

The Role of Organizational Culture and Leadership Style in Enhancing Employee Performance, with Job Satisfaction as an Intervening Variable, at PT XYZ

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ABSTRACT

The existence and sustainability of a business entity is fundamentally based on the quality of human resources which is the main driving force in every organizational activity. This study aims to determine the role of organizational culture and leadership style in improving employee performance, with job satisfaction as an intervening variable at PT XYZ. The research objective is the fashion footwear division of PT XYZ. Empirical data collection was conducted using a non-probability purposive sampling method with 300 respondents. Empirical data processing used SEM (Structural Equation Modeling) analysis techniques operated through the AMOS program. This study proposed seven (7) hypotheses, of which seven (7) were accepted. The findings of this study confirm that job satisfaction acts as a mediating bridge between organizational culture and leadership style in influencing staff performance. Statistically, both cultural factors and leadership have a significant impact on job satisfaction and employee output. Furthermore, the level of job satisfaction was found to contribute substantially and independently to the improvement of performance within the company.

INTRODUCTION

The existence and sustainability of a business entity are fundamentally based on the quality of human resources, which constitute the main driving force in every organizational activity. Therefore, the achievement of company goals can only be realized if it is supported by competent human resources (HR) in carrying out their duties and responsibilities. This aligns with the opinion of (Suparyadi, 2015), who states that HR management is a system aimed at influencing the attitudes, behaviors, and performance of employees so they can make optimal contributions toward achieving organizational goals. As an open social entity, organizations are constantly exposed to accelerating market shifts and fierce competition, which ultimately demand the more effective optimization of human capital (Hall et al., 2024).

Organizations, as open social systems, are continuously facing rapid environmental changes, intense competition, and increasing demands for the effective utilization of human resources. Under these conditions, employee performance cannot be separated from the context of organizational culture and the leadership patterns applied (Hidayat & Galib, 2022; Ferine et al., 2021; Iskanto, 2023; Jufrizen et al., 2021). Organizational culture can be described as a shared system of meaning within an organization that integrates factors related to individuals, groups, and organizational systems, along with shared characteristics (Bany Mohammed et al., 2025). Schein (2010) conceptualizes organizational culture as a collection of fundamental beliefs, norms, and symbols that function as a compass for organizational members in interpreting goals and work procedures. These values and norms influence work patterns,

collaboration, and result orientation. Strengthening a culture aligned with organizational strategy enables behavioral consistency and clear expectations that drive productivity, while cultural dissonance can lead to resistance, decreased motivation, and lower performance (Hosen et al., 2024; Ingsih et al., 2021).

Although organizational culture is generally understood at the group or system level, in practice, individual cultural aspects also help shape employee behavior (Hendy et al., 2025), where leadership plays a crucial role in both organizational and individual outcomes (Haavisto et al., 2025). Performance within an organization is the result of the collective efforts of all human resources involved, both at leadership and operational levels (Huang et al., 2023). Therefore, leadership roles and styles have a significant influence on employee performance.

According to (Kartono, 2016), the application of appropriate leadership styles is a vital instrument in translating cultural values into real actions, thereby encouraging both motivation and employee commitment. Leadership style serves as a key factor in translating organizational cultural values into daily work practices, allowing both elements to complement each other in shaping individual behavior and organizational performance.

Leadership literature identifies various styles, such as transformational, transactional, and situational leadership, within different psychological frameworks for motivating subordinates. Transformational leadership, as extensively discussed by Bass and Avolio, operates through empowerment, inspirational vision, intellectual stimulation, and individualized consideration, potentially increasing emotional attachment and employee initiative. In contrast, transactional leadership focuses on structured exchanges (rewards and sanctions) to ensure compliance and the achievement of short-term targets. Therefore, selecting an appropriate leadership style can help achieve organizational goals and improve employee performance (Mushaddiq Suaidy & Rony, 2023). According to (Usman, 2019), the essence of leadership lies in achieving goals through teamwork, as a process of influencing, directing, and mobilizing human resources.

Within the trajectory of the influence of organizational culture and leadership on performance outcomes, job satisfaction emerges as a key psychological variable that bridges this relationship. Job satisfaction functions as a mediator that channels the influence of cultural climate and managerial patterns into optimal performance outcomes. Job satisfaction is defined as a pleasant or positive emotional state resulting from an individual's appraisal of their job or work experience (Karatay & Özduran, 2025). One important aspect that should concern organizational leaders is the level of employee job satisfaction, as it is closely related to employee performance.

In line with this, employee satisfaction can be viewed as a key metric reflecting management's ability to maintain high-quality relationships with employees. Job satisfaction not only affects individual psychological states but also serves as an important indicator of the effectiveness of human resource management (Bae & Ha, 2025). Empirical evidence increasingly suggests that job satisfaction not only acts as an outcome of managerial practices but also serves as a mediator transmitting the effects of culture and leadership to performance. In other words, a supportive culture and motivating leadership enhance satisfaction, which in turn encourages proactive work behavior and improved performance. Empirical studies and meta-analyses support this mediating role across various countries and sectors (Chen et al., 2022).

A conceptual approach emphasizing job satisfaction as an intervening variable carries both methodological and practical implications. Methodologically, mediation models integrating organizational culture and leadership style with job satisfaction enable researchers to assess not only relationships but also causal pathways and the magnitude of direct and indirect effects. Practically, these findings suggest that performance improvement interventions must consider the interconnection between variables. For instance, human resource policies aimed at increasing productivity should be accompanied by cultural initiatives and leadership development that enhance satisfaction factors (recognition, development, and working conditions), ensuring tangible performance improvements (Zaki & Putra, 2024). Therefore, a research model that simultaneously examines these three constructs is highly relevant for generating targeted managerial recommendations (Deng et al., 2023).

