

Descriptive analysis of research variables is the result of tabulating data obtained from questionnaires that have been distributed to 113 employees of English Language Education Institutions in Malang City who are willing to become research respondents. The results of descriptive analysis for Organizational Culture variables can be seen in the following table:

It is known that the average value obtained by the Organizational Culture variable is 4.26 or included in the very strong category. Then the average value that has been obtained can be presented into a continuum line that refers to categorization guidelines, it will appear as follows:

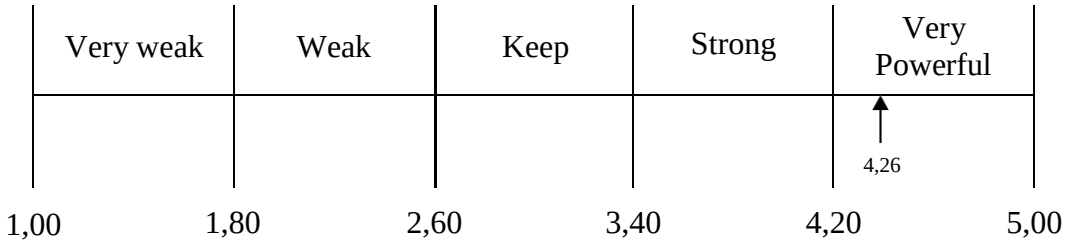

Figure 1 Continuum of Organizational Culture Variables (X1)

Based on the continuum line image above, it can be explained that the average value of answers obtained from respondents of 4.26 is included in the category of "Very Strong" because the value is in the interval between "4.20 – 5.00". These results show that the indicators on the Organizational Culture variable are very strong.

The Organizational Culture variable has the lowest average value on the BO.13 indicator with an average value of 4.07 which states that colleagues in institutions always try to help each

other at work, this is the lowest because based on the answers of research respondents and observations of research that has been conducted previously shows that employees in institutions still lack self-awareness to encourage cooperation between colleagues. In overcoming this, it can be done by initiating active communication between employees, increasing interaction between employees by exchanging ideas and sharing information.

The highest average score on the BO.14 indicator with an average value of 4.41 states that colleagues in the institution always try to provide a sense of comfort at work, this is the highest because employees in the institution have a friendly work environment, open communication, and appreciation and recognition by fellow colleagues.

Descriptive Digital Competency Variable (X2)

Descriptive analysis of research variables is the result of tabulating data obtained from questionnaires that have been distributed to 113 employees of English Language Education Institutions in Malang City who are willing to become research respondents.

It is known that the average value obtained by the Digital Competency variable is 4.25 or included in the very good category. Then the average value that has been obtained can be presented into a continuum line that refers to categorization guidelines, it will appear as follows:

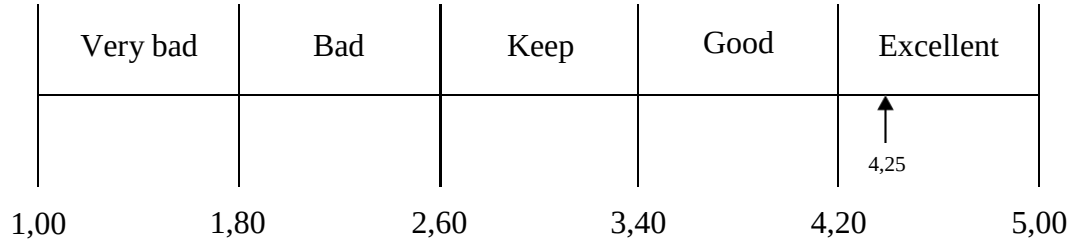

Figure 2 Digital Competency Variable Continuum (X2)

Based on the continuum line drawing above, it can be explained that the average score of answers obtained from respondents of 4.25 is included in the "Very Good" category because the value is in the interval between "4.20 – 5.00". These results show that the indicators on the Digital Competency variable are very good.

The Digital Competency variable has the lowest average value on the KKD.12 indicator with an average value of 4.10 which states that I ensure that appropriately, the information and material provided during the course is the right material and in accordance with the needs of the side, this is the lowest because employees at the institution have not carried out regular reviews and updates to ensure that the material taught remains relevant. In overcoming this low level, it is necessary to approach the needs and expectations of course students in advance and ensure the relevance and suitability of the material provided with the student's ability level.

The highest average score on the KKD.8 indicator with an average value of 4.38 stated that I utilize various digital platforms, websites, e-books and online courses to support the learning process provided by the institution, this is the highest because employees in the institution can actively utilize various digital learning resources, employees in the institution actively seek and utilize various technologies such as platforms and websites to support learning required.

Descriptive Digital Transformation Variables (Z)

Descriptive analysis of research variables is the result of tabulating data obtained from questionnaires that have been distributed to 113 employees of English Language Education Institutions in Malang City who are willing to become research respondents.

