



# The Influence Of Transformational Leadership Style And Organizational Culture On Employee Performance At The Medan State Administrative Court

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## Abstract

This research aims to determine the influence of Leadership Style and the Organizational Culture on Employee Performance at Asahan University. This research uses quantitative research and was conducted at the Medan Administrative District Court. Sample used was 60 employees. The data collection technique used was distributing questionnaires, the research model used was path analysis and the measuring tool used SmartPLS version 4.0. The research results are as follows: Leadership Styles has a positive and significant effect on Employee Performance at Medan Administrative District Court with an original sample value of 0.528, a statistical T value of 6.663 and a P value of 0.000. The Organizational Culture has a positive and insignificant effect on employee performance at the Medan Administrative District Court with an original sample value of -0.107, a statistical T value of 1.239 and a P value of 0.215

**Keyword:** Leadership Styles, Organizational Culture, Employee Performance

## Introduction

People are a very important resource in a company. These human resources support organizations or companies with talents, work, creativity, and encouragement to achieve the organization's goals. However, the technological and economic aspects are perfect, but without the human aspect, it is difficult for the goals of the organization or company to be achieved properly. Human resources are a very important asset of an organization. Therefore, the success of an organization is highly determined by the quality of the human resources in it, starting from the ability to capture environmental changes, analyze and anticipate their impact on the agency. The purpose of the company is to maintain the survival of the company, the progress and welfare of its employees and owners. Meanwhile, the purpose of an individual entering a company or organization is to meet his or her life needs. Individual goals should be aligned with the company's goals through people achieving specific goals. Companies are currently facing various challenges in entering the era of globalization. This era also finally gave rise to a tough competition between companies. This will indirectly encourage companies to maintain themselves in the midst of this competition. Based on the initial survey conducted at the Medan State Administrative Court office, the problem found is that there is a tendency to decline employee performance, this can be seen from the low desire of employees to complete work on time, so employees tend to be late in reporting the results of work to their leaders. The problem related to transformational leadership is that there are still leaders who are less willing to listen attentively to the inputs of subordinates and especially

less attentive to the needs of subordinates. There are still leaders who have not been able to guide or direct their subordinates properly, communication that has not gone well, and supervision of subordinates has not been maximized. For organizational culture problems, it was found that the phenomenon in the office of the Medan State Administrative Court was found that the values that had existed gradually began to fade such as the young must respect the old, the longer working with the new worker, the educated with the less educated. So the researcher sees employees in doing their work only based on fear of their superiors if they make mistakes, not based on the values of loyalty to the work organization. In addition, there are problems related to work ethics, one of which is that there are still some employees who deliberately extend the rest time, while at that time the break time has been completed so that the company gives a warning to the employee both verbally and in writing.

Based on the phenomenon and explanation that has been explained above, the author is interested in conducting a research entitled "The Influence of Transformational Leadership Style and Organizational Culture on Employee Performance at the Medan State Administrative Court".

## Literature Review

### 1) Employee Performance

According to Edison et al., (2020) performance is the result of a process that refers to and is measured over a certain period of time based on predetermined conditions or agreements. Performance is the result or level of success of a session as a whole during a certain period in carrying out tasks compared to various possibilities, such as standards of work results, targets, goals or criteria that have been pre-determined and mutually agreed. Performance is the result of work in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him.

Fahmi (2016) performance is the results obtained by an organization, both profit-oriented and non-profit-oriented organizations that are produced over a period of time.

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According to Kasmir (2016), performance is the result of work and work behavior that has been achieved in fulfilling the tasks and responsibilities given in a certain period.

2) *Transformational Leadership Style*

Leadership is the ability to influence others to want to do a job according to their wishes. In other words, leadership is the ability to govern and influence others to carry out a job so that the goals that have been set can be achieved. According to (McGergor, 2004) explains that transformational leadership is a change that is necessary to formulate a vision that will pave the way for the changes that have been made and implement the plan by facing better goals than just short-term interests or needs.

