



LEADERSHIP'S INFLUENCE ON EMPLOYEE PERFORMANCE: MEDIATION IN TRAVEL AGENCIES

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ABSTRACT

This study investigates the influence of organizational culture, leadership style, and communication on employee performance within the tourism sector in Karanganyar Regency, Indonesia. Employing a quantitative approach, data were collected from employees of travel companies through questionnaires and interviews, and analyzed using Smart PLS 3. The findings reveal that innovative leadership significantly impacts employee performance, organizational culture, and communication. Organizational culture also plays a mediating role in the relationship between leadership and performance. However, communication does not exhibit a significant direct effect on performance or act as a mediator. These results underscore the pivotal role of leadership in fostering organizational culture and enhancing performance, while suggesting that the effectiveness of communication may vary depending on contextual factors. The study contributes to human resource management by highlighting the importance of leadership and organizational culture in improving employee performance, particularly in the tourism industry.

Keywords: Organizational culture, innovative leadership, communication, employee performance, tourism sector

ABSTRAK

Penelitian ini menganalisis pengaruh budaya organisasi, gaya kepemimpinan, dan komunikasi terhadap kinerja karyawan agen pariwisata Kabupaten Karanganyar, Indonesia. Dengan pendekatan kuantitatif, data dikumpulkan dari karyawan perusahaan travel melalui kuesioner dan wawancara, kemudian dianalisis menggunakan Smart PLS 3. Hasil penelitian menunjukkan bahwa gaya kepemimpinan berpengaruh signifikan terhadap kinerja karyawan, budaya organisasi, dan komunikasi. Budaya organisasi juga berperan sebagai mediator dalam hubungan antara kepemimpinan dan kinerja. Namun, komunikasi tidak menunjukkan pengaruh langsung yang signifikan terhadap kinerja atau sebagai mediator. Temuan ini menegaskan peran kunci kepemimpinan dalam membentuk budaya organisasi dan meningkatkan kinerja, sementara efektivitas komunikasi mungkin bergantung pada faktor kontekstual. Penelitian ini memberikan kontribusi bagi manajemen SDM dengan menekankan pentingnya kepemimpinan dan budaya organisasi dalam meningkatkan kinerja karyawan, khususnya di industri pariwisata.

Kata kunci: Budaya organisasi, gaya kepemimpinan, komunikasi, kinerja karyawan, sektor pariwisata.

1. INTRODUCTION

The role of human resources (HR) is very important as the main driver in the tourism industry, creator of tourism products, and determinant of the competitiveness of this sector. This can be achieved through tourism education and tour guide training that



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must be possessed by the community, especially those in tourist destinations, in order to support tourism development (Pajriah, 2018) . Employees are very valuable assets for the company, because they play an important role in achieving the vision and mission of the organization. Therefore, companies need to seriously pay attention to employee performance in order to understand the extent of their ability to develop company products and services, especially in facing the challenges of globalization that continue to grow. (Budiman et al., 2019)

In the context of religious tourism, also known as sharia tourism, pilgrimage, and halal tourism, it is a journey that aims to gain experience and learning (Ibrah) (Rohimat, 2023) . The presence of religious tourism has a positive impact on economic activities, which contributes to improving the economic welfare of the community (Syaripudin & Bahri, 2022) . Religious tourism, which has become increasingly popular in Indonesia in recent decades, has spread widely and includes various communities, religious study groups, Islamic organizations, and other religious groups. The steady growth in this segment is well utilized by the tourism industry, indicating that Indonesian people still feel comfortable with everything related to religion, including in the context of tourism (Cahya, 2022) .

In various studies conducted by several researchers, there are different but interrelated focuses on the relationship between employee performance and several aspects of human resource management. Research conducted by Aurelia, (2024) examined how organizational culture has a positive and significant effect on employee performance. And another study conducted by Tiara & Garnida, (2023) examined Leadership Style on Company Performance has a significant positive effect between leadership style variables on company performance. Meanwhile, research conducted by Masturi et al., (2021) showed different research results where Leadership Style has a negative effect on Employee Performance. Therefore, in this study, researchers will use employee performance as the dependent variable.

The differences in the results of these studies indicate the need for further research on employee performance. Therefore, this study aims to analyze more deeply the performance of Indonesian employees. The researcher chose the leadership style variable for the independent variable and added organizational culture and communication as mediating variables. This study will be conducted to determine the effect of Leadership Style on employee performance with Organizational Culture and Communication as mediating variables.

Organizational culture is a system of shared meaning, in an organization related to values, norms, beliefs, traditions and ways of thinking, which are seen in the behavior of human resources so as to differentiate one organization from another. This definition explains that organizational culture includes aspects: values, norms, beliefs, traditions, ways of thinking and behavior (Pakpahan & Legi, 2022) . Organizational culture functions as a social glue that unites members in achieving common goals. This culture provides guidelines on the values, norms, and behaviors expected in the organization. With a strong culture, members of the organization tend to have the same goals, are committed to achieving success, and are more adaptable to existing changes (Syafriani & Ramadhani, 2023) .