To achieve optimal company performance, high-performing employees are essential. Good performance is reflected in the ability to complete assigned tasks on time and produce quality outputs aligned with company targets. (Dessler, 2017) explains that performance is an evaluation of an employee's current and/or past performance based on established work standards—specifically, how well an employee meets those standards. Employee performance is also viewed as part of a systematic and continuous process to improve organizational performance by aligning individual and team performance with organizational goals through clear standards, objectives, and competencies (Armstrong, 2021).

As a preliminary conclusion, theoretical foundations and empirical evidence indicate that organizational culture and leadership styles complement each other in shaping employee work experiences that determine satisfaction and performance levels. This is supported by (Prasetyo et al., 2023), which shows that leadership style and organizational culture influence job satisfaction. Furthermore, leadership style, organizational culture, and job satisfaction have been proven to affect employee performance, with job satisfaction acting as a mediating variable in these relationships. Job satisfaction plays a practical role as an intervening variable that transmits contextual and interpersonal influences into work outcomes.

Given its practical relevance and empirical variability across contexts, research examining the mediating model of organizational culture and leadership style on employee performance, with job satisfaction as a mediator, is essential for developing contextual and evidence-based managerial recommendations. Therefore, this study aims to address this empirical gap and contribute practically to improving human resource management effectiveness in Indonesian organizations.

PT XYZ is one of the largest retail companies in Indonesia and is committed to continuously optimizing employee performance to achieve organizational goals. In a dynamic and competitive work environment, the company recognizes the need for a deep understanding of the factors influencing employee performance. Two key factors identified as the focus of this research are organizational culture and leadership style.

PT XYZ, as a major player in the retail industry, is currently facing challenges in improving employee performance. This condition is further exacerbated by internal survey findings indicating employee concerns related to the work climate and leadership patterns implemented within the company. Based on this context, the study is titled *The Role of Organizational Culture and Leadership Style in Enhancing Employee Performance, with Job Satisfaction as an Intervening Variable, at PT XYZ*.

The urgency of this research is driven by several factors. First, PT XYZ faces challenges in improving employee performance. Internal surveys reveal concerns about the work climate and managerial practices. Second, the dynamic and competitive environment requires a deeper understanding of factors affecting performance. Third, without empirical evidence specific to PT XYZ, management cannot design targeted interventions. Fourth, while theory suggests a mediating role of job satisfaction, empirical validation within the Indonesian retail context remains limited. The novelty of this study lies in examining organizational culture and leadership style simultaneously as independent variables, with job satisfaction as an intervening variable in the Indonesian retail sector. Additionally, the study employs Structural Equation Modeling (SEM) using AMOS software to test direct and indirect effects, providing more robust causal analysis than conventional regression methods. The focus on the fashion footwear division of PT XYZ also provides a specific and previously underexplored context.

This study aims to analyze the influence of organizational culture and adaptive leadership style on job satisfaction and employee performance at PT XYZ. It also examines the effect of job satisfaction on performance and its mediating role in the relationship between organizational culture and leadership style. Through these objectives, the research is expected to provide effective recommendations for improving employee performance through strengthened organizational culture, adaptive leadership, and enhanced job satisfaction.

This research is expected to contribute both theoretically and practically. Theoretically, it enriches the literature on organizational culture, leadership, job satisfaction, and performance. Practically, it serves as an evaluation tool for PT XYZ management in formulating effective strategies and enhances employee understanding of these critical factors. Additionally, the findings may benefit stakeholders, such as investors, by providing insights into the company's efforts to improve overall performance.

METHOD

This research was conducted over a period of six months. This schedule was chosen to allow sufficient time to design and test research instruments, collect and analyze data, and write and revise research reports. Here are the details of the research schedule;

1. July – August: Design of research instruments and pilot tests.
2. September - October: Data collection and distribution of questionnaires.
3. November: Data analysis and writing of research results.
4. December: Revision and completion of research reports.

It should be noted that this schedule may need to be adjusted depending on the practical needs and constraints that may arise during the research process.

This research was conducted at PT XYZ Fashion Footwear division, a company engaged in the sale of sports and lifestyle products in Indonesia. This location was chosen because it is relevant to the research focus, namely Organizational Culture, Leadership Style, Job Satisfaction, and Employee Performance. PT XYZ is considered an ideal place to research the role of these variables in the context of real organizations.

RESULT AND DISCUSSION

Outer Model Review

1. Normality Test

Hypothesis Test

H_0 : Normally distributed data

H_1 : Data is not normally distributed

$$\alpha = 0,05$$

Critical Areas

If $2.58 < \text{the critical ratio (c.r) value} < -2.58$, then it is not negated H_0 or the data is normally distributed.

If the critical ratio value (c.r) > 2.58 or the *critical ratio* (c.r) value < -2.58 , then the subtraction H_0 or data is not distributed normally.

