THE INFLUENCE OF WORK ENVIRONMENT, TRANSFORMATIONAL LEADERSHIP AND ORGANIZATIONAL CULTURE ON JOB SATISFACTION AND IMPLICATIONS FOR EMPLOYEE PERFORMANCE

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ABSTRACT. The purpose of this paper is to determine the effect of the work environment, transformational leadership and organizational culture on job satisfaction and its implications for employee performance. Methodology The population of this research is all 142 hotel employees in Pangandaran and Resort, Indonesia. The number of samples is determined by the Slovin formula, and the Structural Equation Modeling (SEM) sample consideration is 30 employees. A total of 60 questionnaires were returned and sent for analysis. Proportional stratified sampling was used for technique sampling, and the elements of the sample were determined by the chance sampling method. The analytical method used in this research is descriptive statistics and SEM – Partial Least Square program with IBM Statistical Package for the Social Sciences (IBM SPSS) Statistics 22.0 and WarpPLS 3.0. The hypotheses in this study are how the work environment influences employee performance, (2) how transformational leadership affects employee performance, (3) how organizational culture affects job satisfaction and (4) how does the impact on employee performance at Pangandaran Hotels and Resorts show. work environment, transformational leadership and organizational culture have a positive and significant effect on job satisfaction, but only leadership style has a positive and significant effect on job satisfaction. employee performance. Job satisfaction has no significant and positive effect on employee performance and is not a mediating variable. Originality/ value – In conclusion, the role of a leader in the hospitality industry, in this case the general manager (gm), is important. Without a high quality General Manager, job satisfaction and organizational culture will not be achieved.

Keywords: Job satisfaction; Transformational leadership; organizational culture; employee performance; work environment.

INTRODUCTION

Performance is a measure of the success of an organization, either a production organization or a service provider organization. Hotels are one of those organizations running in the service sector that also need “performance” to compare their success to. In general, hotels run their own business or in groups. Hotels that operate businesses in groups are often referred to as hotel groups (Bissoon, 2018; de-Miguel-Molina et al., 2018; Hamid et al., 2015; Jones & Comforth, 2019; Joo-Nagata et al., 2017). The hotel group is operated by a hotel management company that coordinates and maintains the performance of the hotels under the company’s assistance.

Hotels Pangandaran and Resorts is a local hotel group with its head office located in Ciamis Pangandaran, West Java Province, Indonesia.
This hotel group has hotel units spread throughout the Pangandaran Ciamis area, Indonesia, namely, Larissa Hotel, Laut Biru Resort Hotel, Srikandi Hotel, Shanrilla Hotel (all in Ciamis, Pangandaran City), Group Hotels and Resorts Pangandaran has a mission to develop and improve number of various hotel units in other areas. Hotel achievements and Resorts performance can be seen from the indicators of unit development, hotel occupancy rates, etc. It can be seen from showing that there is a decline in organizational performance from 2019 to 2020. Several factors can determine the ups and downs of organizational performance, including the quality of employee performance. Employee performance can be influenced by job satisfaction (Gani, 2020; Sutanja, 2019). Similar research has been carried out previously, namely research from Dede Muksin Lubis while the results of this study are shared leadership style, transformational, organizational commitment, and job uncertainty have a major impact on employee performance. Based on the results of the partial significance test, transformational leadership style has a positive and significant effect on the performance of outsourcing workers. As well as research conducted by Febtia Ulfah, the results of her research show that transformational leadership, work environment, motivation, and organizational culture have a considerable influence on the performance of service cooperative employees affiliated with sharia financing (KJKS) BMT Amanah Ummah Sukoharjo. The most important factor is organizational culture, while the work environment has the least influence.

Based on the background of the problem above, the questions asked in this study are: (1) How does the work environment influence employee performance, (2) how does transformational leadership affect employee performance, (3) how does organizational culture affect job satisfaction and (4) how does transformational leadership affect employee performance? implications for employee performance at Pangandaran Hotels and Resorts

**Work Environment**

The physical form of the work environment is space, physical layout, noise, tools, relationship materials and coworkers; quality of all these aspects has an important role and a positive impact on the quality of work performance (Fachreza et al., 2018; Manihuruk & Tirtayasa, 2020; Sihaloh & Siregar, 2019; Sitinjak, 2018). An environment is a place where employees perform their activities, where it can bring positive and negative effects for employees to achieve their results. Environmentally conducive work will have a good impact on the continuity of work, while lack of a conducive work environment will have a negative impact on the continuity of its business (Qomaria & Musadieq, 2015; Julianlianari & Inscription, 2020).

