

Corporate Culture and Leadership: Commitment in Realizing the Green Industry with Environmental Education

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ABSTRACT

The role of corporate leader instilling the values of corporate culture, so that the employee members become behavior changed in their daily life which is evidenced by the company's long-term commitment which leads to the green industry. This research aims to find out the relationship between corporate culture and corporate leadership toward the company's commitment in realizing Green Industry in PD Pal Jaya DKI Jakarta. The method used is quantitative method with correlational technique. Three instruments measuring the company's cultural relationship with the company's commitment in realizing green industry has a correlation coefficient result which is 0.900, leadership relationship with the company's commitment in realizing green industry is 0.504, and corporate cultural relationship and corporate leadership with the company's commitment in realizing the green industry is 0.952. The results show that firstly there is a positive relationship between corporate culture and the company's commitment in realizing green industry, secondly there is a positive relationship between corporate leadership and the company's commitment in realizing green industry, and thirdly there is a positive relationship between corporate culture and corporate leadership together with the company's commitment in realizing green industry through environmental education in early childhood. Therefore, it can be concluded that if the company's commitment in realizing the green industry wants to be improved, then the company culture and corporate leadership should also be considered to be able to support the creation of corporate commitments that lead to green industry through environmental education.

Keywords:

corporate culture, leadership, Green Industry, environmental education

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Introduction

Industrial development in this era has a big role in increasing global warming. Global warming causes the change in weather and climate caused by industrial activity that process natural resources resulting in increasing the greenhouse gas emissions. Besides, the rise of industry in Indonesia both on a small, medium, and large scale using natural resources and produce enough waste, so it is able to trigger an impact on global warming.

The importance of applying environmental culture to be able to improve the company's performance positively. Therefore the integration of environmental values instilled in the company's internal culture will influence the implementation of green strategies for the advancement of the company itself (Ju & Jang, 2017). The cultural impact carried out by the company will also positively improve environmental responsibility

behavior. This case will ultimately have a positive impact on the company's sustainability into the future (Shaukat et al., 2016).

The company culture was formed and built by the company's leaders and passed on to all members of the company throughout the generations. Company leader as a role model in conveying important information about desired behavior and prioritized. In an environmental context, a company leader should be able to provide direction for environmental sustainability preferably for their employees. The company's leaders are considered an important driver of the company's sustainability. In particular, company leader will directly influence the employees to enforce environmentally responsible behavior with environmental values in every action to create new and innovative ways of pro-environmental behavior (Tang et al., 2017).

These environmental leader should be sensitive to all environmental issues occurring, as this case will have a broad impact in every decision that will be taken. This process becomes very important, since there are many differences in various points of view that should be recognized to be able to be given the best solution in the environmental problems. For instance, how to use industrial park forests in a sustainable manner, fisheries, agriculture, plantations, mining while maintaining the balance of environmental (ecosystem) and economic stocks for the country or region itself (Abood et al., 2015).

One of the issues that is quite highlighted in this era, especially in Indonesia, is environmental issues. This case happens because the fulfillment of basic human needs grows rapidly and increases from year to year causing various problems. One of the efforts made by humans to overcome the problem is by using industry as the main economic center. However, at this moment, there are many companies which are not managing the company's waste properly. This leads to a decrease in the quality of natural resources with various crises both clean water, soil pollution and other environmental problems. This raises various problems on the one hand wanting to build ecosystems and on the other hand to continue to fulfill human needs for environmentally sound development, one of them is through environmental education (Dangelico et al., 2017; Su et al., 2013).

The company's leadership generates a positive relationship with the company's commitment. Then the corporate culture also has a positive and significant impact on the company's

commitment. Based on these researches, the merger between the concept of corporate culture and corporate leadership is linked to the company's commitment in the creation of the Green Industry concept in the company. Based on the considerations, the author raised the issue titled Corporate Cultural Relations and Corporate Leadership with the Company's Commitment in realizing Green Industry in PD PAL Jaya - DKI Jakarta.

Connection with the problem formulation, the purpose of this research is to test the Company's Cultural Relationship with the Company's Commitment in realizing Green Industry. The Company's Leadership Relationship with the Company's Commitment in realizing Green Industry. Corporate Cultural Relations and Corporate Leadership together with the Company's Commitment in realizing green industry

Method

This research is located in BUMD PD PAL JAYA - DKI Jakarta, starting from September 2019 - July 2020. The method used is quantitative research method with correlational study. If there is a relationship then, the change made to one of the variables tested will result in a change in the other variable.