Statistics

Table 1. Normality Test

Variable	min	max	skew	c.r.	kurtosis	c.r.
KKY11	1,000	5,000	-,836	-5,913	,123	,434
KKY10	1,000	5,000	-,743	-5,257	,346	1,222
KKY9	1,000	5,000	-,725	-5,123	-,163	-,577
GK30	1,000	5,000	-,739	-5,222	,093	,329
GK29	1,000	5,000	-,955	-6,751	,364	1,285
GK28	1,000	5,000	-,670	-4,739	-,159	-,563
GK27	1,000	5,000	-,853	-6,030	,655	2,314
GK26	1,000	5,000	-,527	-3,723	-,356	-1,260
GK25	1,000	5,000	-,511	-3,611	-,032	-,113
GK24	1,000	5,000	-,621	-4,389	,078	,276
GK23	1,000	5,000	-,602	-4,258	,101	,357
GK22	1,000	5,000	-,776	-5,486	,070	,247
GK21	1,000	5,000	-,692	-4,893	-,163	-,576
GK20	1,000	5,000	-,587	-4,149	,430	1,519
GK19	1,000	5,000	-,825	-5,833	-,064	-,225
GK18	1,000	5,000	-,917	-6,483	,338	1,196
GK17	1,000	5,000	-,727	-5,137	-,109	-,387
GK16	1,000	5,000	-,719	-5,081	-,169	-,596
GK15	1,000	5,000	-,762	-5,389	,708	2,504
GK14	1,000	5,000	-,829	-5,863	,054	,191
GK13	1,000	5,000	-,872	-6,164	,248	,875
GK12	1,000	5,000	-1,025	-7,249	,531	1,879
GK11	1,000	5,000	-,658	-4,651	-,266	-,941
GK10	1,000	5,000	-,826	-5,840	,446	1,575
GK9	1,000	5,000	-,748	-5,290	-,128	-,451
GK8	1,000	5,000	-,862	-6,095	,428	1,513
GK7	1,000	5,000	-,792	-5,603	,161	,570
GK6	1,000	5,000	-,439	-3,101	-,016	-,056
KKY8	1,000	5,000	-,713	-5,043	,044	,157
KKY7	1,000	5,000	-,474	-3,349	-,500	-1,769
KKY6	1,000	5,000	-,757	-5,356	,489	1,728
KKY5	1,000	5,000	-,772	-5,460	,079	,279
KKY4	1,000	5,000	-,651	-4,606	-,147	-,521
KKY3	1,000	5,000	-,668	-4,724	-,221	-,780
KKY2	1,000	5,000	-,893	-6,315	,413	1,462
KKY1	1,000	5,000	-,714	-5,047	,333	1,177
KKZ5	1,000	5,000	-,765	-5,413	,652	2,304
KKZ4	1,000	5,000	-,796	-5,628	,728	2,574
KKZ3	1,000	5,000	-,486	-3,435	,496	1,755

Variable	min	max	skew	c.r.	kurtosis	c.r.
KKZ2	1,000	5,000	-,457	-3,232	,436	1,543
KKZ1	1,000	5,000	-,564	-3,989	,352	1,245
GK1	1,000	5,000	-,917	-6,481	,485	1,714
GK2	1,000	5,000	-1,081	-7,644	,644	2,276
GK3	1,000	5,000	-,884	-6,252	,261	,923
GK4	1,000	5,000	-,943	-6,668	,673	2,380
GK5	1,000	5,000	-,962	-6,800	,318	1,124
BO1	1,000	5,000	-,860	-6,079	,611	2,162
BO2	1,000	5,000	-,616	-4,355	-,307	-1,084
BO3	2,000	5,000	-,791	-5,593	-,183	-,647
BO4	1,000	5,000	-,760	-5,376	-,370	-1,309
BO5	1,000	5,000	-,588	-4,159	-,387	-1,367
BO6	1,000	5,000	-1,052	-7,439	,258	,912
BO8	1,000	5,000	-,817	-5,779	,161	,569
BO9	2,000	5,000	-,529	-3,737	-,404	-1,430
BO10	2,000	5,000	-,710	-5,023	-,428	-1,514
BO11	1,000	5,000	-,573	-4,051	-,380	-1,343
BO12	1,000	5,000	-,776	-5,489	,365	1,291
BO13	1,000	5,000	-,778	-5,501	,316	1,116
BO14	1,000	5,000	-,914	-6,462	,417	1,474
BO15	1,000	5,000	-,793	-5,605	,057	,203
BO16	1,000	5,000	-,787	-5,564	,388	1,373
BO17	2,000	5,000	-,754	-5,330	-,359	-1,268
BO18	1,000	5,000	-,784	-5,542	,310	1,097
BO19	1,000	5,000	-,553	-3,910	-,232	-,821
BO20	1,000	5,000	-,663	-4,688	,169	,596
BO7	1,000	5,000	-,953	-6,737	,369	1,303
Multivariate					244,012	22,305

From the results of the calculation, all *critical ratio (c.r)* values for all indicators are < 2.58 and > -2.58, so there is no rejection H_0 or the data on each indicator is normally distributed.

2. Discriminating Validity Test

Hypothesis Test

H_0 : Indicators are not discriminatory.

H_1 : Indicators are valid discriminatory.

$\alpha = 0,05$

Critical Areas

If the square root of the Average Variance Extracted (AVE) is greater than its correlations with other constructs, then do not reject H_0 ; the indicator is discriminantly valid.

If the Average Variance Extracted (AVE) is less than 0.5, then reject H_0 ; the indicator is discriminately invalid.

Statistics

From the output, the root value of AVE is obtained as follows:

Table 2. AVE

	X1	Y	Z	X2
X1	0,661069			
Y	0,527267	0,661754		
Z	0,568045	0,605426	0,786114	
X2	0,44134	0,65647	0,474272	0,643541

- a. The root value of AVE X1 is 0.661069 which is greater than the correlation with X2 of 0.44134, with Z of 0.568045 and with Y of 0.527267.
- b. The root value of AVE Y is 0.661754 which is greater than the correlation with Z of 0.605426 and with X2 of 0.65647.
- c. The root value of AVE Z is 0.786114 which is greater than the correlation with X2 of 0.474272.

