



**THE INFLUENCE OF ORGANIZATIONAL VALUE AND STRATEGIC
ENVIRONMENT ON VALUE CHAIN, COMMUNITY TRUST, COMPETITIVE
ADVANTAGE AND ORGANIZATIONAL PERFORMANCE IN COURSE AND
TRAINING INSTITUTIONS (LKP)**

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ABSTRACT

Organization that optimal performance can be achieved with believe and applying values organization, since the value of organization provides direction and purpose for employees. Support environment strategy not less important to improve performance organization, because of the landscape strategy can be used to detect and identify strength and weakness of the organization.

Institution course and training in east java needs measures strategic to increase performance organization and grabbed excellence compete based on value organization, strategic environmental public confidence and value chain.

To achieve research purposes, a dissertation is using the 42 of LKP in east java as the population. A unit of analysis used are a company owner manager (coordinator) marketing, manager (coordinator) education and one teachers.

Conclusion dissertation is: (1) the value organization not affect the value chain; (2) value organization impact on public trust excellence compete and performance organization; (3) environmental strategy influence the value chain, public trust, excellence compete and performance organization; (4) value chain influential significantly to excellence compete and performance organization; (5) public trust influential significantly to excellence compete and performance organization; (6) excellence compete influential significant on the performance organization.

Keywords : value organization, environmental strategy, value chain, public trust, excellence compete, performance organization

I. INTRODUCTION

The existence of the Course and Training Institute (LKP) has made a positive contribution to efforts to alleviate poverty and reduce unemployment rates in Indonesia. The number of courses and training institutions in East Java reached 2943 institutions, which had been verified by 1936 institutions, with A and B performance with 42 LKPs, while those with C, D, and NC had 360 LKPs, and others had not performed 1534 from LKP data. which has been verified.

At present, the Course and Training Institute (LKP), especially in the East Java region, is faced with increasingly fierce competition issues, not only between local LKPs but also having to compete with foreign LKPs that are increasingly in Indonesia, especially in East Java. The sustainability of an organization/institution is very much influenced by whether or not the organization's performance is well influenced by government policies and Globalization has brought significant changes to the development of education and training in Indonesia. The flow of information that is very easy to obtain without borders (borderless) will result in an increasingly competitive organizational market. This is a big opportunity and challenge for organizations/institutions especially LKP (Institute for Courses and Training) in Indonesia

This competition, of course, can be overcome when LKP reforms management to improve organizational performance. If not, we can only be spectators in our own country, for that we need to analyze all the indicators that are strengths, weaknesses, opportunities, and obstacles of the organization. Very tight competition among LKPs requires every institution to pay attention to strategic management in order to gain excellence.

Organizational values need to be considered in establishing management strategies, in the training model Marcoulides and Heck (1993) explained that organizational values are principles, ideologies, and values that are believed and held firmly by members of the organization as expected in serving their clients. These values are measured through various organizational emphases in risk-taking and acceptance of failures that can occur at any time (risks); protect employees in the workplace (security), against productivity and efficiency, against integrity and regularity in performance (security), against productivity and efficiency, against integrity and regularity of performance (pro-feudalism), to rapid responses to developing market opportunities, advertising, image public, community services (research and development), separately the value of the organization is closely related to the environmental strategy, trust (trust) of the community, competitive advantage for organizational goals or organizational performance.

Competitive advantage is the ability of an organization to formulate strategies to exploit profitable opportunities by maximizing investment returns. Organizational performance is the answer to the success or failure of organizational goals that have been set. Good Corporate Governance (GCG) which is a good organized institutional governance will be achieved if the organization has good organizational performance and has a competitive advantage (Hill and Jones, 2007). In the opinion of Blocher, Chen, and Lin (1999), Defining organizational performance as an organizational success as measured by the balanced scorecard (BSC), it is also said that the BSC is influenced by the strategy management system.

This study aims to examine the factors influencing improving organizational performance and analyzing the influence of organizational values and strategic environment on value chains, community trust, competitive advantage and organizational performance at Training Course Institutions (LKP) in East Java Province..

A. Strategy Management

Strategy management is a term used to describe the decision-making process. This planning and control system seem to be helpful but it tends to have to be based on circumstances that remain business-oriented, and in fact, at the moment it is not able to treat itself well for a change. This system provides good financial control.

