

## The Influence of Transformational Leadership, Organizational Culture on Employee Performance at PT. Iradat Aman Globalindo with Work Motivation as an Intervening Variable

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### ABSTRACT

The focus of this study is how PT Iradat Aman Globalindo's organizational culture, work motivation, and leadership impact employee performance. The study centered on the fact that there is a difference between the implementation of human resource (HR) management policies in the field and their implementation. To determine the relationship between variables, a quantitative approach with a correlational design was used. PLS-SEM data analysis, or Partial Least Square Structural Equation Modeling, was used on employee survey data. The method was used to evaluate the reliability and validity of the instruments. The results of the study showed that employee performance was strongly influenced by leadership, but organizational culture did not affect performance. In addition, there is evidence that although work motivation significantly affects worker performance, work motivation does not function as a relationship between leadership and performance. These findings provide important insights for managers at PT Iradat Aman Globalindo to strengthen effective leadership and policies that are able to increase work motivation. The study advises companies to focus more on developing leadership and work motivation, as well as strengthening relevant policies to facilitate the improvement of overall employee performance. Therefore, it is expected that employee performance will improve as a result of increased work motivation.

## **INTRODUCTION**

Facing a major challenge in improving the quality of human resources to compete in a competitive and fast-changing market. Superior quality of human resources plays an important role in increasing productivity (Chen et al., 2020). However, although many companies recognize the importance of effective HR management, PT Iradat Aman Globalindo still faces obstacles in retaining and improving employee performance. A frequent phenomenon is the gap between management policies designed to support employee development and the realities on the ground. Although the company has designed various policies to improve employee quality, their implementation often does not live up to expectations. At PT Iradat Aman Globalindo, despite high expectations to improve employee performance, the HR management policies implemented, such as training and reward systems, are not always effective in achieving these goals (Andrianto & Surya, 2021).

Around 70% of employees in Indonesia feel uninvolved in their work. The reason for this is unfair bias in promotion and career development, where only 25% of employees feel they have the same opportunity to develop (Kurniawan & Haryanto, 2021). This shows the need to review the company's HR management strategy in order to increase employee motivation and engagement more effectively. The gap between the planned policies and the reality on the ground not only causes dissatisfaction, but also creates frustration among employees. Based on the results of targeted group discussions in the company, many employees express a lack of support from management for their career development. This phenomenon is a serious concern for the company, as employee performance is greatly influenced by the level of motivation (Setiawati & Bastian, 2021). PT Iradat Aman Globalindo needs to conduct a thorough evaluation of its HR management policy.

Organizational changes can also affect employee performance. Robert and Sembiring (2024) revealed that organizational changes often cause uncertainty, which can disrupt employee performance. This uncertainty has the potential to lower work motivation because employees feel uncertain about their future in the company. This decline in performance is increasingly evident when organizational change is not accompanied by effective communication and adequate support for employees affected by the change (Methode et al., 2019). Organizations that successfully overcome the gap between expectations and reality in HR management can achieve more optimal performance (Setiawati & Bastian, 2021).

Superior employee performance is greatly influenced by various factors, especially effective leadership. In the context of PT Iradat Aman Globalindo, leaders who are able to direct and inspire employees will contribute greatly to productivity and job satisfaction. Effective leadership not only affects the way employees work, but it also affects how they interact with colleagues and adapt to the company environment significantly, especially when applied with an approach that motivates and supports individual development (Apriani, 2024).

In addition, leadership style also plays an important role. Participatory leadership, which can increase employee job satisfaction, provides space to

contribute actively, tends to create a stronger sense of belonging (Marung, 2024). Good leadership plays an important role in shaping employee behavior and motivation, which further affects their level of involvement in work. So as to improve overall performance. Being inclusive and having clear values will strengthen employees' sense of attachment to the company (Rahmawati, 2023). When employees are more motivated and productive, employees feel alienated and less committed, which in turn reduces company performance. Therefore, PT Iradat Aman Globalindo must ensure that the culture implemented supports the achievement of organizational goals and improves the quality of performance of each employee. However, PT Iradat Aman Globalindo faces the problem of high turnover rates, one of which is caused by differences between generations.

The phenomenon of differences in leadership styles between Baby Boomers, Generation X, Millennials (Generation Y), and Generation Z is increasingly felt with the diversity of ages in the company. Each generation brings a different approach to leadership. Baby Boomers prioritize hierarchical structures and loyalty, Generation X is more flexible and pragmatic, while Millennials and Gen Z prioritize collaboration, personal development, and social goals. These differences often create communication gaps and expectations, which can create tension between leaders and employees. Leaders from older generations may have difficulty understanding the technology preferences and work styles of younger employees, while younger generations feel their leaders are too rigid or authoritarian. This gap in leadership style often leads to employee demotivation and dismotivation at work, even making them feel confused or trapped in boredom, which ultimately increases turnover rates.

