

THE ROLE OF DEVIANT BEHAVIOR IN MEDIATING THE EFFECT OF ORGANIZATIONAL CULTURE AND ETHICAL CLIMATE TOWARD BANKING EMPLOYEES PERFORMANCE

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Abstract: The objectives of this study were to analyze the mediating role of deviant behavior on the influence of organizational culture and ethical climate on employee performance. This study was conducted on 112 government-owned bank employees in Manado, using Partial Least Square (PLS) analysis. This study indicates that organizational culture and ethical climate have a significant positive effect on employee performance. Organizational culture and ethical climate also have a significant negative effect on deviant behavior. However, behavior does not have a significant effect on employee performance. Deviant behavior also does not mediate the influence of organizational culture and ethical climate on employee performance. This study places deviant behavior as a mediating variable on organizational culture and ethical climate on employee performance. An important finding from this study is that behavior does not play a role in improving employee performance, nor does it play a mediator between organizational culture or ethical climate to employee performance.

Keywords: Deviant Behavior, Organizational Culture, Ethical Climate, Employee Performance

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The increase in the number of banking offices indicates that the banking industry in Indonesia is developing rapidly. The development in the banking industry has led each banking institution to deal with more demands. Re-

gional-owned banks in Indonesia are also facing the same situation, an increase in demands. They have to face several challenges and compete with state-owned and private banks. This kind of situation requires regional-owned banks to carry out a transformation because state-owned and private banks are considered to have enormous potential to contribute a lot in developing the regional economy.

According to the Financial Services Authority (OJK), regional-owned banks will face several obstacles during the transformation process. The regional-owned banks should overcome them, namely paid-up capital, information technology (IT), and human resources.

One of the obstacles related to human resources is shown by how a company improves the performance of its employees. Improving employee performance is not an easy job. According to Mahmudi (2010), there are four kinds of factors that affect employee performance, namely personal/individual factors (knowledge, motivation, and skills), leadership factors, team factors (solidarity and good team relationship), as well as system factors (company culture).

Robbins and Judge (2017) stated that organizational culture is a shared meaning system that members of an organization create. This system can distinguish one organization from another. The results of studies which were conducted by Shahzad (2014); Maamari and Saheb (2018); Sihombing et al. (2016); Ojo (2009); Soomro and Shah (2019) show that organizational culture can affect the level of employee performance. On the other hand, the results of studies which were conducted by Syauta et al. (2012), Pawirosumarto et al. (2017), and Putriana et al. (2015) show that organizational culture does not affect employee performance.

In addition to organizational culture, ethical climate also has an important role in supporting and improving employee performance. According to Campbell et al. (1970), the ethical climate within organizations also greatly determines employees' behavior. That is because individuals do not respond directly to their work environment, but they are involved in the sense-making process in which they feel and interpret their work environment. In line with this opinion, the results of studies conducted by Kia et al. (2019) and Lau et al. (2017) also show that ethical climate positively affects employee performance.

Nevertheless, deviant behavior can also affect the level of employee performance. Deviant behavior is a deliberate behavior [of organizational members] that violates organizational norms. It is signifi-

cant and has a negative impact on the well-being of the organization, its members, or even both (Robinson and Bennett, 1995).

According to Henle (2005), interpersonal deviations in the workplace are more likely to cause stress-related problems, decrease employee productivity, and cause lost work time and relatively high turnover rates. Furthermore, in this research, deviant behavior plays a role as a mediator between organizational culture and ethical climate on employee performance in Manado regional-owned bank.

LITERATURE REVIEW

Organizational Culture

According to Hofstede et al. (2010), organizational culture is the mindset of individuals within a group that distinguishes them from other groups. That includes the values, beliefs, and behaviors of employees that differ from those of other organizations. Robbins and Judge (2017) stated that a strong culture would be greatly influential in the behavior of its members since solidarity and togetherness within members will lead to an internal climate of high behavioral control. Basically, in organizational culture, every individual's general values and behavior in an organization are considered tools that lead to achieving organizational goals (Schein and Schein, 2017). In this study, organizational culture was measured using seven indicators that refer to Robbins and Judge (2017). Those indicators include innovation and risk-taking, attention to detail, outcome orientation (result-oriented), people-orientation, team orientation, aggressiveness, and stability.

Ethical Climate

Appelbaum et al. (2005) developed ethical practices in organizations by stating that the ethical climate of an organization significantly contributes to work relationships and form good behavior because the ethical climate of an organization is a set of values and norms which can guide employees in taking actions. According to Victor and Cullen (1988), three main factors lead to an ethical climate in a company. The first one is a good corporate culture.

The second factor that leads to an ethical climate in a company is trust-based organizational culture. The last one is employee relationship management. These three factors occur due to several interactions: self-interest, company profits, efficiency, and group interests. In this study, the ethical climate was measured using five indicators: Victor and Cullen (1988). Those indicators include Caring, law, code of ethics, rules, instrumental, and independence.