General strategies (grand strategies) are often called master or business strategies, giving direction to strategic actions. They are the basis for coordinated and balanced actions aimed at achieving long-term business goals.

B. Organizational Value

In the field of organizational behavior, "values" is an important study, because in it lies the basis of understanding attitudes and motivations and because values influence perceptions and behavior (Robbins, 1996: 174-175).

In the training model, Marcoulides and Heck (1993) explained that organizational values are principles, ideology, and values that are believed and held firmly by members of the organization as expected in serving their clients. These values are measured through various organizational emphases in:

Risk-taking and governance for failures that can occur at any time (risk); protect employees in the workplace (security), against productivity and efficiency, against integrity and regularity of performance (pro-feudalism), against rapid responses to developing market opportunities, advertising, public image, community services (marketing and image), and towards creating output new and existing (Research and development).

C. Environmental Strategy

Strategic thinking is very important and useful in taking satisfaction to overcome the problems that arise in a company (Stoner et al. 1992) Stoner identifies the concept of strategy based on two different perspectives, namely:

1. Based on the perspective of what the organization wants to say (intend to do). This strategy is defined as a program to determine and achieve organizational goals and implement its mission, this view is more applied to an ever-changing environment.
2. Based on the perspective of what the organization ultimately does. Strategic from this point of view is defined as an organizational response to the environment all the time. The reactive manager appropriately applies this view.

Another point of view shows that strategic management is a set of decisions and actions that result in the formulation and implementation of plans designed to achieve the company's goals (A. Pearce II, John and Robinson, Richard B, Yr, 1997). Meanwhile, according to William F. Glueck and Laurence R. Jauch (1999) said, strategy management is a number of satisfaction and actions that affect the preparation of a strategy or a number of effective strategies that help achieve company goals.

D. CONCEPTUAL FRAMEWORK AND HYPOTHESES

Conceptual Framework

Organizational values lead to the training model of Marcoulides and Heck (1993) explained that organizational values are principles, ideologies, and values that are believed and held firmly by members of the organization as expected in serving their clients. These values are measured through various organizational pressures on risk-taking and acceptance of failures that can occur at any time (risks); protect employees in the workplace (security), against rapid responses to building market opportunities, advertising, public image productivity, and efficiency, to integrity and regularity of performance (pro-feudalism), to rapid responses to developing market opportunities, advertising, public image, and community services (marketing and development).

Research Hypotheses

The hypothesis proposed in this study refers to the background of the problem, problem formulation, literature review, and conceptual framework. This research hypothesis is:

- H1: Organizational Value significantly influences the Value Chain of Course and Training Institutions (LKP) in East Java Province. Dimyanti (2010), Gunarianto (2010).
- H2: Organizational Value has a significant effect on Community Confidence in Course and Training Institutions (LKP) in East Java Province. Ahyar Kurniawan (2009), Matalata (2010).

- H3: Organizational Value has a significant effect on the Competitive Advantages of Course and Training Institutions (LKP) in East Java Province. Arnold Diosdad (2003), Sukmawati (2010), Muchtolifah (2011).
- H4: Organizational Value has a significant effect on the Organizational Performance of Course and Training Institutions (LKP) in the Province of East Java. Brahmasari (2009), Rahayu Praise (2009), Rahayu Praise (2009), Rofiaty (2010), Boge Harmanto (2011), Mulyaningsih (2011), Muchtolifah (2011).
- H5: The Strategy Environment has a significant effect on the Value Chain of Course and Training Institutions (LKP) in East Java Province. Dimyati (2010).
- H6: Environmental Strategy has a significant effect on Community Trust in Training and Training Institutions (LKP) in East Java Province. Dimyati (2010)
- H7: Environmental Strategy has a significant effect on the Competing Finance of Course and Training Institutions (LKP) in East Java Province. Arnold Diosdad (2003), Ibrahim Ingga (2009), Sukmawati (2010).
- H8: Strategic Environment has a significant effect on the Organizational Performance of Course and Training Institutions (LKP) in East Java Province. Brahmasari (2009), Dedi Komardi (2009), Ibrahim Ingga (2009), Herlen (2009), Rahayu praise (2009), Imam Surotro (2010), Rofiaty (2010), Boge Harmanto (2010).
- H9: Value Chain has a significant effect on the Competitiveness of Course and Training Institutions (LKP) in East Java Province. Iwan Santoso (2010), Handriyono (2010).
- H10: Value Chain has a significant effect on the Performance of Organization of Course and Training Institutions (LKP) in East Java Province. Iwan Santoso (2010), Handriyono (2010), Gunarianto (2010).
- H11: Community Trust has a significant effect on the Competitive Advantages of Course and Training Institutions (LKP) in East Java Province. Nursatyo Haribiwo (2003)
- H12: Community Trust has a significant impact on the Performance of Course Institution Employees in East Java Province. Pribanus (2009), Ahyar Kurniawan (2009)
- H13: Competitive Advantage has a significant effect on the Organizational Performance of Course and Trainer Institutions (LKP) in East Java Province. Gunaritano (2010), Muchtolifah (2011).