Statistics

Because all Root values of *Average variance extracted (AVE)* > than correlation with other constructs of minus, or H_0 Indicators are Discriminatically valid

3. Reliability Test

a Composite Reliability

Uji Hypothesis

H_0 : The construct variable is reliable.

H_1 : The construct variable is not yet reliable.

$\alpha = 0,05$

Critical Areas

if the *Construct Reliability (CR)* and > 0.7 *Average Variance Extracted (AVE)* values, or > 0,5 *tidak tolak H_0* the construct variable is reliable.

if the *Construct Reliability (CR)* and < 0.7 *Average Variance Extracted (AVE)* values, or < 0,5 *tolak H_0* the construct variable is not reliable.

Statistics

$$AVE = \frac{\text{Sum Loading}^2}{\text{Sum Loading}^2 + \text{Sum Error}}$$

$$Reliability = \frac{(\text{Sum Loading})^2}{(\text{Sum Loading})^2 + \text{Sum Error}}$$

Table 3. Composite Reliability

	X1	X2	Z	Y
Sum Loading	12,777	19,447	3,616	6,266
Sum Loading^2	12,24854	18,181	3,01	5,7007
Sum Error	10,025	13,03521	2,370831	5,645
AVE	0,549914	0,582422	0,559393	0,502455
Reliability	0,942145	0,966681	0,846511	0,874298

Conclusion

Because all Construct Reliability (CR) values exceed 0.70 and all Average Variance Extracted (AVE) values exceed 0.50, not reject H_0 ; therefore, the construct variables are reliable.

4. Inner Model Analysis

a. Hypothesis Test

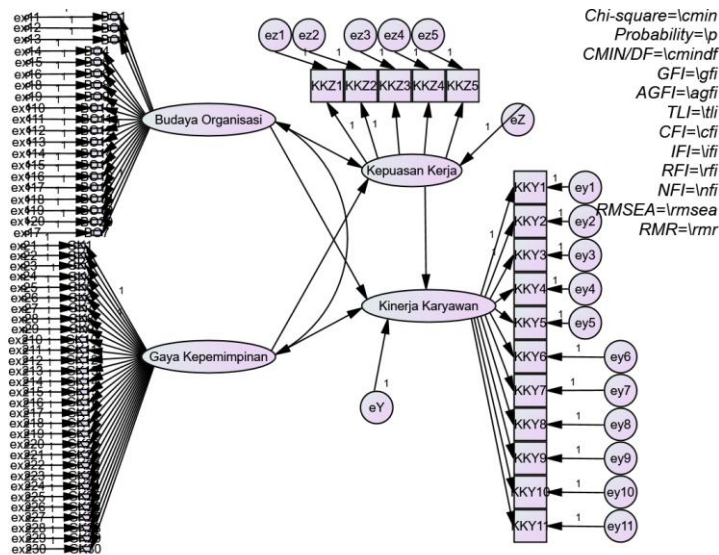


Figure 1. T test

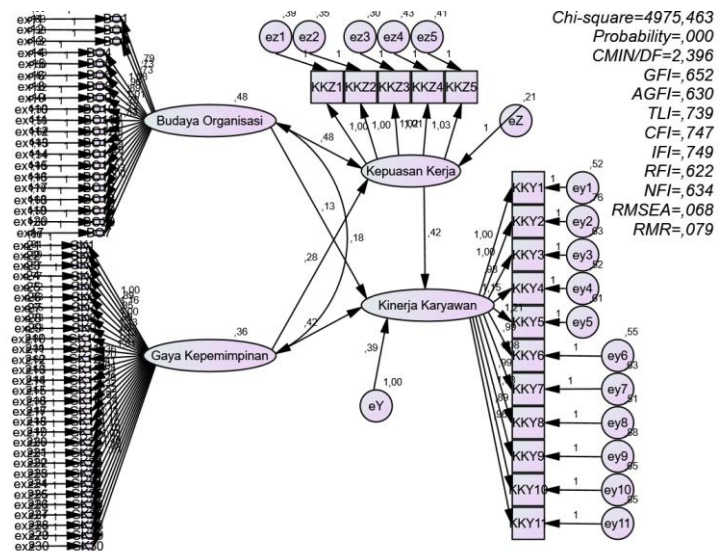


Figure 2. T test

Hypothesis Test

- H_0 : There is no effect.
- H_1 : Organizational Culture has a positive and significant effect on Job Satisfaction.
- H_2 : Leadership Style has a positive and significant effect on Job Satisfaction.
- H_3 : Organizational Culture has a positive and significant influence on Employee Performance.
- H_4 : Leadership Style has a positive and significant influence on Employee Performance.
- H_5 : Job Satisfaction has a positive and significant influence on Employee Performance.
- H_6 : Job Satisfaction intervenes in the influence of Organizational Culture on Employee Performance.
- H_7 : Job Satisfaction intervenes in the influence of Leadership Style on Employee Performance.

$\alpha = 0,05$

Critical Areas

Reject H_0 if $t_{count} > t_{table} = 1.96$ or if the significance value < 0.05 .

Do not reject H_0 if $t_{count} < t_{table} = 1.96$ or if the significance value > 0.05 .