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In a study conducted by Febriani & Ramli, (2023) a positive organizational culture does have a very large influence on employee engagement. Employee engagement refers to the extent to which employees feel connected, motivated, and enthusiastic about working in an organization. A study conducted by Syafriani & Ramadhani, (2023) showed that a strong and positive organizational culture plays a key role in influencing employee performance, especially in the industry in Indonesia. However, research conducted by Mustikaningsih & Handayani, (2014) showed that organizational culture has no impact on employee performance.

Communication is an important part of an organization's work life. This is understandable because poor communication has a broad impact on organizational life, such as conflict between employees, and conversely good communication can improve mutual understanding, cooperation and job satisfaction (Panuju, 2018) . Effective communication in an organization does have a very important role in creating a healthy and productive work atmosphere. When communication goes well, members of the organization can understand each other, work together, and minimize misunderstandings or conflicts that can arise. This will of course increase morale and work enthusiasm, which in turn can trigger greater creativity and dedication from each individual (Herawati et al., 2022) .

Leadership style plays a very important role in driving innovation and improving organizational performance. In this way, they are able to create creative solutions to the challenges faced by the organization. Leaders like this also tend to prioritize collaboration, provide freedom to innovate, and dare to take steps that may feel risky but open up great opportunities for growth. Supriatna, N., & Zulganef, Z. (2023). Leadership style should indeed be able to develop all potential resources, be it human resources, technology, or existing processes, to drive significant change. Fitrah et al., (2021) . This study is also supported by the results obtained by Sanasa et al., (2024) showing that leadership style affects employee performance. This is in contrast to research conducted by Endarwati et al., (2022) which states that the leadership model does not have a positive and significant influence on innovative behavior.

The object of research in this study is companies engaged in the tourism sector located in Karanganyar Regency. Some companies that are part of this study include Pena Tour located in Ngargoyoso, Wawa Tour in Colomadu, Ailean Tour & Transport in Jatiyoso, Surya Tour & Trans in Karanganyar, and Prameswari Tour which is also located in Karanganyar. The researcher focuses on observations on the aspect of Human Resources (HR) as the main component in the operations of these companies, because HR plays an important role in carrying out various activities and events in the company. Based on this background, the researcher chose the research title "The Influence of Leadership Style on Employee Performance with Organizational Culture and Communication as Mediating Variables" with a case study on a travel company that has provided religious tourism services in Karanganyar Regency.

2. THEORETICAL FRAMEWORK AND HYPOTHESIS

Path Goal Theory



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This theory argues that effective leaders can be seen from their impact on motivation, ability to perform well, and satisfaction of subordinates. It is called Path-Goal Theory because its main focus is on how a leader influences the way subordinates view work goals, personal goals, and how to achieve them. This theory states that leader behavior can motivate or provide satisfaction to the extent that the behavior helps subordinates achieve goals and clarifies how to achieve them Itructions & Mitchell, (1975) . In other words, leaders must be aware of the steps needed to increase the intrinsic motivation of subordinates. In addition, this theory emphasizes that leader behavior that is appropriate to a particular situation will serve to motivate subordinates (Nur Azizah, 2021) .

Employee performance

Employee performance refers to the work results, both in terms of quality and quantity, achieved by an employee in carrying out the tasks and responsibilities assigned to him (Sari et al., 2021) . Performance is an achievement achieved by an employee in carrying out the work assigned to him. This shows that performance is related to the results or output produced by an employee in carrying out his duties Maswar et al., (2020) . Thus, performance is not only seen from the final result, but also from the work process and behavior shown by the employee.

The success or failure of an organization in achieving its goals is greatly influenced by employee performance. Achieving performance in an organization is an important factor that must be considered to realize the company's goals. According to Daulay et al., (2019) , Performance refers to the work results in terms of quality and quantity achieved by an employee in carrying out the tasks given by superiors in accordance with the responsibilities they carry. This emphasizes that performance includes qualitative aspects (such as quality of work) and quantitative aspects (such as quantity of output), both of which must be balanced to achieve optimal results.

Organizational culture

Organizational culture is a concept related to how employees perceive the cultural characteristics of an organization, not just liking or disliking it. According to Schein (1985) in Budiarti (2021), organizational culture is formed by organizational groups to face future challenges. This culture includes values, attitudes, beliefs, and behaviors that are the basis for human resources in carrying out their obligations and behavior within the organization, as explained by Isvandiari & Purwanto, (2018) adding that organizational culture is the norms and values that direct the behavior of organizational members.