It can be seen that the average value obtained by the Digital Transformation variable is 4.17 or included in the good category. Then the average value that has been obtained can be presented into a continuum line that refers to categorization guidelines, it will appear as follows:

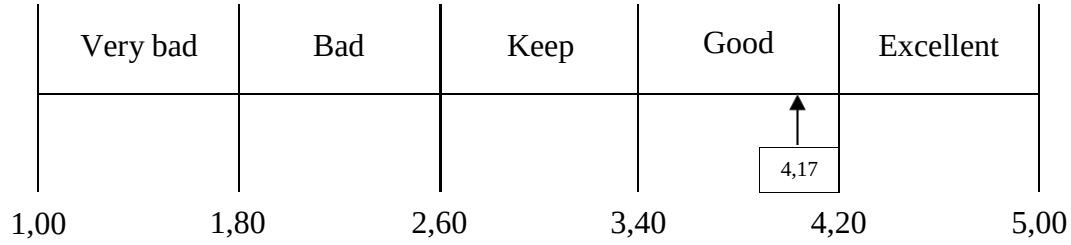

Figure 3 Digital Transformation Variable Continuum (Z)

Based on the continuum line above, it can be explained that the average score of answers obtained from respondents of 4.17 is included in the "Good" category because the value is in the interval between "3.40 – 4.20". These results show that the indicators on the Digital Transformation variable are good.

The Digital Transformation variable has the lowest average value on the TD.5 indicator with an average value of 4.03 which states that employees to the public can more easily access general information related to course information provided by the institution, this is the lowest because the public may not be fully aware or well trained in using digital tools that have been provided by the institution, This can be a problem if they don't know how to access the available information. In overcoming this, course institutions need to improve the accessibility of information held by course-related institutions, fees, schedules and requirements clearly on websites, social media and institutional platforms that can be easily accessed by the wider public.

The highest average score on the TD.3 indicator with an average value of 4.32 states that digital transformation makes the work process and learning courses provided by the institution more quickly completed so that results are achieved on time, this is the highest because the institution may have implemented an efficient management system that utilizes digital technology to monitor and manage projects, tasks, and courses. This kind of system can help ensure that each job or course runs on time and on target.

Descriptive Employee Performance Variable (Y)

Descriptive analysis of research variables is the result of tabulating data obtained from questionnaires that have been distributed to 113 employees of English Language Education Institutions in Malang City who are willing to become research respondents. The results of the descriptive analysis for the Employee Performance variable.

It is known that the average value obtained by the Employee Performance variable is 4.07 or included in the high category. Then the average value that has been obtained can be presented into a continuum line that refers to categorization guidelines, it will appear as follows:

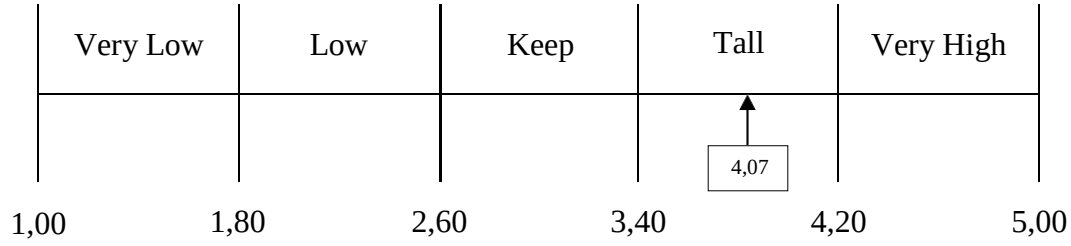

Figure 4 Continuum of Employee Performance Variables (Y)

Based on the continuum line above, it can be explained that the average value of answers obtained from respondents of 4.07 is included in the "High" category because the value is in the interval between "3.40 – 4.20". These results show that the indicators on the Employee Performance variable are high.

The Employee Performance variable has the lowest average value on the KK.8 indicator with an average value of 3.89 which states that my ability exceeds the standards set by the institution, this is the lowest because it can be caused by a mismatch between the abilities and competencies of employees with the work carried, employees may have abilities that exceed the standards, but the work they live may not be fully utilized so that the results are less Optimal. In overcoming this, institutions need to provide relevant training in developing employee skills, conducting performance evaluations and providing management feedback and support including mentoring programs and mentorship for employees.

The highest average value on the KK.4 indicator with an average value of 4.22 which states that I completed the work with a faster time than the specified target, this is the highest because employees can complete the work faster than the specified target, it reflects a high level of operational efficiency. The employee has skills and knowledge that allow him to manage time and resources well.

