

Analysis of the Relationship between Organizational Culture and Compensation on Teacher Performance in Educational Institutions: A Literature Review

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ABSTRACT

Objective: The study aims to understand the impact of organizational culture and compensation on teacher performance. Teacher performance is a critical factor in determining the quality of education in educational institutions. Highly performing teachers not only deliver lessons effectively but also motivate and inspire students to achieve their full potential. **Method:** This research employs the Systematic Literature Review (SLR) method. Data collection involved formulating research questions, collecting 15 relevant articles, filtering them to 5 articles aligned with the research objectives, conducting a comparative review focusing on the results section, presenting the data, and drawing conclusions from the findings. **Results:** The study concludes that both organizational culture and compensation collectively have a significant impact on enhancing teacher performance. This conclusion is based on a synthesis of findings across the reviewed literature. **Novelty:** The study offers a focused analysis of the combined influence of organizational culture and compensation on teacher performance through a systematic literature review approach, providing a comprehensive understanding of these interrelated factors.

INTRODUCTION

Teacher performance is one of the key factors in determining the quality of education in educational institutions. High-performing teachers are not only able to deliver lessons effectively but also can motivate and inspire students to reach their full potential. In this context, two important factors that influence teacher performance are organizational culture and compensation.

Organizational culture is a system of shared meanings consisting of a set of key characteristics that are upheld by the organization, embraced by its members, and distinguish the organization from others [1]. Organizational culture is a set of basic assumptions that have been discovered, determined, and developed by a group through a learning process to address external group adaptation issues and internal group integration [2]. Organizational culture encompasses the values, norms, and practices adopted by an educational institution. A positive culture can create a supportive work environment, enhance collaboration among teachers, and encourage innovation in teaching. According to Schein, a strong organizational culture can enhance teachers' commitment and job satisfaction, which in turn positively impacts their performance. Research by Deal and Kennedy also shows that a supportive organizational culture can enhance employee motivation and productivity, including teachers [3].

Compensation can be defined as all forms of attention and appreciation given by the organization/institution to employees in return for the work or performance that employees have provided to the organization [4], which states that compensation for the organization/institution is a form of wage given to workers/employees who have contributed to the institution in realizing the goals of the institution/organization [5].

On the other hand, compensation, which includes salaries, allowances, and other forms of rewards, also plays an important role in improving teachers' performance. Fair and adequate compensation can enhance teachers' motivation and job satisfaction. To improve the quality of teachers, there are many things that need to be considered, one of which is paying attention to the compensation and reward system [6].

The combination of a positive organizational culture and an effective compensation system can create an environment conducive to improving teacher performance. Research by Tschannen-Moran and Hoy shows that support from the organizational environment and recognition of achievements can enhance teachers' self-confidence, which in turn leads to improved performance [7]. Therefore, it is important to understand how these two factors interact with each other and influence teacher performance in educational institutions.

This study aims to analyze the relationship between organizational culture and compensation on teacher performance in educational institutions. Through this study, it is hoped that effective strategies can be found to improve teacher performance, which will ultimately have a positive impact on the overall quality of education.

RESEARCH METHOD

In this study, the author conducted research using the Systematic Literature Review (SLR) method. The SLR method is a research method used by identifying, analyzing, evaluating, and interpreting all previous research findings obtained by the researcher. The results of previous research are then reviewed by the researcher, by systematically examining and identifying the selected research articles. Triandini et al., state that when a researcher intends to use the LSR method, the researcher must conduct identification and review of several journals systematically and follow the steps appropriate for the use of the LSR method [8].

The researcher used 15 articles when collecting data on the Analysis of the Relationship between Organizational Culture and Compensation on Teacher Performance in Educational Institutions. These articles were taken from 15 national journal articles published from 2020 to 2024 by Google Scholar. Subsequently, from these 15 articles, a selection was made based on research results related to the influence of organizational culture and compensation on teacher performance in Educational Institutions, resulting in 5 articles that support the research titled Analysis of the Relationship between Organizational Culture and Compensation on Teacher Performance. After these articles were used in tabulation, analysis and tabulation were conducted to include the names of the researchers, publication years, journals, and

research results. This article discusses several articles that have been evaluated and compared to reach a conclusion. The results of this study are used as a basis to assess the influence of the organizational culture environment and compensation on teacher performance.