The work environment is a physical environment in which it affects employee performance, safety and quality (Pramita, 2019; Son & Aprianti, 2020). The work environment provides a sense of security and allows employees to work optimally, can affect workers’ emotions. If the employee enjoys the work environment, he will enjoy his time at work to do the activity, he will use his work time effectively and optimally and his work performance will also be high. In addition to the physical environment in which employees work, the work environment includes the working relationship between fellow employees and the relationship between subordinates and their superiors.

As explained above, the work environment is the place to do a job, and one way to improve the quality of the physical work environment is to apply the 5S method, namely: Seiri (sorting); Seiton (systematic neatness arrangement); Seiso (seasoning and cleaning range); Seiketsu (standardization); and Shitsuke (self-discipline) (Bharambe et al., 2020; Karthik & Silksonjohn, 2019; Randhawa & Ajuja, 2017a, 2017b).

**Transformational Leadership**

The concept of transformational leadership can trace its first conceptualized origins and describe leadership as either transactional or transformational (Prasetyo & Anwar, 2021; Sofiah Sinaga et al., 2021). The transformational leadership theory was formulated by Burns, a leadership expert and presidential biographer (Mu’ah, 2019). In transactional leadership, leaders lead through social exchange, offering rewards for increased productivity, while transformational leadership moves the focus from the leader’s needs to the needs of followers (indicated, 2010).

"Transformational leadership theory is all about leadership that creates positive change in the followers whereby they take care of each other’s interests and act in the interests of the group as a whole” (Andersen, 2015; Berkovich, 2016; Siangchokyooy et al., 2020). (Figure 1.)

From the explanation of this image that the theory of transformational leadership is all about leadership that creates positive change in followers where they take care of their individual interests and act in the interests of the group as a whole, here it is also explained that the dimension of transformational
leadership is the ideal of influence, leaders behave as role models for their followers; They become admired, respected and trusted. Inspirational motivation: Inspiring transformational leaders motivate in the eyes of their subordinates by providing meaning and challenge to their followers. Intellectual stimulation: Stimulating intellectual leaders awaken in subordinate a problem awareness, recognition of their beliefs and values and their own awareness of thought and imagination. Individual considerations: Leaders with individual considerations will give personal attention, treat each employee individually, and as a coach for his subordinates. These are all dimension elements of transformational leadership styles.

Organizational culture

Organizational culture is a value and symbol that is understood and adhered to together by all members of the organization. This culture is uniquely owned by a particular organization as a differentiator between organization and other organizations (Maxmanroe.com, 2018; Sulistiawan et al., 2018; Utami et al., 2020).

Organizational culture is a value system that is believed by all members of the organization, studied, applied and developed as an adhesive system as a reference for the company in achieving its goal of revealing that a company has two types of culture by its members, namely:
1) a dominant culture, a culture that represents the values embraced by most of its members and makes the company distinctive; and
2) Subcultures, mini-cultures that arise from different departments and different geographical regions.

Job satisfaction

An individual’s job satisfaction is the amount of job satisfaction (each job aspect) multiplied by the level of job interest. An individual’s satisfaction or dissatisfaction with his or her work is something personal that depends on how he perceives a match or conflict between his or her desires and the outcome. It can be concluded that the sense of job satisfaction is a positive attitude of the workforce that includes feelings and attitudes through the assessment of a job as respect in achieving an important job value (Hasan, 2018; Tambunan, 2018).

A person will achieve his job satisfaction when the minimum desired limit has been met and there is no gap between his desires and reality. A positive difference occurs if his achievement is greater than expected, then he will be more satisfied. Conversely, negative differences occur if the gap is well below the standard expected minimum and will result in greater job dissatisfaction.

Employee performance

Performance is basically what employees do or don’t do; Employee performance is influencing how much they contribute to an organization that includes output quantity, output quality, work presence and cooperative attitude. Performance is also often confused with the term work performance (Fachreza et al., 2018; Sihaloho & Siregar, 2019).

Performance is a work performance that is a comparison between his significant work and his work laborstandards (Julian & Inscription, 2020). Performance is the result of an employee’s ability multiplied by effort and support. Thus, performance will decrease if one factor is reduced or non-existent (Mathis and Jackson, 2001). A person’s abilities are influenced by talent and interest, while effort is influenced by motivation, incentives and design work. Support for an organization includes human resource development training and the availability of adequate organizational equipment. Individual performance is a combination of three functional factors, namely:
1) the ability, temperament and interests of a worker;
2) clarity and acceptance of his role as a worker;
3) and the level of motivation of work.
4) Employee performance is measured by performance assessments.

The objectives of this performance assessment are according to:
1) taking decisions in human resource management such as promotion, mutation and dismissal;
2) to identify the need for training and development;
3) validate the selection and development program;
4) to provide feedback for workers on their performance;
5) and become the basis for determining the allocation of remuneration.

