



## Culture Meets Leadership: Boosting Employee Performance Through Satisfaction

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### ABSTRACT

**Purpose** – This study employed a quantitative research, using a skala likert questionnaire administered to a sample of 87 employees at PT. Asiaparts Indotech, South Tangerang. The data were analyzed using Structural Equation Modeling (SEM) to rigorously assess the direct and indirect effects among the variables studied.

**Methodology/approach** – A quantitative research design was adopted, utilizing a structured questionnaire administered to a representative sample of employees. Data were analyzed using Structural Equation Modeling (SEM) to rigorously assess the direct and indirect effects among the studied variables.

**Findings** – The empirical results demonstrate that both transformational leadership and organizational culture exert significant positive influences on sustainable employee performance. Additionally, job satisfaction was found to partially mediate the relationship between transformational leadership, organizational culture, and sustainable performance, highlighting the pivotal role of employee satisfaction in achieving long-term organizational outcomes. The study shows that job satisfaction mediates the impact of leadership and organizational culture on employee performance, emphasizing the need for effective leadership and strong culture to sustain productivity.

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### INTRODUCTION

Sustainable employee performance has emerged as a critical factor for the long-term success and competitiveness of organizations. Employees demonstrating consistent and sustainable performance not only contribute directly to organizational productivity but also support broader strategic goals such as corporate sustainability, inclusive growth, and institutional integrity. Effective sustainable performance is particularly crucial as organizations globally navigate increasing complexities, including economic pressures, social responsibilities, and environmental challenges, aligning closely with Sustainable Development Goals (SDGs) 8, 10, and 16, which emphasize decent work, reduced inequalities, and strong institutions.

PT. Asiaparts Indotech in Tangerang Selatan faces specific challenges related to sustainable employee performance. High absenteeism rates and chronic tardiness among employees have been

identified as major indicators reflecting suboptimal employee satisfaction, adversely affecting overall productivity and organizational outcomes. Data from internal attendance records in 2023 indicate notably high absentee rates, particularly in July and October, significantly surpassing permissible limits. Furthermore, preliminary surveys conducted among employees suggest significant gaps in punctuality, responsiveness, attention to detail, and engagement in collaborative activities, underlining broader organizational and leadership concerns.

Employee job satisfaction has been recognized as a vital mediator capable of enhancing sustainable employee performance. Job satisfaction is instrumental in shaping positive employee attitudes and behaviors, consequently driving overall organizational effectiveness. Prior research has consistently established the role of transformational leadership and organizational culture in fostering employee performance through the mediating role of job satisfaction (Romlah & Widyastuti, 2024; Rasminingsih, Dwinata, & Komang, 2024; Ahmad, 2022). These studies have highlighted that transformational leadership and supportive organizational cultures significantly impact employee satisfaction and, subsequently, their sustainable performance.

Furthermore, several recent studies have specifically explored how job satisfaction mediates the relationship between transformational leadership, organizational culture, and employee performance, emphasizing the pivotal role satisfaction plays in leveraging leadership and cultural dynamics to enhance performance outcomes (Romlah & Widyastuti, 2024; Rasminingsih et al., 2024; Wahyu & Subyangtoro, 2020). These findings underscore that improving job satisfaction can substantially magnify the positive effects of transformational leadership and strong organizational cultures on employee productivity and sustainability.

Despite extensive research, there remains a research gap regarding inconsistencies in how transformational leadership and organizational culture influence sustainable employee performance through job satisfaction, particularly in industrial contexts such as PT. Asiaparts Indotech. Existing studies offer varied conclusions, highlighting the need for context-specific investigations to uncover nuanced mechanisms and effects. Addressing this gap provides novelty by empirically examining these dynamics within the specific operational and cultural environment of PT. Asiaparts Indotech.

