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ANALYSIS OF THE EFFECT OF LEADERSHIP STYLE, ORGANIZATIONAL CULTURE, AND TRAINING THROUGH JOB SATISFACTION ON EMPLOYEE PERFORMANCE

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Abstract: The existence of employees in a company organization is important. Because employees who act as the driving force for the life of the organization or company, because humans regulate all technology, systems, and facilities and infrastructure owned by the company. Hence, if a company wants to achieve the company's vision and mission, the company must also pay attention to aspects and variables that are in direct contact with employee performance and employee job satisfaction. Three Fundamental Variables Leadership Style, Organizational Culture and training, which are expected to improve employee performance and productivity and make employees satisfied and comfortable working in the company. PT Arina Multikarya, Pasuruan is a service company engaged in the field of human resources. This research uses a quantitative approach by using questionnaires and observation data collection methods and using the PLS method. The respondents of this study were 96 employees. The results of this study indicate that organizational culture and training have a significant effect on employee performance, while the leadership style variable does not have a significant effect on employee performance. Meanwhile, job satisfaction can mediate leadership style and training variables on employee performance, but job satisfaction cannot mediate organizational culture on employee performance.

Keywords: Leadership Style, Organizational Culture, Training, Employee Performance, Job Satisfaction

1. Introduction

Company competition in various sectors, both the production sector and the service sector, both abroad and domestically in the current global era is increasingly competitive, so this causes more demands on employees to contribute in the form of efficient, efficient and optimal performance to help the achievement of company goals. According to (S. Notoadmodjo, 2012) existing human resources in the organization must always be empowered and developed in order to become a competitive resource. The end result of it all, of course, is employee performance. To create an optimal and appropriate human resource performance, a good performance management system planning is needed, where the performance management system has several components consisting of performance planning, continuous performance report, collection (data, observation, and documentation), performance appraisal meetings, diagnosis of performance training, and getting to the stage of returning to the beginning – planning again (Zainal, 2015).



BUSINESS & SOCIAL SCIENCES

Digital Transformation Business Strategy in Post Covid-19

NTERNATIONAL CONFERENCE ON

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Leadership style is one of the variables that support the creation of productive employee performance, if the company has a row of leaders who have quality, do not fail to communicate the company's vision and mission to employees under them, and have a good leadership side, of course it can improve employee performance. Indirectly, employees will also feel satisfaction in their work because they have a leader figure who is able to direct, guide, organize and motivate their team well.

Apart from leadership style variables, organizational culture and training are also variables that can support the creation of employee performance improvements. If top management in the company is able to create and develop a conducive and constructive organizational culture, then this fact will make employees feel comfortable working for the company, so that employees have a sense of loyalty to the company and the impact is to improve employee performance.

PT. Arina Multikarya is a national private company engaged in the provision of Human Resources, domiciled in Sidoarjo and having its address in Surabaya. PT. Arina Multikarya has been established since 1960. Currently, PT Arina Multikarya is one of the best Human Resources Service companies in Indonesia. To maintain this image, PT Arina Multikarya is very focused on the performance of its employees. In this study, the authors observed that there was a decrease in employee performance in one of the branches of PT Arina Multikarya, namely in Pasuruan Regency.

There was a decrease in the percentage of employee performance in October-December 2019. The decline in employee performance among others occurred in October 99%, November 90% and December 85%, in October 97%, November 84% and December 80%. Than in the Inspection Section for October 96%, November 82% and December 75%. From the employee disciplinary data, there was also an increase, including violations of uniforms, id cards, grooming, and others. Where in October there were 7 cases, November there were 15 cases and December there were 13 cases. For data on the number of employees who are late, there is also an increase, which in October there were 10 cases, November there were 13 cases, and December there were 18 cases.

From the data above, it can be concluded that there has been a decrease in the performance of Warehouse employees in October-December 2019, and an increase in Disciplines from October-December 2019. This study focuses on the process of identifying what causes a decrease in employee performance and increasing the number of disciplinary actions carried out by employees.

2. Literature Review

Leadership Style

According to (Kartono, 2008:34) Stating as follows: "Leadership style is the nature, habit, temperament, character and personality that distinguishes a leader in interacting with others." According to (Miftah Thoha, 2012) suggests that: "Leadership style is a norms of behavior used by a person when that person tries to influence the behavior of others or subordinates.