Meanwhile, according to (Rifansyah, 2002), defining transformational leadership is the ability to provide inspiration and motivation for its followers to achieve greater results than originally planned and for internal rewards. This includes developing a closer relationship between leaders and their followers, not just agreements but more based on trust and commitment.

3) *Organizational Culture*

According to (Robbins, 2013) Organizational culture is a system of shared meaning embraced by members that distinguishes the organization from other organizations. This coercive system, when observed more closely, is a key set of characteristics that the organization values. Meanwhile, according to (Jufrizen et al., 2020), organizational culture is a set of values, beliefs, assumptions, or norms that have been valid, shared, accepted, and held by organizational members as a code of behavior that determines how they feel, think, and react to diverse environments.

According to (Hairudinor et al., 2020) states that organizational culture is the subject of problem solving - external and internal problems that are carried out consistently by a group and then bequeathed to new members as the right way to understand, think, and deal with problems.

**Method**

Research methods are a way to be able to understand a research object by guiding researchers with the sequences of how research is carried out which includes techniques and procedures used in research. In this study, the approach used by the researcher is quantitative research and uses statistical formulas to help analyze the data and facts obtained. The quantitative approach is a large sample research, because the quantitative approach is carried out in inferential research, namely in the context of hypothesis testing and relying conclusions on a probability of error rejecting the hypothesis nil. Thus, through this approach, a significant relationship between the variables studied will be obtained.

The sample taken in this study is employees of the Medan State Administrative Court totaling 60 employees in all divisions. The reason for using the entire population as a sample is because it represents the entire population because if it is less than 100 populations, then it is used as a research sample of all of them, therefore the researcher takes xx samples taken from all divisions.

**Results and Discussion**

Hypothesis testing is used to determine whether a hypothesis that has been proposed based on the research model is acceptable or rejected. Hypothesis testing can be seen from the T-Statistic value which is the level of significance between latent variables (Shiamia & Minto, 2023). Scores are obtained by *bootstrapping* the SmartPLS 4 software. *Bootstrapping* in this test was carried out using a sub-sample with a significance level of 0.1. The *direct effect* test can be seen in the following table:

**Table 1. Direct Effect Test**

Original sample (O)	T statistics ( O/STDEV )	P values
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Leadership Style (X1) -> Employee Performance (Y)	0.528	6.663	0.000
Organizational Culture (X2) -> Employee Performance (Y)	-0.107	1.239	0.215

Source: Processed by Researchers (2025)

1. Partially, there was a positive and significant influence between Leadership Style (X1) and Employee Performance (Y), with a T *Statistics* of 6.663 and a P Value of < 0.001. This first hypothesis is accepted.
2. Partially, there was a positive but not significant influence between Work Environment (X2) and Employee Performance (Y), with a T *Statistics* of 1.239 and a P Value of > 0.05. This third hypothesis is rejected.

Based on the results of the processing *SmartPLS* on the dap table. At the influence between variables that have green writing, meaning that the hypothesis is accepted, and those that have red writing, mean that the hypothesis is rejected.

**The Influence of Leadership Style on Employee Performance**

Leadership Style (X1) has a positive and significant effect on Employee Performance (Y) with an original sample value of 0.528, a Statistical T value of 6.663 and a P value of 0.000. This shows that Leadership with charisma, inspirational, intellectual simulation and individual considerations indicators has a good impact on employee performance. The organization has clear goals and strategies, the leader pays attention to the employees, the leader also provides good stimulation for the sustainability of the organization and the leader resolves conflicts between employees completely. Previous studies by Putu et al (2019), Arman and Khairul (2022), Desak (2019) and Ahmad et al (2023) also confirmed that Leadership Style has a positive and significant effect on Employee Performance. Thus, it proves that Transformational Leadership has an influence on Employee Performance.

**The Influence of Organizational Culture on Employee Performance**

Organizational Culture (X2) has a positive and insignificant effect on Employee Performance (Y) with an original sample value of -0.107, a Statistical T value of 1.239 and a P value of 0.215. This indicates that improving organizational culture aspects does not necessarily improve employee performance

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