Therefore, this research aims to address the following question: How do transformational leadership and organizational culture impact sustainable employee performance at PT. Asiaparts Indotech, mediated by job satisfaction. The primary purpose of this study is to investigate the effects of transformational leadership and organizational culture on sustainable employee performance, emphasizing the mediating role of job satisfaction, within the organizational setting of PT. Asiaparts Indotech, Tangerang Selatan.

## **LITERATURE REVIEW**

### **The Effect of Transformational Leadership on Sustainable Employee Performance**

Transformational leadership significantly influences employee performance, thus, the implementation of transformational leadership within an organization positively impacts employee outcomes. Indah and Sopiah (2023) argue that transformational leadership motivates employees to optimize their performance by increasing engagement in organizational activities, thereby creating a positive work environment and increasing job satisfaction (Ranta, Marisa, & Luthfi, 2023). Supporting this view, Luthfi Reza Pahlevi (2020) identified a significant positive relationship between transformational leadership and sustained employee performance, emphasizing that transformational leaders inspire employees to exceed standard expectations, thus driving sustained organizational performance. Empirical evidence further strengthens this relationship; Ahmad, Anwar, and Hidayat (2023) found that transformational leadership practices resulted in approximately a 20% increase in employee performance, particularly through increased motivation and organizational commitment. Similarly, a study by Widodo and Kartika (2022) concluded that organizations implementing transformational leadership experienced significant productivity increases and higher employee retention rates compared to organizations employing alternative leadership styles. Furthermore, research by Nguyen et al. (2021) shows that transformational leaders significantly increase employee innovative behavior, contributing to sustainable competitive advantage and enhancing organizational



effectiveness.

H1: Transformational Leadership has a positive and significant effect on Sustainable Employee Performance

### **The Effect of Organizational Culture on Sustainable Employee Performance**

Organizational culture positively and significantly influences sustainable employee performance by creating symbols or values that unify organizational members, fostering a sense of belonging within the organization. A robust organizational culture significantly shapes employee attitudes and behaviors, such as enhancing understanding of organizational vision and mission and motivating employees to commit deeply to collective goals. Employees with high organizational commitment typically demonstrate greater motivation and are more inclined to exert extra effort toward organizational success. Conversely, poor organizational performance often arises from leadership neglect of employee motivation and responsibility, underscoring the importance of effective cultural strategies as key drivers in enhancing individual employee performance (David, Kembara, & Haryadi, 2022).

H2: Organizational Culture has a positive and significant effect on Sustainable Employee Performance.

### **The Effect of Transformational Leadership on Job Satisfaction**

Effective transformational leadership attends to the individual needs and aspirations of employees, going beyond merely achieving organizational targets by fostering strong relationships between supervisors and employees. Leaders demonstrate this approach by providing guidance, support, and creating an inclusive work environment conducive to the development of employees' skills and knowledge. Consequently, employees feel valued, heard, and empowered, leading to enhanced job performance and optimal outcomes (Sultan, Idris, & Dewi Buntuang, 2024). Furthermore, transformational leadership positively influences employee job satisfaction. Al Swidi (2021) confirms that transformational leadership significantly impacts job satisfaction by enhancing employees' perceptions of empowerment and organizational support. Similarly, Wan Omar (2022) asserts that transformational leadership positively affects job satisfaction by fostering a supportive and empowering work environment.

H3: Transformational Leadership has a positive and significant effect on Job Satisfaction.