The generational difference between leaders and staff at PT Iradat Aman Globalindo adds to the complexity of this issue, making it an interesting topic for further research. Although many studies have examined leadership and organizational culture separately, the integration of all three elements of leadership, organizational culture, and work motivation is still rarely found in a single comprehensive study. Work motivation, as an internal factor that influences employee behavior and performance, has an important role in this. Based on motivation theory, recognition and appreciation of employees are highly influential in increasing their productivity (Herzberg, 2017).

This focuses on efforts to align the HR management policies implemented by PT Iradat Aman Globalindo with the realities faced by employees in the field. Although the company has established clear policies to improve the quality of human resources, the phenomenon of employee dissatisfaction, high turnover rates, and the gap between policy and reality indicate the need for evaluation. The high turnover rate, which leads to lost recruitment and training costs, loss of knowledge, and a decline in team morale, is further exacerbated by the differences in leadership styles between generations within the organization.

Organizational culture that is a value for employees has a very important role in increasing employee motivation, engagement, and performance. When the organizational culture at PT. Iradat Aman Globalindo prioritizes positive values, such as openness, fairness, collaboration, and appreciation for individual contributions, this can create a work environment that supports employees to

grow and achieve. When employees feel valued and treated fairly in an open organizational culture, they are more likely to make maximum contributions to achieving the company's goals (Rahmawati, 2023).

A culture that focuses on transparency and mutual respect will create a comfortable work climate, where employees feel valued and treated fairly. This encourages them to work better and contribute maximally to the achievement of the company's goals. In addition, an open culture also increases employee engagement, as they feel involved in decision-making and sharing ideas. This sense of involvement will foster a stronger commitment to the company's goals, Performance serves as a link between the management style used and the results of employee performance (Sutaat, 2024). When employees feel owned and valued, this will reduce turnover rates and increase their loyalty. A culture that emphasizes integrity and fairness can also encourage positive behavior in the workplace, increase employee motivation, and in turn improve their performance.

This study aims to analyze the influence of leadership, organizational culture, and work motivation on employee performance at PT Iradat Aman Globalindo, focusing on the role of work motivation as an intervening variable. It is important to understand how these three elements interact with each other in improving employee performance. Effective leadership and a supportive organizational culture can influence employee attitudes and behaviors, which in turn has the potential to improve individual and team performance, also focusing on analyzing whether work motivation serves as a connecting factor between leadership and organizational culture and employee performance. By knowing these relationships, companies can identify the elements that are most influential in creating a productive and competitive work environment.

In addition, this study aims to provide insight into how companies can implement more targeted human resources (HR) policies amid evolving market dynamics. Data-based and structured HR management strategies can help companies create an increasingly competitive environment (Marung, 2024). Therefore, by analyzing the influence of leadership, organizational culture on employee performance at PT. Iradat Aman Globalindo, with Work Motivation as an Intervening Variable, can formulate more effective policies to overcome challenges in HR management, while improving the company's overall performance. The position of the researcher in this study is as a party that is not tied to PT Iradat Aman Globalindo and acts as a designer of data collection instruments, and a data analyst who uses statistical methods to test hypotheses and draw valid and objective conclusions.

### **Literary Watchtower**

### **Research Practices**

### **Transformational Leadership Theory**

A leader's ability to motivate and inspire his or her group members to exceed basic expectations is at the core of transformational leadership, with an emphasis on achieving greater goals as well as employees' personal and professional development. Transformational leaders create a work environment that encourages creativity, collaboration, and innovation. They serve as role models, providing inspiration through a clear vision, focusing on the needs of

followers, and introducing new values that can transform the way organizations operate.

Leaders like this can awaken employees' morale by providing a greater sense of purpose and encouraging them to participate in the improvement and development of the organization (Bass, 1985; Northouse, 2018). Transformational leadership is a leadership style that succeeds in improving employee performance and motivation. This leadership style helps create a culture that supports the organization's vision and actively engages employees in the innovation and decision-making process.

A study by Ganesan and Shankar (2022) found that transformational leaders improve individual motivation and performance in various sectors. Leaders who can inspire and support their followers to exceed their abilities can increase productivity and commitment in the workplace (Ganesan & Shankar, 2022).

### **Edgar Schein's Organizational Cultural Theory**

Edgar Schein's theory of organizational culture describes the processes of formation, maintenance, and the role of culture in shaping interconnected behaviors and performances: artifacts, expressed values, and basic assumptions. At the first level, artifacts include cultural elements that are easily observed, such as organizational structures, policies, symbols, workspaces, or clothing worn by organizational members. Although these artifacts are obvious, they often require a deeper interpretation to understand their meaning (Schein, 2010). Values are expressed, which include principles and standards that are considered important in carrying out tasks and making decisions within the organization. These values are usually reflected in the vision, mission, or statement of values conveyed by leadership or an organization's official document (Schein, 2010). These values provide clues about how an organization expects its members to behave, although they are not always applied consistently.