Employee performance research supported by research (Febriyana &; Sary, 2015) which shows the importance of employee performance. In English language course institutions employee performance can be improved by providing training and skill development, paying attention to employee welfare through aspects of health, incentives, collaboration and teamwork, open communication, performance reviews, a good work environment and appreciation for employee work achievements.

Partial Least Square analysis in this study was carried out using the help of SmartPls Software version 3.0. according to Ghozali (2016), in general, model evaluation in Partial Least Square analysis is the evaluation of model measurements (outer model) and evaluation of structural models (inner model). The measurement model (*outer model*) is used to assess the validity and reliability of the model. Validity tests are carried out to determine the ability of research instruments to measure what should be measured (Cooper and Schindler in Jogiyanto and Abdillah 2009). While the structural *model (*inner model*)* is a structural model to predict causality relationships between latent variables. Through the bootstrapping process, T-statistical test parameters are obtained to predict the presence of causality relationships. The structural model (inner model) is evaluated by looking at the percentage of variance described by the value of R2 for the dependent variable using the Stone-Geisser Q-square test measure (Stone, 1974; Geisser, 1975 in Kalnadi 2013).

In this study, hypothesis testing used the Partial Least Square (PLS) analysis technique with the smartPLS 3.0 program. The following is a model of the PLS program.

Evaluation of the Measurement Model (*Outer Model*)

The evaluation of the outer model of the research was carried out by taking into account four outer model measurement criteria, including the four criteria are *Convergent* Validity, *Discriminant Validity*, *Composite Reliability* and *Cronbach Alpha*. The model of this research can be seen in the following picture:

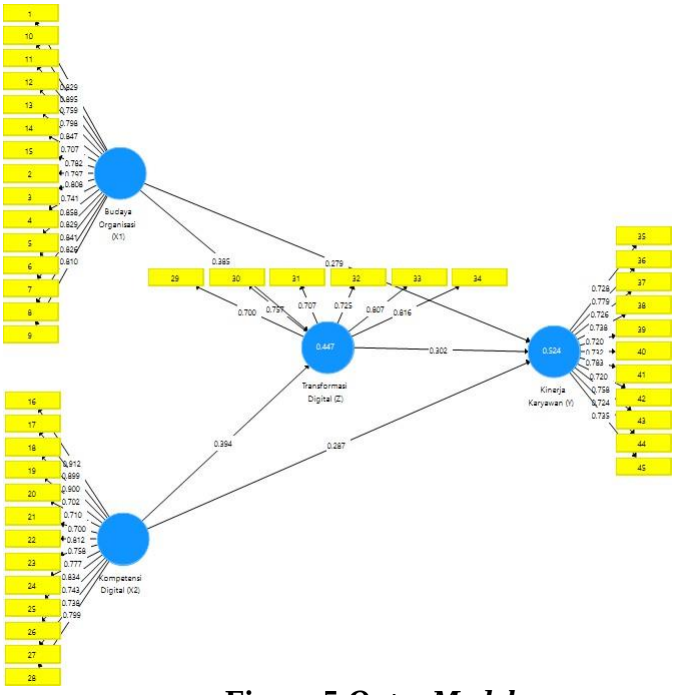

Figure 5 ***Outer Model***

Source: Primary Data Processed (2023)

Convergen Validity

In testing *convergent validity*, outer loading *or* loading factor *values are used*. An indicator is declared to meet *convergent validity* in the good category if the outer loading value > 0.7. Here are the outer loading values of each indicator on the research variables:

Based on the results of outer loading measurements on reflective indicators, it is known that most research indicators have met the criteria to be used as variable measurement indicators because they have an *outer loading value greater than 0.7 (outer loading > 0.7), so that all indicators are declared feasible or valid for use for further research analysis.*

Discriminant Validity

Discriminant Validity is used to ensure that each concept of a latent variable/construct is different from other latent variables. The best recent measurement is to look at the Heretroit-Monotrait Ratio (HTMT) value. If the HTMT value < 0.90 then a construct has good discriminant validity (Sarsted et al., 2017).

It is known that the HTMT ratio of all variables has an HTMT value smaller than 0.9 (HTMT<0.9) so it can be said that all variable constructs have good *discriminant* values .

Another method of measuring *discriminatory validity* is to look at the *square root of average variance extracted* (AVE) value. The recommended value is above 0.5 (Ghozali, 2015). Here are the AVE values in the resulting study in the following table:

It is known that all research variables have met the AVE standard value above 0.5 (AVE > 0.5). The Organizational Culture variable (X1) has an AVE value of 0.656, the Digital Competency variable (X2) has an AVE value of 0.631, the Digital Transformation variable (Z1) has an AVE value of 0.567 and the Employee Performance variable (Y) has an AVE value of 0.548. Based on the consideration of the AVE value owned by each variable, it can be concluded that all variables meet the *discriminant validity* value with an AVE value greater than 0.5. Thus it can be stated that each variable has good *discriminating validity*.

