

The Influence Of Transformational Leadership Style and Organizational Culture On Employee Performance at Cv. Bangun Mandiri Truss

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Abstract

The purpose of this research is to study how transformational leadership style and organizational culture impact employee performance at CV. Bangun Mandiri Truss. This research uses a quantitative method involving 65 respondents. The data was analyzed through Multiple Linear Regression Analysis using SPSS 29 software. The results of the study indicate that transformational leadership style and organizational culture influence employee performance at CV. Bangun Mandiri Truss by 88.9%. Other variables not examined in this study account for 10.1% of the total influence.

Keywords: Transformational Leadership, Organizational Culture, Employee Performance

INTRODUCTION

An organization is a structured social entity where individuals collaborate to achieve goals. Human resource management plays a crucial role in the organization's long-term planning through human resource functions. The success of the organization's objectives can be influenced by the leadership style applied within the organization and the culture built within it. Performance is related to transformational leadership and organizational culture (Hairudinor et al., 2020). According to (Yunita et al., 2024), the role of transformational leadership is necessary to achieve goals aligned with the organization's vision and mission. Meanwhile, (Rosya et al., 2020) explain that organizational culture can be considered a value that shapes the personality of the organization.

The research by (Marlius & Melaguci, 2024) suggests that a leadership style emphasizing motivation and inspiration can drive positive change, while (Jiatong et al., 2022) highlight that transformational leadership influences employees' perceptions of responsibility and outcomes, enhancing commitment and performance; similarly, (Nathania & Wijaya, 2024) and (Rohman, 2021) argue that organizational culture, shaped by individual habits and deeply ingrained in members, is essential for shaping identity and improving overall performance.

The research by (Ulfianty et al., 2022) explains that performance improvement is driven by factors such as transformational leadership and organizational culture. (Rivai, 2020) study states that organizational culture and transformational leadership can be enhanced if implemented effectively. The research by (Aini et al., 2024) concludes that the better the transformational leadership style and organizational culture, the better the performance produced. Therefore, the effective implementation of a healthy organizational culture and strong transformational leadership can be key to improving overall organizational performance. Transformational Leadership has an important role in providing individual attention and Organizational Culture becomes a guideline for behavior. Therefore, this is a problem related to the performance produced by the company. To maintain stability and improve employee performance at CV. Bangun Mandiri Truss, it is necessary to conduct a thorough examination of the things that influence these changes related to transformational leadership style and organizational culture

RESEARCH METHODS

This research uses quantitative methods involving 65 respondents. The data was analyzed through Multiple Linear Regression Analysis using the SPSS 29 program. To measure the questionnaire, a Likert scale was used using 8 indicators for each variable.

RESULT AND DISCUSSION

Respondent Characteristics

Respondent characteristics are used to determine the diversity of respondents based on gender, age, and latest education.

Table 1
Respondent Characteristics

No.	Description	Frequency	Percentage (%)
By Gender			
1	Male	8	12,3
2	Female	57	87,7
Total		65	100
By Age			
1	< 25 Years	5	6,1
2	25-35 Years	27	41,5
3	36-45 Years	20	30,8
4	> 45 Years	14	21,6
Total		65	100
Based on Last Education			
1	ELEMENTARY /JUNIOR HIGH SCHOOL	1	1,5
2	High School / Equivalent	6	9,3
3	Diploma	37	56,9
4	S1	21	32,3
Total		65	100

Source: Processed Results, 2024

Validity and Reliability Test

Each question item from the Transformational Leadership Style (X1), Organizational Culture (X2), and Employee Performance (Y) variables has passed the validity test for this study. The r count value for each question item from each variable exceeds the r table value or $r_{count} > 0.244$ at the sig level. 0.05.

The reliability test then found the Cronbach Alpha value on the variables: Transformational Leadership Style (X1) 0.936, Organizational Culture (X2) 0.938, and Employee Performance (Y) 0.939. These results indicate that each Cronbach Alpha value is > 0.60 . Thus, the measurement instrument consisting of all question items to test the variables

indicated by the letters X and Y is considered reliable.

Normality Test

The results of the normality test through Kolmogrov-Smirnov resulted in a sig value of 0.074. This result shows that the sig. (0.074>0.05) and the P-Plot follows the distribution. Thus the variables are normally distributed.

Multicollinearity Test

The multicollinearity test results resulted in a tolerance value of 0.142 and a VIF of 7.040. These results indicate that the Tolerance value (0.142>0.1) and VIF (7.040<10). Thus there is no multicollinearity or correlation in the independent variables.