At the deepest level, there are basic assumptions, i.e. beliefs or worldviews for every action and decision. These basic assumptions are generally unquestioned and considered to be indisputable truths, such as views on how humans should behave in organizations, or how the relationship between work and personal life is. Schein emphasizes that changes to basic assumptions are key to profoundly changing organizational culture (Schein, 2017).

### **Herzberg's Theory of Work Motivation (Two-Factor Theory)**

Herzberg's theory of motivation, distinguishes two main categories that affect job satisfaction and dissatisfaction: motivating factors and hygiene factors. Herzberg (1959) states that motivating factors, such as achievement, recognition, challenging work, and opportunities for growth. These factors have to do with personal achievement and intrinsic satisfaction derived from the work itself. On the other hand, hygiene factors are elements that if not fulfilled properly can lead to dissatisfaction, although they do not directly increase job satisfaction. These factors include salary, working conditions, relationships with colleagues, job stability, and company policies.

According to Herzberg, the hygiene factor serves as a deterrent to dissatisfaction, but does not directly increase motivation or satisfaction (Herzberg, Mausner, & Snyderman (Zhou and Lee, 2018). To increase satisfaction and motivation, organizations must ensure the hygiene factor is at an adequate level, while to motivate employees more effectively, organizations need to focus on motivating factors.

Several recent studies confirm the relevance of Herzberg's theory in the context of modern organizations. Hygiene factors remain important, motivating factors such as professional development opportunities and recognition of achievements are increasingly key in creating job satisfaction in a competitive workplace. (Zhou and Lee, 2018). In addition, the fulfillment of hygiene factors alone is not enough to increase long-term productivity, unless motivating factors are also prioritized (Mubarak et al, 2020).

Vroom's Work Motivation Theory (Hope Theory)

Vroom's Expectation Theory (1964) provides an in-depth explanation of how individuals are motivated to work based on their belief in the relationship between effort, performance, and desired outcomes. Expectations, instruments, and valence are the three key components of this theory. Instrument-related expectations refer to rewards or recognition. Finally, valence refers to the value that individuals place on those outcomes, whether the rewards are valuable to them. These three factors work synergistically to influence an individual's motivation in achieving organizational goals (Vroom, 1964; Chiang & Jang, 2018).

Recent research shows that expectation theory remains relevant in today's organizational context. Effective expectations can improve employee performance, but they are only valid if the promised instruments and valences match employee expectations Wang et al. (2022). Within organizations that have strong managerial support and adequate resources, employees tend to be more confident that their efforts will produce the results they expect, and that they will receive the results they expect. In contrast, in less supportive environments, these expectations can decrease, which ultimately reduces employee motivation to work.

Furthermore, the theory of expectations also suggests that the role of clear communication in the organization is essential. According to research by Siti & Kurniawan (2023), managers who consistently communicate desired goals and rewards to employees can reinforce expectations and instruments, which can ultimately predict the outcome of their efforts will be more motivated to work harder. This emphasizes the importance of managing employee expectations in relation to rewards and desired outcomes in any managerial system.

Leadership (X1)

Leadership is a key factor in determining the success and performance of an organization. As a key factor, leadership includes a leader's ability to motivate, inspire, and guide the team to function collaboratively towards achieving the set goals. A good leader not only manages, but is also able to create a clear vision and provide adequate direction to the team to face the challenges at hand. Different leadership approaches can be applied depending on the characteristics. Leadership styles can stimulate morale, as well as increase team productivity

(Wang & Zhang, 2021). Effective leaders are able to provide guidance, motivate, and inspire teams to achieve the best results. Leadership is often considered an art, as a leader's style and approach can vary based on personal characteristics, challenges faced, and the nature of the individual being led (Siagian & Khair, 2018).

The essence of leadership lies in the leader's ability to create a clear vision, provide direction, and maintain harmonious relationships between team members. Without strong leadership, the alignment between individual goals and organizational goals can be disrupted, ultimately hindering the achievement of goals (Jufrizen & Lubis, 2020). Therefore, leadership is not only about giving instructions, but also inspiring and motivating the team to work with passion and enthusiasm for a common goal.

Effective leadership relies heavily on the ability of leaders to motivate them to work in accordance with organizational goals. Leaders who listen to employees' aspirations, pay attention to their input, and manage tasks effectively and pleasantly. As explained by Wijono (2018), leaders who provide appropriate support and motivation to employees will have a significant contribution to increasing job satisfaction.