Composite Reliability

The next test is the *composite reliability* of the indicator block that measures the construct. A construct is said to be *reliable* if the value of *composite reliability* is above 0.70 (Ghozali, 2015). Here are the *outer model* results showing the *composite relaibilty* of each construct:

Satisfactory *composite reliability results, namely the Organizational Culture variable (X1) has a composite reliability value of 0.966, the Digital Competency variable (X2) has a composite reliability value of 0.957, the Digital Transformation variable (Z1) has a composite reliability value of 0.867 and the Employee Performance variable (Y*) has a composite reliability *value* amounted to 0.930. These results show that the *composite reliability* value of all variables is greater than 0.7, where the variables of this study can be said to have high reliability.

Cronbach Alpha

The reliability test with *composite reability* above can be strengthened by using *the Cronbach alpha* value. A variable can be declared reliable or meet cronbach alpha if it has a *cronbach alpha* value of > 0.7 (Ghozali, 2015). The following is the Cronbach alpha value of each variable:

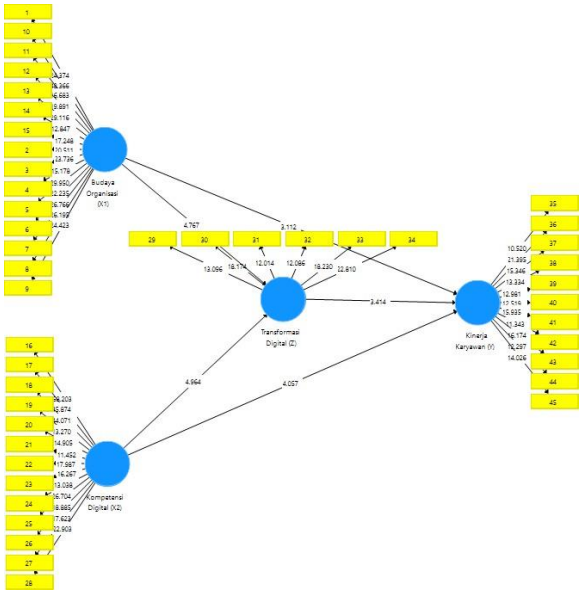

Figure 6 *Inner Model*

Source: Primary Data Processed (2023)

It is known that *the Cronbach alpha* value of each study variable > 0.7. Thus these results can show that each research variable has met the requirements of the *Cronbach alpha* value, so it can be concluded that the entire variable has a high level of reliability.

Evaluation of the Inner *Model*

***Path Coefficient* Test**

Path coefficient evaluation is used to show how strong the effect or influence of the independent variable is on the dependent variable. While coefficient determination (R-Square) is used to measure how much endogenous variables are affected by other variables. Chin said the R2 result of 0.67 and above for endogenous latent variables in structural models indicates the influence of exogenous variables (which influence) on endogenous variables (influenced) is included in the

good category. Meanwhile, if the result is 0.33 – 0.67 then it is included in the medium category, and if the result is 0.19 – 0.33 then it is included in the weak category. (Ghozali, 2014).

Based on the inner model scheme shown in figure 4.2 above, it can be explained that the largest path coefficient value is shown by the influence of Digital Competence on Digital Transformation of 4.964. Then the second largest influence is the influence of Organizational Culture on Digital Transformation by 4,767, the third largest influence is the influence of Digital Competence on Employee Performance by 4,097, the fourth largest influence is the influence of Digital Transformation on Employee Performance by 3,414 and the smallest influence is shown by the influence of Organizational Culture on Employee Performance by 3,112.

Test Coefficient of Determination (R^2)

Based on data processing that has been carried out using the smartPLS 3.0 program, the R-Square value is obtained as follows:

it is known that the R-Square value for the Digital Transformation variable is 0.447. The acquisition of this value explains that the percentage of the magnitude of Organizational Culture and Digital Competence in influencing or explaining Digital Transformation variables is 44.7%. Then for the R-Square value obtained by the Employee Performance variable of 0.524. The value explains that Employee Performance can be explained by Organizational Culture, Digital Competence and Digital Transformation by 52.4%.

Q-Square *Test*

The assessment of goodness of fit is known from the Q-Square value. The Q-Square value has the same meaning as the coefficient determination (R-Square) in regression analysis, where the higher the Q-Square, the model can be said to be better or more fit with the data. The results of calculating the Q-Square value are as follows:

Based on the calculation results, a Q-Square value of 0.420 was obtained. This shows the magnitude of diversity of research data that can be explained by the research model is 42.0%. While the remaining 58.0% is explained by other factors that are outside this research model. Thus, from these results, this research model can be declared to have a good goodness of fit.