Robbins (1998) in his book *Organizational Behavior: Concepts, Controversies, Applications* translated by Pujaatmaka (2002) puts forward the following seven characteristics of organizational culture:

- a. Innovation and Risk Taking
- b. Attention to Detail
- c. Results Orientation
- d. Orientation on People



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e.Team Orientation

f.Aggressiveness

g.Stability

Communication

Communication is the process of exchanging information between two or more people to achieve a specific goal. Several definitions of communication state that communication involves sending and receiving messages with the aim that the message can be understood according to the sender's intent. Communication is a human activity that involves interaction between one or more people. The concept of communication not only includes effective ways of speaking, but also ethics in speaking, while Silalahi & Tanjung, (2023) emphasize that effective communication, which is based on understanding and empathy for the needs of the communicant, plays a very vital role. According to Febriani & Ramli, (2023) there are communication principles that must be the mainstay in running a company, honesty, justice, empathy, and transparency are very important. The application of these principles can strengthen trust, cooperation, and synergy between business actors in the sharia business ecosystem. However, integrating Islamic values into modern business communication practices still faces various challenges that need to be overcome. Where good communication relationships can improve employee performance and job satisfaction.

Leadership Style

Leadership is a concept that has a broad scope and various definitions from various experts. Stogdill stated that the number of definitions of leadership is almost equivalent to the number of people who define it. Hemphill & Coons define leadership as individual behavior in leading group activities towards common goals, while according to Koontz, leadership is the art or ability to coordinate and move individuals or groups to achieve desired goals. Stephen P. Robbins defines leadership as the ability to influence groups in achieving goals, which can also be interpreted as the process of influencing individual or group activities to achieve goals in certain situations. The theory put forward by J. Bessant in Tidd, (2021) states that leadership theory is the ability of a leader to build and maintain a culture of innovation in an organization, which has an impact on the process of creativity and decision making.

Leadership characteristics include various qualities that make up an effective leader. A good leader must treat his subordinates as whole human beings, respecting their personal, professional, social, and spiritual lives. In a study conducted by Syafriani & Ramadhani, (2023) Shows a strong and positive organizational culture plays a key role in influencing employee performance, especially in the industry in Indonesia.

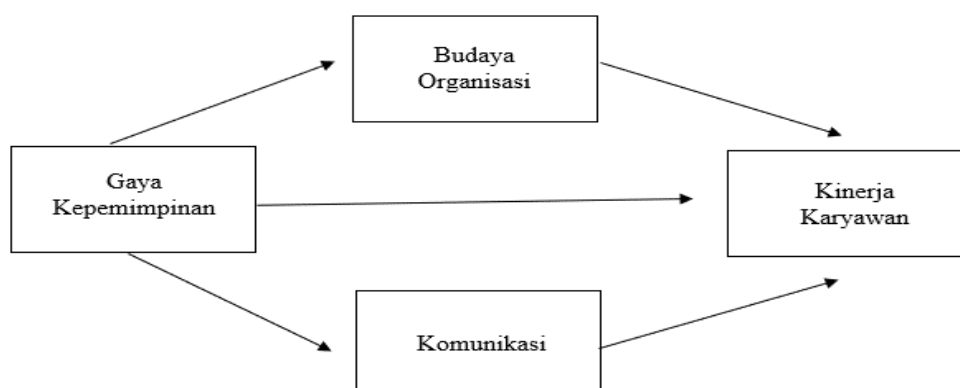


Figure 1. Thinking Framework

From the introduction and conceptual framework above, the following hypothesis can be drawn:

In a study conducted by Nisa et al., (2019) the results showed that communication has a significant positive influence on employee performance. In another study conducted by (Edbertkho & Sulaiman, 2021) a positive coefficient indicates that there is a positive relationship between communication and employee performance, which means that the more intense the communication, the better the employee performance. Based on this study, it can be concluded that communication has a significant influence on employee performance.

H1: Leadership style has a significant influence on employee performance.

In the research of Islam & Muhammad, (2024) based on the results of a simple linear regression test, the results showed that there was an influence of leadership style on organizational culture. Furthermore, the research results explained that organizational culture significantly mediates the relationship between leadership style and organizational learning.

H2: Leadership style has a significant influence on organizational culture.

Research conducted by Aurelia, (2024) examined how organizational culture has a positive and significant effect on employee performance. And another study conducted by Tiara & Garnida, (2023) examined Leadership Style On Company Performance, there is a significant positive influence between leadership style variables on company performance.

H3: Organizational culture has a significant influence on employee performance.

In Hayaty's research , (2012) showed that leadership style has a positive and significant relationship to communication effectiveness. The better the leadership style applied, the higher the level of communication effectiveness in the organization. These results strengthen the theory that leaders who are able to communicate clearly, openly, and responsively will create a more harmonious and productive work environment.

H4: Leadership style has a significant influence on communication.



Research conducted by Astuti, (2018) examined the influence of communication on employee performance. The results of the study showed that communication had a positive and significant influence on employee performance, which in turn improved employee performance.

H5: Communication has a significant influence on employee performance.