Employee Performance

Performance is a function of motivation and ability; therefore, in completing a task or job, a person should have a certain degree of willingness and level of ability (Rivai et al., 2015). According to Bernardin and Russel (2010), performance is a record of employee achievements in doing a certain task that they can accomplish during a certain period. The performance can also be defined as a whole activity of an employee in carrying out his duties according to the responsibilities of each employee to the organization. On the other hand, Mathis and Jackson (2011) explained that employee performance could be measured by several indicators: the quantity of the results, the quality of the products, the timeliness of the results. Bernardin and Russel (2010) added the indicators of individual employee performance, namely: quality, quantity, timeliness, effectiveness, independence, and work commitment. Robbins and Judge (2017) stated that

performance is a function of the interaction between ability, motivation, and opportunity. That means that performance is a function of ability, motivation, and opportunity. In this study, employee performance was measured using three indicators by Gibson et al. (2010). Those indicators include individual factors, psychological factors, and organizational factors. Organizational factors include resources, organizational structure, leadership, job design, and reward systems.

Deviant Behavior

There are two types of deviant behavior in the workplace. The first one is constructive behavior, in which workers are being innovative and provides the organization with important creativity. This positive behavior also includes disobedience to the direction, which is dysfunctional. Positive deviance or constructive deviance is defined as behavior that violates organizational norms to help the organization (Galperin in Appelbaum et al., 2007). On the other hand, negative deviant behavior has various terms such as antisocial behavior (Giacalone and Greenberg, 1997); organization misbehavior (Vardi, 2001); workplace deviant (Bennett and Robinson, SL 2000); and counterproductive behavior (Mangione and Quinn in Vardi and Weitz, 2004). Robinson and Bennett (1995) defined deviant behavior in the workplace as “deliberate behavior [of

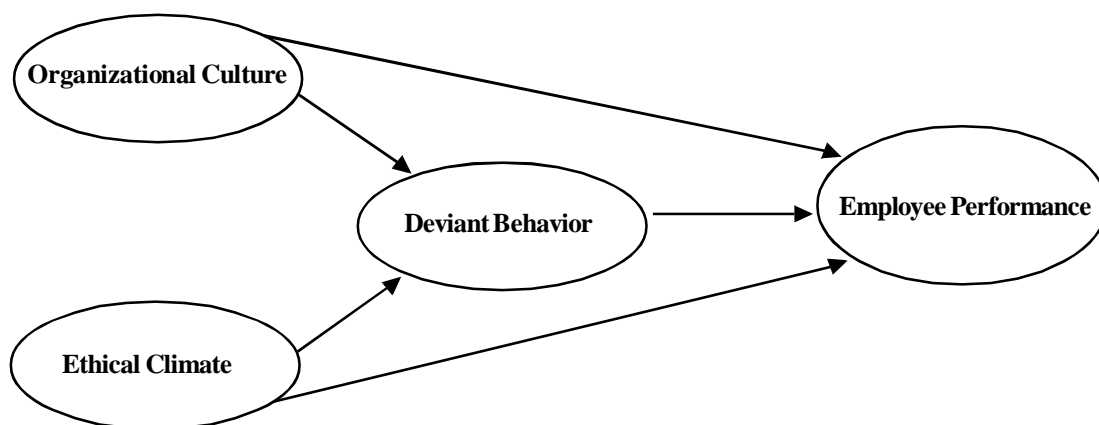


Figure 1. Conceptual Framework

organizational members] that violates organizational norms significantly and gives a negative impact on the well-being of the organization, its members, or even both". In this research, deviant behavior was measured by referring to Robinson and Bennett (1995), who divided deviant behavior into two types. The first type is organizational deviance, which places their target on the organization, such as theft, sabotage, employees being late at work, leaving early, and attempts to withdraw from their job. The second type of deviant behavior is interpersonal deviance, which leads to deviant actions faced by colleagues, supervisors, or subordinates in the workplace. That involves behaviors that include having fun in the workplace, doing something destructive, and physical aggression. Both of those deviant behaviors are destructive and lead to bad and unpleasant consequences.

HYPOTHESIS DEVELOPMENT

A strong culture can help and encourage employees to make a good contribution to the company in the form of actions, communication, making decisions, and efficient and effective participation in achieving company goals. Robbins and Judge (2017) stated that organizational culture is a shared meaning system that members of an organization create. This system can distinguish one organization from another. The relationship between organizational culture and employee performance is strengthened by the results of several studies which were conducted by Shahzad (2014); Maamari and Saheb (2018); Sihombing et al. (2016); Ojo (2009); and Soomro and Shah (2019), which show that organizational culture affects employee performance. Based on the studies above, we can formulate the following hypothesis:

H1: Organizational Culture Affects Employee Performance

Organizational culture is closely related to the norms adopted by an organization. Organizational norms are a set of "expected behaviors, language, principles, and postulates that allow employees to perform well and at an appropriate pace in the workplace" (Coccia, 1998). However, when em-

ployees usually work and go beyond organizational norms, the consequences are far-reaching and affect all levels of the organization, including decision-making processes, productivity, and finance costs (Coccia, 1998). The result of the direct effect test, which was explained in the research conducted by Cohen and Ehrlich (2019), shows that innovative organizational culture affects deviant behavior as an indicator of organizational culture. Based on the study above, we can formulate the following hypothesis:

H2: Organizational Culture Affects Deviant Behavior

Organizational climate is the extent to which employees' expectations of the organization they work for are met. Therefore, when employees feel that the organization supports them to perform well, they will feel "good" about the organizational climate and eventually do their job effectively. Thus, when an organization is "employee-oriented", employees will behave well to achieve the organizational goals. However, if they are primarily oriented to achieving organizational goals without regard for employee welfare, employees will show more negative behavior, such as counterproductive behavior (Vardi, 2001). In an organization, the ethical behavior of employees is strongly influenced by the leader, while the ethical climate reflects the climate adopted by the management team. Wimbush and Shepard (1994) proposed that ethical climate acts should be used as a predictor for unethical behavior and counterproductive behavior. Peterson (2002) showed that deviant behavior in the workplace reflects the ethical climate of the organization. The higher the ethical climate in the organization, the fewer employees show deviant behavior. Mayer et al. (2010); Elçi et al. (2013). Bulutlar and Öz (2009) discussed a relationship between employee behavior and organizational climate, in which ethical climate is related to ethical behavior and deviant or counterproductive behavior. In his study, Alias et al. (2013) concluded that the better individuals' perceptions of ethical work climate, the higher their OCB will be. Conversely, low perceptions of an ethical organizational climate will lead to deviant behavior. Mayer et al.

(2010) stated that ethical climate has a negative effect on employee misconduct. According to Elçi et al. (2013), the ethical climate has a negative effect on employee antisocial behavior. Peterson, D. (2002) stated that ethical climate has a negative effect on workplace deviance. Haldorai et al. (2019) also showed that ethical climate is negatively related to deviance in the workplace. Based on the results of the studies above, we can formulate the following hypothesis:

H3: Ethical Climate Affects Deviant Behavior

According to Appelbaum et al. (2005), ethical climate contributes to work relations significantly. It leads employees to behave well because the ethical climate is a set of values and norms that can guide employees in taking action. The ethical climate in an organization also greatly determines how employees behave in the organization as individuals. It is based on the fact that individuals do not respond directly to their work environment, but they are involved in the sense-making process, in which they feel and interpret their work environment. (Campbell et al. 1970). The research results conducted by Kia et al. (2019) showed that ethical climate has a significant and direct effect on employee in-role performance. In accordance with these results, a study conducted by Lau et al. (2017) also shows that the ethical climate positively affects customer service performance. Based on the study above, we can formulate the following hypothesis:

H4: Ethical Climate Affects Employee Performance

Deviant behavior is related to social costs and psychological costs to suppress broader impacts on both organizations and society (Fagbohunge et al., 2012). According to Henle (2005), interpersonal deviations in the workplace are more likely to cause stress-related problems, decrease employee productivity, and cause lost work time and relatively high turnover rates. In accordance with those findings, the results of a study which was conducted by Fatih (2016) show that deviant behavior in the workplace has a significant and negative effect on employee performance. Based on the study above, we can formulate the following hypothesis:

H5: Deviant Behavior Affects Employee Performance

The results of studies which were conducted by Shahzad (2014); Maamari and Saheb (2018); Sihombing et al. (2016); Ojo (2009); Pawirosumarto et al. (2017); Putriana et al. (2015); Soomro and Shah (2019); Syauta et al. (2012) showed that organizational culture affects employee performance. On the other hand, the results of research conducted by Cohen and Ehrlich (2019) show that innovative organizational culture as an indicator of organizational culture affects deviant behavior. In line with that finding, Fatih (2016) shows that deviant behavior in the workplace has a significant and negative effect on employee performance. Based on the study above, we can formulate the following hypothesis:

H6: Organizational Culture Affects Employee Performance through Deviant Behavior

The results of studies conducted by Kia et al. (2019) and Lau et al. (2017) show that ethical climate has a significant and direct effect on employee performance. Besides, the results of studies which were conducted by Alias et al. (2013); Mayer et al. (2010); Elçi et al. (2013); Peterson (2002); Haldorai et al. (2019) also showed that ethical climate has a significant and negative effect on deviant behavior in the workplace. Fatih (2016) showed that deviant behavior in the workplace has a significant and negative effect on employee performance. Based on the study above, we can formulate the following hypothesis:

H7: Ethical Climate Affects Employee Performance through Deviant Behavior

METHOD

This research was conducted on employees of Bank SulutGo KCU Manado. The study population was 112 employees, and all of them participated in this research and became the research sample. The sample was determined by doing a census, and the data was collected using a questionnaire. A 5 Likert scale measured respondents' answers. That was explanatory research. The research instrument was