Statistics

a. Direct Influence

Table 4. Direct Influence

	Estimate	S.E.	C.R.	P	Label
Z <--- X1	,479	,059	8,084	***	par_32
Z <--- X2	,284	,063	4,514	***	par_33
Y <--- Z	,421	,075	5,603	***	par_34
Y <--- X1	,129	,059	2,184	,029	par_35
Y <--- X2	,420	,065	6,509	***	par_36

b. Indirect Influence

1) T count and T table

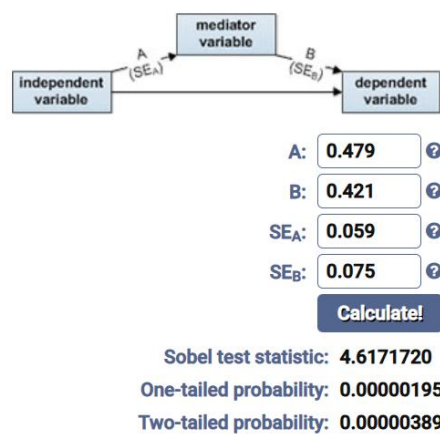


Figure 3. Sobel Test Y<--Z<--X1

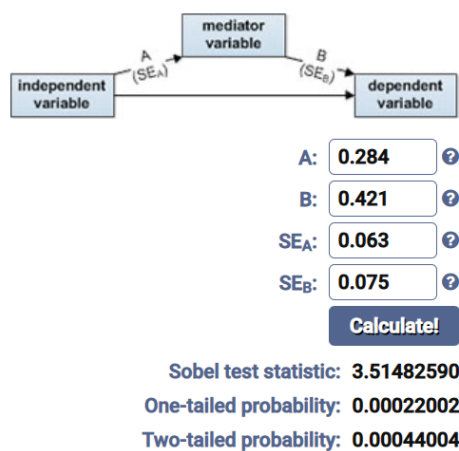


Figure 4. Sobel Test Y<--Z<--X2

Table 5. Indirect Influence

	T Count	T table	P value	Conclusion
Y <--- Z<--- X1	4,617	1,968	0,00	Significant
Y <--- Z<--- X2	3,514	1,968	0,00	Significant

2) Value Coefficient/Estimate**Table 6. Coefficient Value**

	X2	X1	Z	Y
Z	0	0	0	0
Y	0,081	0,140	0	0

Equations

$$Y = 0,129X_1 + 0,420X_2 + 0,488Z + 0,140X_1Z + 0,081X_2Z$$

$$Z = 0,479X_1 + 0,284X_2$$

(1) Because the significance value of Organizational Culture (X1) is $0.000 < 0.05$ and the path coefficient is $0.479 > 0$, H_1 is accepted. This indicates that Organizational Culture (X1) has a positive and significant effect on Job Satisfaction (Z). If Organizational Culture (X1) increases by 1 unit, Job Satisfaction (Z) increases by 0.479.

(2) Because the significance value of Leadership Style (X2) is $0.000 < 0.05$ and the path coefficient is $0.284 > 0$, H_2 is accepted. This indicates that Leadership Style (X2) has a positive and significant effect on Job Satisfaction (Z). If Leadership Style (X2) increases by 1 unit, Job Satisfaction (Z) increases by 0.284.

(3) Because the significance value of Organizational Culture (X1) is $0.029 < 0.05$ and the path coefficient is $0.129 > 0$, H_3 is accepted. This indicates that Organizational Culture (X1) has a positive and significant effect on Employee Performance (Y). If Organizational Culture (X1) increases by 1 unit, Employee Performance (Y) increases by 0.129.

(4) Because the significance value of Leadership Style (X2) is $0.000 < 0.05$ and the path coefficient is $0.420 > 0$, H_4 is accepted. This indicates that Leadership Style (X2) has a positive and significant effect on Employee Performance (Y). If Leadership Style (X2) increases by 1 unit, Employee Performance (Y) increases by 0.420.

(5) Because the significance value of Job Satisfaction (Z) is $0.000 < 0.05$ and the path coefficient is $0.421 > 0$, H_5 is accepted. This indicates that Job Satisfaction (Z) has a positive and significant effect on Employee Performance (Y). If Job Satisfaction (Z) increases by 1 unit, Employee Performance (Y) increases by 0.421.

(6) Because the calculated t-value ($t_{\text{calculated}} = 4.617$) is greater than the t-table value ($t_{\text{table}} = 1.968$), and the path coefficient is $0.140 > 0$, H_6 is accepted. This indicates that Job Satisfaction (Z) mediates (intervenes in) the effect of Organizational Culture (X1) on Employee Performance (Y). If Organizational Culture (X1), mediated by Job Satisfaction (Z), increases by 1 unit, Employee Performance (Y) increases by 0.140.

(7) Because the calculated t-value ($t_{\text{calculated}} = 3.514$) is greater than the t-table value ($t_{\text{table}} = 1.968$), and the path coefficient is $0.081 > 0$, H_7 is accepted. This indicates that Job Satisfaction (Z) mediates (intervenes in) the effect of Leadership Style (X2) on Employee

Performance (Y). If Leadership Style (X2), mediated by Job Satisfaction (Z), increases by 1 unit, Employee Performance (Y) increases by 0.081.

The Influence of Organizational Culture on Job Satisfaction at PT XYZ

Based on the results in table 4.10, it can be seen that (H₁) Because the significance value of Organizational Culture (X1) = 0.000 < 0.05 and the value of Path Coefficients = 0.479 > 0, the acceptance of H₁ or Organizational Culture (X1) has a positive and significant effect on Job Satisfaction (Z). Where if the Organizational Culture (X1) increases by 1 unit, Job Satisfaction (Z) increases by 0.479. These results show that a conducive organizational culture is an important factor in driving employee job satisfaction, which in turn can have implications for increasing employee productivity and loyalty to the organization.