In the study of Thania et al., (2024) showed that organizational culture variables have a positive and significant influence on the relationship between transformational leadership and employee performance. This shows that transformational leaders always inspire their followers to go beyond their personal interests and have a deep and significant influence on them.

H6: Organizational culture mediates the influence of leadership style on employee performance.

Research conducted by Firmansyah & Winarto, (2024) stated that leadership style has a positive and significant effect on communication, while communication also has a positive and significant effect on employee performance. In addition, leadership style also has a positive and significant effect on employee performance with communication as a mediating variable.

H7: Communication mediates the influence of leadership style on employee performance

3. RESEARCH METHODS

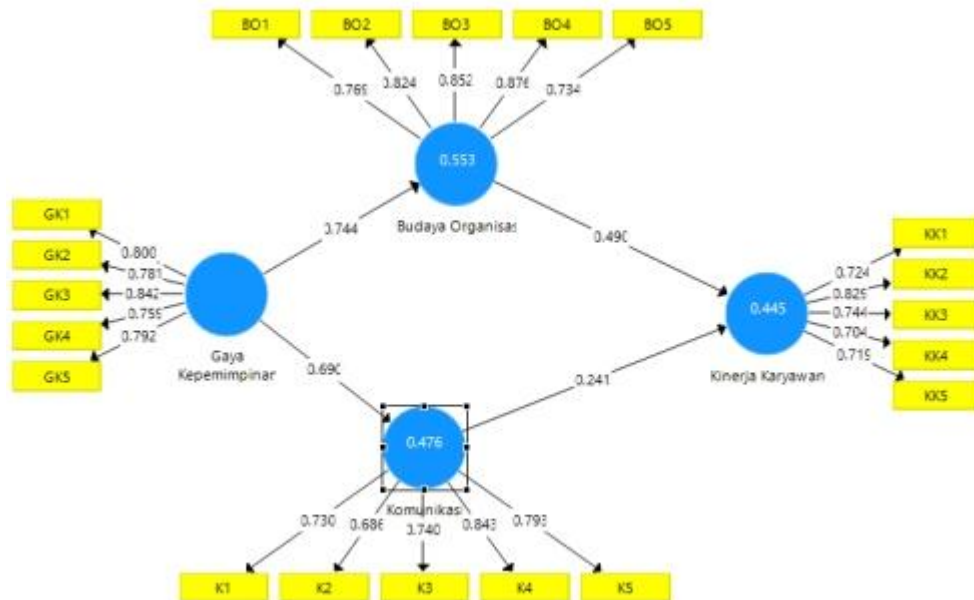
This study uses a quantitative approach to test the effect of Leadership Style on Employee Performance with Organizational Culture and Communication as mediating variables. The object of this study is a tourism sector company located in Karanganyar Regency. Determination of the number of respondent samples in this study was carried out using the total sampling method, which resulted in a total of 75 respondents. The data collection techniques used were interviews and questionnaires.

The criteria for the tourist agency that is used as the object is an agency that has served religious tourism trips. The study was conducted by taking primary data from tourism sector companies located in Karanganyar Regency. Data collection was carried out using several methods. The data obtained were then analyzed with Smart PLS 3 software. The following In statistical analysis, data were analyzed using the Smart PLS method. The following are analysis techniques in the PLS method: outer model analysis (convergent validity, discriminant validity, composite reliability, average variance extraction, and Cronbach's alpha), inner model analysis (R Square, F square, and Goodness of FIT), and hypothesis testing (T test, F test, and coefficient of determination).



4. RESULT AND DISCUSSION

Outer Model Testing



Source: Data processed by SmartPLS 2025

Figure 2. Calculate Algorithm Output Results

Convergent Validity (Convergen Validity)

Table 1. Model Summary

Variables	Indicator	Mark	Standard	Information
Organizational culture	BO1	0.769	> 0.7	Valid
	BO2	0.823	> 0.7	Valid
	BO3	0.852	> 0.7	Valid
	BO4	0.876	> 0.7	Valid
	BO5	0.734	> 0.7	Valid
Leadership Style	GK1	0.799	> 0.7	Valid
	GK2	0.778	> 0.7	Valid
	GK3	0.841	> 0.7	Valid
	GK4	0.760	> 0.7	Valid



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Variables	Indicator	Mark	Standard	Information
	GK5	0.796	> 0.7	Valid
Communication	K1	0.729	> 0.7	Valid
	K2	0.686	> 0.7	Invalid
	K3	0.740	> 0.7	Valid
	K4	0.843	> 0.7	Valid
	K5	0.794	> 0.7	Valid
Employee performance	KK1	0.732	> 0.7	Valid
	KK2	0.829	> 0.7	Valid
	KK3	0.748	> 0.7	Valid
	KK4	0.691	> 0.7	Invalid
	KK5	0.722	> 0.7	Valid

Source: Data processed by SmartPLS 2025

Based on the data in table 1, it can be concluded that all indicators have a loading factor value above 0.7, except for K2 (0.686) which is slightly below 0.7, but still acceptable.