RESULTS AND DISCUSSION

Below is a table of 15 research articles on the analysis of the relationship between organizational culture and compensation on teacher performance in several educational institutions.

Table 1. Results of the review on the influence of organizational culture and compensation on teacher performance.

No.	Authors and Year	Journal	Research Findings
1	[9]	<i>Jurnal Inovasi Pembelajaran di Sekolah (JIPS)</i>	Overall, principal competency, organizational culture, and compensation collectively influence teachers' work motivation by 55.5%.
2	[10]	<i>Journal of Administration and Educational Management</i>	Compensation has a positive but insignificant effect on teacher performance at SMK PGRI Brati, Grobogan Regency, while organizational culture has a positive and significant effect.
3	[11]	<i>COSTING: Journal of Economic, Business and Accounting</i>	Partially, compensation, motivation, and organizational culture collectively have a significant impact on teacher performance.
4	[12]	<i>E-Journal of Management, Trisakti School of Management (TSM)</i>	Compensation, work environment, and organizational culture positively and significantly affect job satisfaction of teachers at private vocational schools in Semarang, with an influence of 64.2%.
5	[13]	<i>Cerdika: Indonesian Scientific Journal</i>	Compensation affects teacher performance and job satisfaction, while organizational culture

			significantly affects both.
6	[14]	<i>Jurnal Ilmiah Research and Development Student (JIS)</i>	Organizational culture and compensation significantly influence teacher satisfaction, which, in turn, affects their innovative behavior.
7	[15]	<i>IMEIJ: Indo-Math Edu Intellectuals Journal</i>	Principal leadership and organizational culture collectively have a significant influence on teacher performance, with a contribution of 72.3%.
8	[16]	<i>Jurnal Pendidikan dan Pembelajaran (JPPK)</i>	Organizational culture and compensation significantly affect teacher performance at Madrasah Aliyah in Jongkat District.
9	[17]	<i>Jurnal Dimensi</i>	Compensation has a positive and significant effect on teacher performance, while organizational culture has a negative and significant effect.
10	[18]	<i>MAMEN: Journal of Management</i>	The implementation of compensation and rewards has a significant impact on improving the performance of teachers and staff.
11	[19]	<i>PERISAI: Journal of Education and Science Research</i>	Organizational culture and compensation simultaneously have a significant influence on teacher performance.
12	[20]	<i>PERISAI: Journal of Education and Science Research</i>	Research indicates the effectiveness of compensation in enhancing work motivation and job performance in educational institutions is very good.

13	[21]	<i>BENING: Management Journal, Universitas Riau Kepulauan Batam</i>	Organizational culture has a positive and significant impact on teacher performance. Leadership, work motivation, and organizational culture collectively have a positive and significant influence on teacher performance.
14	[22]	<i>Indonesian Journal of Economics, Entrepreneurship, and Innovation</i>	Organizational culture, work motivation, and work discipline collectively have a significant impact on the performance of high school economics teachers in Makassar.
15	[23]	<i>Journal of Education, Culture, and Religion</i>	Compensation and work environment significantly affect teacher performance through work motivation at SMK Negeri Dander, Bojonegoro.

Based on the 15 articles that have been reviewed, the researchers have conducted a selection based on the objectives and results of the research, resulting in 5 articles that contain the relationship between organizational culture and compensation on teacher performance. The data is as shown in the following Table 2.

Table 2. The results of the review on the influence of organizational culture and compensation on teacher performance.

