

# The Influence of Transformational Leadership and Organizational Culture on Employee Performance in Villa Kayumanis Jimbaran Private Estate and Spa

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**Abstract.** Transformational leadership is described as a leader who encourages his followers to work towards goals, achievements and self-actualization to achieve good performance. Meanwhile, organizational culture is the belief, values, and attitude used to supervise employees starting from how to work together and work. This study aims to test and obtain empirical evidence of the Effect of Transformational Leadership and Organizational Culture on Employee Performance at Kayumanis Jimbaran Private Estate and Spa. This research population consists of 120 employees. The sample in this study were 92 people who were determined based on the method Proportionate Stratified Random Sampling. The analysis technique used is multiple linear regression. The results of this study indicate that Transformational Leadership has a positive and significant impact on employee performance. Meanwhile, Organizational Culture has a positive and significant effect on performance. Further research can develop this research by using other variables which theoretically have an influence on performance.

## 1 Introduction

### 1.1 Background

Technological advances and intense competition in the era of globalization make companies adapt to changes that occur in the business environment. To respond to this, companies make their human resources their main focus. If the human resources that are owned produce the expected performance in accordance with company expectations, it will make it easier for the company to achieve their goals.

To support this strategy, qualified human resources are needed to support the company's strategy. Human resources or qualified employees will be able to put the company on the competitive path or even become a leader in the competition. The quality of human

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resources must of course be developed by the company which is adjusted to the current developments. That way employees can carry out their work professionally, responsibly, and have a good attitude in order to build a company to meet increasingly complex consumer needs in this era of globalization.

Employee performance is a very important thing in an organization to achieve its goals, because performance is the result of work or a work performance produced by employees for the company [1].

Leadership is a process of one's activities to move others by leading, guiding, influencing others to do something in order to achieve the expected results [2]. There are 9 types of leadership in organizations, namely autocratic leadership, bureaucratic leadership, participatory leadership, delegated leadership, transactional leadership, transformational leadership, serving leadership, charismatic leadership and situational leadership.

Transformational leadership is a leadership approach by making efforts to change awareness, raise enthusiasm, and inspire subordinates or members of the organization to put extra effort into achieving organizational goals, without feeling pressured or depressed.

In addition to the leadership style to support the achievement of employee performance, organizational culture is also needed. Organizational culture is the basic philosophy of the organization which contains shared beliefs, norms and values which are the core characteristics of how to do something in the organization. If the organizational culture is implemented properly it will also have a good impact on the resulting performance of the company.

Kayumanis Jimbaran Private Estate and Spa is a company under PT Bali Dhanadhipa, Kayumanis Jimbaran Private Estate and Spa is one of the favorite private estates in the Jimbaran area because it has beach access. Saone indicator to see employee performance at Kayumanis Jimbaran Private Estate and Spa is the number of villas sold in 2019. According to the results of interviews with the sales & marketing of Kayumanis Jimbaran Private Estate and Spa, the decline in the sales rate of the Villa at Kayumanis Jimbaran Private Estate and Spa was due to employee performance that was not optimal, which of course could not be separated from the influence of a leader.

Based on the results of pre-research conducted on 10 employees of Kayumanis Jimbaran Private Estate and Spa, There are several complaints with the provision of incentives that do not differentiate between daily workers and permanent employees, which creates a sense of social jealousy among employees.

In addition to the decline in villa sales levels caused by employee performance. Researchers found that the problems that occurred at Kayumanis Jimbaran Private Estate and Spa were related to organizational culture, such as coming and going home not according to working time and communication applied to subordinates such as a daily briefing system.

Several studies have linked employee performance to transformational leadership, among others [3] suggest that Transformational leadership has a positive effect on employee performance.

Meanwhile, several previous studies related to employee performance with organizational culture, among others [3-4], point out that organizational culture has a positive effect on employee performance.

Based on the description above, researchers are interested in researching "The Influence of Transformational Leadership and Organizational Culture on Employee Performance at Kayumanis Jimbaran Private Estate And Spa".