### **The Effect of Organizational Culture on Job Satisfaction**

Organizational culture positively influences individuals by emphasizing personal recognition, achievement orientation, fairness, and sportsmanship, consequently enhancing overall job satisfaction. Conversely, if the existing organizational culture conflicts with individual goals, needs, and personal motivations, job satisfaction may significantly decline. Therefore, organizational effectiveness is largely determined by the alignment and interaction between individual needs and the prevailing organizational culture (Abdul Rohman, Sofrotun, & Oka Nur, 2023). Additionally, a robust organizational culture can significantly elevate employee job satisfaction. Employees perceive organizational change positively, fostering innovation and meticulous attention to detail, thereby reducing errors during task execution. This heightened sense of job satisfaction is essential for employees to effectively cope with the pressures associated with continuous improvement and innovation (Steven Set Xaverius Tumbelaka, Taher Alhabsji, & Umar Nimron, 2020). Furthermore, the quality of human resources fundamentally influences a nation's competitive advantage in global and international markets. Retaining high-quality human resources poses significant challenges, necessitating collective efforts in developing exceptional human capital capable of enhancing organizational quality and capacity. Minimizing employee turnover is vital to achieving organizational goals, emphasizing the necessity to address and mitigate factors influencing employees' intentions to leave for alternative organizations (Intan Pratiwi & Fetty Poerwita, 2022).

H4: Organizational Culture has a positive and significant effect on Job Satisfaction.

### **The Effect of Job Satisfaction on Sustainable Employee Performance**

Job satisfaction significantly influences sustainable employee performance, with higher levels of job satisfaction directly leading to increased productivity and enhanced quality of work outcomes. Employees satisfied with their roles tend to demonstrate greater motivation, commitment, and effectiveness in performing their duties. Factors that foster job satisfaction include a conducive work environment and effective communication among colleagues. Job satisfaction emerges from positive interactions between individuals and their workplace, creating feelings of security, comfort, and reduced job-related stress (Raihan, Agustin, & Septayudha, 2024). Sustainable employee performance, characterized by high-quality and accountable work outcomes, represents a critical determinant of organizational success. It is essential for employees to cultivate a competitive yet healthy spirit within the organization. Empirical studies confirm that job satisfaction positively and significantly impacts employee performance and organizational commitment. Job satisfaction encompasses emotional aspects and working conditions crucial for enhancing motivation and employee contributions toward achieving organizational goals (Hendrayanga, Ayu Wimba, & Widani, 2021). Moreover, satisfied employees generally exhibit greater enthusiasm, activity, and superior performance outcomes, while dissatisfaction often leads to negative attitudes adversely affecting productivity. Factors such as effective communication, attention from supervisors, and supportive working conditions significantly enhance job satisfaction. Therefore, effectively managing job satisfaction is critical for sustaining optimal employee performance (Octavianti & Hamni, 2022).

H5: Job Satisfaction has a positive and significant effect on Sustainable Employee Performance.

### **The Mediating Role of Job Satisfaction between Transformational Leadership and Sustainable Employee Performance**

Transformational leadership exerts a significant and positive influence on sustainable employee performance. Research findings indicate that transformational leaders effectively encourage employees to think creatively and motivate them to exert greater effort in their roles. Such leadership does not merely enhance employee motivation; it also fosters innovation and productivity, making it a powerful approach to improving employee performance and optimally achieving organizational goals (Ariyanti & Sawitri, 2024). Transformational leadership involves a leadership process wherein leaders build followers' commitment by embedding strong organizational values and vision (Sumarno & Kuncoro, 2022). When transformational leadership is effectively implemented, it significantly boosts employee motivation, consequently enhancing job satisfaction. Job satisfaction, in turn, plays a pivotal role in strengthening employee performance, as satisfied employees typically display higher productivity and loyalty toward their organizations. Research conducted by Budiwati (2020) highlights job satisfaction as a mediator between transformational leadership and employee performance. This suggests that transformational leadership not only motivates employees directly but also cultivates a supportive workplace environment, contributing positively to employees' emotional well-being and satisfaction. Consequently, job satisfaction emerges as a crucial mechanism through which transformational leadership translates into tangible outcomes, specifically improved employee performance and organizational success (Rifai & Susanti, 2021).

H6: Transformational Leadership has a positive and significant effect on Sustainable Employee Performance through Job Satisfaction.