Test f-square

The *f-square value* is used to determine the effect of the independent variable on the dependent variable. The value *of the f-square* has a number of criteria, where if the value of 0.02 is classified as a weak influence, if the value of 0.15 is a moderate influence and if the value is 0.35 is a strong influence. The value of *f-square* in this study can be known as follows:

It is known that the *f-square value on* the variable Organizational Culture on Employee Performance has a value of 0.105, which is a value above 0.02 classified as a weak influence. In the variable, Digital Competency Proficiency on Employee Performance has a value of 0.110, which is a value above 0.02 classified as a weak influence. In the variable Digital Transformation to Employee Performance has a value of 0.106, namely values above 0.02 classified as weak influences. In the variable Organizational Culture towards Digital Transformation has a value of 0.208, namely a value above 0.15 classified as a medium influence and in the variable Digital Competence on Digital Transformation has a value of 0.219, which is a value above 0.15 classified as a medium influence.

Test the hypothesis

Based on the data that has been done, the results can be used to answer the hypothesis in this study. Test the hypothesis in this study by looking at the value of T-Statistics and the value of P-Values. The research hypothesis can be declared accepted if the P-Values value < 0.05 (Hair et al., 2019).

The results of testing research hypotheses can be explained as follows:

H1 hypothesis

The results of hypothesis testing show that the influence of Organizational Culture (X1) on Employee Performance (Y) has a statistical T value of 3.112 and a P-Value of 0.002. The statistical T value greater than the table T (3.112>1.954) and the P value of 0.002 or less than the alpha standard of 5% (0.002 < 0.05) show that there is a significant influence of Organizational Culture on Employee Performance. The value of the positive path coefficient shows the influence exerted by Organizational Culture on Employee Performance is positive. So it can be concluded that there is a positive and significant influence by Organizational Culture on Employee Performance. In other words, a better Organizational Culture is able to improve Employee Performance or the first hypothesis (H1) is accepted.

H2 hypothesis

The results of hypothesis testing show that the effect of Digital Competence (X2) on Employee Performance (Y) has a statistical T value of 4,057 and a P-Value of 0,000. The statistical T value greater than the table T (4.057>1.954) and the P value of 0.000 or less than the 5% alpha standard (0.000 < 0.05) show that there is a significant influence of Digital Competence on Employee Performance. The positive path coefficient value shows the influence given by Digital Competence on Employee Performance is positive. So it can be concluded that there is a positive and significant influence by Digital Competence on Employee Performance. In other words, better Digital Competence can improve Employee Performance or the second hypothesis (H2) is accepted.

H3 hypothesis

The results of hypothesis testing show that the effect of Digital Transformation (Z) on Employee Performance (Y) has a statistical T value of 3.414 and a P-Value of 0.001. The statistical T value greater than the table T (3.414>1.954) and the P value of 0.001 or less than the alpha standard of 5% (0.001 < 0.05) show that there is a significant influence of Digital Transformation on Employee Performance. The positive path coefficient value shows the effect exerted by Digital Transformation on Employee Performance is positive. So it can be concluded that there is a positive and significant influence by Digital Transformation on Employee Performance. In other words, better Digital Transformation is able to improve Employee Performance or or the third hypothesis (H3) is accepted.

H4 hypothesis

The results of hypothesis testing show that the influence of Organizational Culture (X1) on Digital Transformation (Z) has a statistical T value of 4,767 and a P-Value of 0,000. A statistical T value smaller than the table T (4.767>1.954) and a P value of 0.000 or greater than the 5% alpha standard (0.000 < 0.05) show that there is a significant influence of Organizational Culture on Digital Transformation. The positive path coefficient value shows the influence exerted by Organizational Culture on Digital Transformation is positive. So it can be concluded that there is a positive and significant influence by Organizational Culture on Digital Transformation. In other words, a better Organizational Culture is capable of increasing Digital Transformation or Hypothesis four (H4) is accepted.

H5 hypothesis

The results of hypothesis testing show that the influence of Digital Competence (X2) on Digital Transformation (Y) has a statistical T value of 4,964 and a P-Value of 0,000. The statistical T value greater than the table T (4.964>1.954) and the P value of 0.000 or less than the 5% alpha standard (0.000 < 0.05) show that there is a significant influence of Digital Competence on Digital

Transformation. The positive path coefficient value shows the influence given by Digital Competence on Digital Transformation is positive. So it can be concluded that there is a positive and significant influence by Digital Competence on Digital Transformation. In other words, better Digital Competence is able to improve Digital Transformation or the fifth hypothesis (H5) is accepted.

