

THE INFLUENCE OF LEADERSHIP STYLE AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE THROUGH JOB SATISFACTION AS AN INTERVENING VARIABLE IN MEDAN CITY TRANSPORTATION SERVICE

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Abstract

The research conducted by the author aims to determine and analyze the influence of leadership style, organizational culture and satisfaction on employee performance, to determine and analyze the influence of leadership style and organizational culture on employee performance through job satisfaction, to determine and analyze the influence of leadership style on employee performance through job satisfaction and to determine and analyze the influence of organizational culture on employee performance through job satisfaction at the Medan City Transportation Agency. The population in this study was the Medan City Transportation Agency totaling 220 people with a sample of 69 people. Data collection techniques used in this study were Questionnaires (Questionnaire) and Interviews and Documentation. The analysis technique in the study used SmartPLS (Partial Least Square) starting from the measurement model (outer model), model structure (inner model) and hypothesis testing. The results of the study indicate that leadership style, organizational culture and job satisfaction influence employee performance, leadership style and organizational culture influence job satisfaction, leadership style influences employee performance through job satisfaction and organizational culture influences employee performance through job satisfaction at the Medan City Transportation Agency.

Keywords: Leadership Style, Organizational Culture On Employee Performance, Through Job Satisfaction

INTRODUCTION

Human resources are a key factor that must be considered for all its needs. Every organization is required to optimize its human resources and ensure their proper management. Human resource management is inseparable from employees, who are expected to perform at their best to achieve the goals of the government or company (Bahagia et al., 2018). An organization is a system of consciously coordinated human activities, or forces consisting of two or more people. Within an organization, humans are the most important element. Without human involvement, even if various necessary factors are present, the organization will not function. This is because humans are the driving force and determinant of the organization's progress. Therefore, organizations should provide positive direction to achieve organizational goals. The resources owned by government agencies will not produce optimal results if not supported by human resources with optimal performance (Wijaya & Susanty, 2017). Human resources are crucial for a company to achieve its goals. To ensure the company's vision and mission are implemented effectively and the company continues to grow, it is essential to maintain its human resources. Continuous human resource management in a company is very important (Zulkarnain et al, 2019). The main key to creating a company's success is by paying attention to employee performance. Performance is the result or level of success of a person in carrying out tasks as a whole during a certain period which aims to be a benchmark for evaluation and compared with various possibilities, such as work result standards, targets, or objectives or criteria that have been determined in advance and agreed upon (Astuti & Prayogi, 2018). There are several factors that influence employee performance, namely abilities and skills, knowledge, work design, personality, work motivation, leadership, leadership style, organizational culture, job satisfaction, work environment, loyalty,

commitment and work discipline (Kasmir, 2017). Leadership style according to (Bahdin Nur Tanjung, 2024) is a method, way and ability of a person to influence individuals or groups, so that the behavior of subordinates is in accordance with organizational goals. In leadership, there is a leadership style that is expected to be able to coordinate all organizational functions well and correctly, one of which is the transformational leadership style which is a process where people engage with others, and create relationships that create motivation and morality in leaders and followers to sort out the complexities associated with the moral enhancement component of pure transformational