Multiple Linear Regression Analysis

The test equation is as follows:

$$Y = 0.289 + 0.447X_1 + 0.525X_2$$

From the equation that has been described, the following results are obtained:

1. The coefficient value (b1) of 0.477 shows a positive number, if the more job satisfaction variables increase, the better employee performance.
2. The coefficient (b2) of 0.525 shows a positive number, if the work discipline variable increases, the better employee performance.

Table 2
Multiple Linear Regression Analysis

No.	Variables	Standardized Coefficient Beta	T-table	Sign	t	R Square
1.	Transformational Leadership Style	0,446	1, 998	<0,001	4,160	0,899
2.	Organizational Culture	0,520	1,998	<0,001	4,851	0,899

Source: Processed Results, 2024

T Test (Partial)

Partial testing is needed to assess the significance of the influence of independent variables on the dependent partially.

Table 3
T-test Results

Structural	Sig	α	t count	t table	Conclusion
PyX ₁	<0,001	0,05	4,160	1,998	H ₀ is rejected
PyX ₂	<0,001	0,05	4,851	1,998	H ₀ is rejected

Source: Processed Results, 2024

From Table 2, partial testing is carried out to evaluate the effect of the independent variables on the dependent variable as follows:

1. The Transformational Leadership Style variable (X1) produces a t count value higher than the t table (4.160> 1.998) with sig. (<0.001<0.05).
2. The Organizational Culture variable (X2) produces a t count value higher than the t table (4.851> 1.998) with sig. (<0.001<0.05).

It can be concluded that partially the Transformational Leadership Style (X1) and Organizational Culture (X2) variables have a significant and positive influence on Employee Performance (Y).

F Test (Simultaneous Test)

Simultaneous testing is done by comparing the F count and F table values through the following procedure:

Table 4. F Test Results

Structural	Sig	α	f count	f table	Conclusion
pyX ₁ X ₂	<0,001	0,05	275,370	3,14	H ₀ is rejected

Source: Processed Results, 2024

In Table 3, the comparison test results show that the significance level is <0.001 and the f count value is 275.370. Based on the statistical table, the f table value can be obtained as 3.14 at the 5% confidence level. This indicates that the f count value is higher than the f table value (275.370>3.14) and the sig. (<0.001<0.05). Thus, the Transformational Leadership Style (X1) and Organizational Culture (X2) variables have a significant and positive influence on Employee Performance (Y) simultaneously.

1. Transformational Leadership Style to Employee Performance

In the partial test between the Transformational Leadership Style (X1) and Employee Performance (Y) variables, the t count value is obtained at 4.160, while the t table value is 1.998. This indicates that (4.160>1.998) with sig. (<0.001<0.05) which results in that the Transformational Leadership Style variable (X1) affects Employee Performance (Y). Thus, transformational leadership applied by superiors can trigger the level of performance produced.

2. Organizational Culture on Employee Performance

In the partial test between the Organizational Culture (X2) and Employee Performance (Y) variables, the t count value is obtained at 4.851, while the t table value is 1.998. This indicates that (4.851> 1.998) with sig. (<0.001 <0.05) which results in the Organizational Culture variable (X2) affecting Employee Performance (Y). Thus, the existing work culture can trigger the level of performance produced.

3. Transformational Leadership Style and Organizational Culture on Employee Performance

In the simultaneous test between the Transformational Leadership Style (X1) and Organizational Culture (X2) variables on Employee Performance (Y), the f count value is obtained at 275.370, while the f table value is 3.14. This indicates that (275.370>3.14) with sig. (<0.001<0.05) which results in that the Transformational Leadership Style (X1) and Organizational Culture (X2) variables influence Employee Performance (Y). Thus, the transformational leadership applied and the existing culture can trigger the level of performance produced by employees.

CONCLUSION

This study shows several important conclusions related to the influence of Transformational Leadership Style and Organizational Culture on Employee Performance. Partially, the Transformational Leadership Style has a positive influence on Employee Performance with a coefficient value of 0.446. In addition, Organizational Culture also has a positive effect on Employee Performance with a coefficient value of 0.520. Furthermore, simultaneously, Transformational Leadership Style and Organizational Culture have a

significant and positive effect on Employee Performance with a contribution of 0.899 or 89.9%. This confirms that the two variables together have a very important role in improving employee performance.

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