## **1.2 Research purposes**

In accordance with the formulation of the problem, this study aims to:

1. Knowing and explaining the influence of Transformational leadership on employee performance at Kayumanis Jimbaran Private Estate and Spa.
2. Knowing and explaining the influence of Organizational Culture on employee performance at Kayumanis Jimbaran Private Estate and Spa. *1.1.1 Formatting the title*

## **2 Literature Review**

### **2.1 Goal-Setting Theory**

This study uses the Goal-Setting Theory as proposed by Locke as a grand theory. Goal-Setting Theory is a form of motivation theory. Goal-Setting Theory emphasizes the importance of the relationship between the goals set and the resulting performance on employee behavior and performance in the organization.

### **2.2 Employee performance**

Performance can be defined as the work achieved by workers or employees in quality and quantity in accordance with their duties and responsibilities [5].

As for several performance indicators according to [6] states that there are six indicators, namely: quality of work, quantity of work, time, cost suppression, supervision, relations between employees.

### **2.3 Transformational leadership**

The transformational leadership is a leader who has characteristics that show charismatic behavior, raises inspirational motivation, provides intellectual stimulation and treats employees by paying attention to the individual [7].

As for several indicators of transformational leadership, there are three indicators, namely: inspirational motivation, intellectual stimulation, individual consideration.

### **2.4 Organizational culture**

The organizational culture can be interpreted as experiences, history, beliefs and shared norms that characterize a company or organization.

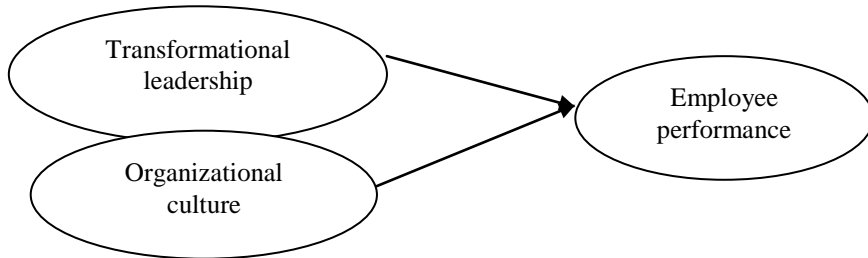
As for several indicators of organizational culture according to [8] states that there are five indicators, namely: implementation of norms, implementation of values, beliefs and philosophy, implementation of a code of ethics, implementation of serenity.

## **3 Framework and Hypothesis**

### **3.1 Framework of thinking**

Every company always tries to improve the performance of its employees in the hope that what the company's goals will be achieved. In achieving goals and at the same time is a task that is not easy, the company requires performance and requires leadership that can achieve success. It's not easy, because you have to understand every different behavior of

your subordinates. In other words, that the success or failure of achieving organizational goals is determined by the quality of leadership. From the phenomena found in the field and associated with theories relating to transformational leadership and organizational culture. Then a comparison is made with previous studies so that a hypothesis is found.



**Fig. 1.** Framework of thinking the influence of transformational leadership and organizational culture against employee performance

Source: Researcher's Thought (2020)

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### 3.2 Hypothesis

- 1 H1: Transformational Leadership has an effect on Employee Performance at Kayumanis Jimbaran Private Estate and Spa.
- 2 H2: Organizational Culture affects Employee Performance at Kayumanis Jimbaran Private Estate And Spa.

## 4 Method

### 4.1 Research sites

This research was conducted at the Kayumanis Jimbaran Private Estate and Spa which is located at Jl. Yoga Perkanthi, Jimbaran, Kec. Kuta Sel., Badung Regency, Bali.

### 4.2 Object of research

The object of this research is the Influence of Transformational Leadership and Organizational Culture on Employee Performance which is associated with the performance of Kayumanis Jimbaran Private Estate and Spa employees.

