

# THE EFFECT OF LEADERSHIP STYLE AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE ON CV PLATT MARS

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## **ABSTRAK**

Terdapat beberapa gaya kepemimpinan dan budaya organisasi yang diterapkan dalam sebuah perusahaan. Penelitian ini bertujuan untuk mengetahui pengaruh Gaya Kepemimpinan dan Budaya Organisasi terhadap Kinerja Karyawan Platt Mars Company. Metode penelitian yang digunakan dalam penelitian ini adalah metode penelitian deskriptif dan verifikatif dengan sampel sebanyak 40 orang karyawan Platt Mars Company. Metode pengumpulan data dilakukan dengan menyebarkan kuesioner dan metode analisis data menggunakan SPSS versi 25. Hasil penelitian menunjukkan bahwa Gaya Kepemimpinan dan Budaya Organisasi berpengaruh signifikan terhadap kinerja karyawan. Secara parsial, gaya kepemimpinan berpengaruh sangat signifikan terhadap kinerja karyawan dan juga budaya organisasi berpengaruh sangat signifikan terhadap kinerja karyawan.

Kata kunci : Gaya Kepemimpinan, Budaya Organisasi, dan Kinerja Karyawan

### **ABSTRACT**

There are several leadership styles and organizational cultures applied in a company. This study aims to determine the impact of Leadership Style and Organizational Culture on Platt Mars Company. The research method used in this research is descriptive and verification research method with a sample of 40 employees of Platt Mars Company. The data collection method was carried out by distributing questionnaires and data analysis methods using SPSS version 25. The results showed that Leadership Style and Organizational Culture had a significant effect on the employee performance. Partially viewed, leadership style had a very significant effect on employee performance and also organizational culture has a very significant effect on the employee performance.

Keywords: Leadership Style, Organizational Culture, and Employee Performance

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#### 1. INTRODUCTION

Platt Mars Bandung is one of the Clothes and Fashion companies in Indonesia which is located in the city of Bandung. Platt Mars was established in Purwakarta in 2004. After growing rapidly, Platt Mars expanded its business to the Karawang and surrounding areas. Until now, Platt Mars already has several stores spread across various areas such as Garut, Pekalongan, Cirebon, Bandung City, and others.

Researchers conducted a pre- survey with 15 respondents from Platt Mars employees in Bandung City. With the consideration that Platt Mars, which is located in the city of Bandung, is the headquarters of Platt Mars throughout Indonesia. The research was conducted on the variables of leadership style, organizational culture, and employee performance. Respondents who answered well on the leadership style indicator were 59.6%, and those who answered not well were 40.4%. Respondents who answered well on organizational culture indicators were 51.5%, and those who answered no were 48.5%.

While the highest statement that shows the indicators of employee performance is not good, namely because employees who like to delay work, and employees who cannot solve problems in the company independently. Both of these factors are factors that have the same high percentage of 40%. In this day and age, a dynamic company will always increase its productivity by continuously creating the best performance and maintaining its competitiveness. Companies will pay attention to a number of factors such as physical resources, financial capacity, marketing and people, these are some of the important factors that organizations need to stay competitive. The factor that is considered most likely to bring a competitive advantage to a company is human resources and is related to how these resources are managed.

There are various views and opinions of various experts regarding leadership style. According to the definition of leadership according to Mc Shane (2018) are: "influencing, motivating, and enabling others to contribute to ward effectiveness and success of the organizations which they are members. Terry (2017) states that: "Leadership is the activity of influencing exercised to strive willingly for group objectives" The dimensions of leadership style consist of authoritarian, participative, and delegative leadership.

According to Sedarmayanti (2018:260) performance is the result of one's work, an overall management process, where the results of one's work can be demonstrated in a concrete and measurable manner. Performance or performance is a description of the level of achievement implementation of program activities or policies to realize targets, goals, vision, and mission of the organization specified in a plan strategy of an organization.

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Based on the above framework, a research hypothesis can be formulated:

H1: Leadership style has a negative effect on employee performance at Platt Mars in Bandung.

H2: Organizational culture has a positive effect on employee performance that occurred at Platt Mars in Bandung.