Discriminant Validity

Table 2. Cross Loading Values

Indicator	Organization al culture	Leadership Style	Employee performance	Communication
BO1	0.769	0.572	0.471	0.471
BO2	0.823	0.576	0.530	0.493
BO3	0.852	0.569	0.589	0.563
BO4	0.876	0.679	0.583	0.534
BO5	0.734	0.621	0.398	0.481
GK1	0.583	0.799	0.480	0.545
GK2	0.612	0.778	0.452	0.482
GK3	0.642	0.841	0.516	0.587
GK4	0.576	0.760	0.518	0.575
GK5	0.542	0.796	0.543	0.549



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Indicator	Organization al culture	Leadership Style	Employee performance	Communicatio n
K1	0.531	0.468	0.406	0.729
K2	0.378	0.416	0.370	0.686
K3	0.398	0.479	0.394	0.740
K4	0.555	0.569	0.547	0.843
K5	0.501	0.661	0.354	0.794
KK1	0.481	0.562	0.732	0.501
KK2	0.485	0.522	0.829	0.507
KK3	0.371	0.406	0.748	0.326
KK4	0.586	0.436	0.691	0.358
KK5	0.416	0.392	0.722	0.302

Source: Data processed by SmartPLS 2025

Based on Table 2 above, it can be seen that discriminant validity has been achieved well. This is indicated by the correlation value between the indicator and its construct which is greater than the correlation with other constructs. So it can be said that all of these research instruments are discriminantly valid.

Average Variance Extracted (AVE)

Table 3. Average Variance Extracted (AVE) Value

Variables	AVE	Standard	Information
Organizational culture	0.660	> 0.5	Valid
Leadership Style	0.632	> 0.5	Valid
Employee performance	0.556	> 0.5	Valid
Communication	0.578	> 0.5	Valid

Source: Data processed by SmartPLS 2025

Based on Table 3, the test results using the Average Variance Extracted (AVE) value show that all constructs are considered good for further testing. This is because the AVE value for each construct is > 0.50.



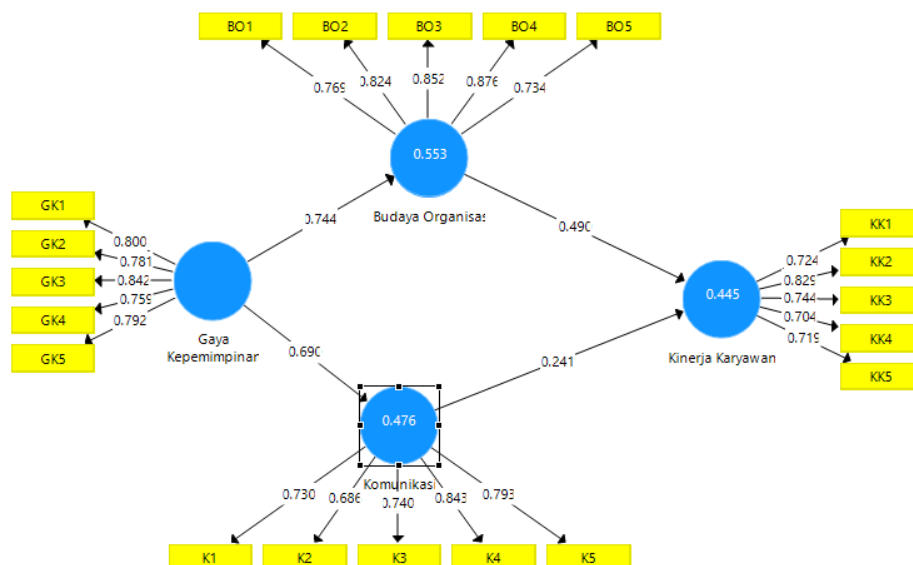
Table 1. Results of T-Test

Variables	Composite Reliability	Cronbach's Alpha	Standard	Information
Organizational culture	0.906	0.870	> 0.7	Reliable
Leadership Style	0.896	0.854	> 0.7	Reliable
Employee performance	0.862	0.801	> 0.7	Reliable
Communication	0.872	0.817	> 0.7	Reliable

Source: Data processed by SmartPLS 2025

Looking at Table 4, the Composite Reliability and Cronbach's Alpha tests produce values that meet the reliability criteria. All latent variables have been declared reliable, because the Composite Reliability and Cronbach's Alpha values for all variables reach or > 0.70. Thus, the questionnaire in this study can be used and is said to be reliable and consistent as a measurement instrument.