### 4.3 Types and Sources of Data

The types of data used in this study can be classified into two, namely:

- a) Quantitative data is data that can be expressed in numbers and can be calculated such as the number of employees, salaries and benefits.
- b) Qualitative data are data that cannot be expressed in numbers such as a brief company history, company structure, and organizational structure.

In conducting this research, the sources used are primary and secondary data sources, the primary data in question is questionnaires collected from employees and secondary data, namely data in the form of organizational structure and company history.

#### 4.4 Population and Sample

The population in this study were all employees at Kayumanis Jimbaran Private Estate and Spa Jimbaran, totaling 120 people.

The technique and sample determination used is the Proportionate Stratified Random Sampling technique, this technique is used because the population is not homogeneous, referring to [9] that, Proportionate Stratified Random Sampling is used when the population has members or elements that are not homogeneous and proportionally stratified. The total number of sample members determined is 92 people.

#### 4.5 Data analysis technique

In this study the authors used research validity and reliability tests, multiple linear regression analysis. The classical assumption test used: normality test, Multicolonierity test, autocorrelation test, heteroscedasticity test. F test (F-Test), Determination Analysis, t-test (t-test).

### 5 Results

#### 5.1 Validity test

Testing the validity and reliability of the instruments in the questionnaire is very important to obtain valid and reliable research results. Thus, a valid and reliable instrument is an absolute prerequisite for obtaining valid and reliable research results. Testing this instrument was carried out using a total sample of 92 people. So that the following results are obtained:

**Table 1.** Recapitulation of Research Instrument Validity Test Results

Variable	Item	Correlation coefficient	Cut point	Information
Transformational leadership	X1.1	0.943	0.3	Valid
	X1.2	0.938	0.3	Valid
	X1.3	0.904	0.3	Valid
Organizational culture	X2.1	0.946	0.3	Valid
	X2.2	0.894	0.3	Valid
	X2.3	0.844	0.3	Valid
	X2.4	0.884	0.3	Valid
	X2.5	0.953	0.3	Valid

Performance	Y1	0.590	0.3	Valid
	Y2	0.676	0.3	Valid
	Y3	0.678	0.3	Valid
	Y4	0.704	0.3	Valid
	Y5	0.658	0.3	Valid
	Y6	0.668	0.3	Valid

## 5.2 Reliability test

Reliability is an index that shows the extent to which a measuring device can be trusted or reliable. Therefore, testing the reliability of a measuring instrument is intended to show the extent to which the measuring instrument is reliable or trusted by using a Cronbach alpha value greater than 0.60 so the variable construct can be said to be good .

**Table 2.** Recapitulation of Reliability Test Results

No.	Variable	Alpha Cronbach	Cut point	Information
1	Transformational leadership	0.920	0.60	Reliable
2	Organizational culture	0.944	0.60	Reliable
3	Performance	0.734	0.60	Reliable

## 5.3 Classic assumption test

### 5.3.1 Normality Test Results

Based on the normality test in the Appendix Kolmogorov-Smirnov test values, the results of data processing indicate that the data is normally distributed. This is evidenced by based on the SPSS output the Asymp value is obtained. Sig. (2-tailed) 0.274 which is greater than 0.05.

### 5.3.2 Multicollinearity Test Results

Based on the attachment results, the results of the tolerance value calculation show that the tolerance value for transformational leadership (X1) is 0.290, organizational culture (X2) is 0.290, and the variance inflation factor (VIF) for transformational leadership variables is 3.447, the organizational culture variable (X2) is 3.447, so that All independent variables have a tolerance value of more than 0.1 or a variance inflation factor (VIF) is less than 10, it is concluded that there is no multicollinearity between the independent variables in the regression model.

### 5.3.3 Test results Heteroscedasticity

Based on the appendix results, it can be seen that the sig value > 0.05, thus the independent variable does not have a significant effect on the residual absolute variable. So it can be concluded that heteroscedasticity does not occur.