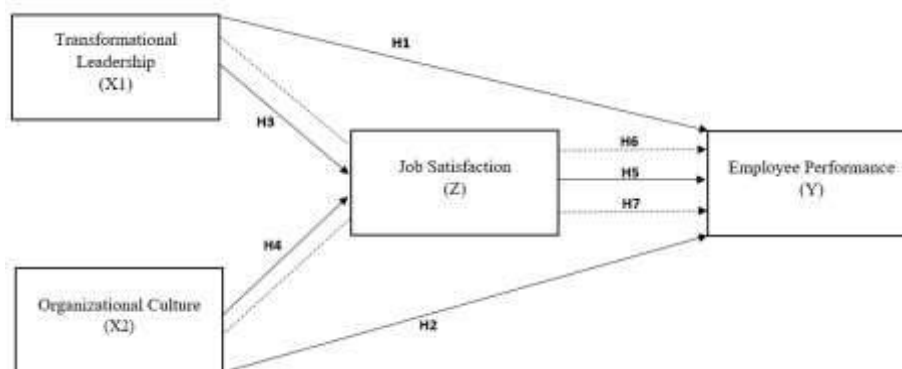
### **The Mediating Role of Job Satisfaction between Organizational Culture and Sustainable Employee Performance**

The relationship between organizational culture, job satisfaction, and sustainable performance can be explained through fundamental concepts in organizational management and industrial psychology. Organizational culture establishes a workplace environment that significantly influences employee behaviors and attitudes (Saryono, 2022). Within organizational culture, shared values, norms, and

beliefs exist and are upheld by organizational members. A positive organizational culture that aligns with and supports employees' needs enhances job satisfaction, thereby increasing employees' overall satisfaction in their daily responsibilities (Liany & Marlina, 2021). High job satisfaction positively correlates with employee performance, as satisfied employees exhibit enhanced motivation, commitment, and focus in their tasks, demonstrating higher energy levels, creativity, and productivity. Thus, organizational culture indirectly impacts employee performance positively through the mechanism of job satisfaction (Marlina & Qomariah, 2021).

H7: Organizational Culture has a positive and significant effect on Sustainable Employee Performance through Job Satisfaction.

### Research Framework



### METHOD

This study employs a quantitative approach with a causal research design, which involves collecting primary data through employee attendance records and gathering secondary data via questionnaires distributed to the employees of PT. Asiaparts Indotech in Tangerang Selatan. Questionnaires serve as the main instrument, where respondents provide answers reflecting their experiences or observations in their work environment (Sugiyono, 2021). The selection of a quantitative methodology allows for structured data analysis aimed at empirically testing predefined hypotheses (Salma, Sekar Sari, & Silvia, 2022). Data collection techniques involve distributing structured questionnaires to respondents, which are evaluated using a Likert scale. The Likert scale helps quantify respondents' attitudes, opinions, and perceptions regarding the phenomena under study (Ghozali, 2022). A total of 110 employees at PT. Asiaparts Indotech were initially considered as the population. Using Slovin's formula with a 95% confidence level and a margin of error of 5%, a sample size of 87 employees was determined to represent the entire employee population accurately and reliably (Suliyanto, 2021).

Data analysis is conducted using Structural Equation Modeling - Partial Least Squares (SEM-PLS) with SmartPLS 4 software. SEM-PLS is chosen due to its flexibility in handling non-normally distributed data and its effectiveness in analyzing complex models involving latent variables (Ghozali & Latan, 2020). The analysis process includes descriptive statistics, validity testing (convergent validity, discriminant validity, and Average Variance Extracted), reliability testing (composite reliability), and hypothesis testing through path coefficients to assess the direct and indirect influences among variables (Ghozali & Latan, 2021).

## RESULT AND DISCUSSION

Convergent validity assessment is a crucial step in establishing the measurement quality of construct indicators within a research model. In the evaluation of convergent validity for each indicator, Ghozali (2022) states that reflective indicators are assessed based on the correlation between each item's component score and the construct score, calculated using Partial Least Squares (PLS). An indicator is considered to exhibit good validity if its loading factor exceeds 0.70, while loading factors between 0.50 and 0.60 are regarded as acceptable. According to these criteria, any indicator with a loading factor below 0.50 should be removed from the model.

