

## ORGANIZATIONAL CULTURE, LEADERSHIP STYLE AND MOTIVATION ON EMPLOYEE PERFORMANCE

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**Abstract:** The performance of human resources or employees in a company can be influenced by several factors including organizational culture, leadership style and motivation. The East Java Paramitra Foundation is a non-governmental organization that operates in the field of community empowerment. This research aims to determine the influence of organizational culture, leadership style and motivation partially and simultaneously on the performance of employees of the East Java Paramitra Foundation. The objects of this research are the employees of the East Java Paramitra Foundation spread across several regions in East Java such as Malang, Sidoarjo, Tuban and Probolinggo. This type of research is descriptive with explanatory research. Sampling was taken using proportional stratified random sampling. The population in this study were employees of the East Java Paramitra Foundation. Data analysis uses multiple linear regression analysis. Based on research and the F test, the significance value was 0.000 or <0.05. This shows that H0 is rejected and H1 is accepted so that it can be concluded that the variables Organizational Culture, Leadership Style and Motivation simultaneously influence the performance of the employees of the East Java Paramitra Foundation.

Keywords: Organizational Culture, Leadership Style, Motivation, Performance

#### 1. Introduction

The success of an organization or company in achieving goals is influenced by organizational culture. According to Luthans (2011: 137) organizational culture is a basic pattern of thinking that is taught to new personnel as a way to feel, think and act correctly from day to day. Apart from organizational culture, leadership style can also influence employee behavior in a company, and to achieve organizational goals, what is important to pay attention to is performance. Performance is a very important concept for employees. Apart from that, motivation at work is one of the factors that can affect employee performance. According to Hasibuan (2007:149) there are two types of ways to increase employee motivation, namely direct motivation by meeting employee needs materially and non-materially and indirect motivation by providing all facilities to support work. This research aims to determine the influence of organizational culture, leadership style and motivation on employee performance at the East Java Paramitra Foundation. Apart from that, to determine the East Java Paramitra Foundation.

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#### 2. Literature Review

#### **Organizational culture**

Organizational culture is the norms, values, philosophy, assumptions, beliefs, organizational habits, and so on (the content of organizational culture) developed over a long time by the founders, leaders and members of the organization which are socialized and taught to new members and applied in organizational activities. so that it can influence the mindset, attitudes and behavior of organizational members in producing products, serving consumers and achieving organizational goals (Wirawan, 2007).

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#### **Leadership Style**

According to Tjiptono (2001) leadership style is a way that leaders use to interact with their followers or subordinates. Another opinion states that leadership style is a pattern of behavior (words and actions) of a leader that is perceived by other people (Hersey, 2004).

#### Work motivation

Motivation is defined as an impulse or driving force within humans that can give rise to, direct and organize behavior (Darmawan, 2013). According to Robbins and Coulter (2010: 109) motivation is a process where a person's efforts are energized, directed and sustainable towards the realization of a goal.

#### **Employee performance**

According to Robbins (2007: 9), employee performance (work performance) is the result of work in terms of quantity and quality achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. According to Malay S. P. Hasibuan (2006:94) states that performance is the result of work achieved by a person in carrying out the tasks assigned to him based on skill, experience, seriousness and time.

#### conceptual framework

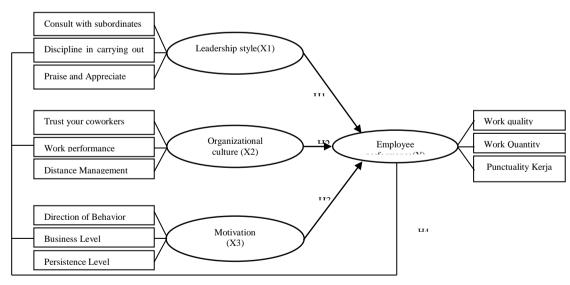


Figure 1: Conceptual Framework

### Hypothesis

Based on the background and problem formulation that has been described, the research hypothesis proposed is as follows:

H1: Organizational culture has a positive influence on the performance of Paramitra Foundation employees in East Java.