METHOD

This research is classified as applied research and uses survey techniques. Based on this explanation,
this research is a causal or correlational study which means getting answers to the “how” questions. This study also used exploratory multivariate analysis. The population of this study were all employees of Parador Hotels and Resorts as many as 142 people. Sampling of data is determined by considering several factors from the Slovin formula; The hypothesis in this study is to determine the effect of the work environment on employee performance, (2) to determine the effect of transformational leadership on employee performance, (3) to determine how organizational culture affects job satisfaction and (4) to determine the implications of employee performance at Pangandaran Hotels and Resorts. Surveys were distributed, 60 questionnaires were returned and processed. The sampling technique in this study was proportional stratified sampling, and the method of determining the sample was by accidental sampling.

The data analysis method is performed using descriptive and structural statistics Equation Modeling–Partial Least Square (SEM-PLS) with IBM’s Statistical Package for Social Sciences (IBM SPSS) Statistical Software 22.0 and warpPLS 3.0 program. Analysis SEM-PLS is performed using the WarpPLS 3.0 program. This application has been chosen because it works efficiently even if only with small sample sizes and complex models.

RESULTS AND DISCUSSION

Hypothesis testing results using SEM-PLS are shown as follows in Figure 2 showing an estimate of the direct effect. Based on an estimated direct influence (p-value > 0.05), only leadership styles have a positive and significant effect on employee performance, while the work environment and organizational culture have no significant and positive effect on employee performance.

Figure 2. Direct Effek Estimates

Figure 3 shows an estimate of indirect influence that explains that the influence of leadership style on employee performance remains significant with the pathway coefficient dropping to 0.42, meaning job satisfaction does not mediate the process in full. Furthermore, the indirect influence of leadership styles on job satisfaction and employee performance is to find out if job satisfaction is partial. Mediator. Through line identification, it is seen that leadership style job satisfaction is something significant, but employee performance job satisfaction is not significant (because p = 0.10 or p > 0.05) so it can be concluded that job satisfaction is not a mediation variable. for all variables for either the work environment, leadership style or organizational culture.

Figure 3. Estimated indirect effects

In terms of a positive and significant effect on employee job satisfaction at Parador Hotels and Resorts (H0 rejected due to coefficients 0.20 and p < 0.01), in terms of transformational leadership positively and significantly on the job satisfaction of Parador Hotels and Resorts employees (H0 rejected due to coefficients 0.36 and p < 0.01), organizational culture positively and significantly affects employee job satisfaction at Parador Hotels and Resorts (H0 rejected due to coefficient = 0.32 and p < 0.01), work environment has no significant and positive effect on employee performance at Parador Hotels and Resorts (H0 accepted due to coefficient 0.14 and p-value is 0.06), leadership style positively and significantly affects employee performance at Parador Hotels and Resorts (H0 rejected due to coefficients of 0.46 and p < 0.01), Organizational culture has no significant and positive effect on the performance of Employees of Hotels and Resorts Pangandaran (H0 is accepted because its coefficients are 0.17 and p = 0.05), job satisfaction does not affect employee performance at Parador Hotels and Resorts significantly and positively (H0 is accepted because the coefficient is worth 0.12 and its p value is 0.10), job satisfaction does not act as a mediation variable between the work environment and Employee performance at Parador Hotels and Resorts (H0 is accepted because the value of job satisfaction to employee performance is not significant at a p > 0.05, it turns out that the coefficient is 0.12 and the value p 0.10, job satisfaction does not act as a mediation variable between leadership style and employee performance at Parador Hotels.
The correlation between the dimensions of leadership style to job satisfaction indicates the highest value of the relationship which is the relationship between the task structure dimension (LS02) and the supervisory dimension (JS02) which is 0.592. This means that the relationship between the two dimensions is quite strong. The cross-dimensional correlation of organizational culture to job satisfaction reveals the highest value of the relationship which is the relationship between the aggressive dimension (OC06) and the co-worker dimension (JS05) which is 0.494; This means that the level of the relationship is considered weak.

The correlation between the dimensions of leadership style to employee performance showed the highest correlation value, namely the relationship between the dimension of position strength (LS03) with the dimension of self-influence (PRF06) which is 0.522. This means that the relationship between the two dimensions is quite strong.

The results of research show that the work environment has a positive and significant effect on employee job satisfaction at Parador Hotels and Resorts which means working environment is one of the important variables that can improve job satisfaction. This is in line with the research of Marshall et al. (2015) and Afrizal (2012). The work environment is a physical and non-physical object that is around the employee at the time of Parador Hotels and Resorts that can affect the employee in carrying out his duties. Based on cross-dimensional analysis, the highest value of cross-dimensional relationships is the relationship between the working atmosphere dimension (WE01) and the supervisory dimension (JS02), which is 0.506. This means that the level of relationship between the two dimensions is considered quite strong. Thus, it can be concluded that Downloaded by 36.88.142.209 On 18:14 December 11, 2017 (PT) the improvement of the working atmosphere at Hotels Hotel and Resorts Pangandaran will be able to be improved effective supervision.