Table 1. Loading Factor Value of Research Model

Variable	Dimensions	Loading Factor	Result	AVE	Cronbach's Alpha	Composite Reliability
Transformational Leadership (X1)	Idealistic Influence	0.822	Valid	0.691	0.944	<b>0.952</b>
	Charisma	0.825	Valid			
	Inspiration	0.824	Valid			
	Motivation					
	Intellectual Stimulation					
Organizational Culture (X2)	Individual Attention			0.693	0.966	<b>0.969</b>
	Innovation and	0.871	Valid			
	Risk Mindfulness	0.842	Valid			
	Mindfulness	0.865	Valid			
	Orientation	0.828	Valid			
	Individual	0.834	Valid			
	Orientation					
Job Satisfaction (Y)	Team Orientation			0.704	0.947	<b>0.960</b>
	Aggressiveness					
	Stability					
	Quantity	0.895	Valid			
Employee Performance (Z)	Quality	0.849	Valid	0.706	0.954	<b>0.955</b>
	Teamwork	0.852	Valid			
	Salary	0.866	Valid			
	Job	0.813	Valid			
	Promotion	0.850	Valid			
	Work Group	0.846	Valid			
	Supervision	0.873	Valid			

Source: Results of Research Data Processing in Smart PLS Application (2025)

Establishing convergent validity is a critical aspect of measurement model evaluation. According to Ghozali and Latan (2022), in addition to the loading factor, convergent validity can be assessed through the Average Variance Extracted (AVE), with the requirement that AVE must exceed 0.5. The AVE provides an indication of the amount of variance captured by a latent construct relative to the variance attributable to measurement error. A higher AVE value suggests that the latent construct is well represented by its indicators, thereby strengthening the convergent validity of the measurement model.

Accordingly, the AVE values derived from data analysis using SmartPLS 4 are as follows: transformational leadership (0.691), organizational culture (0.693), job satisfaction (0.706), and employee performance (0.704). All variables exhibit AVE values greater than 0.5. Therefore, each construct in this study is considered valid, having met the criteria for convergent validity. Assessing



construct reliability is an essential procedure in evaluating the quality of measurement models. In SmartPLS, construct reliability can be determined using two methods: Cronbach's Alpha (with a standard threshold  $> 0.60$ ) and Composite Reliability (with a standard threshold  $> 0.70$ ) (Haryono, 2020). The minimum acceptable value for Cronbach's Alpha is generally considered to be 0.70, all variables in this reliability assessment demonstrate values exceeding the established thresholds for both Cronbach's Alpha ( $> 0.60$ ) and Composite Reliability ( $> 0.70$ ). Therefore, it can be concluded that the variables under study are reliable, and the analysis can proceed to the structural model evaluation.

Tabel 2. Heterotrait- Monotrait Ratio of Correlations

Variable	Transformational Leadership	Organizational Culture	Job Satisfaction	Employee Performance
Transformational Leadership				
Organizational Culture	0.131			
Job Satisfaction	0.528	0.560		
Employee Performance	0.568	0.560	0.866	

Source: Results of Research Data Processing in Smart PLS Application (2025)

The Heterotrait-Monotrait ratio of correlations (HTMT) is an alternative approach widely recommended for assessing discriminant validity in reflective measurement models. According to Henseler (2020), the threshold criterion for confirming discriminant validity using HTMT is a value below 0.9, implying that constructs are distinct and adequately differentiated from each other. Based on the results presented in Table 4.13, all computed HTMT values among reflective constructs in this research are observed to be below the recommended threshold of 0.9. This indicates strong evidence of discriminant validity, demonstrating that each reflective construct in this study measures unique theoretical concepts without significant overlap. Consequently, it can be concluded that all indicators employed in the present study have successfully met the criterion for discriminant validity, reinforcing the measurement model's reliability and validity in line with established methodological guidelines for rigorous scientific research.