H6 hypothesis

The results of hypothesis testing show that the mediating effect of Digital Transformation (Z) on Organizational Culture (X1) on Employee Performance (Y) has a statistical T value of 2,640 and a P-Value of 0.009. The statistical T value smaller than the table T (2.640>1.954) and the P value of 0.017 or greater than the alpha standard of 5% (0.009<0.05) show that there is no mediating effect of Digital Transformation on Organizational Culture on Employee Performance. The positive path coefficient value shows the effect exerted by Digital Transformation mediation on Organizational Culture on positive Employee Performance. Thus, it can be concluded that Digital Transformation can mediate Organizational Culture on Employee Performance. In other words, good Digital Transformation can support Organizational Culture to improve Employee Performance or the sixth hypothesis (H6) is accepted.

H7 hypothesis

The results of hypothesis testing show that the effect of Digital Transformation mediation (Z) on Digital Competency (X2) on Employee Performance (Y) has a statistical T value of 2.797 and a P-Value of 0.005. The statistical T value greater than the table T (2.797>1.954) and the P value of 0.000 or less than the alpha standard of 5% (0.005<0.05) show that there is a mediating effect of Digital Transformation on Digital Competence on Employee Performance. The positive path coefficient value shows the effect exerted by Digital Transformation mediation on Digital Competency on Employee Performance is positive. Thus, it can be concluded that Digital Transformation can mediate Digital Competency to Employee Performance. In other words, a good Digital Transformation can support Digital Competencies to improve Employee Performance or the seventh hypothesis (H7) is accepted.

The Influence of Organizational Culture on Employee Performance

The results of hypothesis testing show that the influence of Organizational Culture (X1) on Employee Performance (Y) has a statistical T value of 3.112 and a P-Value of 0.002. The statistical T value greater than the table T (3.112>1.954) and the P value of 0.002 or less than the alpha standard of 5% (0.002<0.05) show that there is a significant influence of Organizational Culture on Employee Performance. The value of the positive path coefficient shows the influence exerted by Organizational Culture on Employee Performance is positive. So it can be concluded that there is a positive and significant influence by Organizational Culture on Employee Performance. In other words, a better Organizational Culture is able to improve Employee Performance or the first hypothesis (H1) is accepted. This is in line with Jamaludin & Subiyanto's (2023) research; Wibowo et al (2023); Setiono et al (2022); Kuswati (2020); Rahmawati et al (2021) who showed the results of research that organizational culture has a positive and significant effect on employee performance or the hypothesis is accepted.

The Effect of Digital Competence on Employee Performance

The results of hypothesis testing show that the effect of Digital Competence (X2) on Employee Performance (Y) has a statistical T value of 4,057 and a P-Value of 0,000. The statistical T value greater than the table T (4.057>1.954) and the P value of 0.000 or less than the 5% alpha standard (0.000 < 0.05) show that there is a significant influence of Digital Competence on Employee Performance. The positive path coefficient value shows the influence given by Digital

Competence on Employee Performance is positive. So it can be concluded that there is a positive and significant influence by Digital Competence on Employee Performance. In other words, better Digital Competence can improve Employee Performance or the second hypothesis (H2) is accepted. This is in line with the research of Kurniasih et al (2022); (Prasetio et al., 2022); Sudirman et al (2023); Sirait et al (2021); Rahmawati et al (2021) who showed the results of research that digital competence has a positive and significant effect on employee performance or the hypothesis is accepted.

The Impact of Digital Transformation on Employee Performance

The results of hypothesis testing show that the effect of Digital Transformation (Z) on Employee Performance (Y) has a statistical T value of 3.414 and a P-Value of 0.001. The statistical T value greater than the table T (3.414>1.954) and the P value of 0.001 or less than the alpha standard of 5% (0.001 < 0.05) show that there is a significant influence of Digital Transformation on Employee Performance. The positive path coefficient value shows the effect exerted by Digital Transformation on Employee Performance is positive. So it can be concluded that there is a positive and significant influence by Digital Transformation on Employee Performance. In other words, better Digital Transformation is able to improve Employee Performance or or the third hypothesis (H3) is accepted. This is in line with the research of Lumunon et al (2021); Sirait et al (2021); Khusna &; Pratiwi (2022); Setiono et al (2022); Bancin et al (2023) who show the results of research that digital transformation has a positive and significant effect on employee performance or the hypothesis is accepted.

The Influence of Organizational Culture on Digital Transformation

The results of hypothesis testing show that the influence of Organizational Culture (X1) on Digital Transformation (Z) has a statistical T value of 4,767 and a P-Value of 0,000. A statistical T value smaller than the table T (4.767>1.954) and a P value of 0.000 or greater than the 5% alpha standard (0.000 < 0.05) show that there is a significant influence of Organizational Culture on Digital Transformation. The positive path coefficient value shows the influence exerted by Organizational Culture on Digital Transformation is positive. So it can be concluded that there is a positive and significant influence by Organizational Culture on Digital Transformation. In other words, a better Organizational Culture is capable of increasing Digital Transformation or Hypothesis four (H4) is accepted. The results of this study are supported by research conducted by Hamdani et al (2021); Phan (2021); Setiono et al (2022) who show that organizational culture has a positive and significant effect on digital transformation or the hypothesis is accepted.