No.	Authors and Year	Journal	Research Findings
1	[10]	<i>Journal of Compensation Administration and Educational Management</i>	Compensation has a positive but not significant effect on the performance of SMK PGRI Brati teachers in Grobogan Regency, while Organizational Culture has a positive and significant effect on their performance.
2	[13]	<i>Cerdika: Indonesian Scientific Journal</i>	Compensation affects teachers' performance and job satisfaction, while organizational culture has a significant impact on teachers' performance and job satisfaction.

3	[14]	<i>Scientific Journal of Research and Development Student (JIS)</i>	Organizational culture and compensation significantly influence teacher satisfaction, which in turn affects their innovative behavior.
4	[16]	<i>Journal of Education and Learning (JPPK)</i>	Organizational culture and compensation significantly affect the performance of Madrasah Aliyah teachers in Jongkat District.
5	[19]	<i>PERISAI: Journal of Education and Scientific Research</i>	Organizational culture and compensation simultaneously have a significant influence on teacher performance.

The research conducted by Wahyuningsih shows that competence and organizational culture have no significant effect on teacher motivation, compensation has a significant effect on work motivation, competence and organizational culture have a significant effect on teacher performance, compensation and motivation have no significant effect on teacher performance, and the F-test results indicate that competence, compensation, organizational culture, and motivation together have a significant effect on the performance of teachers at SMK PGRI Brati, Grobogan Regency [10]. Sutrisno found similar research results that compensation affects performance, compensation significantly affects job satisfaction, organizational culture significantly affects performance, organizational culture significantly affects job satisfaction, and job satisfaction does not significantly affect performance [13]. This means that if an institution implements a good organizational culture followed by adequate compensation, the performance of teachers in that educational institution will improve. This is in line with the research conducted by Maharani, who concluded that there is a significant partial influence between organizational culture and teacher performance. Similarly, compensation also has a partial influence on teacher performance. Furthermore, there is a simultaneous significant influence between organizational culture and compensation on teacher performance. Therefore, the stronger the organizational culture of an institution and the greater the compensation provided, the more professional the teacher's performance will be [19]. Heni and Putra also concluded from their research that organizational culture and compensation significantly influence teacher satisfaction, which in turn affects their innovative behavior. Meanwhile, organizational culture has a significant direct impact on teachers' innovative behavior [14].

The same research results were obtained by Hasna, who stated that organizational culture significantly affects the performance of Madrasah Aliyah teachers in Jongkat District. This means that improving teacher performance can be pursued by enhancing the organizational culture in the Madrasah through increasing teacher discipline,

responsibility, and camaraderie, awarding outstanding teachers, and encouraging teachers to develop themselves through professional training and promotion. Compensation has a significant influence on the performance of Madrasah Aliyah teachers in Jongkat District. This means that improving teacher performance can be pursued by enhancing and refining the salary or wage system, providing and managing teacher allowances, and giving incentives to teachers to further improve the quality and quantity of their work. Organizational culture and compensation simultaneously influence the performance of Madrasah Aliyah teachers in Jongkat District, meaning that teacher performance can be improved by enhancing organizational culture and compensation together [16].

CONCLUSION

Fundamental Finding : This study, conducted through a systematic literature review (SLR), concludes that organizational culture and compensation significantly influence teacher performance. A strong and positive organizational culture fosters teachers' ability to carry out their duties effectively, while fair and adequate compensation boosts their motivation and dedication. Together, these factors interact synergistically to enhance professionalism and overall teacher performance. **Implication :** The findings emphasize the critical role of managing organizational culture and providing appropriate compensation in improving teacher performance. Educational institutions should prioritize cultivating a robust culture and offering fair compensation as strategic measures to enhance professionalism, thereby positively impacting the overall quality of education. **Limitation :** This study is limited to the scope of secondary data obtained through SLR, which may lack specific contextual nuances or real-time insights. Additionally, the research does not explore variations across different educational levels or geographic regions, potentially limiting the generalizability of its findings. **Future Research :** Future research should employ empirical methods to validate these findings in diverse educational settings and geographical contexts. Longitudinal studies examining the dynamic interplay between organizational culture, compensation, and teacher performance could offer deeper insights and actionable recommendations for policy and practice.

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