Organizational Culture

According to (Wibowo, 2011: 19) organizational culture is the philosophy of the organization that contains beliefs, norms, and shared values that are the core characteristics of how to do things in the organization. Based on the definition made by the experts above that organizational culture is a guideline in an organization in which values, norms and beliefs are summarized, which becomes a guide for how to achieve organizational goals.



2nd INTERNATIONAL CONFERENCE ON BUSINESS & SOCIAL SCIENCES

Digital Transformation Business Strategy in Post Covid-19

Training

According to (Jusmaliani, 2011:99) training is the process of training new employees or employees who will get new placements with the basic skills needed to carry out the work.

Employee Performance

According to (Marwansyah, 2010:228) performance is a person's achievement with regard to the tasks assigned to him. Performances can also be seen as a combination of work results (what a person must achieve) and competence (how a person achieves it).

Job Satisfactiom

According to (Handoko, 2011: 193) job satisfaction is a pleasant or unpleasant emotional state in which employees view how they work. Job satisfaction reflects a person's feelings toward his job.

Previous Research

(1) Research conducted by Mariam (2009) said that leadership style and organizational culture have a positive and significant effect on employee performance. Leadership style and organizational culture have a positive and significant effect on job satisfaction. Job satisfaction has a positive and significant effect on employee performance. (2) Rusmanto. (2014) said that, leadership style has no effect on employee job satisfaction, for employee performance. Organizational culture has an effect on employee job satisfaction. And employee performance. Compensation has no effect on job satisfaction but does affect employee performance. Employee job satisfaction has no effect on employee performance. Leadership style, organizational culture and compensation have no effect on employee performance through employee job satisfaction. (3) Siagian & Khair (2018) said that leadership style and work environment have a positive and significant effect on job satisfaction. Leadership style has a positive and insignificant effect on employee performance variables, the work environment has a positive and significant effect on employee performance. Job satisfaction cannot mediate the influence of leadership style and work environment variables on employee performance variables. (4) Hayati & Haryani. (2016) said that. Partially, the training and leadership variables have no effect on employee performance, while the motivation variable partially affects employee performance. (5) Dihan & Pratama (2018) said that, Training; Organizational Culture has a positive and significant effect on employee performance, Organizational Culture Training has a positive and significant effect on employee job satisfaction, Job satisfaction has a positive and significant effect on employee performance, Job satisfaction is able to mediate the effect of training and organizational culture on employee performance. (6) Lubis (2008) pointed out that training and work motivation may partially or simultaneously affect employee performance. (7) Lineker, et al. (2016) said that, organizational climate variables and organizational commitment proved to have a significant effect on performance variables, job satisfaction variables proved to have an insignificant effect on performance variables. (8) Ogbonna & Harris (2000) said that training and job motivation partially or simultaneously affect employee performance. (9) Voon, et al. (2011) said that leadership styles and employees job satisfaction variables have been shown to have a significant effect on employees' performance variables. Employees job satisfaction variables can mediate the effect of leadership styles on employees' performance variables.

Conceptual Framework

The following is a conceptual framework that is prepared to be able to understand the relationship between the variables to be studied.

2nd INTERNATIONAL CONFERENCE ON BUSINESS & SOCIAL SCIENCES

Digital Transformation Business Strategy in Post Covid-19

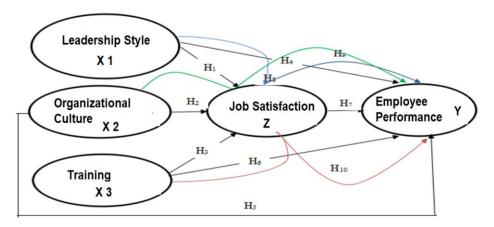


Figure 1. Conceptual Framework

Hyphothesis

Hypothesis Based on the conceptual framework above, the proposed research hypotheses are:

- H1: Leadership style has a significant effect on job satisfaction at PT Arina Multikarya Pasuruan.
- H2: Organizational Culture has a significant effect on job satisfaction at PT Arina Multikarya Pasuruan.
- H3: Training has a significant effect on job satisfaction at PT Arina Multikarya Pasuruan.
- H4: Leadership style has a significant effect on employee performance at PT Arina Multikarya Pasuruan.
- H5: Organizational Culture has a significant effect on employee performance at PT Arina Multikarya Pasuruan.
- H6: Training has a significant effect on employee performance at PT Arina Multikarya Pasuruan.
- H7: Job satisfaction has a significant effect on employee performance at PT Arina Multikarya Pasuruan.
- H8: Leadership style has a significant effect on employee performance through job satisfaction at PT Arina Multrikarya Pasuruan.
- H9: Organizational culture has a significant effect on employee performance through job satisfaction at PT Arina Multrikarya Pasuruan.
- H10: Training has a significant effect on employee performance through job satisfaction at PT Arina Multrikarya Pasuruan.

3. Method

Population

The population of this study was all helpers (regular) employees of the Warehouse division consisting of several parts, namely the admin staff inspection staff, loader staff, forklift staff drivers and checker staff as many as 96 employees.

Sample

The sample is a part of the population, because it is part of the population, of course it must have the characteristics possessed by the population (Burhan, 2013: 99). The total population in this study is relatively small, so all members of the population of employees of PT Arina Multrikarya Pasuruan with the Warehouse division were used as a sample of 96 people. According to (Sugiyono, 2017:68), that: "saturated sampling technique is a sampling technique



2nd INTERNATIONAL CONFERENCE ON BUSINESS & SOCIAL SCIENCES

Digital Transformation Business Strategy in Post Covid-19

e-ISSN 2746-5667

when all members of the population are used as samples." This is because the population used in this study is relatively small, less than 100 people or research that wants to make generalizations with very small errors.

Method of collecting data

Questionnaire is a data collection technique that is carried out by providing a set of list of questions or written statements to obtain information from a number of respondents. This study uses a closed direct questionnaire that is designed in such a way as to obtain data about the conditions experienced by the respondents. The scale used in this study is the Likert scale.

Analysis Techniques

The analytical method in this study uses Partial Least Square (PLS) because it can be applied to all data scales, does not require many assumptions, and the sample size does not have to be large. This research analyzes by testing convergent validity, Discriminant Validity, Composite reliability and Cronbach's Alpha. And analyze the Inner Model Analysis through RSquare (R2).

4. Result and Discussion

The Effect of Leadership Style on Job Satisfaction

The results of data analysis show that the leadership style (X1) has a positive and significant effect on job satisfaction at PT. Arina Multikarya Pasuruan (Z), where the T statistic value produced by the leadership style variable (X1) is 6.975 which is greater than 1.96. As for the P Values of 0.000, it is smaller than 0.050. Thus, research hypothesis one (H1) which reads "Leadership style (X1) has a positive and significant effect on Job Satisfaction at PT. Arina Multikarya Pasuruan (Y)" that means that this hypothesis is accepted.

The Influence of Organizational Culture on Job Satisfaction

The results of data analysis indicate that organizational culture (X2) has a positive and significant effect on job satisfaction at PT. Arina Multikarya Pasuruan (Z), where the T statistic value produced by the organizational culture variable (X2) is 3.052, which is greater than 1.96. Meanwhile, the P Values of 0.004 are smaller than 0.050. Thus, the second research hypothesis (H2) which reads "Organizational culture (X2) has a positive and significant effect on job satisfaction at PT. Arina Multikarya Pasuruan (Y)" which means that this hypothesis is accepted.

The Effect of Training on Job Satisfaction

The results of data analysis showed that training (X3) had a positive and significant effect on job satisfaction at PT. Arina Multikarya Pasuruan (Z), where the statistical T value generated by the training variable (X3) is 4,410, which is greater than 1.96. As for the P Values of 0.000, it is smaller than 0.050. Thus, the third research hypothesis (H3) which reads "Training (X3) has a positive and significant effect on Job Satisfaction at PT. Arina Multikarya Pasuruan (Y)" which means that this hypothesis is accepted.