These results show that the organizational culture owned by every English course institution in Malang City, namely EF, IEC, Mayantara School and Malang International School still does not have a good organizational culture as previously known, where each institution has a different organizational culture, one of which still does not have a good organizational culture is in the IEC institution, Mayantara School and Malang International School do not apply the guidelines for the culture of creativity and cooperation applied by the institution, so that students feel bored with the learning system provided and seem monotonous, as well as lack of communication and employee cooperation. So that there is no good digital transformation in institutions.

The Effect of Digital Competence on Digital Transformation

The results of hypothesis testing show that the influence of Digital Competence (X2) on Digital Transformation (Y) has a statistical T value of 4,964 and a P-Value of 0,000. The statistical T value greater than the table T (4.964>1.954) and the P value of 0.000 or less than the 5% alpha standard (0.000 < 0.05) show that there is a significant influence of Digital Competence on Digital Transformation. The positive path coefficient value shows the influence given by Digital

Competence on Digital Transformation is positive. So it can be concluded that there is a positive and significant influence by Digital Competence on Digital Transformation. In other words, better Digital Competence is able to improve Digital Transformation or the fifth hypothesis (H5) is accepted. This is in line with the research of Bancin et al (2023); Sirait et al (2021) who show that digital competence has a positive and significant effect on digital transformation or the hypothesis is accepted.

The Effect of Digital Transformation Mediation on Organizational Culture on Employee Performance

The results of hypothesis testing show that the mediating effect of Digital Transformation (Z) on Organizational Culture (X1) on Employee Performance (Y) has a statistical T value of 2,640 and a P-Value of 0.009. The statistical T value smaller than the table T (2.640>1.954) and the P value of 0.017 or greater than the alpha standard of 5% (0.009<0.05) show that there is no mediating effect of Digital Transformation on Organizational Culture on Employee Performance. The positive path coefficient value shows the effect exerted by Digital Transformation mediation on Organizational Culture on positive Employee Performance. Thus, it can be concluded that Digital Transformation can mediate Organizational Culture on Employee Performance. In other words, good Digital Transformation can support Organizational Culture to improve Employee Performance or the sixth hypothesis (H6) is accepted. The results of this study are supported by research conducted by Sopiansah et al (2023); Setiono et al (2022) who show that Digital Transformation can mediate the influence of Organizational Culture on Employee Performance. The research of Sopiansah et al (2023) also shows a correlation relationship between competence and organizational culture or accepted hypotheses.

These results show that every English course institution in Malang City, namely EF, IEC, Mayantara School and Malang International School still has an organizational culture that is not optimal. With the current good digital transformation, it cannot shape the organizational culture of the institution properly. This is shown from the attitudes and behaviors of employees at English language course institutions who still cannot adapt to the current development of digital technology and there is no desire from employees to develop their course methods so that students or course participants feel bored with the course activities carried out.

The Effect of Digital Transformation Mediation on Digital Competency on Employee Performance

The results of hypothesis testing show that the effect of Digital Transformation mediation (Z) on Digital Competency (X2) on Employee Performance (Y) has a statistical T value of 2.797 and a P-Value of 0.005. The statistical T value greater than the table T (2.797>1.954) and the P value of 0.000 or less than the alpha standard of 5% (0.005<0.05) show that there is a mediating effect of Digital Transformation on Digital Competence on Employee Performance. The positive path coefficient value shows the effect exerted by Digital Transformation mediation on Digital Competency on Employee Performance is positive. Thus, it can be concluded that Digital Transformation can mediate Digital Competency to Employee Performance. In other words, a good Digital Transformation can support Digital Competencies to improve Employee Performance or the seventh hypothesis (H7) is accepted. This is in line with the research of Bancin et al (2023); Setiono et al (2022) who show that Digital Transformation can mediate the influence of Digital Competence on Employee Performance. The research of Sopiansah et al (2023) also shows a correlation relationship between competence and organizational culture or accepted hypotheses.