Inner Model Testing



Source: Data processed by SmartPLS 2025

Figure 3. Inner Model Structural Model

R-Square

Table 5. R-Square Test

Variables	R Square	R Square Adjusted
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Organizational culture	0.553	0.547
Employee performance	0.472	0.450
Communication	0.476	0.469

Source: Data processed by SmartPLS 2025

In principle, this study uses 3 variables that are influenced by other variables, namely Organizational Culture, Communication, and Employee Performance variables, all three variables are influenced by Leadership Style. Based on table 5, the R-Square value on the organizational culture variable is 0.553, which means that the organizational culture variable can be explained by the Leadership Style variable by 55.3% or is included in a moderate relationship. And the R-Square value on the Employee Performance variable is 0.472, which means that the Employee Performance variable can be explained by the Leadership Style variable by 47.2% or is included in a moderate relationship. And the R-Square value on the Communication variable is 0.476, which means that the Communication Performance variable can be explained by the Leadership Style variable by 47.6% or is included in a moderate relationship.

F-Square

Table 6. F-Square Value

Variables	Organizational culture	Leadership Style	Employee performance	Communication
Organizational culture			0.092	
Leadership Style	1.235		0.055	0.910
Employee performance				
Communication			0.019	

Source: Data processed by SmartPLS 2025

Based on the results in table 6, it can be concluded that:

- The influence of the Leadership Style variable on Organizational Culture is 1.235, which means that Leadership Style has a large/strong influence on Organizational Culture.
- The influence of the Organizational Culture variable on Employee Performance is 0.092, which means that Organizational Culture has a moderate influence on Employee Performance.
- The influence of the Leadership Style variable on Employee Performance is 0.055, which means that Leadership Style has a moderate influence on Employee Performance.



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- d. The influence of the Leadership Style variable on Communication is 0.910, which means that Leadership Style has a large influence on Communication.
- e. The influence of the Communication variable on Employee Performance is 0.019, which means that Communication has a moderate influence on Employee Performance.

Goodness of FIT

Table 7. Model Fit Test

	Saturated Model	Estimated Model
SRMR	0.088	0.091
d_ULS	1,621	1,732
d_G	0.896	0.907
Chi-Square	341,179	343,062
NFI	0.661	0.659

Source: Data processed by SmartPLS 2025

Table 7 above shows the SRMR value in the Saturated Model column of 0.088. This result is smaller than 0.08 ($0.088 < 0.08$) so that the observation results are in accordance with the model used in the study or it can be concluded that the model is fit or feasible

Hypothesis Testing

Table 8. Path Coefficient (Direct effect)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values	Note
Leadership Style -> Employee Performance	0.283	0.276	0.143	1,982	0.048	Accepted
Leadership Style -> Organizational Culture	0.743	0.754	0.051	14,586	0.000	Accepted
Organizational Culture -> Employee Performance	0.338	0.347	0.130	2,597	0.010	Accepted



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	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values	Note
Leadership Style -> Communication	0.690	0.697	0.058	11,902	0.000	Accepted
Communication -> Employee Performance	0.141	0.150	0.121	1.169	0.243	Rejected

Source: Data processed by SmartPLS 2025

The results of the hypothesis test of the relationship of influence can be seen in the table above which is taken based on the results of the output path coefficient. With these results, all hypotheses are said to be positive and significant because they have a p-value (p-value) <0.05 . The five hypotheses are Organizational Culture on Employee Performance, Leadership Style on Organizational Culture, Leadership Style on Employee Performance, Leadership Style on Communication, and Communication on Employee Performance. Thus, the three hypotheses in the direct relationship of influence in this study are accepted.

The following is an explanation of the results of the analysis of direct influence relationships obtained from the output path coefficient:

1. The Influence of Leadership Style on Employee Performance

Based on the results of the hypothesis test, it shows that there is an influence between Leadership Style and Employee Performance. The results of the original sample (O) showed a value of 0.283, then the t-statistic value of 1.982 where the value is greater than the t-table which is 1.99 ($1.982 > 1.99$). Then seen from the p-value which shows a value of 0.002 where the value is smaller than 0.05 ($0.048 < 0.05$) which means it has a significant effect. Thus, H1 which states that Leadership Style has a positive effect on Employee Performance is declared "Accepted". With these results in line with research conducted by Nisa et al., (2019) which states that leadership style has a positive and significant effect on employee performance.

In practical terms, these findings underscore the importance of creating a strong organizational culture, for example through the establishment of core values, reward systems, or a supportive work environment. Companies that invest in strengthening their culture tend to have more motivated, loyal, and high-performing employees. Thus, this study provides empirical evidence that Organizational Culture is not just an abstract concept, but a key factor that directly impacts employee performance. Organizations that want to increase productivity and competitiveness must prioritize the development of a positive and sustainable corporate culture.