This research was conducted to find out if there is a variable relationship of Corporate Culture, Company Leadership, and Corporate Commitment in realizing Green Industry, as well as measuring how strong the relationship is (correlation coefficient).

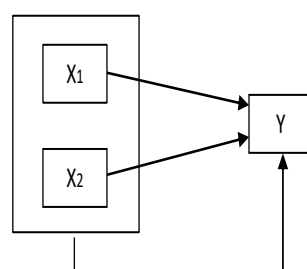


Figure 1. Hypothetic Model Research

Explanation:

X_1 = Corporate Culture

X_2 = Company Leadership

Y = Company's Commitment in Realizing the Green Industry

The target population of this research is all employees of liquid and solid waste management company in Jakarta. While the accessible population research is an active employee in the waste treatment division of PD Pal Jaya, especially on field staff. Sampling procedure used is multi stage random sampling, PD Pal Jaya Jakarta chosen by purposive sampling, because the company is heading to the green industry. Based on the data, the city of Jakarta is a contributor to the abundant composition of waste, and one of the companies owned by the Jakarta city government that manages the handling of waste is PD Pal Jaya.

The company has several divisions, and one of its divisions is Water Treatment and Environment Control which is chosen by purposive sampling, with the consideration that the employee works in a section that is widely related to the environment. In this division, there is a sampling frame of 165 employees, 30 employees selected as trials, the remaining 135 employees. Then by using the formula Slovin with a precision level is 15% obtained a research sample of 60 employees selected by random sampling.

The Company's commitment is defined by the desire of employees to become still the members in a company in a three-dimensional way, such as affection, sustainability and normative commitment with a total of points is 21 by using the Likert Scale with a choice of answers 1) Strongly Disagree, 2) Disagree, 3) Neutral, 4) Agree, and 5) Strongly Agree. Where the answer of 5-1 for positive statement and the answer of 1-5 for negative statement.

The Company's culture is defined as the values or views followed by employees and shapes their behaviour in its activity in the company through indicators: (1) the atmosphere of togetherness with sub indicators realizes an atmosphere of togetherness regarding environmental care in the company, (2)

sportsmanship in high competitiveness with sub indicators trying to compete sportsmanship in achieving sustainable development, (3) spirit of achieving profit with sub indicators have a spirit in achieving environmentally friendly profit, (4) a strong motto with sub indicators Embodying a strong motto in the green industry movement, (5) vision and mission that are perceived equally by company members with sub indicators achieving the same perceived vision and mission by members of the company in the green industry movement, and (6) anticipation of competitor threats with sub indicators trying to anticipate the threat of environmental destruction with a total statement which is 26 points.

Company leadership is the behaviour of company leader judged by their employees in influencing their subordinates to achieve the company's objectives effectively and efficiently in resolving environmental problems through dimensions: (1) inspirational motivation, (2) influence idealism, (3) intellectual stimulation, (4) individual considerations, (5) contingent rewards, (6) active management by exception, (7) passive management by exception, and (8) laissez faire with the number of total statement is 32 points.

Validity test is conducted at level of $\alpha = 0.05$ on r_{tabel} with $n = 30$. If $r_{\text{count}} > r_{\text{table}}$, then the instrument item is declared valid. On the contrary, if r_{count} is less than r_{table} then the instrument item is declared fall (drop). Measuring the validity tests uses Excel programs with correl formulas. While reliability test also uses Excel program with Alpha formula with $n = 30$. If the value of is more than the level of trust from the alpha value then, the value is reliable so that the statement item can be used for research.

Data analysis techniques used are regression and correlation tests. Data analysis is conducted by descriptive statistics and inferential statistics. Previously, the analysis requirement test was conducted, then followed the following stages: normality test using Kolmogorov-Smirnov and Shapiro Wilk test. Homogeneity test using Kolmogorov-Smirnov test. To obtain an overview of the contribution of free variables to variations

in bound variables calculated the value of good of fit (R2) or index determination. Analysis program to process data in research used Excel software and SPSS version 20.0 for Windows.