leadership. Transformational leadership is a leadership style with its own unique style and characteristics. This leadership style can make employees feel comfortable, appreciated, and respect their superiors, thus increasing work enthusiasm (Allen, 2016). In addition to leadership style, organizational culture is also a factor in employee performance. Another factor influencing employee performance is organizational culture. Organizational culture is a system of meanings, values, and beliefs shared within an organization that serves as a reference for action and differentiates one organization from another (Andika, 2021). After examining how organizational culture influences work methods and interactions within a company, this naturally has a direct impact on job satisfaction. Job satisfaction is the level of comfort and happiness a person feels at work. Factors influencing job satisfaction include salary, working conditions, relationships with coworkers and supervisors, and opportunities for development and advancement (Azhar et al., 2020). Job satisfaction reflects a person's attitude toward their work. The more aspects of the job that align with their desires, the higher the level of satisfaction felt. The positive outcome is an increase in the individual's work level. High job satisfaction will make employees more loyal to the company. Furthermore, management must continuously monitor employee job satisfaction, as it affects absenteeism, turnover, morale, complaints, and other vital personnel issues (Jufrizen & Sitorus, 2021). A positive outcome is an increase in individual work performance. High job satisfaction will increase employee loyalty to the company. Furthermore, management must continuously monitor employee job satisfaction, as it impacts absenteeism, turnover, morale, complaints, and other vital personnel issues (Jufrizen & Sitorus, 2021). A positive outcome is an increase in individual work performance. High job satisfaction will increase employee loyalty to the company. Furthermore, management must continuously monitor employee job satisfaction, as it impacts absenteeism, turnover, morale, complaints, and other vital personnel issues (Jufrizen & Sitorus, 2021). Based on the pre-survey conducted by giving several questions to employees, it was obtained information that employee performance is still not optimal because some employees cannot carry out their duties accurately and according to schedule, seen from the existence of employees who still like to postpone work that is considered difficult / unpleasant by doing other activities, namely spending too much time on unproductive activities such as excessive chatting with colleagues so that performance becomes slow and inaccurate. In addition, the leadership style that still lacks communication between leaders and employees causes work time to be ineffective. as well as the lack of employees receiving direct direction and guidance from leaders, caused by leaders who pay less attention to their employees, for example when employees complete their work well. In addition, the organizational culture that has not been in accordance with expectations is still less than optimal because it is seen that some employees often do not have self-control in terms of punctuality and do not participate in morning roll calls and exercise because they are not disciplined with time and prefer to sit and relax in the work room, some employees still have difficulty in managing time by prioritizing personal life rather than work such as going out with the excuse of picking up children / wives during working hours and spending long breaks for lunch which results in a lack of focus on work and accumulation of work so that they cannot carry out the responsibilities given this has an impact

on work results that are not in accordance with what the agency expects and affects employee performance. Furthermore, dissatisfaction of Medan City Transportation Agency employees where it was found that employees were placed not in accordance with the job analysis or job analysis given, leaders who only want to see maximum work results, fellow coworkers often do not help each other and lack of appreciation for employees who perform well, so that job satisfaction has not been fully felt by employees.

LITERATURE

Employee Performance

Employee performance is the concrete result of a person's work, guided by specific requirements related to the task at hand (Darda et al., 2021). Employee performance is the result of the work an employee achieves. Performance achievement can be measured by determining performance based on specific assessment standards established by the agency. These assessment standards provide a clear framework for evaluating the quality and quantity of work performed by employees, helping to determine the extent to which individual performance goals have been achieved (Daulay & Kurnia, 2021). Employee performance is the result of a process carried out by humans. Performance is the result of work that has a strong relationship with the strategic goals of the organization, job satisfaction, and providing the best results. Thus, performance is about doing work and the results achieved from that work (Sinambela, 2016) the foundation for an agency, which means that a person or group of people in an organization can achieve work results in two ways, namely quantitatively and qualitatively. This is done in accordance with their authority and duties, and is carried out in the context of efforts achieve the goals of the organization concerned morally, without violating the law and in accordance with morals and ethics (Adhan & Prayogi, 2021).

Performance Indicators

There are several indicators of employee performance that can be measured according to (Amelia & Setyawati, 2023), namely: 1). Quality, work standards are determined by the leadership's assessment of the quality of work produced and the completion of work by taking into account employee competencies. 2). Quantity, produced is usually expressed in the form of the number of units or activity cycles completed. 3). Timeliness is the degree to which an activity is completed within a certain time period set as a benchmark for fulfilling the work completion time. 4). Effectiveness is the extent to which organizational resources such as time, money, energy, and raw materials are used as efficiently as possible to improve performance and the number of resources used by each unit. 5). Independence is the ability of employees to carry out their work duties and their dedication to their work in the future. At this stage, employees are responsible for the organization and have a work commitment to the agency.