#### Organizational Culture (X2)

A mutually agreed value system and habits that form an organizational culture creates a social structure that supports interaction, collaboration, and problem-solving in the work environment, this includes shared values and norms that serve as guidelines in behaving and solving problems for members of the organization. This culture creates organizational characteristics that form an identity that is easily recognizable by members of the organization (Nawawi, 2013). Organizational culture becomes the basis for members to carry out their duties and behaviors, forming a value system that is not only a handle, but also the basis of identity and how to behave in the organization (Muis et al., 2018).

Organizational culture develops through a long history of being shared by organizational members and difficult to manipulate directly. This culture is accepted, implemented, and continues to be developed as a code of conduct (Suwatno, 2021). An open and open culture can encourage better collaboration and communication. A culture that supports the exchange of ideas, provides space for diverse opinions, and strengthens mutual trust between members will create a productive and peaceful workplace. For example, organizations that promote a culture of mutual respect and openness to differences tend to have team performance contribute to the maximum (Hermanto, 2020). Thus, an inclusive and open organizational culture will encourage more effective collaboration and communication.

In addition, organizational culture can be seen as the lifestyle and way of operating an organization that reflects the values and beliefs held by its members. Organizational culture also serves as a developing archetype for overcoming challenges and problems. As a blueprint for overcoming internal and external challenges, organizational culture must be socialized and accepted by new members (Hermanto, 2013; Sasingkelo et al., 2017). This emphasizes the

importance of internalizing culture to increase organizational effectiveness and its ability to adapt to changes in the external environment.

According to Wahyudi and Tupti (2019), factors such as effective communication, employee motivation, organizational characteristics, organizational structure, administrative processes, and management style affect the formation of organizational culture. Effective communication helps clarify the company's vision and values, while the leadership style applied affects the cultural atmosphere in the organization.

#### **Work Motivation (Z)**

Motivation is the thing that drives a person to strive to achieve their goals. The main elements in motivation, as explained by Mahardhika (Winukasto et al., 2022), include the expectation to realize a desired dream or goal as well as the benefits obtained from the effort. This expectation refers to beliefs, while benefits relate to rewards or benefits obtained as a result of those achievements. In organizations, understanding these elements of motivation is essential, as it can help managers devise strategies.

Work motivation plays an important role in distinguishing productive employees from less productive ones. In addition to abilities and skills, work motivation also has a crucial role in determining how individuals work, effort, and contribute to achieving organizational goals (Robbins & Judge, 2017). Motivation is described as a series of achieving goals. Afandi (2018) sees motivation as an internal drive that comes from passion or inspiration to provide the best results through maximum effort. Work motivation is a driving force that makes individuals work diligently, try their best, and commit to their responsibilities, which ultimately contributes greatly to the organization.

Work motivation also plays an important role in shaping employee attitudes and performance in the organization. Motivation creates an optimal work atmosphere (Poltak & Sarton, 2019). Work motivation also has a positive impact on social interaction between team members, strengthens relationships between individuals, and encourages the formation of an efficient collaborative culture in solving various challenges (Afandi, 2018). In addition, intrinsic and extrinsic factors greatly affect work motivation.

Intrinsic factors such as job satisfaction and self-development, and extrinsic factors such as decent compensation, rewards, and If employees feel valued and rewarded accordingly, they are more motivated to achieve organizational goals. A positive work environment also helps them do their best Siagian (2020), emphasizes that good work motivation is reflected in the extent to which employees feel valued and motivated to work hard to achieve the company's goals.

#### **Employee Performance (Y)**

Employee performance is a key factor in the success of an organization. In general, performance refers to what employees do or ignore that impacts their contribution to the company (Maryati, 2021). This contribution includes various aspects, such as quantity, quality, duration of work, attendance, and cooperative attitude. Nani (in Winukasto et al., 2022) states that employees with adequate abilities and a high level of motivation tend to show increased performance. The

ability in question includes not only the level of intelligence or IQ, but also the skills that employees have and their relevance. Therefore, skill development and motivation enhancement are essential to achieve optimal performance.

In addition, effective leadership and a strong company culture can encourage employees and create a work environment that supports their achievement Muis et al. (2018) explained, such as valuing innovation and collaboration, can have a positive impact on performance. Saripuddin and Handayani (2018) also revealed that management is essential to ensure that employees can meet organizational expectations and achieve the goals that have been set.

The concept of performance can also be seen from a more holistic perspective, namely the extent to which the organization is able to realize its goals, objectives, vision, and mission through the achievement of optimal employee performance. Moeheriono (2012) stated that employee contributions to the overall success of the organization are also considered when assessing employee performance. Thus, employee performance reflects the implementation of effective organizational strategies as well as results-oriented human resource management and sustainable development.