Tabel 3. *Fornell Lacker Criterion*

Variable	Transformational Leadership	Organizational Culture	Job Satisfaction	Employee Performance	Ket.
Transformational Leadership	0.831				Valid
Organizational Culture	-0.098	0.832			Valid
Job Satisfaction	0.503	0.544	0.839		Valid
Employee Performance	0.542	0.548	0.827	0.840	Valid

Source: Results of Research Data Processing in Smart PLS Application (2025)

Based on the test results presented in Table 3, the discriminant validity of each construct was evaluated using the Fornell-Larcker criterion. According to this criterion, discriminant validity is achieved when the square root of the Average Variance Extracted (AVE) of each construct exceeds its correlations with other constructs. The results indicate that the square roots of AVE values for all variables examined are higher than their respective inter-variable correlation values. This finding aligns

with the discriminant validity criteria as proposed by Haryono (2022). Consequently, these results confirm that the constructs in this research model have fulfilled the necessary conditions for discriminant validity, thus providing empirical support that each construct measures distinct theoretical concepts.

Tabel 4. R Square Value of Endogenous Variables

Variable	R Square	R Square Adjusted	Category
Job Satisfaction (Z)	0.659	0.651	Moderate
Employee Performance (Y)	0.720	0.709	Moderate

Source: Results of Research Data Processing in Smart PLS Application (2025)

R-Square is utilized to measure the predictive strength of the structural model. Specifically, R-Square indicates the extent to which certain exogenous variables influence the endogenous variables, thus determining whether the variables exhibit a substantive relationship. According to Ghazali and Latan (2022), an R-Square value of 0.75 is classified as strong, 0.33 as moderate, and 0.19 as weak.

Based on the results of the analysis performed using SmartPLS 4, the R-Square value for the Job Satisfaction variable (Z) was found to be 0.659, with an Adjusted R-Square of 0.651. Meanwhile, the Employee Performance variable (Y) had an R-Square value of 0.720 and an Adjusted R-Square of 0.709. Both values fall within the moderate category, indicating that the research model demonstrates a good explanatory capacity concerning the endogenous variables. Therefore, it can be concluded that the independent variables included in the model provide substantial contributions in explaining the variation observed in the dependent constructs.

Hypothesis testing is a crucial step in assessing the relationships between constructs in a research model. In this study, hypothesis testing was conducted using the structural equation modeling (SEM) approach implemented through SmartPLS 4. The analysis involved variables including transformational leadership, organizational culture, job satisfaction, and employee performance. The criteria for hypothesis acceptance or rejection are based on a T-statistic value greater than 1.960 and a P-value less than 0.050 (Hair, 2021). When these conditions are met, the relationship between variables can be considered statistically significant.

Table 5. Hypothesis Testing Results

Inter Variable Influence	Original Sample	T Statistics	P Values	Conclusion
TL → EP	0.219	2.473	0.007	<b>H1 : Accepted</b>
OC → EP	0.253	2.664	0.004	<b>H2 : Accepted</b>
TL → JS	0.602	7.441	0.000	<b>H3 : Accepted</b>
OC → JS	0.607	6.949	0.000	<b>H4 : Accepted</b>
JS → EP	0.570	5.420	0.000	<b>H5 : Accepted</b>
TL → JS → EP	0.343	4.777	0.000	<b>H6 : Accepted</b>
OC → JS → EP	0.346	4.399	0.000	<b>H7 : Accepted</b>

Source: Results of Research Data Processing in Smart PLS Application (2025)