The Influence of Leadership Style on Employee Performance

The results of data analysis show that leadership style (X1) has a positive, but not significant effect on employee performance at PT. Arina Multikarya Pasuruan (Y), where the T statistic value produced by the Leadership Style variable (X1) is 1.610 or less than 1.96. Meanwhile, the value of P Values is 0.619, which is greater than 0.050. Thus, the fourth research hypothesis (H4) which reads "Leadership Style (X1) has a significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan is not supported. This fact means that the leadership style



2nd INTERNATIONAL CONFERENCE ON BUSINESS & SOCIAL SCIENCES

Digital Transformation Business Strategy in Post Covid-19

e-ISSN 2746-5667

(X1) in this study cannot affect employee performance (Y).

The Influence of Organizational Culture on Employee Performance

The results of data analysis show that organizational culture (X1) has a positive and significant effect on employee performance at PT. Arina Multikarya Pasuruan (Y), where the T statistic value produced by the organizational culture variable (X2) is 7.056, which is greater than 1.96. As for the P Values of 0.000, it is smaller than 0.050. Thus, the fifth research hypothesis (H5) which reads "Organizational culture (X2) has a positive and significant effect on employee performance at PT. Arina Multikarya Pasuruan (Y)" that means that this hypothesis is accepted.

The Effect of Training on Employee Performance

The results of data analysis show that training (X3) has a positive and significant effect on the performance of employees of PT. Arina Multikarya Pasuruan (Y)., where the T statistic value produced by the Training variable (X3) is 4.915, which is greater than 1.96. As for the P Values of 0.000, it is smaller than 0.050. Thus, the sixth research hypothesis (H6) which reads "Training (X3) has a positive and significant effect on the performance of employees of PT. Arina Multikarya Pasuruan (Y)" which means that this hypothesis is accepted.

The Effect of Job Satisfaction on Employee Performance

The results of data analysis show that job satisfaction (Z) has a positive and significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan (Y), where the T statistic value produced by the Job Satisfaction variable (Z) is 2.425, which is greater than 1.96. As for the P Values of 0.031, it is smaller than 0.050. Thus, the seventh research hypothesis (H7) which reads "Job satisfaction (Z) has a positive and significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan" which means this hypothesis is accepted.

The Effect of Leadership Style on Employee Performance Through Job Satisfaction

The results of the mediation test of Leadership Style (X1) on employee performance (Y) through Job Satisfaction (Z) get a t-statistic value of 2.419 > 1.96 and a p-value of 0.015 < 0.05. This fact means that job satisfaction mediates leadership style on the performance of employees of PT. Arina Multikarya Pasuruan. This means that the higher the leadership style, the higher the job satisfaction..

The Influence of Organizational Culture on Employee Performance Through Job Satisfaction

The results of the mediation test of Organizational Culture (X2) on employee performance (Y) through Job Satisfaction (Z) get a t-statistic value of 1.417 < 1.96 and a p-value of 0.819 > 0.05. So, it can be stated that Job Satisfaction (Z) does not mediate organizational culture (X2) on employee performance (Y) at PT. Arina Multikarya Pasuruan.

The Effect of Training on Employee Performance Through Job Satisfaction

The results of the training mediation test (X3) on employee performance (Y) through job satisfaction (Z) get a t-statistic value of 1.983 > 1.96 and a p-value of 0.046 < 0.05. So, it can be stated that Job Satisfaction (Z) mediates training (X3) on employee performance (Y) at PT. Arina Multikarya Pasuruan.

5. Conclusions

1. The results of the study obtained a t-statistic value of 6.975> 1.96 and a p-value of 0.000 <0.05, it can be stated that leadership style (X1) has a direct and significant effect on job