Table 1. Measuring Variables

Variable	Indicator	Item
Organizational Culture	Innovation and risk-taking	Innovative Dare to take risks
	Attention to detail	Thoroughness/ accuracy Analytical skill
	Outcome orientation	Focused on working Improving effectiveness
	People orientation	Freedom of speech Rewards
	Team orientation	Coordination Togetherness
	Aggressiveness	Enthusiasm Competing in a positive way
	Stability	Consistency at work Put vision forward
	Ethical Climate	Caring
Law and code		Constitution conformity Law conformity Work discipline
Rules		SOP (Standard Operating Procedure) Applicable rules
Instrumental		Prioritize company-interest
Independent		Ethical principles Freedom
Employee Performance	Quantity	Meet the target Minimize errors
	Quality	Professionalism Meet the standard
	Timeliness	Timely Work systematically
Deviant Behavior	Interpersonal deviance	Offending others Negative communication Gossiping Physical abuse Making fun of teammates
	Organizational deviance	Stealing office supplies Lack of accountability Misusing money Extending break time Disobeying rules Untrusted

Source: Processed data, 2020

tested used validity and reliability tests. The data was processed using PLS (Partial Least Square) statistical techniques, while the software was SPSS.

RESULTS

The characteristics of the majority of respondents are described in Table 2. They also describe

the dominant characteristics of the employees of Bank SulutGo KCU Manado

The results of the validity test show that all statement items which were tested have r count $>$ r table (0.186) and significance level $<$ (0.05). Based on these results, it can be concluded that all items on the variable Organizational Culture (X1), Ethical

Table 2. Respondent Characteristics

Respondent Characteristics	Majority of Respondent	Total	%
Sex	Female	65	58.9
Age	20-30 years old	66	58.9
Last Education	Bachelor's degree	85	75.8
Years of Service	1 - 5 years	61	54.4

Climate (X2), Employee Performance (Y1), and Deviant Behavior (Z1) are valid.

The results of the reliability test show that the *Cronbach's Alpha* value of all variables $>$ 0.60. Based on these results, it can be concluded that *Cronbach's Alpha* value of Organizational Culture is 0.940; the *Cronbach's Alpha* value of Ethical is 0.918; the *Cronbach's Alpha* value of employee performance is 0.856, and the *Cronbach's Alpha* value of deviant behavior is 0.859. It can be concluded that all of those three variables are very reliable.

Based on the results of convergent validity testing, there are several items in variable deviant behavior that are invalid or have a loading factor value $<$ 0.5 and a p -value $>$ 0.05, including item Z1.1.1 (offensive), Z1.1.3 (gossiping), Z1.1.5 (making fun of teammates), Z1.2.4 (extending break time), and Z1.2.5 (disobeying the rules). Those five invalid items must be eliminated from the research model. After the items that do not meet the requirements were found, the research model was revised by removing the invalid items.

Table 3. Convergent Validity Testing

Construct	Item	Loading Factor	P-Value	Note
Organizational Culture	X1.1.1	0.707	$<$ 0.001	Valid
	X1.1.2	0.744	$<$ 0.001	Valid
	X1.2.1	0.758	$<$ 0.001	Valid
	X1.2.2	0.724	$<$ 0.001	Valid
	X1.3.1	0.709	$<$ 0.001	Valid
	X1.3.2	0.834	$<$ 0.001	Valid
	X1.4.1	0.745	$<$ 0.001	Valid
	X1.4.2	0.831	$<$ 0.001	Valid
	X1.5.1	0.709	$<$ 0.001	Valid
	X1.5.2	0.831	$<$ 0.001	Valid
	X1.6.1	0.750	$<$ 0.001	Valid
	X1.6.2	0.735	$<$ 0.001	Valid

	X1.7.1	0.722	<0.001	Valid
	X1.7.2	0.729	<0.001	Valid
Ethical Climate	X2.1.1	0.544	<0.001	Valid
	X2.1.2	0.801	<0.001	Valid
	X2.2.1	0.638	<0.001	Valid
	X2.2.2	0.838	<0.001	Valid
	X2.2.3	0.707	<0.001	Valid
	X2.3.1	0.846	<0.001	Valid
	X2.3.2	0.748	<0.001	Valid
	X2.4.1	0.867	<0.001	Valid
	X2.5.1	0.821	<0.001	Valid
	X2.5.2	0.783	<0.001	Valid
Employee Performance	Y1.1.1	0.709	<0.001	Valid
	Y1.1.2	0.824	<0.001	Valid
	Y1.2.1	0.794	<0.001	Valid
	Y1.2.2	0.819	<0.001	Valid
	Y1.3.1	0.770	<0.001	Valid
	Y1.3.2	0.651	<0.001	Valid
Deviant Behavior	Z1.1.2	0.739	<0.001	Valid
	Z1.1.4	0.929	<0.001	Valid
	Z1.2.1	0.908	<0.001	Valid
	Z1.2.2	0.812	<0.001	Valid
	Z1.2.3	0.919	<0.001	Valid
	Z1.2.6	0.855	<0.001	Valid