The findings provide a clear picture of the internal conditions of the organization, especially related to the strategic role of human resources in achieving optimal performance. The trend of the data shown not only reflects the company's operational dynamics, but also confirms the importance of effective HR management as a determinant of competitiveness. In the context of globalization and increasingly fierce business competition, organizations are required to pay serious attention to the management of organizational culture that supports human resource development as the main asset. Thus, the implementation of a positive organizational culture not only increases job satisfaction, but also becomes a strong foundation for the company's sustainability and competitive advantage.

Organizational culture itself is understood as a set of assumptions, belief systems, values, and behavior standards that serve as guidelines for organizational members in dealing with external and internal problems (A. A. Anwar Prabu Mangkunegara, 2020). This culture can affect an individual's job satisfaction level in an organization. Meanwhile, job satisfaction is an individual's attitude towards his or her work that includes cognitive, affective, and evaluative reactions (Luthans, 2021). Job satisfaction is complex because it arises from employees' assessment of the various dimensions of the work they do on a daily basis. It is not only related to the extent to which the work itself is able to provide satisfaction according to its characteristics, but also to the extent to which the characteristics of the job are considered important to the individual (Bokhari et al., 2024). Thus, a person's job satisfaction is largely determined by the rewards or results obtained, insofar as they are seen as meaningful to him.

Job satisfaction can also be understood as an individual construct because it is rooted in personal attitudes formed from work experience. This distinguishes it from the organizational culture that is more collective in nature and experienced by many employees as a common guideline in work (Egemen, 2024; Gazi et al., 2024; Gustavsson et al., 2025; Ali & Dafous, 2024). In other words, organizational culture is a collective context, while job satisfaction emphasizes more on personal experiences, even though the two are interrelated in influencing employee commitment to the organization. The relevance of this relationship is also strengthened by empirical findings, as shown in research (Siska Vebrianis, 2021), showing that organizational culture has a positive and significant effect on job satisfaction at PT. Bumi Sarimas Indonesia, Padang Pariaman Regency. And, (Rolin Angelica Hutabarat, 2023), shows that Organizational Culture has a significant relationship with Employee Job Satisfaction.

The Influence of Leadership Style on Job Satisfaction at PT XYZ

Based on the results in table 4.10, it can be seen that (H₂) Because the significance value of Leadership Style (X2) = 0.000 < 0.05 and the value of Path Coefficients = 0.284 > 0,

the acceptance of H₂ or Leadership Style (X₂) has a positive and significant effect on Job Satisfaction (Z). Where if Leadership Style (X₂) increases by 1 unit, Job Satisfaction (Z) increases by 0.284. These results confirm that effective leadership practices are able to encourage feelings of satisfaction at work, either through providing clear direction, emotional support, and creating a conducive work environment.

To achieve these conditions, leaders and members of the organization need to be able to control the course of activities by implementing responsible, creative, innovative, and solid performance management. Effective leaders not only set performance standards, but also provide strategic direction, facilitate the development of staff potential, and foster a good work ethic across the organization. Leadership is an ability of a leader in a job by inspiring his subordinates to put aside their personal problems for the good of an organization (Jerome, 2018).

Leadership style has been proven to be one of the key factors of an effective organization (Firmansyah, 2023). However, there are some managers who know what kind of leadership style to implement as a strategic choice. In this context, they must be able to adjust the right leadership style to be applied. The manager's ability to adjust the right leadership style becomes very important, as the effectiveness of implementing the leadership style will have a direct impact on the employee's psychological condition, motivation, and work experience, which in turn affects job satisfaction levels.

It is a positive psychological state that arises when individuals value their work and work experience. Job satisfaction is what a person experiences in relation to their job, like it or not. Liking their job shows satisfaction, while disliking them shows the employee's dissatisfaction (Orthodoxia, 2019). This construction is in line with various empirical findings that confirm that external factors such as leadership style play an important role in shaping job satisfaction. This supports the results of research conducted by, Leadership Style has an influence on job satisfaction. And, (Edi Sugiono, 2021), leadership style has a positive effect on job satisfaction. Thus, job satisfaction does not only depend on an individual's perception of his or her work, but is also determined by how the leader directs, motivates, and builds relationships with employees.

The Influence of Organizational Culture on Employee Performance at PT XYZ

Based on the results in table 4.10, it can be seen that (H₃) Because the significance value of Organizational Culture (X₁) = 0.029 < 0.05 and the value of Path Coefficients = 0.129 > 0, the acceptance of H₃ or Organizational Culture (X₁) has a positive and significant effect on Employee Performance (Y). Where if the Organizational Culture (X₁) increases by 1 unit, the Employee Performance (Y) increases by 0.129. These results affirm the importance of the role of conducive organizational culture in encouraging the creation of productive, disciplined, and goal-oriented work behaviors that are oriented towards achieving company goals.

Employees, as one of the main factors in the workforce, play an important role in determining the achievement of organizational goals, in addition to the existence of technology, machines, and other facilities. This is because employees are directly involved in the implementation of operational tasks that have an impact on productivity according to the organization's expectations. Therefore, employee performance must always be considered, both through efforts to improve weaknesses and control habits that do not support performance improvement.