#### 1. The Effect of Transformational Leadership (X<sub>1</sub>) on Employee Performance (Y)

Based on the results of hypothesis testing, it was found that transformational leadership has a positive and significant effect on employee performance. This is indicated by an Original Sample value of 0.219, a T Statistic of 2.473, and a P Value of 0.007. These findings suggest a statistically strong relationship between transformational leadership and improved employee performance. In other words, the higher the degree of transformational leadership exhibited by leaders, the better the performance of employees within the organization. Transformational leadership focuses on inspiring and motivating





subordinates to achieve collective goals that exceed expectations, while also fostering personal and professional growth. Leaders who adopt this style tend to show a high degree of individual consideration, provide clear direction, foster team spirit, and set a positive example (Orlando, Riane & Sofia, 2023). As a result, employees feel valued, motivated, and committed to their roles within the organization. The positive influence of transformational leadership is evident in increased employee loyalty, job satisfaction, and overall productivity. Employees who feel appreciated and cared for tend to exhibit higher morale and demonstrate greater dedication toward achieving the organization's vision.

## 2. The Effect of Organizational Culture ( $X_2$ ) on Employee Performance (Y)

The results of statistical analysis demonstrate that organizational culture has a positive and significant effect on employee performance, with an Original Sample value of 0.253, a T Statistic of 2.664, and a P Value of 0.004. This implies that a strong organizational culture enhances employee performance. A robust organizational culture shapes employee behaviors to align with the values, norms, and work ethics established within the organization. A healthy work environment, shared values, open communication, and recognition of employee contributions play an essential role in fostering comfort and morale at work. Employees who feel valued and connected to organizational values are generally more motivated to perform at their best (Riana & Syarifudin, 2022). Additionally, a supportive work culture provides clarity in roles and responsibilities, which in turn encourages employees to be more disciplined, collaborative, and productive.

## 3. The Effect of Transformational Leadership ( $X_1$ ) on Job Satisfaction (Z)

Statistical tests reveal that transformational leadership exerts a positive and significant effect on job satisfaction, as indicated by an Original Sample value of 0.602, a T Statistic of 7.441, and a P Value of 0.000. This shows a very strong and significant impact. Transformational leaders do not only direct employees, but also inspire, motivate, and listen to their aspirations. Such leadership fosters a supportive and comfortable working atmosphere, resulting in increased employee satisfaction. Job satisfaction is critical as it is directly linked to employee loyalty, work enthusiasm, and the desire for continuous development within the organization (Seow Tawee, Kholdi Septi, 2023). Organizations are thus encouraged to promote transformational leadership as part of their strategy to enhance employee job satisfaction.

## 4. The Effect of Organizational Culture ( $X_2$ ) on Job Satisfaction (Z)

Statistical analysis shows that organizational culture has a positive and significant effect on job satisfaction, with an Original Sample value of 0.253, a T Statistic of 2.664, and a P Value of 0.004. These findings indicate that a positive organizational culture significantly contributes to enhanced job satisfaction. A strong organizational culture shapes employee behavior to align with accepted values, norms, and work ethics. A healthy organizational culture, supported by shared values, open communication, and recognition of employee contributions, is a major determinant of comfort and morale at work (William, Olivia & Victor, 2023). Employees who feel valued are more likely to be motivated and committed to giving their best. Furthermore, a supportive culture also creates clarity in employee roles and responsibilities, which subsequently increases discipline, collaboration, and productivity.

## 5. The Effect of Job Satisfaction (Z) on Employee Performance (Y)

The results of statistical testing indicate that job satisfaction has a positive and significant effect on employee performance, as reflected by an Original Sample value of 0.570, a T Statistic of 5.420, and a P Value of 0.000. This suggests that employees who are satisfied with their jobs tend to demonstrate better performance. Job satisfaction reflects positive feelings towards various aspects of the work environment, such as appreciation for work outcomes, relationships with colleagues, and opportunities

for career development. Satisfied employees are likely to work optimally, exhibit high loyalty to the organization, and are motivated to contribute at their best (Yesaya, Obed Bida, 2025).