Leadership Style

Leadership style is that the leader plays a very important role in moving, influence And empowering his subordinates in a way integrated to jointly achieve predetermined organizational goals related to decision-making (Hasnawati et al., 2021). Leadership style is the behavioral norm used by a leader when trying to influence the behavior of others or subordinates. Leaders cannot use the same leadership style in leading their subordinates; instead, it must be adapted to the characteristics and level of ability in each subordinate's task (Azmy, 2019). Leadership style is the behavior in which a person can motivate others to work hard to achieve the goals of a company or organization. Leadership is a type of ability possessed by a person to be able to influence others to work hard to achieve certain goals. Leadership is the ability possessed by a person to influence others to work willingly to achieve

goals and suggestions (Parashakti, 2019).

Leadership Style Indicators

According to (Puspita, 2022) the indicators of leadership style are as follows: Supportive leadership is described as a leader who shows great concern for the well-being and needs of subordinates. This style of behavior is open, friendly, and approachable. Directive leadership is described as a leader who demonstrates dominance in directing, supervising, and strictly managing subordinates. This type of leadership behavior involves more planning, creating work schedules, and setting performance goals and behavioral standards for subordinates, as well as emphasizing compliance with existing rules and regulations within the organization. Participative leadership is described as consulting and discussing more with subordinates before making decisions and having more discussions with subordinates in the workplace. Achievement-oriented leadership is described as a leader with clear goals and posing significant challenges to his subordinates. This type of leadership behavior also... believes in his subordinates and provides guidance to them to achieve high goals.

Organizational culture

In a company, there are certainly habits that are often carried out by employees and leaders within the company, whether good or bad these habits will affect the condition of the company. Several opinions from experts regarding the definition of organizational culture. (Sudaryono, 2022) Says that organizational culture is a system of shared values and beliefs held by all parties who must interact in order to achieve goals. Meanwhile, According to (Udayani & Sunariani, 2018) Organizational culture can be defined as values held by members of the organization and guide the behavior of the members of the organization itself. Organizational culture is the values that become the guideline for human resources in carrying out their obligations and behavior within the organization. With this, organizational culture provides a framework that organizes and directs positive behavior towards employee performance within the organization. As for the opinion of (Sutrisno, 2019b) Organizational culture is a value that is believed (belief) and is a system within an organization that supports the implementation of activities in the organization that has certain characteristics to achieve mutually agreed goals. Indicators of Organizational Culture

Organizational Culture Indicators

The indicators of organizational culture according to (Ahmad et al., 2023), namely: Norms are unspoken guidelines agreed upon by group members. 2. Dominant values are the main values adopted by members of the organization. Values are also awareness, effective desires, or desires that direct behavior so that an employee can work at a high level of quality and efficiency. 3. Rules are policies, procedures, and written regulations that have been agreed upon and must be obeyed and implemented by all workers in an organization. 4. Organizational climate is the expression of sentiment or openness of employees in the workplace and this is useful in assessing all problems in the workplace and this is useful in assessing all problems in the workplace to achieve organizational goals

Job satisfaction

Satisfaction is crucial for an organization. Without employee job satisfaction, it will impact personal performance, group performance, and organizational performance. A well-run company is inextricably linked to employee job satisfaction. According to (Natalia, 2021), employee job satisfaction is a phenomenon that needs to be closely monitored by organizational leaders. Employee job satisfaction is closely related to employee performance. Job satisfaction is the level of individual satisfaction that they receive commensurate benefits from various aspects of the organizational work situation where they work (Adhan et al.,

2019). Job satisfaction refers to the extent to which an individual feels satisfied or happy with the benefits received related to various aspects of their workplace. Job satisfaction or job performance is defined as a person's success in carrying out a job. Job satisfaction influences how much employees contribute to the organization, including output quality, output quantity, output duration, and attendance at work (J. Jufrizen, 2015). One factor influencing optimal work success in achieving organizational goals is job satisfaction. The tasks given to employees will be completed well if employees feel satisfaction at work (Jufrizen et al., 2019).