Employee performance is basically one of the important indicators for the achievement of organizational goals. The success of an organization is largely determined by the quality of individual performance that can be measured through an assessment mechanism. Performance appraisals have high urgency because through this process it can be known to what extent employees carry out their functions and responsibilities effectively according to the expectations of the organization. This is in line with the results of research (William Jesen Wiratama, 2022), organizational culture affects employee performance. Also, (Kokiroba, 2021), organizational culture has a positive and significant influence on employee performance.

The Influence of Leadership Style on Employee Performance at PT XYZ

Based on the results in table 4.10, it can be seen that (H₄) Because the significance value of Leadership Style (X₂) = 0.000 < 0.05 and the value of Path Coefficients = 0.420 > 0, the acceptance of H₄ or Leadership Style (X₂) has a positive and significant effect on Employee Performance (Y). Where if the Leadership Style (X₂) increases by 1 unit, the Employee Performance (Y) increases by 0.420. Statistically, these results confirm the importance of the right leadership style as one of the determining factors in achieving optimal performance in the company environment.

This linkage is in line with organizational dynamics that place leadership at the core of human resource management (Fanya et al., 2021). The results of this study indicate that company performance is not only determined by external factors, but is highly dependent on internal management, especially in optimizing employee potential. Every company is basically founded with the hope of developing sustainably and creating superior performance in its field.

In this context, human resources play a strategic role as the main driver of various operational activities to achieve goals, both to increase profitability and the company's long-term sustainability. The success of an organization is determined not only by the availability of capital and technology, but also by the quality and competence of the individuals who run the business processes. Competent human resources are able to optimize the company's potential through innovation, collaboration, and high work productivity, thereby supporting the achievement of vision and mission in a sustainable manner. Therefore, human resource management requires careful planning, including capacity building and empowering employees to remain adaptive to market dynamics and changes in the business environment.

Employee performance is closely related to the leadership style applied by the leader. The role and influence of a leader is a very decisive factor, because achieving organizational goals requires the application of a consistent leadership style or work pattern according to the situation at hand. The application of the right leadership style is able to create a conducive, comfortable, and supportive work atmosphere, so that it can foster employee motivation to work better. In these conditions, employees tend to work optimally because they feel well led, which ultimately has an impact on improving employee performance.

Leadership is a leader's way of influencing the behavior of subordinates, so that they are willing to cooperate and work productively to achieve organizational goals. From this definition, it can be seen that leadership is an important part of management, where a leader must be able to create harmonious integration with his subordinates as well as fostering cooperation, directing and encouraging the work passion of subordinates, influencing and providing attitudes and behaviors of individuals and groups, so as to form the leadership style

that the leader applies. The relationship between leadership style and employee performance is further strengthened by empirical findings, such as research, The results of this study found that leadership style has a significant positive effect on employee performance at PT. AKR Land Wenang Golf Manado. Also, Lina Gunawan (2022), the relationship between leadership style and employee performance has a significant impact.

The Effect of Job Satisfaction on Employee Performance at PT XYZ

Based on the results in table 10, it can be seen that (H₅) Because the significance value of Job Satisfaction (Z) = 0.000 < 0.05 and the value of Path Coefficients = 0.421 > 0, the acceptance of H₅ or Job Satisfaction (Z) has a positive and significant effect on Employee Performance (Y). Where if Job Satisfaction (Z) increases by 1 unit, Employee Performance (Y) increases by 0.421. These findings indicate that employee satisfaction not only has an emotional impact, but also makes a real contribution to improving productivity and work quality.

The implication of these findings emphasizes that companies are not only required to achieve the performance targets that have been set, but also must pay attention to aspects that support the sustainability of their operations, one of which is through the strategic role of the workforce. The human factor has been proven to have a significant contribution to the achievement of organizational goals, so management needs to prioritize policies that are able to increase job satisfaction, such as career development, a conducive work environment, and a fair reward system. These efforts not only maintain employee motivation, but also encourage the creation of sustainable performance in accordance with the company's goals.

In general, the scope of human resource management discusses aspects related to the human dimension, one of which is employee job satisfaction. Job satisfaction is an important factor because it can affect the sustainability and effectiveness of the organization as a whole. The condition of job satisfaction indicates the feeling of satisfaction from the employee in carrying out the tasks for which he or she is responsible. This also reflects the positive attitude of employees towards various conditions and situations that occur in the work environment. For organizations, employee job satisfaction is an aspect that needs serious attention, especially by leaders as part of efforts to maintain organizational performance. Meanwhile, for employees, job satisfaction functions as an individual factor as well as a means that supports increasing productivity. Thus, in the context of human resource management, job satisfaction provides significant benefits, not only for the organization and employees, but also for the wider community.

Job satisfaction is a very important aspect for every employee, because this condition directly contributes to the formation of a positive attitude towards their work. Job satisfaction generally produces a positive impact on behavior, for example in the form of increased discipline and work morale. Furthermore, job satisfaction is closely related to organizational outcomes, especially performance. The higher the level of job satisfaction felt, the greater the incentive for employees to work with enthusiasm, which will ultimately facilitate the achievement of optimal performance. This finding is in line with research (Natalia C. P. Paparang, 2021), so it can be concluded that the direction of the variable Job Satisfaction to Employee Performance is positive, and Job Satisfaction has an effect on Employee Performance. As well as research conducted by, (Almira Amara Putri, 2024), the results show

that job satisfaction and work motivation have a positive effect on employee performance. The variable that most affects employee performance is the job satisfaction variable.