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- H2: Leadership style has a positive influence on the performance of Paramitra Foundation employees in East Java.
- H3: Motivation has a positive influence on the performance of Paramitra Foundation employees in East Java.
- H4: Organizational culture, leadership style and motivation have a positive influence on the performance of Paramitra Foundation employees in East Java.

#### 3. Method

#### **Object and Scope of Research**

The object of this research is all employees of the East Java Paramitra Foundation

#### **Research methods**

This research uses a hypothesis, with a hypothesis the author will have temporary answers to existing problems. Data collection in this research is by conducting a survey by distributing questionnaires shown to employees of the East Java Paramitra Foundation. Sampling was carried out using proportional stratified random sampling.

#### Variable Measurement

In this study the author used a Likert scale, namely asking respondents to indicate the degree of agreement or disagreement.

## Population or Sample Determination Method

#### **Population and Sample**

The population in this study were employees of the East Java Paramitra Foundation. The sample is part of a number of characteristics possessed by the population.

Sampling technique

Determining the number of samples taken is determined by the formula Slovin, Sujarweni, (2015:82)

 $n = \frac{N}{1 + N(e)^2}$ 

#### 4. Result and Discussion

#### **Description of Research Subjects**

The subjects in this research were employees at the East Java Paramitra Foundation. The data collection method in this research was carried out by directly giving questionnaires to employees at the East Java Paramitra Foundation. The data that was collected from the questionnaires in this research was 70 questionnaires that were collected from 60 respondents.

#### Validity and Reliability Test Validity test

Based on Table 1, it is known that the indicators of the independent variables consisting of Organizational Culture (X1), Leadership Style (X2), and Motivation (X3) as well as the dependent variable namely Employee Performance (Y) show valid results, because the calculated r value > rtable and positive so that it is stated that all research variables are valid.



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Table 1. Validity Test					
Variabel	Statement	r count	r table	Conclusion	
Leadership style	X <sub>1.1</sub>	0,898	0.2542	Valid	
$(X_1)$	X <sub>1.2</sub>	0,862	0.2542	Valid	
	X <sub>1.3</sub>	0,812	0.2542	Valid	
Organizational culture	X <sub>2.1</sub>	0,822	0.2542	Valid	
$(X_2)$	X <sub>2.2</sub>	0,862	0.2542	Valid	
	X <sub>2.3</sub>	0,778	0.2542	Valid	
	X <sub>3.1</sub>	0,897	0.2542	Valid	
Motivation (X <sub>3</sub> )	X <sub>3.2</sub>	0,897	0.2542	Valid	
	X <sub>3.3</sub>	0,784	0.2542	Valid	
	Y.1	0,860	0.2542	Valid	
Employee performance	Y.2	0,915	0.2542	Valid	
(Y)	Y.3	0,831	0.2542	Valid	

Source : Researcher processed data (2023)

#### Uji Reliabilitas

2 Uji Reliabilitas	
Alpha	Conclusion
0,819	Reliabel
0,754	Reliabel
0,821	Reliabel
0,937	Reliabel
	0,819 0,754 0,821

Source : researcher processed data (2023)

Based on Table 2, it can be seen that the variables used in this research are reliable, because all alpha values are greater than 0.6.

#### Classic assumption test Multicollinearity Test

Ta	bel 3. Multikolinierit	olinieritas dengan VIF		
Variabel	Tolerance	VIF	Conclusion	
Organizational culture $(X_1)$	0,195	5,124	Multicollinearity Free	
Leadership style(X <sub>2</sub> )	0,325	3,079	Multicollinearity Free	
Motivation $(X_3)$	0,273	3,661	Multicollinearity Free	

Source : Researcher processed data (2023)

Based on the VIF values above, it shows that all variables are free from multicollinearity, because all VIF values for each variable are smaller than 10 and the tolerance value is greater than 0.1.