Source: The output of WarpPLS, 2020

The test results presented in the table above show that all items of the research variables are valid because all items have Factor Loading value > 0.5 and p-value < 0.005. Discriminant Validity testing was conducted by paying attention to the Cross Loading Factor value. By referring to the cross-loading value, the results of the discriminant validity test show that each indicator predicts the latent variable better than the indicator of other latent variables. Therefore, it can be concluded that the dis-

criminant validity test has been completed.

The results showed that the composite reliability value of all variables studied in this research, namely Organizational Culture (X1), Ethical Climate (X2), Employee Performance (Y1), and Deviant Behavior (Z1). All of them had a composite reliability value above 0.70. It means that variable Organizational Culture (X1), Ethical Climate (X2), Employee Performance (Y1), Deviant Behavior (Z1) can measure the latent variables.

Table 4. Composite Reliability Testing

Variable	Composite Reliability	Note
Organizational Culture (X1)	0.948	Reliable
Ethical Culture (X2)	0.933	Reliable
Employee Performance (Y1)	0.893	Reliable
Deviant Behavior (Z1)	0.946	Reliable

Source: The output of WarpPLS, 2020

Table 5. Structural Model Test

Variable	R Square
Employee Performance (Y1)	0.206
Deviant Behavior (Z1)	0.165

Source: The output of WarpPLS, 2020

Table 5 shows that employee performance has an influence, with the predictive power of the overall model of 0.206 or 20.6%, while the remaining

79.4% is influenced by other factors or other variables outside the equation model of this research. Deviant behavior influences the predictive power of all models by 16.5%, while the rest is influenced by other variables outside the equation model of this research.

Hypothesis Test

The pathway analysis results of the effect between latent variables can also be seen in Figure 2 below:

Table 6. Testing Path Coefficient of Direct Effect

Proposed Hypothesis	Hypothesis	Estimate	P-Value	Decision
Organizational Culture → Employee Performance. $X_1 \rightarrow Y_1$	H1	0.48	0.01	Accepted
Ethical Climate → Employee Performance $X_2 \rightarrow Y_1$	H2	0.20	0.01	Accepted
Organizational Culture → Deviant Behavior. $X_1 \rightarrow Z_1$	H3	-0.28	0.01	Accepted
Ethical Climate → Deviant Behavior. $X_2 \rightarrow Z_1$	H4	-0.36	0.02	Accepted
Deviant Behavior → Employee Performance. $Z_1 \rightarrow Y_1$	H5	-0.11	0.12	Rejected

Source: The output of WarpPLS, 2020

Table 7. Testing Path Coefficient of Indirect Effect

Proposed Hypothesis	Hypothesis	Estimate	P-Value	Decision
Organizational Culture → Deviant Behavior → Employee Performance $X_1 \rightarrow Z_1 \rightarrow Y_1$	H6	0.91	0.17	Rejected
Organizational Culture → Deviant Behavior → Employee Performance $X_2 \rightarrow Z_1 \rightarrow Y_1$	H7	0.91	0.17	Rejected

Source: The output of WarpPLS, 2020

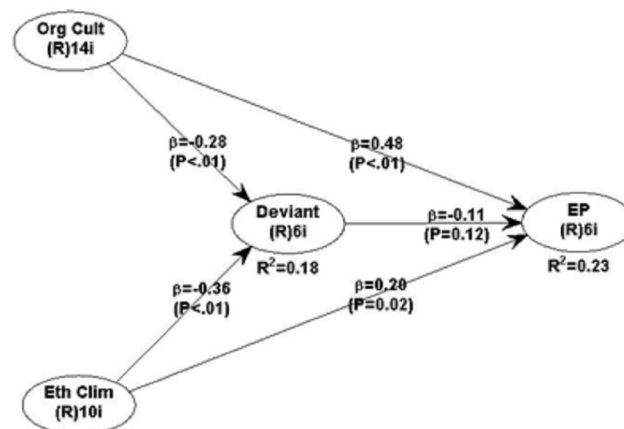


Figure 2. Path Diagram of Structural Model in PLS (Direct Effect)

Note: β = Regression Coefficient

P = Significance of Regression Coefficient

The results of the direct effect test show that there is a significant and direct effect for each pathway except for the effect of deviant behavior on employee performance. Based on the Sobel Test Calculator analysis, deviant behavior did not mediate the influence of organizational culture on employee performance. Also, it did not mediate the effect of ethical climate on employee performance. The mediating role of deviant behavior on organizational culture on employee performance shows a p-value of 0.17 and a path coefficient of 0.91.