H3: Leadership style and organizational culture have a positive effect on the performance of Platt Mars employees in Bandung.

## 2. METHOD

This study uses a descriptive verification method with a quantitative approach. According to Noor (2014:34), descriptive research is "research that seeks to describe a symptom, event, event that is happening now". Descriptive research focuses on the actual problem as it was at the time the research took place. While verification research, according to Noor (2014:20), "is research carried out to test the truth of something (science) that already exists". The research data obtained are used to prove the existence of doubts about certain information or knowledge.

In this study, researchers wanted to examine the effect of the variables of leadership style and organizational culture on employee performance at Platt Mars Bandung. The choice of this research method is the basis for consideration of the assumption that there is an influence between the leadership style and organizational culture of Platt Mars Bandung on employee performance. Meanwhile, according to Siregar (2017) what is meant by population is the whole object of research can be in the form of people, animals, plants, air, symptoms, values, events, attitudes to life and so on, so that the object can be a source of research data. Researchers collected data from 40 workers in the company.

#### 3. RESULT AND DISCUSSION

# **Leadership Style**

Recapitulation of Respondents' Responses Regarding Leadership Style provides an overall picture of the answers to employee perceptions of leadership style at Platt Mars in Bandung, which is measured through the dimensions of authoritarian leadership, participatory leadership, and delegative leadership. The results show that the average number of respondents' answers is 3,678 which is in the interval of 3,401-4,200 which means that the leadership style at Platt Mars in Bandung is interpreted into good criteria. The highest average score was obtained in the statement that the leader worked to receive and pay attention to input and information from subordinates with an average of 3,925. The lowest average score is found in the statement. Leaders raise awareness about the importance of complying with applicable regulations in the company with a score of 2,900 (good enough), with a statement number of ten. The cause of the problem is that the leadership is not firm about the rules that apply in the company, strict rules should be applied so that the employees themselves can be managed properly.



## **Organizational Culture**

Recapitulation of Respondents' Answers Regarding Organizational Culture at Platt Mars, Bandung. This table provides an overall picture of the answers to employee perceptions regarding the organizational culture of Platt Mars in the city of Bandung, which is measured through the dimensions of innovation and risk taking, attention to details, outcome oriented, people oriented, team oriented, aggressiveness and stability.

The results show that the average number of respondents' answers is 4,068 which is in the interval 3,401 - 4,200 which means that the organizational culture at Platt Mars in Bandung is interpreted into good criteria. There are some items that are already good, but some have items with the lowest value compared to others. That is with the statement:

- If a problem arises in the workplace, it is always resolved together.
- The regulations that apply in the Company have been complied with by all employees.
- The kinship between staff has been going well for all employees

## **Employee Performance**

Recapitulation of Respondents' Answers Regarding Employee Performance at Platt Mars, Bandung City This gives an overall picture of the answers to employee perceptions regarding employee performance at Platt Mars in Bandung, which is measured through the dimensions of quality, quantity, timelines, cost effectiveness, need for supervision, and interpersonal impact. The results show that the average respondent's answer is 4,540 which is in the interval 4200 - 5000 and means that the performance of Platt Mars employees in the city of Bandung is interpreted into very good criteria. The highest average score was obtained in the statement I never procrastinate on work. 4.625 (good) and is the indicator that gets the highest average score. The indicator that has the lowest score is I always solve problems independently, with an average score of 4,450 (very good). This lowest average value indicates that employees often solve problems independently and are not discussed with their co-workers around. This is in accordance with the problems in the organizational culture, namely the statement that if a problem arises in the workplace, it is always resolved together with the lowest score in the indicator, which is 3,800 (good).