Job Satisfaction Indicators

Job satisfaction indicators are used to show that employees' day-to-day job satisfaction is making progress towards the goals and objectives in the strategic plan. According to (Saputra, 2023) the indicators of job satisfaction are as follows: 1. Work, the content of the work carried out by a person can be a factor in job satisfaction. 2. Wages, the amount of payment a person receives as a result of doing his work whether it is in accordance with the needs that are felt to be fair. 3. Supervisor, Someone who always gives orders or directions in carrying out his work. 4. Coworkers, Someone who always interacts in carrying out his work can make the work pleasant or unpleasant

METHODOLOGY

This study employed a quantitative approach, with data collected numerically through a questionnaire distributed via Google Forms. A purposive sampling technique with the Lemeshow formula resulted in a sample of 69 respondents. All data were then analyzed using SEM-PLS (Structural Equation Modeling – Partial Least Squares) to comprehensively test the relationship between variables

RESULTS AND DISCUSSION

a. Construct Reliability and Validity

Construct Reliability and Validity is a test to measure the reliability/ability of a construct. Where the capability/reliability of a construct must be sufficiently high, namely > 0.6 (Juliandi et al., 2018).

Table 2. Composite Reliability and Validity Test Results

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Leadership Style (X1)	0.954	0.963	0.959	0.681
Organizational Culture (X2)	0.978	0.978	0.980	0.803
Performance (Y)	0.977	0.977	0.980	0.814
Job Satisfaction (Z)	0.967	0.970	0.972	0.815

Source: Data Processed by SmartPLS 2025

Based on the composite analysis data in the table above, the results obtained are that the variables

- Leadership style has a composite reliability value of $0.963 > 0.600$, so the Leadership Style variable is reliable.

- b. Organizational Culture has a composite reliability value of $0.980 > 0.600$, so Organizational Culture is reliable.
- c. Employee Performance has a composite reliability value of $0.980 > 0.600$, so the Employee Performance variable is reliable.
- d. Job Satisfaction has a composite reliability value of $0.972 > 0.600$, so the Job Satisfaction variable is reliable.

DISCUSSION

Influence Leadership Style on Employee Performance

The results of this study have a path coefficient of 0.267 (positive), and have a P-Value of 0.003, so $0.003 < 0.005$, so it is stated that Leadership Style has a positive and significant effect on Employee Performance at the Medan City Transportation Service Employees. Every leader has a different leadership style, and it's not necessarily a requirement that one leadership style is better or worse than another. For example, regarding the responsibility indicator, the statement "a responsible leader will have a positive impact on employee and agency performance" had the highest percentage of responses, with 30 respondents agreeing, with a percentage of 43.5%. This means that the Medan City Transportation Agency has a leader who is responsible for the results achieved by employees, therefore the majority of respondents agreed with the statement. Therefore, the better the leadership style applied, the better the performance.

The Influence of Organizational Culture on Employee Performance

The influence of organizational culture on employee performance at the Medan City Transportation Agency has a path coefficient value of 0.187 (positive), and has a P-Value of 0.008, so $0.008 < 0.05$ so it can be said that Organizational Culture has a positive and significant effect on Employee Performance at the Medan City Transportation Agency. Organizational culture has a strong influence on employee performance, such as respondents' answers regarding the results orientation indicator, where the statement "the office always pays attention to results compared to the techniques used" has the highest percentage of answers, namely 38 respondents answered agree with a percentage of 55%. This means that Medan City Transportation Agency employees implement a results-oriented organizational culture well so that the company demands maximum work results, therefore the majority of respondents answered agree with the statement. Overall, the Medan City Transportation Agency has a good organizational culture, but there are still some employees who feel they do not receive justice from the organizational culture implemented by the leader, such as the respondents' answers regarding the individual orientation indicator on the organizational culture variable, where the statement "Leaders always pay attention to employees in their work" has the highest percentage of answers, namely 30 respondents answered disagree with a percentage of 43%. This means that they feel they are still not getting enough attention from their superiors. For this reason, it is recommended that office leaders pay more attention to their employees' habits in carrying out their work whether they have been optimal or not and equality in providing motivation and appreciation to employees.