CONCLUSION

Based on the results of research that has been conducted on downsizing organizational performance mediated by leadership effectiveness, the conclusions that can be drawn are as follows: The assessment results show results on each variable that: The organizational culture of the English course institution is in the very strong category, with the lowest average score on indicator 13 and the highest average value on indicator 14. Digital competence at English language course institutions is in the very good category, with the lowest average score on indicator 27 and the highest average score on indicator 23. Digital transformation at English language course institutions is in good form, with the lowest average score at indicator 33 and the highest average score at indicator 31. Employee performance at English language course institutions is in the high category, with the lowest average score at indicator 42 and the highest average score at indicator 38. Organizational Culture has a positive and significant effect on Employee Performance. In other words, a better organizational culture can improve employee performance. Digital Competence has a positive and significant effect on Employee Performance. In other words, better Digital Competencies can improve Employee Performance. Digital Transformation has a positive and significant effect on Employee Performance. In other words, better Digital Transformation can improve Employee Performance. Organizational Culture has a positive and significant influence on Digital Transformation. In other words, a better Organizational Culture can improve Digital Transformation. Digital Competence has a positive and significant effect on Digital Transformation. In other words, better Digital Competence can improve Digital Transformation. Digital Transformation can mediate Organizational Culture towards Employee Performance. In other words, good Digital Transformation can support Organizational Culture to improve Employee Performance.

BIBLIOGRAPHY

Azizi, Z., & Farid Khafaga, A. (2023). Scaffolding via group-dynamic assessment to positively affect motivation, learning anxiety, and willingness to communicate: a case study of high school students. *Journal of Psycholinguistic Research*, 1–21.

Febriyana, W., & Sary, F. P. (2015). Pengaruh kepuasan kerja terhadap kinerja karyawan pt. kabepe chakra 2015. *EProceedings of Management*, *2*(3).

Groen, B. A. C., Wouters, M. J. F., & Wilderom, C. P. M. (2017). Employee participation, performance metrics, and job performance: A survey study based on self-determination theory. *Management Accounting Research*, *36*, 51–66.

Hadi, W. S., & Dwijananti, P. (2015). Development of Android-Based Physics Comics as a Key Supplement for Radioactivity for High Schools. *Unnes Physiscs Education Journal*, *ISSN*, 2252–6935.

Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, *31*(1), 2–24.

Jufrizen, J. (2018). *Peran motivasi kerja dalam memoderasi pengaruh kompensasi dan disiplin kerja terhadap kinerja karyawan*.

Langton, J., Liaghati-Mobarhan, S., Gicheha, E., Werdenberg-Hall, J., Madete, J., Banda, G., & Molyneux, E. M. (2023). Using interprofessional education to build dynamic teams to help drive collaborative, coordinated and effective newborn care. *BMC Pediatrics*, *23*(Suppl 2), 565.

Muis, K. R., Sinatra, G. M., Pekrun, R., Winne, P. H., Trevors, G., Losenno, K. M., & Munzar, B. (2018). Main and moderator effects of refutation on task value, epistemic emotions, and learning strategies during conceptual change☆. *Contemporary Educational Psychology*, *55*,

155–165.
Nurcahya, G. A., & Sary, F. P. (2018). Pengaruh disiplin kerja terhadap kinerja karyawan PT. Arah Enviromental Indonesia bag. Surakarta. *EProceedings of Management*, *5*(1).
Prasetio, A., Rahman, D., Sary, F., Pasaribu, R., & Sutjipto, M. (2022). The role of Instagram social media marketing activities and brand equity towards airlines customer response. *International Journal of Data and Network Science*, *6*(4), 1195–1200.
Purwanto, S., & Nurhamidah, I. (2021). Digitizing English for specific purposes in the era of COVID-19 pandemic. *PAROLE: Journal of Linguistics and Education*, *11*(1), 57–72.
Saputro, E. P., & Arikunto, S. (2018). Keefektifan manajemen program pembelajaran BIPA (Bahasa Indonesia bagi Penutur Asing) di kota Yogyakarta. *Jurnal Akuntabilitas Manajemen Pendidikan*, *6*(1), 122–138.
Sekaran, U., & Bougie, R. (2017a). *Metode Penelitian untuk Bisnis: Pendekatan Pengembangan Keahlian Edisi 6 Buku 2*.
Sekaran, U., & Bougie, R. (2017b). *Metode Penelitian untuk Bisnis (e6) 1*.
Sugiyono, L. (2020). Analisis situasi pembangunan manusia di Jawa Tengah. *Indonesian Journal of Applied Statistics*, *3*(1), 12–23.
Volobueva, Y. V. (2020). PROFESSIONAL COMPETENCES FORMATION WITHIN THE FRAMEWORK OF ACTIVITY APPROACH IN THE DIRECTION OF TRAINING 44.03. 05. *СЛОВО, ВЫСКАЗЫВАНИЕ, ТЕКСТ В КОГНИТИВНОМ, ПРАГМАТИЧЕСКОМ И КУЛЬТУРОЛОГИЧЕСКОМ АСПЕКТАХ*, 67–70.