**Regression and Correlation** 

**Table 3.1 Correlation** 



		TOTAL.	TOTAL.	TOTAL X2
Pearson	TOTAL.	1.000	.266	.446
Correlation	Y			
	TOTAL.	.266	1.000	.552
	X1			
	TOTAL.	.446	.552	1.000
	X2			
Sig. (1-tailed)	TOTAL.		.049	.002
	Y			
	TOTAL.	.049	-	.000
	X1			
	TOTAL.	.002	.000	-
	X2			
И	TOTAL.	40	40	40
	Y			
	TOTAL.	40	40	40
	X1			
	TOTAL.	40	40	40
	X2			

The significance value of 0.049, being less than 0.05, confirms a statistically significant relationship between the leadership style variable (X1) and employee performance (Y). Likewise, the significance value of 0.002, which is also below 0.05, indicates a significant relationship between the organizational culture variable (X2) and employee performance (Y). Furthermore, the correlation coefficient between leadership style (X1) and employee performance (Y) is 0.552, signifying a strong positive relationship between the two variables. Meanwhile, the correlation coefficient between organizational culture (X2) and employee performance (Y) is 1.000, indicating a perfect positive relationship, suggesting that changes in organizational culture are directly proportional to employee performance (see Table 3.1).

Table 3.2 F-Test & T-Test Coefficients<sup>a</sup> Unstandardized Standardized Coefficients Coefficients Std. Error В Beta Sig. Model (Constant) 28.883 5.540 5.213 -000 Total\_xl ,023 .139 029 .163 .872 Total\_x2 ,388 ,159 ,430 2.437 ,020 a. Dependent Variable: Total ANOVA\* Mean Sig. Model Squares Square 93.569 Regression 187.139 4.601 .016 752.461 37 Residual 20.337 Total 939.600 39 a. Dependent Variable: TOTAL.Y b. Predictors: (Constant), TOTAL.X2, TOTAL.X1

Based on the results of the calculation Table 3.2, the resulting significance value of 0.016 or less than 0.05. So it can be concluded that Hi is accepted and H0 is rejected, which means that there is an influence between leadership style (X1) and organizational culture (X2) on employee performance (Y). Meanwhile, the table produces a calculated f value of 4.601 or greater than the f table of 3.240. So it can be concluded that Hi is accepted and H0 is rejected, which means that there is an influence between leadership style (X1) and organizational culture



(X2) on employee performance (Y). The results of the calculation of the table above obtained the correlation r value of 0.446. This means that leadership

#### **Determination Test**

The results of the calculation of the Table 3.3 obtained the correlation r value of 0.446. This means that leadership style and organizational culture have a moderate relationship with employee performance in the interval 0.300 - 0.499. Meanwhile, the value of r square shows the coefficient of determination which states that the variable influence of leadership style and organizational culture variable is 0.199 or 19.9%, and the remaining 80.1% is influenced by other factors.

Model Summary Std. Change Statistics Adjusted Error of R R Sig. F Durbin-R the Square F Model R Square Square Estimate Change Change dfl df2 Change Watson .446ª .199 .156 4.510 .199 4.601 2 37 .016 a. Predictors: (Constant), TOTAL.X2, TOTAL.X1 c. Dependent Variable: TOTAL.Y

**Table 3.3 Determination Test** 

## 4. CONCLUSION

Employee performance based on research results is also classified as very good. This result also occurs in the employee performance variable so that management must also further develop the performance of its employees.

The leadership style variable has a negative and insignificant effect on employee performance variables. Simultaneously, it can also be seen that the leadership style variable has a negative and insignificant effect. This means that the results of the implementation of the leadership style managerial activities that are carried out have not had a positive or good impact on the work. Researchers analyzed, the implementation of more leadership style activities towards suppressing employees that occurred at Platt Mars in Bandung was one of the factors. The leadership style by pressing employees may be one of the factors that causes an employee to achieve job satisfaction, but it may not necessarily have a positive influence on the formation of the employee's personality in working to achieve goals.

Organizational culture variable has a positive and significant effect on employee performance variables. Simultaneously, it can also be seen that organizational culture variables have a positive and significant effect. This means that the increasing understanding of the



organizational culture of employees owned by Platt Mars in the city of Bandung will also increase the performance of its employees.

The magnitude of the influence of leadership style and organizational culture on employee performance is obtained through the calculation results of the determination test and the correlation r value is 0.446. This means that leadership style and organizational culture have a moderate relationship with employee performance in the interval 0.300-0.499. Meanwhile, the value of r square shows the coefficient of determination which states that the variable influence of leadership style and organizational culture variable is 0.199 or 19.9%, and the remaining 80.1% is influenced by other factors.

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