Result and Discussion

Sample Description Based on their Age

Based on table 4.2, it shows that the

largest sample is between the age of 40-44 years old that consist of 20 people (33.3%), followed by the ages of respondents 45-49 years old that consist of 20 people (33.3%), then the residence in the age of 35-39 years old is 10 people (16.6%) and 50-54 that consist of 10 people (16.6%) which is presented on the table 1.

Table 1. Category of Respondece’s Age

No	Age	Number	Percentage
1	35-39 tahun	10	16,6%
2	40-44 tahun	20	33,3%
3	45-49 tahun	20	33,3%
4	50-54 tahun	10	16,6%
Sum		60	100%

Sample Description Based on the Educational Background

Based on table 4.3, it shows that the largest sample is those having the level of educational background such as undergraduate

(S1) consisting of 30 people (50%). Then followed by the level of master education (S2) consisting of 20 people (33.3%) and high school graduates consisting of 10 people (16.6%) presented on the table 2.

Table 2. Category of Educational Background

No	Educational Background	Number	Percentage
1	SMA	10	16,6%
2	S1	30	50%
3	S2	20	33,3%
Sum		60	100%

Description of Corporate Culture Variable (X₁)

From table 4.4, The Company Culture Variable below can be observed that the score of value 2 has a valid value which is 6.7 percent. Then on score 3 has a valid value which is 26.7

percent. On score 4 has a valid value which is 45 percent. While the score of value 5 has a valid value which is 21.7 percent, presented on the Table 3.

Table 3. Frequency of Corporate Culture Variable (X₁)

		Frequency	Percentage	Cumulative Percentage
Valid	2	4	6.7	6.7
	3	16	26.7	33.3
	4	27	45	78.3
	5	13	21.7	100
	Sum	60	100	

Description of Company Leadership Variable (X₂)

From table 4.5, the Company Leadership Variables, shows that the score of value 2 has a valid value which is 6.7 percent. Then on the

score 3 has a valid value which is 31.7 percent. On the score 4 has a valid value which is 26.7 percent. While the score of value 5 has a valid value which is 35 percent presented on the Table 4.

Table 4. Frequency of Company Leadership Variable (X₂)

		Frequency	Percentage	Cumulative Percentage
Valid	2	4	6.7	6.7
	3	19	31.7	38.3
	4	16	26.7	65
	5	21	35	100
	Sum	60	100	

Description of Company's Commitment Variable in Realizing the Green Industry (Y)

From table 4.6, The company's commitment variable in realizing the green industry, shows that the score of value 2 has a

valid value which is 10 percent. Then on score 3 has a valid value which is 20 percent. On score 4 has a valid value which is 40 percent. While the score of value 5 has a valid value which is 30 percent, presented on the Table 5.

Table 5. Frequency of Company's Commitment Variable in Realizing Green Industry (Y)

		Frequency	Percentage	Cumulative Percentage
Valid	2	6	10	10
	3	12	20	30
	4	24	40	70
	5	18	30	100
	Sum	60	100	

The score of company's commitment variable in realizing the green industry is

visualized in the form of histogram as follow.

Table 6. Coefficient Meaning Test of Partial Correlation (r_{y1})

Model	Correlation	Correlation Coefficient	Correlation Coefficient Grade
1	0.950	0.900	0.850

The coefficient of determining the relationship between corporate culture and the company's commitment in realizing green industry, at the second order correlation (Adjusted R Square) of (0.850)² x 100 percent means 85 percent of variation in the company's commitment

in realizing green industry can be explained by corporate culture variables. The relationship between the company's leadership variable and the company's commitment in realizing the green industry is conducted by using simple regression analysis. The results of the regression

analysis are equations = 4,365 + 1,119 X2 and the result of the regression meaning and linearity test

are presented on the table 4.11 below:

Table 7. Coefficient Meaning Test of Partial Correlation (r_{y2})

Model	Correlation	Correlation Coefficient	Correlation Coefficient Grade
1	0.71	0.504	0.944

The coefficient of determining the relationship between corporate culture and the company's commitment in realizing green industry, at the second order correlation (Adjusted R Square) of (0.944)² x 100 percent means 94 percent of variation in the company's commitment

in realizing green industry can be explained by the company's leadership variable. The Relationship between Corporate Culture and Corporate Leadership and the Company's Commitment in Realizing the Green Industry

Table 8. Coefficient Meaning Test of Partial Correlation (r_{y2})

Model	Correlation	Correlation Coefficient	Correlation Coefficient Grade
1	0.976	0.952	0.944