#### Normality test

Table 4. Model Normality Test Results			
		Unstandardized Residual	
N		60	
Normal Parameters <sup>a,b</sup>	Mean	,0000000	
	Std. Deviation	,40648860	
Most Extreme	Absolute	,120	
Differences	Positive	,047	
	Negative	-,120	
Kolmogorov-Smirnov Z		,933	
Asymp. Sig. (2-tailed)		.349	

Source : Researcher processed data (2023)

The error rate ( $\alpha$ ) used is 5% or 0.05. The significance level is 0.349 for the Organizational Culture Leadership Style (X1), Leadership Style (X2), and Motivation (X3) variables, so it can be concluded that the regression residual normally distributed.

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Data analysis technique	
Multiple Linear Regression Analysis	

	Unstandardized Coefficients		
Model	В	Std. Error	
Constant	-0,200	0,334	
Organizational culture $(X_1)$	0,416	0,194	
Leadership style( $X_2$ )	0,378	0,173	
Motivation $(X_3)$	0,374	0,173	

Source : Researcher processed data (2023

 $Y = -0,200 + 0,416 X_1 + 0,378 X_2 + 0,374 X_3 + e_i$ 

From these results it can be interpreted:

1. The constant value is -0.200, this states that without the influence of the independent variables Organizational Culture (X1), Leadership Style (X2), and Motivation (X3), the value of the dependent variable, namely employee performance (Y), is -0.200.

2. The regression coefficient value of the independent variable Organizational Culture (X1) is 0.416. This coefficient value means that if the value of the independent variable In this case it is assumed that the values of the other independent variables are constant or zero. The regression coefficient value of the independent variable Leadership style (X2) is 0.378. This coefficient value means that if the value of the independent variable units. In this case it is assumed that the values of the other independent variables are constant or zero.

1. The regression coefficient value of the independent variable Motivation (X3) is 0.374. This coefficient value means that if the value of the independent variable X3 is increased by one unit, it will cause an increase in the value of the dependent variable, namely employee performance Y) of 0.374 units. In this case it is assumed that the values of the other independent variables are constant or zero.

2. ei indicates confounding factors outside the model studied.

#### **Correlation Coefficient (R) and Simultaneous Determination Coefficient (R2)**

R R Square Adjusted R Squar	std. Error of the Estimate
0,848 0,719 0,704	0,41723

Source : Researcher processed data (2023)

Based on the SPSS results it is known that the coefficient value (R) is 0.848. This means that the relationship between the variables Organizational Culture (X1), Leadership Style (X2), and Motivation (X3), and employee performance (Y) is very strong in the same direction, because the correlation coefficient value is close to value 1, meaning that if the independent variables which include Organizational Culture (X1), Leadership Style (X2), and Motivation (X3) are increased, then the dependent variable, namely employee performance, will also increase, and vice versa.

The percentage of influence of the independent variable on the dependent variable as shown by the coefficient of simultaneous determination (R2) is 0.719 or (71.9%). This means that the ability of the independent variable to explain the dependent variable is 71.9%, and the remaining 28.1% is explained by other variables.



Hypothesis testing Partial Test (t Test)

The formulation of the hypothesis in this test is:

H0:  $\beta i = 0$ : The independent variable does not have a partially significant influence on the dependent variable.

H1:  $\beta i \neq 0$ : The independent variable has a partially significant influence on the dependent variable.

The test criteria are if the significance value of the independent variable in the t sig test is <0.05 then H0 is rejected and H1 is accepted.

Table 7. T Test Calculation Results				
Variable	t <sub>Sig</sub>	Results	Information	
Organizational culture (X <sub>1</sub> )	0,036	Signifikan	0,036 < 0,05	
Leadership style( $X_2$ )	0,033	Signifikan	0,033 < 0,05	
Motivation (X <sub>3</sub> )	0,034	Signifikan	0,034 < 0,05	
$\mathbf{D}_{1}$		~	i	

Source : Researcher processed data (2023)

## Partial Test Between Organizational Culture Variable (X1) and Employee Performance Variable (Y)

Based on Table 4.15, the significance value of the independent variable Organizational Culture (X1) in the t test is 0.036 or <0.05. This shows that H0 is rejected and H1 is accepted at the 5% significance level.