2nd INTERNATIONAL CONFERENCE ON BUSINESS & SOCIAL SCIENCES

Digital Transformation Business Strategy in Post Covid-19

- satisfaction (Z)at PT. Arina Multikarya Pasuruan. This gives the meaning, that the leadership style (X1) in this study, can affect job satisfaction. (Z).
- 2. The results of the study obtained a t-statistic value of 3.052> 1.96 and a p-value of 0.000 <0.05, it can be stated that organizational culture (X2) has a direct and significant effect on job satisfaction (Z) at PT. Arina Multikarya Pasuruan. This gives the meaning, that organizational culture (X2) in this study, can affect job satisfaction (Y).
- 3. The results of the study obtained a t-statistic value of 4.410> 1.96 and a p-value of 0.000 < 0.05, it can be stated that training (X3) has a direct and significant effect on job satisfaction (Z) at PT. Arina Multikarya Pasuruan. This means that training (X3) in this study can affect job satisfaction (Y).
- 4. The results of the study obtained a t-statistic value of 1.610 < 1.96 and a p-value of 0.619 > 0.05, so it can be stated that leadership style (X1) has a direct and insignificant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan. This means that the leadership style (X1) in this study cannot affect employee performance (Y).
- 5. The results of the study obtained a t-statistic value of 7.056> 1.98 and a p-value of 0.000 < 0.05, it can be stated that organizational culture (X2) has a direct and significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan. This gives the meaning, that organizational culture (X2) in this study, can affect employee performance (Y).
- 6. The results of the study obtained a t-statistic value of 4.915 < 1.98 and a p-value of 0.000 < 0.05, so it can be stated that training (X3) has a direct and significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan. This means that training (X3) in this study can affect employee performance (Y).
- 7. The results of the study obtained a t-statistic value of 2.425> 1.98 and a p-value of 0.031 < 0.05, so it can be stated that job satisfaction (Z) has a direct and significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan. This gives the meaning, that job satisfaction (Z) in this study, can affect employee performance (Y).
- 8. The results of the study obtained a t-statistic value of 2.419> 1.96 and a p-value of 0.015 < 0.05, it can be stated that leadership style (X1) has an indirect and significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan through job satisfaction (Z). Thus, the job satisfaction variable (Z) can mediate the influence of leadership style (X1) on employee performance (Y).
- 9. The results of the study obtained a t-statistic value of 1.417 < 1.98 and a p-value of 0.820 > 0.05, it can be stated that organizational culture (X2) has an indirect and insignificant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan through job satisfaction (Z). Thus, the job satisfaction variable (Z) cannot mediate the influence of organizational culture (X2) on employee performance (Y).
- 10. The results of the study obtained a t-statistic value of 1,983 > 1.96 and a p-value of 0.046 < 0.05, so it can be stated that training (X3) has an indirect and significant effect on employee performance (Y) at PT. Arina Multikarya Pasuruan through job satisfaction (Z). Thus, the job satisfaction variable (Z) can mediate the effect of training (X3) on employee performance (Y).

Suggestion

Based on the conclusions drawn, the suggestions that can be given are:

- 1. It is hoped that the leadership of the company will be able to further improve the application of a better leadership style in terms of the ability to move or as a motivator for employees and be more assertive in carrying out any agreed regulations. The leader of PT. Arina Multikarya must often monitor and evaluate the performance of its employees, so that employees do not underestimate their work responsibilities.
- 2. It is expected that PT. Arina Multikarya, Pasuruan to improve organizational culture for



2nd INTERNATIONAL CONFERENCE ON BUSINESS & SOCIAL SCIENCES

Digital Transformation Business Strategy in Post Covid-19

- its existing employees, so that the resulting performance will be better. It aims so that the organizational culture that is formed can run effectively. The culture must be able to change the mindset of employees, and be in line with the Vision and Mission designed by the company.
- 3. Owing to the significant influence of job satisfaction in mediating training and leadership style, the first thing the company should do is make employees satisfied in carrying out their work. The management of PT. Arina Multikarya maximizes employee satisfaction with the company, by giving prizes to employees who have achievements and contributions in their work, so that it can create motivation and dynamics of a competitive competitive climate in the company. The management of PT. Arina Multikarya also has to act and provide an objective assessment, so that the atmosphere in the work environment can run conducive.
- 4. The results of the study suggest that employee job satisfaction has a positive influence on employee performance. The role of leaders in creating job satisfaction is needed by employees because work support from leaders can create high job satisfaction.
- 5. Training should be provided continuously and continuously to every employee. The training provided should be carried out periodically, especially training related to work. The application of training must also be evaluated to find out how effective the training carried out by the company for employees.

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2nd INTERNATIONAL CONFERENCE ON BUSINESS & SOCIAL SCIENCES

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