Hotels Resorts Pangandaran needs to improve working conditions by improving the work environment, both physical and non-physical. A better work atmosphere will make supervision more effective so that it will increase job satisfaction. Calculations of direct, indirect and total influences between exogenous latent variables and endogenous latent variables in the study were conducted to find out which variables were appropriate to improve employee performance at Parador Hotels and Resorts. Companies need to improve their work environment, leadership style and organizational culture to optimize

Furthermore, structural models were evaluated using R-squared, predictive relevance and effect measures, R-squares: Coefficients of determination (R-squared) on both endogenous latent variables classified as moderate and showed that the variance in job satisfaction could be explained by 56.1 percent variance in the work environment, leadership style and organizational culture, while the variance in employee performance could be explained by 47.0 percent by the variance of the work environment, leadership style, Organizational culture and job satisfaction. Predictive relevance: The Q-squared value > 0, thus indicating that exogenous latent variables have predictive relevance to the endogenous latent variables affected. The biggest influence is leadership style on employee performance, meaning exogenous latent variables (leadership styles) contribute more to endogenous latent variables (employee performance) than other exogenous latent variable contributions. It can be said that a good leadership style is very important to improve employee performance.

Model conformity tests include three model tests that show match classification, such as the Average Path Coefficient. To be acceptable, the value of p must be smaller than 0.05 if it shows an index number of 0.238 and p < 0.01. Average R Squared. p-value should be less than 0.05 where it produces an index of 0.516 and p < 0.01, the Average Variance Factor. The Average Variance Factor should be smaller than 5, so the index number will be 1,950.

Furthermore, there is an analysis of correlations between dimensions to see the strong relationship between each dimension. Correlation values can be used as a reference to determine which dimensions are most influential. This process is done by looking at the results of warpls 3.0 software, which is the correlation output between indicators. The cross-dimensional correlation of the work environment to job satisfaction that shows the highest value of the relationship is the relationship between the work atmosphere dimension (WE01) and the supervisory dimension (JS02) which is 0.506. This means that the level of relationship between the two dimensions is considered quite strong.

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job satisfaction variables. However, companies need to understand that job satisfaction does not affect employee performance, so that it can improve employee performance through job satisfaction, it will be ineffective. There is only one variable that can affect employee performance, namely leadership style variables. The company needs to improve its leadership style to improve employee performance at Parador Hotels and Resorts. The results of cross-dimensional correlation analysis showed that the highest dimensional relationship was the relationship between the position strength dimension (LS03) and the dimension of self-influence (PRF06) which was 0.522. This means that the relationship between the two dimensions is considered quite strong. Therefore, Hotels and Resorts Pangandaran needs to have leaders who have high position power, leaders who have the power to lift, dismiss, discipline, promote, and increase employee salaries. Thus, employees will have a high influence; Employees are able to maintain self-esteem, good reputation and cooperation with others. In other words, discipline and firmness of a leader is needed so that employees are able to maintain dignity, reputation and cooperation.

CONCLUSION

Based on the results of research and discussion, as previously stated, it can be concluded about the influence of the work environment, leadership style and organizational culture on job satisfaction and its implications for employee performance at Hotels and Resort Pangandaran. Transformational Leadership has the most positive and significant effect on employee performance at Parador Hotels and Resorts. The highest value of the relationship in all these dimensions is the relationship between the position power dimension (LS03) and the self-influence dimension (PRF06) which is considered strong. Transformational Leadership has a significant and positive effect on job satisfaction at Pangandaran Hotels and Resorts. The highest value of this inter-dimensional relationship is the relationship between the task structure dimension (LS02) and the supervised dimension (JS02) which is then classified as a strong relationship.

Organizational culture has a positive and significant influence on job satisfaction in the Hotel and Resort Pangandaran company. The highest value of this inter-dimensional relationship is the relationship between the aggressive dimension (OC06) and the co-worker dimension (JS05), but the relationship is considered weak. The work environment has a positive and significant effect on employee job satisfaction at PT Hotel and Resort Pangandaran. The highest value of this inter-dimensional relationship is the relationship between the working atmosphere dimension (WE01) and the supervisory dimension (JS02) which is referred to as a solid relationship. Organizational culture, work environment and job satisfaction have a positive effect on employee performance, but not very significantly; Job satisfaction also does not act as a mediation variable between the work environment, leadership style and cultural organization to employee performance at Hotels and Resorts Pangandaran.

REFERENCES


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