2. The Influence of Leadership Style on Organizational Culture

Based on the results of hypothesis testing, it shows that there is an influence between the variables of Leadership Style on Organizational Culture. The results of the



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original sample (O) showed a value of 0.743, then the t-statistic value of 14,586 where the value is greater than the t-table which is 1.99 ($14,586 > 1.99$). Then seen from the p-value which shows a value of 0.000 where the value is smaller than 0.05 ($0.000 < 0.05$) which means it has a significant effect. Thus, H2 which states that Leadership Style has a positive effect on Organizational Culture is declared "Accepted". With these results in line with research conducted by Islam & Muhammad, (2024) which states that leadership style has a positive and significant effect on organizational culture.

These findings fully support the theory of transformational leadership proposed by Bass (1985), in which leaders act as catalysts for organizational culture change. In practice, every action, decision, and communication made by leaders gradually forms shared values, norms, and beliefs that form the basis of organizational culture. As Schein (2010) stated, leaders not only influence culture, but they are actually the main architects who design the foundation of organizational culture. The implications of these findings are very important for organizational management practices. First, organizations need to consciously select and develop leaders who are not only technically competent, but also able to create and maintain a healthy organizational culture. Second, the decision-making process about leadership succession must consider the suitability of the candidate's leadership style with the culture to be built. Third, leadership development programs must include specific modules on how to shape and maintain organizational culture.

3. The Influence of Organizational Culture on Employee Performance

Based on the results of the hypothesis test, it shows that there is an influence between the variables of Organizational Culture on Employee Performance. The results of the original sample (O) showed a value of 0.338, then the t-statistic value was 2.597, where this value is greater than the t-table which is 1.99 ($2.597 > 1.99$). Then seen from the p-value which shows a value of 0.010 where this value is smaller than 0.05 ($0.010 < 0.05$) which means it has a significant effect. Thus, H3 which states that Organizational Culture has a positive effect on customer satisfaction is declared "Accepted". With these results in line with research conducted by Aurelia, (2024) which states that organizational culture has a positive and significant effect on employee performance.

From a practical perspective, these findings provide several important implications for organizations. First, it is necessary to develop leadership training programs that emphasize adaptive leadership styles (Blanchard et al., 2019). Second, performance appraisal systems need to be designed to accommodate and measure the impact of leadership on teams. Third, the leadership succession process must consider the suitability of the candidate's leadership style to the needs of the organization. This study has several limitations, especially not considering moderator variables such as job characteristics or employee personality. For further research, it is recommended to develop a more comprehensive model by including these variables, so that it can provide a more complete picture of the dynamics of the influence of leadership style on employee performance.

4. The Influence of Leadership Style on Communication

Based on the results of hypothesis testing, it shows that there is an influence between the variables of Leadership Style on Communication. The results of the original sample (O) showed a value of 0.690, then the t-statistic value of 11.902 where the value is



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greater than the t-table which is 1.99 ($11.902 > 1.99$). Then seen from the p-value which shows a value of 0.000 where the value is smaller than 0.05 ($0.000 < 0.05$) which means it has a significant effect. Thus, H4 which states that Leadership Style has a positive effect on Communication is declared "Accepted". With these results in line with research conducted by Hayaty, (2012) .which states that leadership style has a positive effect on employee performance.

The practical implications of these findings are quite significant. First, in terms of developing leaders' communication skills, organizations need to design leadership training that specifically emphasizes the development of: (1) active listening skills, which enable leaders to truly understand the needs and aspirations of their subordinates; (2) skills in providing constructive feedback, which can motivate and develop subordinates; and (3) the ability to convey a vision in an inspiring manner, as explained by Den Hartog and Verbarg (1997). Second, in terms of designing organizational communication systems, leaders need to proactively establish: (1) clear formal communication channels, ensuring that important information flows to all levels of the organization; (2) bottom-up communication mechanisms, which allow ideas and input from lower levels to be heard by management; and (3) regular dialogue forums, as suggested by Mumby and Kuhn (2019), which create space for open discussion on various organizational issues. Third, in terms of creating a communication climate, leaders must consistently: (1) encourage openness, creating an environment where employees feel safe to express their opinions; (2) value differences of opinion, viewing diversity of perspectives as an organizational strength; and (3) building a feedback culture, as emphasized by Turis (2014), where feedback is seen as a learning and improvement tool, not as threatening criticism.

5. The Influence of Communication on Employee Performance

Based on the results of the hypothesis test, it shows that there is an influence between the Communication variable on Employee Performance. The results of the original sample (O) showed a value of 0.141, then the t-statistic value of 1.169 where the value is greater than the t-table which is 1.99 ($1.169 < 1.99$). Then seen from the p-value which shows a value of 0.243 where the value is smaller than 0.05 ($0.243 > 0.05$) which means it does not have a significant effect. Thus, H5 which states that Communication does not have a positive effect on Employee Performance is declared "Rejected". With these results in line with research conducted by Astuti, (2018) which states that communication has a negative and insignificant effect on employee performance.