DISCUSSION

The results of the descriptive analysis indicate that the bank has a high level of organizational culture, which means that most employees perceive the organizational culture quite well. The majority of employees use the organizational culture at the bank they work for as a guide in doing their job. A strong organizational culture will also lead to a good ethical climate. The level of ethical climate in the bank we studied is already high category. That indicates that the organization has a good ethical climate, supporting the employees to do their job well. Supporting employees with strong organizational culture and a good ethical climate will lead them to improve their performance. That is proven by the high level of employee performance found in this study. That means that employees of this regional-owned bank have performed well in terms of quality, quantity, and timeliness. This study also shows that the bank has a high organizational culture, ethical climate, and good employee performance; however, we still found a few employees showing deviant behavior, both interpersonal and organizational deviations.

The test results of the structural model show that the R square value of employee performance is 0.206. That means that employee performance can be influenced by organizational culture by 20.6%. The rest is influenced by other variables which are not studied in this research model. Gibson et al.

(2010) stated that three main factors could affect employee performance: **Individual factors:** including abilities, skills, family background, experience, and demographics; **Psychological factors:** including motivation, perceptions and job satisfaction, attitudes and personality (which are influenced by the condition of the family, social environment, and previous work experience), and demographics. **Organizational factors:** including resources, organizational structure, leadership, job design, and reward systems.

Based on the results of structural model testing, deviant behavior affected the predictive power of the overall model amounted to 0.165 or 16.5%, while other factors outside this equation model influenced the remaining 83.5%. According to Alias and Rasdi (2015), there are several causes of deviant behavior in the workplace, leading to job dissatisfaction. Those causes are divided into three factors. The first factor is related to individuals, such as absenteeism, dishonesty, and destructive behavior. The second factor is the organization, organizational climate, organizational justice, and organizational support. The last factor is related to the job, such as job stress and a lack of power.

The Effect of Organizational Culture on Employee Performance

The test results of hypothesis 1 (direct effect of organizational culture on employee performance) indicate that organizational culture has a significant and positive direct effect on employee performance. In other words, the good organizational culture of Bank SulutGo KCU Manado will lead to good employee performance and vice versa. These results also conclude that the good organizational culture of Bank SulutGo KCU Manado will lead to an improvement in employee performance. Conversely, the bad organizational culture of Bank SulutGo KCU Manado will lead to a deterioration in employee performance. The results of this study support the results of previous studies which were conducted by Shahzad (2014); Maamari and Saheb (2018); Sihombing et al. (2016); Ojo (2009); and Soomro and Shah (2019), which show that organizational culture affects employee performance. However, the results of this study are not in line with the re-

sults of previous studies, which were conducted by Syauta et al. (2012); Pawirosumarto et al. (2017); and Putriana et al. (2015), which show that organizational culture does not affect employee performance significantly.

Aggressiveness in organizational culture and timeliness in employee performance are indicators that have the lowest average value. That means that the employees lack enthusiasm in completing their work, which eventually affects the timeliness. That is strengthened by the results of an interview with the Head of the Human Resources and General Affairs of Bank SulutGo KCU Manado stated that organizational culture influences improving employee performance. That is proven by several awards won by Bank SulutGo KCU Manado in the last few years. That is thanks to employees who have worked hard and give their best performance. However, the employee performance started deteriorating since Bank SulutGo KCU Manado developed their organizational culture into “BSGO”. Therefore, Bank SulutGo KCU Manado has to work harder in socializing and instilling new organizational cultural values in their employees. In addition, Bank SulutGo KCU Manado also needs to foster employee enthusiasm in doing their job to improve employee performance.

The Effect of Ethical Climate on Employee Performance

Based on the test results, hypothesis H2, which states that ethical climate directly affects employee performance, is accepted. It also shows that ethical climate has a significant and positive effect on employee performance. These results illustrate that the better the ethical climate that exists in the company, the better the employee performance; conversely, ethical climate deterioration of employees will lead to employee performance deterioration in Bank SulutGo KCU Manado. The results of this study support the results of a study conducted by Kia et al. (2019) using 233 bank employees in Australia as participants. The results indicate that ethical climate has a significant direct effect on employee in-role performance. The results of this study are also in line with the results of previous research conducted

by Lau et al. (2017) using 200 respondents from six shopping centers as participants. The results show that ethical climate has a direct effect on employee performance.

The item of prioritizing company measured the loading factor value of variable ethical climate on indicator instrumental. Based on the loading factor obtained, this is the most powerful item in describing variable ethical climate. The statement measured this item, “In the workplace, all employees prioritize company interests over personal interests”. This item had a dominant contribution in reflecting on the ethical climate. Bank SulutGo KCU Manado has to emphasize and pay attention to this item. These results indicate that the ethical climate in Bank SulutGo KCU Manado is well established. It is proven by employee behavior. They are willing to set aside their interests for the sake of company interest. In other words, they prioritize company interests over their interests in every activity.