## RESEARCH METHODS

This study uses a quantitative approach with a survey method. The quantitative approach is used to analyze the relationship between research variables systematically and objectively. This study is explanatory because it aims to explain the cause-and-effect relationship between transformational leadership, organizational culture, work motivation, and employee performance. The population in this study is all employees of PT. Iradat Aman Globalindo. The sampling technique used is purposive sampling, which is the selection of samples based on certain criteria. The sample criteria in this study include employees who have worked for at least one year in the company and have experience in dealing with leadership policies and organizational culture. The number of samples taken was 150 respondents. The data analysis technique used was Partial Least Square-Structural Equation Modeling (PLS-SEM).

## RESULTS

### R-Square

Table 1. R Square Adjusted Value

Variable	<i>R Square</i>	<i>R Square Adjusted</i>
Organizational Culture (X2)	0,557	0,549
Employee Performance (Y)	0,465	0,429
Work Motivation (Z)	0,382	0,358

Source: *Primary data, data processed by the author with SmartPLS 3.0, 2025*

The Employee Performance variable (Y), an R-Square value of 0.465 and an adjusted R-Square value of 0.429 indicate that the independent variables in the model are responsible for about 46.5% of the variation in employee performance. For the Work Motivation (Z) variable, which has an R-Square

value of 0.382 and an adjusted R-Square of 0.358, there is 53.5% of unexplained variation, suggesting that other factors not measured in this study may be influencing employee performance. Although this model provides a fairly good picture of how the variables interact with each other, these results suggest that there are still other external or internal factors that have the potential to affect employee motivation and performance.

**F-Square**

Table 2. **F-Square Value**

Variable	Organizational Culture (X2)	Leadership (X1)	Employee Performance (Y)	Work Motivation (Z)
Organizational Culture (X2)			0,024	<b>0,009</b>
Employee Performance (Y)				
Work Motivation (Z)			0,104	
Transformational Leadership (X1)	1.2590		0,065	<b>0,203</b>

Source: *Primary data, data processed by the author with SmartPLS 3.0, 2025*

To find out how much each independent variable contributes to the dependent variable being tested, use the results from the following F-Square table:

- 1. The Influence of Organizational Culture (X2) on Employee Performance (Y)**  
of 0.024 indicates a small impact, which shows that the influence of Organizational Culture on Employee Performance.
- 2. The Influence of Organizational Culture (X2) on Work Motivation (Z)**  
With a value of  $f^2$  0.009, organizational culture has almost no influence on Work Motivation (Z).
- 3. The Influence of Transformational Leadership (X1) on Employee Performance (Y)**  
An  $f^2$  value of 0.065 indicates that the influence of leadership on employee performance is relatively low.
- 4. The Influence of Transformational Leadership (X1) on Work Motivation (Z)**  
The  $f^2$  value of 0.203 indicates a significant influence of leadership on Work Motivation.

Therefore, when compared to Organizational Culture (X2), Transformational Leadership (X1) has a greater influence on Work Motivation (Z). In contrast, Organizational Culture (X2) has a smaller influence on both Employee Performance (Y) and Work Motivation (Z). This suggests that in the context of this model, leadership factors are more dominant in influencing work motivation, temporarily. Employee work quality is less influenced by organizational culture and work motivation.

## Hypothesis Testing

Table 3. Hypothesis Testing (Direct Influence)

Hypothesis	Original Sample	T Statistic	P Values
Organizational Culture (X2) → Employee Performance (Y)	0,172	1,327	0,185
Organizational Culture (X2) → Work Motivation (Z)	0,110	0,499	0,618
Transformational Leadership (X1) → Organizational Culture (X2)	0,746	11,031	0,000
Transformational Leadership (X1) → Employee Performance (Y)	0,309	2,274	0,023
Transformational Leadership (X1) → Organizational Culture (X2)	0,532	2,769	0,006
Work Motivation (Z) → Employee Performance (Y)	0,301	2,288	0,023

Source: Primary data, data processed by the author with SmartPLS 3.0, 2025

Based on the table above, the Transformational Leadership Variable (X1) to the Employee Performance Variable (Y) has a statistical t-value of 1.327 and a p-value of 0.185 with an analysis. Because the p-value is greater than 0.05 and the statistical t-value is less than 1.96, the null (Ho) hypothesis is accepted, and the alternative hypothesis (Ha) is rejected. In other words, there is no significant relationship between employee performance and Transformational Leadership.

The Transformational Leadership variable (X1) on Work Motivation (Z) has a t-statistical value of 0.499 and a p-value of 0.618 with the analysis. Ho accepted and Ha rejected because the p-value > 0.05 and the t-statistical value < 1.96. In other words, the relationship between Transformational Leadership and work motivation is not so significant.

The Organizational Culture variable (X2) on Employee Performance (Y) has a t-statistical value of 1.327 and a p-value: 0.185 with the analysis of Ho accepted and Ha rejected because the p-value is greater than 0.05 and the t-statistical value is less than 1.96. The relationship between organizational culture and employee performance is actually insignificant.