These findings have important theoretical implications by supporting the contingency perspective in the study of organizational communication (Kramer, 2004). This theory states that the effects of communication are not universal, but are highly dependent on various situational factors such as industry type, organizational structure, and job characteristics. This is in line with Information Processing theory (Galbraith, 1974) which emphasizes that not all information is relevant to all types of jobs, and information overload can actually be a counterproductive cognitive burden. In the context of modern information-rich organizations, these findings remind us that more communication is not always better. The quality, relevance, and timing of communication may be more important than the volume or frequency of communication. Organizations need to be wiser in



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allocating resources to the development of communication systems, taking into account the unique characteristics of jobs and the specific needs of employees.

Table 4.16 Indirect effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values	Note
Leadership Style -> Organizational Culture -> Employee Performance	0.252	0.262	0.103	2.453	0.014	Accepted
Leadership Style -> Communication -> Employee Performance	0.097	0.103	0.083	1.166	0.244	Rejected

Source: Data processed by SmartPLS 2025

The following is an explanation of the results of the analysis of indirect effects:

6. The Influence of Leadership Style on Organizational Culture through Employee Performance

Based on the results of the hypothesis testing, it shows that there is an Influence of Leadership Style on Organizational Culture through Employee Performance. The results of the original sample (O) showed a value of 0.252, then the t-statistic value of 2.453 where the value is greater than the t-table which is 1.99 ($2.453 > 1.99$). Then seen from the p-value which shows a value of 0.014 where the value is smaller than 0.05 ($0.014 < 0.05$) which means it has a significant effect. Thus, H6 which states that the Influence of Leadership Style on Organizational Culture through Employee Performance is "Accepted". With these results in line with research conducted by Thania et al., (2024) which states that leadership style has a positive and significant effect on organizational culture through employee performance.

These findings have important implications for theories of organizational culture formation. Schein's (2010) traditional model that sees culture as primarily formed through the socialization process of leaders needs to be modified to include performance as a key mediator variable. In this new perspective, performance serves as: (1) Catalyst - accelerating the internalization of organizational values as they relate to real work experiences; (2) Amplifier - strengthening the articulation of cultural artifacts through concrete examples of success; and (3) Validator - demonstrating the effectiveness of the organization's basic assumptions through measurable work outcomes.

7. The Influence of Leadership Style on Communication through Employee Performance



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Based on the results of the hypothesis test, it shows that there is an Influence of Leadership Style on Communication through Employee Performance. The results of the original sample (O) showed a value of 0.097, then the t-statistic value was 1.166 where the value was greater than the t-table which was 1.99 ($1.166 < 1.99$). Then seen from the p-value which shows a value of 0.244 where the value is smaller than 0.05 ($0.244 > 0.05$) which means it has no significant effect. Thus, H7 which states that the Influence of Leadership Style on Communication through Employee Performance is "Rejected". With these results it is not in line with the research conducted by Firmansyah & Winarto, (2024) which states that leadership style has a negative and insignificant effect on communication through employee performance.

The findings of this study have important implications both theoretically and practically in organizational development. From a theoretical perspective, the results of the study indicate the need to revise traditional linear leadership communication models by considering three critical aspects: first, the recognition of the dominance of the direct path in the leadership-communication relationship that bypasses performance mediation; second, the importance of a clear analytical separation between instrumental communication (which focuses on tasks) and relational communication (which builds relationships); and third, the integration of organizational contextual factors as moderating variables. At the practical level, these findings lead to several implementation recommendations: leadership training programs need to be directed at strengthening direct communication skills such as active listening skills, providing constructive feedback, and developing interpersonal communication; organizational communication systems should be designed independently from performance appraisal mechanisms by establishing special communication channels that are separate from the performance evaluation process; and the development of structured communication forums that facilitate direct interaction between leaders and team members without being strictly linked to the achievement of certain performance targets.

5. CONCLUSION & SUGGESTION

Conclusion

This study revealed that leadership style has a significant effect on employee performance, organizational culture, and communication, with coefficients of 0.283 ($p=0.048$), 0.743 ($p=0.000$), and 0.690 ($p=0.000$), respectively. Organizational culture was also shown to mediate the relationship between leadership style and employee performance ($\beta=0.252$, $p=0.014$), while communication did not show a significant effect either directly on performance ($\beta=0.141$, $p=0.243$) or as a mediator ($\beta=0.097$, $p=0.244$). These findings reinforce the central role of leaders in shaping organizational culture and performance, but also challenge the classical assumption about the importance of communication for productivity, suggesting that the effects of communication may be contingent depending on the context of the work and organization.

Suggestion

For further research, it is recommended to: (1) expand the sample coverage by involving more tourism companies from different regions to increase the generalizability



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of the findings; (2) explore moderator variables such as type of work (routine vs. non-routine) or communication technology that may affect the relationship between communication and performance; and (3) conduct longitudinal studies to understand the dynamics of organizational culture change and performance in the long term. In addition, organizations are advised to focus on developing transformational leadership and achievement-based culture, while re-evaluating communication strategies to better suit the specific needs of employees and tasks.

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