II. RESEARCH METHODS

This study aims to explain the causal relationship between 6 (good) variables which include Organizational Value variables and strategy environment, Value Chain, Community trust, competitive advantage, and organizational performance. By testing the hypothesis that has been proposed. The study was conducted in an incidental manner by conducting research when researchers or research assistants met directly with respondents, primary data can be absorbed from customers as respondents through the provision of questionnaires that can be directly filled out.

Research material delivered to respondents about the influence of the strategic environment, Value Chain, and trust (then) of the community, on organizational

performance, and competitive advantage in LKP (Institute of Courses and Training) in East Java Province.

III. RESULTS AND DISCUSSION

RESULTS

Respondents' Responses About Organizational Value :

1. The average value of the six indicators of the company's emphasis on the courage of employees to take risks.
2. The average value of the six protection indicators provided by the company to the safety of employees in the workplace.
3. The average value of the six indicators of the company's emphasis on productivity
4. The average value of the six indicators of the company's emphasis on efficiency.
5. The average value of the eight indicators of the company's emphasis on the regularity of performance.
6. The average value of the four indicators of the company's speed in responding to the development of market opportunities.
7. The average value of the five company speed indicators in responding to the development of public image.
8. The average value of the six indicators of the company's emphasis on creating new output (innovation).
9. The average value of the eight indicators of the company's emphasis on continuous improvement of products and services.
10. The total overall average value for the variable organizational value of 4.222, including high.

Respondents about the value chain

1. The average value of the three supply chain indicators
2. The average value of the three consumer chain indicators
3. The average value of the three indicators of cost leadership
4. The average value of the four indicators of product differentiation

Respondents regarding community trust

1. The average value of the three reputation indicators
2. The average value of the three award indicators
3. The average value of the three indicators of community satisfaction

Respondents about competitive advantage

1. The average value of the three AWARENES brand indicators
2. The average value of the three strategic partnership indicators
3. The average value of the three indicators of product and services innovation

Respondents about organizational performance

1. Financial perspective indicator.
2. Customer perspective indicators
3. Business perspective indicators
4. Indicators of growth and learning perspectives

DISCUSSION

The Effect of Organizational Value on the Value Chain

Based on the results of SEM analysis, it can be seen that there is no influence of organizational value on the value chain. Values are the basic beliefs or convictions that people have about what is right and wrong, good and bad, important and not important. Effect of Organizational Value on Organizational Performance.

The results of the dissertation analysis now support the results of previous research conducted by Brahmasari (2009) which states that organizational culture influences employee performance. New challenges faced by companies encourage the creation of new ways of doing things to improve performance continuously (continuous improvement). Organizational culture permeates in various ways to influence every aspect of the organization.

IV. CONCLUSION

The results of this study, in general, can be concluded that all hypotheses have a significant effect both directly and indirectly on organizational performance and support the results of previous research, except H1 which has no significant effect because organizational values (X1) are believed to be used to increase productivity so that the value chain (Z1) is no longer treated, namely the cost management analysis in advance to take strategic steps to face competition. The results of this dissertation do not support the results of previous studies conducted by Dimyati (2010), Gunarianto (2010).

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