The Transformational Leadership variable (X1) on Organizational Culture (X2) had a t-statistical value of 11.031 and a p-value of 0.000 with an analysis of the p-value of > 0.05 and the t-statistical value of < 1.96, Ho was accepted and Ha was rejected. Actually, the relationship between Transformational Leadership and organizational culture is not significant.

The Transformational Leadership variable (X1) on Employee Performance (Y) has a t-statistical value of 2.274 and a p-value of 0.023 with the analysis of Ha

and  $H_0$  rejected because the p-value is below 0.05 and the t-statistical value is above 1.96. In other words, Transformational Leadership and employee performance are closely related. The Work Motivation (Z) variable on Employee Performance (Y) has a t-statistical value of 2.288 and a p-value of 0.023 with the analysis of  $H_a$  and  $H_0$  rejected because the p-value is  $< 0.05$  and the t-statistical value is greater than 1.96. This means that there is a significant correlation between a worker's motivation and his performance at work.

## **DISCUSSION**

### **1. The Influence of Transformational Leadership on Employee Performance at PT Iradat Aman Globalindo**

It is evident that the performance of PT Iradat Aman Globalindo's employees is greatly influenced by effective leadership. With a t-statistic of 2.274 and a p-value of 0.023, the results of the analysis show a positive relationship between leadership and employee performance. These results support the transformational leadership theory proposed by Bass (1985) and Northouse (2018), which states that leaders who have a clear vision and the ability to inspire can increase employee morale and motivation, encouraging them to make their best contribution to achieving organizational goals. According to transformational leadership theory, individual and team performance improves if given clear direction and motivation to achieve higher goals.

Effective leaders play an important role in employee development by paying attention to their needs and aspirations, which in turn can increase morale and productivity in the workplace. Schein (2010) asserts that a friendly and open organizational culture can strengthen the relationship between effective leadership and employee performance. At PT Iradat Aman Globalindo, effective leaders not only provide clear instructions, but also support employees' professional development, which contributes to improving their performance. Herzberg's theory (1959) also shows that good leadership can increase employees' natural motivation, which has a positive impact on their performance. By creating a supportive and rewarding environment for employees, leaders can encourage them to work more optimally, improving the company's overall performance.

In transformational leadership, there are several key elements that make up the traits of a leader, and each of these elements can have an impact on how well an employee performs. Inspiration and Motivation is a term that refers to a leader's ability to set clear goals and encourage staff members to achieve higher goals, inspirational not only use words to encourage others, but they also set a tangible example through their actions, encouraging their followers to exceed what they expect. Individual Attention leads to a leader who pays attention to the needs and development of each team member.

Transformational leaders are able to identify the strengths and potentials of each team member and help them overcome challenges, both professional

and personal, that result in greater trust between them. Intellectual Stimulus challenges existing beliefs by encouraging team members to think outside the box and look for creative ways to solve problems. Employees are motivated to learn and grow by transformational leaders. If leaders act as role models with ethics, integrity, and sacrifice, they become a source of inspiration for their followers. These ideal leaders are rewarded for consistency. A leader's ability to build strong emotional bonds with their team members and build relationships based on empathy and connectedness is called emotional engagement. This can increase loyalty and commitment to the company's goals.

Competency and Potential Development shows that transformational leaders not only pursue short-term goals on improving the skills and potential of their team members in the long term, providing them with opportunities to learn and develop themselves. Successful transformational leaders can bring about positive change, increase employee happiness, and improve the company's overall performance. They can also build a more inclusive and cooperative culture, which benefits both the organization and its employees.

## **2. The Influence of Organizational Culture on Employee Performance at PT Iradat Aman Globalindo**

The results of the research at PT Iradat Aman Globalindo show that organizational culture does not have a significant influence on employee performance. This is reflected in the t-statistic of 1.327 and the p-value of 0.185, which suggests that the relationship between the two is not significant. Although Schein's theory (2010) states that a strong and open organizational culture can influence employee values, norms, and behaviors, as well as create a positive work environment, these findings do not fully support the theory. This research shows that while organizational culture has the potential to influence employee performance, other factors such as company policies, human resource management, and managerial approaches may have a greater influence in driving employee performance at PT Iradat Aman Globalindo. Therefore, while organizational culture plays a role, other external factors need to be considered in an effort to improve employee performance.

However, research has shown that the implementation of organizational culture in the company has not shown a significant impact on employee performance. Although the organizational culture of PT Iradat Aman Globalindo can affect employee performance, other factors such as company policies, human resource management, and management approaches may have more influence on how well employees work, studies have shown that the implementation of organizational culture in a company has not shown a significant impact on employee performance. According to Schein (2010), there are three main dimensions of organizational culture: artifacts, expressed values, and basic assumptions.