The respondents’ answers to the question regarding variable ethical climate indicate that Bank SulutGo KCU Manado already had a good ethical climate in their work environment. That can support and encourage employees to perform well. It is proven by the high average score obtained in this variable. It illustrates that an ethical climate has been established and is running well at Bank SulutGo KCU Manado. Bank SulutGo KCU Manado manifested an ethical climate by taking good care of each of its employees, applying laws and ethical codes (how it is obeyed and implemented by employees properly), employee loyalty by their willingness to prioritize organizational interests over their interests, and a corporate climate that supports freedom of ethical principles.

The Effect of Organizational Culture on Deviant Behavior

One of the hypotheses proposed in this study measured the effect of organizational culture on employees’ deviant behavior (H3). The test results of hypothesis 3 (the effect of organizational culture on deviant behavior) indicate that organizational culture has a significant negative and direct effect on deviant behavior. It indicates that the ups and

downs of organizational culture will affect employees' deviant behavior of Bank SulutGo KCU Manado. In other words, an improvement in organizational culture will decrease deviant behavior committed by employees of Bank SulutGo KCU Manado. This research supports the results of a previous study conducted by Cohen and Ehrlich (2019) entitled "Exchange Variables, Organizational Culture and Their Relationship with Constructive Deviance" on 602 employees in big cities in Central Israel. The results of the direct effect test conducted in this study indicate that innovative organizational culture is an indicator of organizational culture that directly affects constructive deviations.

The respondents' answers to statements regarding variable deviant behavior obtained a value of 3.12 (in moderate category). That indicates that deviant behavior, both interpersonal and organizational, still occurs in Bank SulutGo KCU Manado, but it is not too frequent. The most frequent deviant behavior among employees of Bank SulutGo KCU Manado is related to poor communication. We still found many employees who communicate disrespectfully to their colleagues or leaders in Bank SulutGo KCU Manado. Sometimes they only joke and do not take it seriously, and it shows familiarity and solidarity among employees. However, it is a bad habit nonetheless. Therefore, Bank SulutGo KCU Manado needs to pay attention to the habits of their employees, especially those who are often being disrespectful to others.

The Effect of Ethical Climate on Deviant Behavior

Based on the test results, hypothesis 4, regarding the direct effect of ethical climate on deviant behavior, was accepted. The test results of the direct effect of ethical climate on deviant behavior show that a decrease in the level of ethical climate had a significant negative and direct effect on the deviant behavior of employees of Bank SulutGo KCU Manado. In other words, an increase in ethical climate will also be followed by a decrease in the level of deviant behavior committed by employees of Bank SulutGo KCU Manado.

The results of this study are in line with the results of a previous study conducted by Alias et al. (2013) entitled "Predictors of Workplace Deviant Behavior: HRD Agenda for Malaysian Support Personnel", which concluded that low perceptions of ethical organizational climate lead to deviant behavior. The results of this study also support the results of a study conducted by Peterson (2002) on 184 MBA alumni at several major universities; it showed that workplace deviant behavior can be partially predicted from the ethical climate of an organization. This research also supports the results of a study conducted by Haldorai et al. (2019) on 641 Indian employees in economy-class to luxury-class hotels. In their research, Haldorai et al. (2019) found that ethical climate is negatively related to workplace deviant behavior. In addition, research which was conducted by Elçi et al. (2013) found that ethical climate has a negative effect on antisocial behavior.

The Effect of Deviant Behavior on Employee Performance

Deviant behavior can also affect the level of employee performance. Deviant behavior is a deliberate behavior [of organizational members] that violates organizational norms significantly and negatively impacts the well-being of the organization, its members, or even both (Robinson and Bennett, 1995). One of the hypotheses proposed in this study measured the direct effect of deviant behavior on employee performance (H5). However, the test results of hypothesis 5 indicate that H5 is rejected. In other words, deviant behavior has no direct effect on employee performance. It concluded that the level of deviant employee behavior did not affect employee performance in Bank SulutGo KCU Manado.

The results of this study are not in line with the results of a previous study which was conducted by Henle (2005), which show that workplace interpersonal deviations are more likely to cause stress-related problems, decrease employee productivity, and cause lost work time as well as relatively high turnover rates. That also results not in line with the re-

sults of research on 200 civil servants in Surabaya City conducted by Fatih (2016), who found that workplace deviant behavior has a significant negative effect on employee performance. Workplace deviant behavior has a role in mediating the effect of job satisfaction on employee performance.

Variable employee performance in indicator quality has the highest outer loading value in reflecting variable employee performance. That is in line with the description of variable employee performance; indicator quality is the best-perceived indicator by respondents. Quality is very vital and makes an important contribution to employee performance appraisal. That is in accordance with the situation at Bank SulutGo KCU Manado. Employees are required to work professionally to produce quality results according to the standards set by Bank SulutGo KCU Manado.