## Partial Test Between Leadership Style Variables (X2) and Employee Performance Variables (Y)

The significance value of the independent variable Leadership Style (X2) in the t test is 0.033 or <0.05. This shows that H0 is rejected and H1 is accepted at the 5% significance level.

# Partial Test Between Motivation Variables (X3) Against Employee Performance Variables (Y)

Based on Table 4.15, the significance value of the independent variable Organizational Culture (X3) in the t test is 0.034 or <0.05. This shows that H0 is rejected and H1 is accepted at the 5% significance level.

#### Simultaneous Test (F test)

Table 8. Simultaneous Test (F test)					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	24,974	3	8,325		
Residual	9,749	56	0,174	47,820	0,000
Total	34,723	59			

Source : Researcher processed data (2023)

Hypothesis formulation for F test (simultaneous):

1) H0:  $\beta i = 0$  i = 1,2,3

H1:  $\beta i \neq 0$  i = 1,2,3

Based on Table 8, the significance value is 0.000 or <0.05. This shows that H0 is rejected and H1 is accepted. So that the independent variables Organizational Culture (X1), Leadership Style (X2), and Motivation (X3) simultaneously have a significant effect on Employee Performance (Y) at the Paramitra Foundation, East Java.



Discussion

# The Influence of Organizational Culture on Employee Performance at the East Java Paramitra Foundation

Based on the results of hypothesis testing, it can be seen from the significance value in the t test for the organizational culture variable (X1) of 0.033 or smaller than the level of significance ( $\alpha$ ) of 0.05, meaning it is proven to be true and can be declared accepted.

## The Influence of Leadership Style on Employee Performance at the East Java Paramitra Foundation

Based on the results of hypothesis testing, it can be seen from the significance value in the t test for the leadership style variable (X2) of 0.036 or smaller than the level of significance ( $\alpha$ ) of 0.05, meaning it is proven to be true and can be declared acceptable.

## The Influence of Motivation on Employee Performance at the East Java Paramitra Foundation

Based on the results of hypothesis testing, it can be seen from the significance value in the t test for the Motivation variable (X3) of 0.034 or smaller than the level of significance ( $\alpha$ ) of 0.05. The results of the analysis show that there is an influence of service on employee performance.

#### Organizational Culture, Leadership Style and Motivation Influence the Performance of Paramitra Foundation East Java Employees

The analysis results show the F test results which show that the sig. in the F test it is 0.000, which means <0.05, so the influence of all independent variables consisting of organizational culture variables (X1), leadership style (X2), and motivation (X3)

#### 5. Conclusions

Based on the results of the research and discussion in the previous chapter, several conclusions can be drawn to answer the problem formulation. Some of these conclusions consist of:

- 1. Organizational culture has a partially significant effect on employee performance at the East Java Paramitra Foundation.
- 2. Leadership style has a partially significant effect on employee performance at the East Java Paramitra Foundation.
- 3. Motivation has a partially significant effect on employee performance at the East Java Paramitra Foundation.
- 4. Leadership Style, Organizational Culture, and Motivation have a significant simultaneous effect on employee performance at the Paramitra East Java Foundation.

#### Suggestion

Based on the overall research results, we can provide suggestions for interested parties in this research:

- 1. It is hoped that the East Java Paramitra Foundation can improve organizational culture by always providing awards for employee work achievements.
- 2. It is hoped that the East Java Paramitra Foundation can pay attention to the leadership style applied, especially to leaders, to be able to appreciate employees more by frequently inviting sharing and asking for opinions and always appreciating employees'

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work results, one of which is by giving praise so that employees feel their work is appreciated and will be able to improve their performance.

3. It is hoped that future researchers can continue research with other variables outside of the variables that have been studied so that they can obtain more varied results related to lecturer performance.

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