The organization's structure, clothing, company symbols, and the physical environment that reflects the culture are all part of the artifact. The company's vision, mission, or code of ethics is usually an example of the values expressed, which include the principles recognized and adopted by the organization's members. Including views on people, time, and power in the organization, basic assumptions refer to beliefs held by members of the organization that are unaware of and have an impact on the actions and decisions made by the organization. However, the influence of corporate culture on the performance of PT Iradat Aman Globalindo's employees can be hampered by the company's imperfect or poorly integrated day-to-day policies. There may be an inconsistent culture that does not support employee performance, which hinders motivation and inspiration.

In addition, the influence of organizational culture on employee performance can also be influenced by external factors, such as ongoing industry or market conditions. These factors can strengthen or weaken the relationship between organizational culture and employee performance. Therefore, PT Iradat Aman Globalindo needs to focus on improving internal policies and implementing more efficient human resource management, as well as implementing a more direct and responsive managerial approach to improving employee performance. The findings of this study show that although organizational culture plays an important role in creating a positive work environment, it has not been strong enough or effectively implemented at PT Iradat Aman Globalindo to significantly impact employee performance. Therefore, the company needs to strengthen its organizational culture to better support employee growth and performance in the future.

### **3. The Effect of Work Motivation on Employee Performance at PT Iradat Aman Globalindo**

With a t-statistic of 2.288 and a p-value of 0.023, this study shows that work motivation has a significant impact on the performance of PT Iradat Aman Globalindo's employees. These results support the view that the higher the level of employee motivation, the better the performance they can achieve. This finding is in line with Herzberg's (1959) theory of motivation, which states that motivational factors, such as achievement, recognition, and opportunities for growth, play an important role in improving employee performance. Herzberg argues that if employees feel motivated through these factors, they will be more committed and contribute more to the organization's goals. In addition, the results of this study show that employees who feel valued and respected for their efforts will be more engaged in their work, responsible, and strive to achieve better results, which will certainly improve the overall performance of the organization.

This is also in line with Vroom's (2018) theory of motivational expectation, which states that employees will perform best if they see a clear relationship between their actions and the results. If employees feel their

work is valued and beneficial to the company and themselves, they tend to be more motivated to do more. External factors such as a positive work environment and leadership recognition also affect work motivation at PT Iradat Aman Globalindo. A clear appreciation of employees' performance increases their motivation and makes them more dedicated to achieving organizational goals, the company should continue to provide the right incentives, career development opportunities that can improve skills, and strong social support for employees. Increased work motivation will ultimately increase the achievement of company goals. Motivating factors and hygiene factors are the two main categories that explain how motivation can affect performance according to Herzberg's theory of motivation.

Achievement, recognition, hard work, motivation is a responsibility and this opportunity to grow has a direct influence on employee satisfaction and their desire to do their jobs. The level of satisfaction with the recognition received, the opportunity to achieve, and involvement in challenging tasks are some examples of these factors. If employees are given the opportunity to thrive and are rewarded for what they have achieved. Meanwhile, the hygiene factor includes basic elements such as salary, working conditions, relationships between employees, company policies, and job stability. While these factors do not directly increase motivation, meeting these basic needs is important to prevent employees from feeling dissatisfied or hampered in carrying out their duties.

Indicators of these factors include satisfaction with working conditions, relationships between colleagues, and company policies that support their well-being. Herzberg's theory of motivation provides an important perspective on how companies can improve the performance and motivation of their employees. Companies have the ability to provide an employee-friendly work environment by meeting basic needs (hygiene factors) and encouraging achievement and reward (motivating factors). PT Iradat Aman Globalindo needs to balance these two things to ensure that employees remain motivated and can make their best contribution to the company. Therefore, As a result of this research, there are several elements that greatly affect the performance level of PT Iradat Aman Globalindo's workers are work motivation. As a result, companies must concentrate on methods to increase their employees' work motivation, such as providing the right recognition, opportunities to grow, and the right incentives.

#### **4. The Role of Work Motivation as an Employee Intervening Variable at PT Iradat Aman Globalindo**

The results of this test suggest that work motivation does not serve as a significant mediator between leadership and employee performance at PT Iradat Aman Globalindo. Although Herzberg's (1959) motivational theory suggests that motivational factors such as achievement and recognition can improve performance, these findings suggest that in the context of this study, work motivation may not be strong enough to act as a bridge

connecting leadership to employee performance improvement. This indicates that while leadership may affect work motivation, other factors such as managerial policies, work environment, or external factors may have a greater impact on employee performance. As a recommendation, companies need to look deeper into other factors that affect employee performance and explore a more holistic managerial approach.