The coefficient of determining the relationship between corporate culture and corporate leadership with the company's commitment in realizing green industry, at the second order correlation (Adjusted R Square) of (0.952)² x 100 percent means 95 percent of variation in the company culture and company leadership can be explained by the variable of the company's commitment in realizing the green industry. Therefore, it can be concluded that there is a very significant positive relationship, between corporate culture and corporate leadership together with the company's commitment in realizing green industry in PD Pal Jaya DKI Jakarta. It means that the better the company culture and corporate leadership, the better the company's commitment in realizing the green industry. Coefficient of determining the relationship between corporate culture and company leadership together with the company's commitment in realizing green industry at the second order correlation of (0.952)² x 100 percent means 90 percent. This case shows that 90 percent of variance in the company's commitment in realizing the green industry can be explained by

the variables of corporate culture and corporate leadership together.

Based on the result of the first hypothesis testing shows that the company's culture is positively related and significantly with the company's commitment in realizing the green industry in PD Pal Jaya. The company's success in creating the company's commitment is fully supported by the members of the company proven by their daily behavior. Those behaviors will form a unity of corporate culture that is hereditary inherited directly (Chuang & Huang, 2018; Ciocirlan, 2017; Costa et al., 2018). For instance, employee's behavior in supporting the effort to reduce the purchase of packaged drinks by carrying their own bottles (tumblers) in every event in the office. One of these behaviors is one of the corporate culture that can be applied at any opportunity. As a result, the change starts to be committed in little by little in these employees. Then also the behavior to save water use in the toilet is also an effort to support the realization of the company's commitment to lead to the green industry.

The second hypothesis test result show that

the company's leadership is positively related and significantly with the company's commitment in realizing the green industry in PD Pal Jaya. The role of company leaders as a role model in creating behavior changes for employees in supporting the creation of the company's commitment in realizing the green industry. Company leaders, besides being a motivator, they are also the initiator of change that lead to creative ideas to minimize the impact of the surrounding environment (Arafat et al., 2015; Liu et al., 2017). Then over the time there is a change in employee behavior that begins to lead to minimize the impact of the surrounding environment, especially on a small scale in the office itself.

The third hypothesis test result show that the company's culture and company leadership are positively related and significantly with the company's commitment in realizing the green industry in PD Pal Jaya. This is appropriate with the findings of the field in PD Pal Jaya itself by the support of the corporate culture, the company's leadership is very closely related in realizing the company's commitment that leads to the green industry. The company's commitment, if it is not supported by the corporate culture that has been hereditary committed by the company's leaders will not be able to shape the purpose of the company's vision and mission to become a green industry. One of the lacks in marketing waste management effort in Jakarta is people's lack of awareness of the importance of wastewater management around their homes. Whereas if traced further, this effort is very important, since the contaminated water will be very dangerous for the health of the individual (Nwankwoala, 2015; Olsson & Kjällstrand, 2006). PD Pal Jaya routine effort until today are working with educational institutions in disseminating the importance of sustainable wastewater management.

The routine activity done at this time is through the education of school children, such as elementary school, with the name PD Pal Goes to School. This activity is a proof that the company continues to strive in increasing the knowledge and information to the public on the importance of

water management, especially waste appropriately for the sustainability of human quality of life. The initial goal is elementary school students, due to the early education will change gradually individual behavior (Hidayati & Wuryandari, 2012; So et al., 2019). It takes a process in making a big change, but in the future PD Pal Jaya will continue to innovate in improving the direction of a better company. Environmental education in this case should be done early. Since many learning materials related to the environment need to be socialized to early childhood as a form of prevention (Ichsan & Rahmayanti, 2020; Ideland & Malmberg, 2015; Komala et al., 2020; Sigit et al., 2020; Wojciehowski & Ernst, 2018).

Conclusion

Based on the results of research and discussion, it can be concluded that there is a positive relationship between the company culture and the company's commitment in realizing the green industry. It means that the higher the corporate culture, the higher the company's commitment in realizing the green industry. There is a positive relationship between the company's leadership and the company's commitment in realizing the green industry. It means that the higher the company's leadership, the higher the company's commitment in the form of green industry. There is a positive relationship between the company's culture and the company's leadership with the company's commitment in realizing the green industry. It means that the higher the company culture and corporate leadership, the higher the company's commitment in realizing the green industry through environmental education.

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