Influence Leadership Style on Job Satisfaction

The results of this study have a path coefficient of 0.287 (positive) and have a P-Value of 0.007, so $0.007 < 0.05$ so it can be stated that Leadership Style has a positive and significant effect on Job Satisfaction in Medan City Transportation Department Employees. Leadership style is included in the factors that influence employees, so the better the style or technique used by a leader, the better the employees will be in carrying out their duties and responsibilities in the organization, and vice versa. As with respondents' answers regarding leadership style on the indicator of the ability to control subordinates on the job satisfaction variable, where the statement "leaders still lack communication with

subordinates in solving problems" has a percentage of answers, namely 30 (34%) respondents answered strongly agree and 30 respondents with a percentage (43%). Overall, the Medan City Transportation Agency has a good leader in appreciating employees, but based on respondents' answers regarding the recognition indicator from superiors on the work motivation variable, where the statement "leaders always pay attention to their subordinates" was chosen by 18 respondents with a percentage of 27% who agreed, meaning that a small number of employees do not feel this because the leader's attitude in communicating with subordinates is not optimal, for this reason, leaders are expected to improve the way they convey intentions and goals as well as reprimands in a way that is easily accepted by employees.

The Influence of Organizational Culture on Job Satisfaction

The results of this study have a path coefficient of 0.491 (positive) and have a P-Value of 0.001, so $0.001 > 0.05$ so it can be stated that Organizational Culture has a positive and significant effect on Job Satisfaction in Medan City Transportation Agency Employees. A good culture will have a positive impact on the company. As with the respondents' answers regarding the indicators of coworkers on the job satisfaction variable, where the statement related to organizational culture, namely "I always work together with colleagues well at work" has a percentage of answers that is 35 agree. Overall, the Medan City Transportation Agency has satisfaction in creating a conducive atmosphere, but there are some employees who feel they have not been inspired to create it, where the statement related to organizational culture, namely "I can work together with other employees" has an answer for that the leader provides organizational work to help improve the approach of fellow employees.

The Influence of Job Satisfaction on Employee Performance

The results of this study have a path coefficient of 0.560 (positive) and have a P-Value of 0.001, so $0.001 > 0.05$, so it can be stated that Job Satisfaction has a positive and significant effect on Job Satisfaction in Medan City Transportation Agency Employees. The results show that there is an influence between Job Satisfaction and Employee Performance. This indicates that the higher the Job Satisfaction, the higher the Employee Performance. Job satisfaction is the level of positive emotion or happiness felt by a person as a result of their overall job evaluation. It includes various aspects such as working conditions, relationships with coworkers, supervisors, compensation, and benefits. When employees are satisfied with their jobs, they tend to receive higher evaluations, certain motivations increase, productivity increases, and loyalty to the organization increases. Job satisfaction is a major determinant of quality of life and community satisfaction from their work. This includes employee satisfaction with their workplace, their relationships with coworkers, and satisfaction with personal goals and current work. Job satisfaction is a productive or effective response to various work situations.

CONCLUSION

Based on research results, leadership style influences the performance of Medan City Transportation Department employees. Organizational culture influences the performance of Medan city transportation service employees. Leadership style influences job satisfaction of Medan City Transportation Department employees. Organizational culture influences job satisfaction of Medan city transportation service employees. Job satisfaction influences the performance of Medan city transportation service employees. Leadership style influences employee performance through job satisfaction of Medan City Transportation Department employees. Organizational culture influences employee performance through job satisfaction of Medan City Transportation Department employees.

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