Indirect Influence of Organizational Culture on Employee Performance at PT XYZ Which Is Intervened by Job Satisfaction

Based on the results in table 12, it can be seen that (H₆) Because the value of t calculates Organizational Culture (X1) which is intervened by Job Satisfaction (Z) = 4.617 > 1.968 = t table and the value of Path Coefficients = 0.140 > 0, then accept H₆ or Job Satisfaction (Z) intervenes in the influence of Organizational Culture (X1) on Employee Performance. Where if the Organizational Culture (X1) intervened by Job Satisfaction (Z) increases by 1 unit, the Employee Performance (Y) increases by 0.140. These results show that the effect of Organizational Culture on Employee Performance is not only immediate, but is also amplified through the level of satisfaction that employees feel in their work.

Furthermore, these findings confirm that employee performance cannot be separated from the context of the organization that oversees it. A strong and positive organizational culture, which includes shared values, norms, and work practices, is able to form a climate that supports attachment and optimal work behavior. When the culture brings clarity of roles, social support, and a sense of fairness, employees feel their psychological needs are being met, resulting in increased job satisfaction. It is this increase in job satisfaction that in turn encourages employees to perform better, in line with the results of statistical testing that place Job Satisfaction as an important mediator in the relationship between Organizational Culture and Employee Performance.

Empirically, a number of studies in Indonesia and abroad have found that job satisfaction mediates the relationship between organizational culture and employee performance. For example, research at PT. Permodalan Nasional Madani Jakarta shows that organizational culture has a positive and significant influence on job satisfaction, as well as on employee performance, and that indirect effects through job satisfaction are also significant (Fakmal Ali, 2023).

Rationally, organizational culture affects employee performance not only directly but primarily through job satisfaction as a mediator; Improve organizational culture to increase job satisfaction in order to improve performance. Thus, for organizations that want to improve the performance of their employees, interventions on organizational culture (such as strengthening supportive values, clarity of communication, fairness, and appreciation) will be very effective if accompanied by efforts to improve job satisfaction (e.g. incentives, career development, conducive work environment).

Indirect Influence of Leadership Style on Employee Performance at PT XYZ Intervened by Job Satisfaction

Based on the results in table 12, it can be seen that (H₇) Because the value of t calculates Leadership Style (X2) which is intervened by Job Satisfaction (Z) = 3.514 > 1.968 = t table and the value of Path Coefficients = 0.081 > 0, then accept H₇ or Job Satisfaction (Z) intervenes in the influence of Leadership Style (X2) on Employee Performance. Where if the Leadership Style (X2) intervened by Job Satisfaction (Z) increases by 1 unit, the Employee Performance (Y) increases by 0.081. These results confirm that job satisfaction plays a significant mediating variable in the relationship between leadership style and employee performance.

The findings of this study show that there is a tendency for a harmonious relationship between the variables studied and the dynamics of organizational behavior. This condition illustrates that internal organizational factors, especially managerial aspects, have a substantial influence on the performance achievements of both individuals and groups. Leadership style, as one of the key factors in management, has been proven to be able to create a work environment that encourages job satisfaction, which in turn improves employee performance. Thus, the development of effective and job satisfaction-oriented leadership is an important strategy to increase organizational productivity in a sustainable manner. When the leadership style is good, it will be, employee-oriented, or task-oriented where, employees tend to feel cared for, empowered, and included in the work process so that higher job satisfaction appears. Job satisfaction itself includes employee perception of working conditions, recognition from superiors, rewards for effort, interpersonal relationships, and opportunities for self-development. This satisfaction then functions as an intervening mechanism between leadership style and employee performance.

Theoretically, when a leader uses a good leadership style, the quality of the relationship between the leader and subordinates increases, creating trust, social support, and the possibility of acceptance of the organization's vision and direction. This good relationship triggers job satisfaction because employees feel that their psychological and professional needs are being met. For example, research at PT. The Persero Makassar Ship Industry shows that leadership style has a significant effect on job satisfaction and job satisfaction affects performance (Yohanis, 2023).

Rationally, this indirect influence is important to understand because sometimes a good leadership style alone is not enough to directly improve performance if it is not accompanied by job satisfaction. Job satisfaction becomes a "buffer" or channel that translates leaders' attitudes and behaviors into real employee output. Job satisfaction contains emotional and cognitive elements: if employees feel satisfied, they tend to commit stronger, be more creative, be more productive, and have higher loyalty, which then translates into better performance.

Thus, the conclusion is that leadership style has an indirect positive influence on employee performance through job satisfaction as an intervening variable. The practical intervention that emerges from this understanding is that organizations are not sufficiently focused on leadership style training for managers; But it must also create a supportive work environment, give recognition, develop careers, implement a fair reward system and listen to employee aspirations so that job satisfaction can be maximized and able to channel the impact of leadership style to organizational performance.

CONCLUSION

The findings of this study at PT XYZ indicate that organizational culture and adaptive leadership style play a critical role in enhancing employee performance, both directly and indirectly through job satisfaction. A strong organizational culture—reflected in loyalty, discipline, and goal orientation—along with an adaptive leadership style that is responsive, reflective, and empowering, significantly improves employees' job satisfaction, which in turn leads to higher performance in terms of discipline, work quality, and target achievement. These results highlight that a supportive organizational environment and effective leadership practices are fundamental in shaping positive employee attitudes and outcomes, with job

satisfaction serving as a key mediating mechanism. Future research is recommended to expand the scope by examining additional variables such as organizational commitment, employee engagement, or work-life balance, and by applying comparative studies across different industries or organizational contexts to enhance the generalizability of the findings.

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