#### 6. The Mediating Effect of Job Satisfaction on the Relationship between Transformational Leadership and Employee Performance

The statistical analysis reveals that the indirect effect of transformational leadership on employee performance through job satisfaction is positive and significant. The Original Sample value is 0.343, the sample mean is 0.337, with a standard deviation of 0.072, a T Statistic of 4.777, and a P Value of 0.000. A P Value less than 0.05 indicates that this relationship is statistically significant. These results demonstrate that higher levels of transformational leadership within the organization lead to increased employee job satisfaction, which in turn positively affects employee performance (Djuraidi Laily, 2020). Transformational leadership characterized by inspiration, motivation, individual consideration, and intellectual stimulation is able to create a supportive and motivating work environment. This, in turn, enhances employee satisfaction and encourages optimal performance.

#### 7. The Mediating Effect of Job Satisfaction on the Relationship between Organizational Culture and Employee Performance

The statistical results also show that the indirect effect of organizational culture on employee performance through job satisfaction is positive and significant. The Original Sample value is 0.346, the sample mean is 0.341, with a standard deviation of 0.079, a T Statistic of 4.399, and a P Value of 0.000. These values indicate a strong and significant relationship. This finding suggests that a positive organizational culture, including shared values, norms, beliefs, and practices that support collaboration and innovation, enhances employee job satisfaction. When employees perceive that organizational values align with their personal needs and expectations, they are more satisfied and motivated at work. High levels of job satisfaction ultimately drive improvements in employee performance (Seprian, Laksmi, and Dewi, 2023). Thus, a strong and positive organizational culture indirectly contributes to employee performance through job satisfaction as a mediating variable.

### CONCLUSION

Based on the research findings and the SmartPLS analysis regarding the influence of transformational leadership and organizational culture on employee performance, mediated by job satisfaction at PT Asiaparts Indotech, South Tangerang, several conclusions can be drawn: Transformational leadership exerts a positive and significant influence on employee performance. The higher the quality of transformational leadership demonstrated by supervisors, the better the performance outcomes among employees. Leaders who provide inspiration, individual consideration, intellectual stimulation, and idealized influence foster a work environment conducive to optimal performance. Organizational culture is proven to have a positive and significant impact on employee performance. A strong and positive organizational culture underpins productivity, goal alignment, and adherence to organizational values and norms. The implementation of result orientation, innovation, stability, and teamwork within the organizational culture significantly enhances employees' contributions toward achieving corporate objectives. Transformational leadership also shows a positive and significant relationship with job satisfaction. Leaders who motivate, trust, and attend to the personal needs and development of employees contribute to higher levels of job satisfaction. Such satisfaction is a result of leadership practices that empower and recognize individual contributions. 4) Organizational culture positively and significantly affects job satisfaction. A robust organizational culture instills a sense of security, belonging, and comfort among employees. Cultures that support innovation, individual orientation, teamwork, and stability create a favorable work environment, thereby enhancing job satisfaction. Job satisfaction is shown to have a positive and significant effect on employee performance. Satisfied employees those content with their salary, job, promotion opportunities, workgroup, and supervision are more motivated to deliver their best performance. Job satisfaction acts as a critical internal factor that drives responsibility, productivity, and full engagement in achieving organizational targets. Transformational leadership influences employee performance not only directly but also indirectly through job satisfaction as a mediating variable. Leaders who build strong relationships and fulfill



subordinates' needs foster satisfaction, which in turn enhances employee performance. Organizational culture similarly has a positive and significant indirect effect on employee performance via job satisfaction. A strong organizational culture enhances job satisfaction, which subsequently leads to improved work performance. In summary, both transformational leadership and organizational culture are key drivers of employee performance, with job satisfaction serving as a significant mediator. These findings underscore the importance of cultivating effective leadership and a supportive organizational culture to maximize employee satisfaction and organizational performance. Future studies are encouraged to further explore these relationships in different industrial contexts to generalize the applicability of these results.

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