The findings of this study reveal that additional factors such as job satisfaction, relationships between coworkers, and a supportive work environment, may have a more significant influence on employee performance than leadership itself. Although work motivation can contribute to improved performance, the results of this study show that the direct impact of leadership on employee performance is greater than the influence of work motivation as a mediator. In addition, Vroom's (2018) motivational expectation theory, which states that employees will try harder if they feel their efforts are rewarded with appropriate rewards, was not fully proven in this study. Although work motivation remains influential on performance, the direct influence of leadership in influencing employee performance appears to be much stronger. This implies that companies may need to focus more on developing effective leadership as well as pay attention to other factors that can affect employee performance more directly.

These findings suggest that work motivation, while important, does not fully function as a link between leadership and employee performance. Therefore, in addition to work motivation, other variables such as job satisfaction, incentives, and resource support can play a better role in regulating the relationship between employee performance and leadership. Vroom's theory of expectation (Chiang and Jang, 2018), there are three main dimensions that are relevant to understanding the relationship between effort, performance, and reward, namely expectation, instrumentality, and valence. Expectancy refers to an individual's belief that their efforts will result in the desired performance. Techniques include believing that good performance will receive the expected reward.

The extent to which the rewards a person receives are considered valuable to them is known as their value. This research shows that work drive does not work as an effective link of employee performance as well as leadership. However, these dimensions provide important insights into the relationship between effort, performance, and compensation. Therefore, PT Iradat Aman Globalindo should consider additional elements, such as career development, management support, and job well-being.

## CONCLUSION

Based on the results of hypothesis testing and data analysis, this study succeeded in achieving the goals that have been set. The main findings of this study are as follows:

1. **The Transformational Leadership Style** has a **significant** impact on **employee performance** at PT Iradat Aman Globalindo. Effective leadership, especially one with vision and inspiration, can create a **productive work environment**, where employees feel encouraged and supported in achieving organizational goals. These results are consistent with **transformational leadership** theory, which states that leaders who are able to inspire and motivate can drive higher performance. Therefore, developing a good leadership style and supporting employees is essential in improving performance.
2. **The organizational culture** at PT Iradat Aman Globalindo **does not have a significant impact** on employee performance. Although theory reveals that a strong culture can influence employee behavior and values, in this PT, the organizational culture is not sufficiently **integrated and strengthened** to have a major impact on performance. This can be caused by various factors, such as the **lack of consistent implementation of the culture** or the presence of other more dominant factors, such as managerial policies and practices that are more decisive for employee success. In other words, while organizational culture is important, other factors such as managerial policies and approaches play a greater role in influencing performance.
3. **Work motivation** has a **significant impact** on employee performance. **High motivation** encourages employees to be more enthusiastic and focused on achieving organizational goals. Increased work motivation at PT Iradat Aman Globalindo can help employees achieve more optimal results. High work motivation is usually associated with increased employee engagement in their work, which in turn improves productivity and performance quality.
4. Although work motivation plays a role in improving performance, the results show that **work motivation does not have a significant role as a mediator** (connecting variable) between **leadership, organizational culture, and employee performance**. This means that although work motivation affects performance, the **direct influence of leadership style on employee performance is stronger** than the role of motivation as a link between other factors. In other words, effective leadership directly contributes more to improving employee performance, while work motivation plays an important but insufficient role to be the main connecting factor between leadership and employee performance.

## **ADVICE**

Based on the results of research that show that there is a significant influence between leadership style, work motivation, and employee performance, as well as the absence of a significant influence of organizational culture on employee performance at PT Iradat Aman Globalindo, here are some suggestions that can optimally improve employee performance:

1. PT Iradat Aman Globalindo should strengthen its leadership training program for managers and team leaders, which focuses on communication skills, empathy, and providing constructive feedback. The development of a transformational leadership style needs to be encouraged, where leaders not only instruct but also inspire and support employees' personal and professional development. Leaders who are able to articulate a vision clearly will be more effective in creating a productive work environment and encouraging high performance.
2. Although organizational culture does not show a significant impact on employee performance, PT Iradat Aman Globalindo needs to strengthen the implementation of corporate cultural values across all operational aspects. Clear and consistent communication about company values through internal orientation programs or seminars can increase employees' understanding and attachment to organizational culture. Empowering employees to participate in culturally related decision-making is also important so that they feel they have a role in realizing the company's goals.
3. To increase work motivation, companies should introduce more attractive and targeted rewards and incentive programs, both in financial and non-financial forms such as public recognition or career development opportunities. In addition, providing clearer career development opportunities, such as skills training or promotion pathways, will motivate employees to work harder and commit to the company's goals. These programs are expected to significantly improve employee performance.
4. PT Iradat Aman Globalindo should conduct regular evaluations of leaders' performance in motivating and inspiring their teams. This constructive feedback process will help identify areas for improvement in leadership. In addition, companies need to conduct further research with a multivariate approach to explore other factors that can increase work motivation, such as work-life balance and empowerment in decision-making, in order to create a more productive and optimal work environment in supporting the achievement of company performance.

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