The role of deviant behavior as the mediator in the effect of organizational culture on employee performance

The analysis of the direct effect of organizational culture on employee performance shows a significant positive result. The test of the direct effect of organizational culture on deviant behavior also shows a significant negative effect. However, the test of the direct effect of deviant behavior on employee performance did not show a significant effect. The test results of the indirect effect of variable deviant behavior on the direct effect of organizational culture on employee performance show that deviant behavior did not mediate the direct effect of organizational culture on employee performance.

The role of deviant behavior as the mediator in the effect of ethical climate on employee performance

The analysis results of the direct effect of ethical climate on employee performance showed a significant positive result. In line with these results, the test results of the direct effect of ethical climate on deviant behavior show a significant negative effect. However, the test results of the direct effect of deviant behavior on employee performance show that

deviant behavior had no significant effect on employee performance. The test results of the mediating role of deviant behavior on the effect of ethical climate on employee performance show that deviant behavior did not mediate the direct effect of ethical climate on employee performance.

CONCLUSIONS

Organizational culture and ethical climate had a positive and significant direct effect on the employee performance of Bank SulutGo KCU Manado. The better the organizational culture and ethical climate, the better the employee performance. Conversely, organizational culture and ethical climate deterioration will lead to employee performance deterioration in Bank SulutGo KCU Manado. Organizational culture and ethical climate also had a significant and negative direct effect on deviant behavior among Bank SulutGo KCU Manado employees. Organizational culture and ethical climate will affect the deviant behavior of the employees at Bank SulutGo KCU Manado. In other words, an improvement in organizational culture and ethical climate will also decrease the level of deviant behavior committed by employees of Bank SulutGo KCU Manado.

Deviant behavior did not have a direct effect on the employee performance of a regional-owned bank in Manado. The level of deviant employee behavior did not affect the level of employee performance. Deviant behavior did not mediate the effect of organizational culture and ethical climate on employee performance in the regional-owned bank in Manado.

IMPLICATIONS

The findings of this research are in line with the findings of the previous related studies; however, it also provides different findings from previous related studies. This study found that organizational culture has a significant positive and direct effect on employee performance. It is in line with the results of previous studies, which were conducted by Shahzad (2014); Maamari and Saheb (2018); Sihombing et al. (2016); Ojo (2009); and Soomro

and Shah (2019), which show that organizational culture affects employee performance. However, the findings of this study are not in line with the results of previous studies, which were conducted by Syauta et al. (2012); Pawirosumarto et al. (2017); and Putriana et al. (2015), which show that organizational culture does not significantly affect employee performance.

However, on the other hand, the findings of this study also indicate that deviant behavior does not have a direct effect on employee performance. It is not in line with previous studies conducted by Henle (2005), which show that interpersonal deviations in the workplace are more likely to cause stress-related problems, decrease employee productivity, and cause lost work time well as relatively high turnover rates. The results of this study are also not in line with the study by Fatih (2016) that workplace deviant behavior has a significant negative effect on employee performance, and workplace deviant behavior mediates the effect of job satisfaction on employee performance.

LIMITATIONS

This research was conducted on limited objects; therefore, it cannot be generalized and applied to all banking employees. This research is also limited and only focused on measuring employee performance, which is influenced by organizational culture, ethical climate, and deviant behavior. Many other variables can directly affect employee performance.

RECOMMENDATIONS

Bank managers should review the prevailing organizational culture in the company. Bank managers should sort out strong organizational culture and support the company's vision, mission, and organizational culture that is still weak and potentially lead to employee deviant behavior. Bank managers also should pay attention to the communication culture of employees, whether they communicate politely or not. Bank managers should ensure whether the employees have understood and applied the norms and values applied in the company or not. Bank managers also need to re-evaluate employee compliance with the rules that have been set.

Besides the organizational culture, this regional-owned bank also needs to pay attention to its ethical climate. The managers of regional-owned banks need to ascertain the ethical climate in the company, especially related to the level of care. The subordinates need to ensure how much they care about the company and their fellows. They also need to pay attention to applying rules, laws, and codes of conduct, whether appropriate and acceptable to every employee. In addition, subordinates should also measure employees' selfishness by seeing whether they prioritize company interests over their interests.

Subordinated also needs to pay attention to a deviant behavior that often occurs among employees, such as disrespectful communication between employees (for example, cursing), bad habit of gossiping, violence and harassment, employee theft, and stealing time work, and other violations which are frequently occurred. The subordinates need to evaluate the causes of deviant behavior and find appropriate solutions.

There are several limitations in this study. The first limitation is the research sample, which is limited to one research object. The future researcher is expected to expand the research object so that the results of the research can be generalized to a wider population. This research is limited to examining the aspects of human resources; it did not discuss non-human aspects, such as the work environment. Further, the researcher also can add and examine variables other than the aspects human resources for such as work environment; therefore, the results obtained related to employee performance will be more comprehensive.

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