## 1.2 Inferential Analysis

### 1.2.1 Results of Multiple Linear Regression Analysis

Based on the values in the appendix, the multiple linear regression equation will be:

$a = 9,232$  this means that, if ownership Transformational leadership (X1), organizational culture (X2) does not change or is equal to zero, so the performance (Y) is 9.232.

$b_1 = 0.253$  this means that, if the organizational culture (X2) does not change or is equal to 0 or constant, then the increase in transformational leadership (X1) will increase performance (Y).

$b_2 = 0.360$  this means that, if ownership Transformational leadership (X1) does not change or is equal to 0 or constant, so an increase in organizational culture (X2) then performance (Y) will increase.

Based on the results of the analysis in Table 5.12, the correlation coefficient is  $R = 0.921$ . This means that there is a positive and very strong relationship between transformational leadership and organizational culture on performance.

### 1.2.2 Results of Multiple Determination Coefficient Analysis

Based on the results of statistical analysis in Table 5.12, the coefficient of determination is 0.848 or 84.8%. This shows that transformational leadership and organizational culture contributed to the ups and downs of performance by 84.8% and 15.2%.

## 1.3 Fit T Model Test Results

### 1.3.1 Influence of Transformational Leadership (X1) on Performance (Y)

Based on the empirical test results in table 5.12, the beta coefficient value is 0.253,  $t_{count} = 2.862$ , the sig value is  $0.005 < 0.05$ , so the hypothesis is accepted. This means that transformational leadership (X1) has a positive and significant effect on performance (Y).

### 1.3.2 Effect of Organizational Culture (X2) on Performance (Y)

Based on the results of empirical testing, the beta coefficient value is 0.360  $t_{count} = 9.491$  sig value  $0.00 < 0.05$  so that the hypothesis is accepted. This means that organizational culture (X2) has a positive and significant effect on performance (Y).

## 6 Discussion

The discussion of the research results from the hypothesis can be described as follows:

### 6.1 The Influence of Transformational Leadership on Performance

Based on the research results, the beta coefficient value is 0.253  $t_{count} = 2.862$ , the sig value is  $0.005 < 0.05$ , so the hypothesis is accepted. This means that transformational leadership (X1) has a significant positive effect on performance (Y). The results of the

study mean that the higher the transformational leadership, the higher the employee performance of Kayumanis Jimbaran Private Estate and Spa. Vice versa, the worse the transformational leadership, the lower the employee's performance. Transformational leadership is applied in companies if a manager want a group to stretch its boundaries and perform beyond the status quo or achieve an entirely new set of organizational goals. In principle, transformational leadership motivates subordinates to do more than what can be done, in other words it can increase the trust or belief of subordinates which will have an effect on improving performance. The results of the study are in accordance with [3, 10], which states that there is a close relationship and the effect of transformational leadership on employee performance.

## **6.2 The Influence of Organizational Culture on Performance**

Based on the result research obtained beta coefficient value of 0.360 t count = 9.491 with a sig value of  $0.00 < 0.05$  so that the hypothesis interima. This means that organizational culture (X2) has a significant positive effect on performance (Y). The results of the study mean that the higher the organizational culture, the higher the employee's performance. Vice versa, the lower the organizational culture, the lower the employee's performance. An organization is usually formed to achieve a specific goal through the performance of all human resources in the organization. However, the performance of human resources is largely determined by the conditions of the organization's internal and external environment, including organizational culture. Therefore, the ability to create an organization with a culture that is able to drive performance is a necessity with the presence of organizational culture will make it easier for employees to adapt to the organizational environment and help employees to know what actions should be taken in accordance with existing values [11], within the organization and support these high values as guidelines for employees to behave that can be carried out in carrying out their duties and jobs [12].

## **7 Conclusion and Suggestion**

### **7.1 Conclusion**

Based on the results of the analysis and discussion of the influence of transformational leadership, organizational culture on performance, the following conclusions can be drawn:

1. Transformational leadership has a positive and significant effect on performance, which means that the better transformational leadership, the higher the employee's performance.
2. Organizational culture has a positive and significant effect on employee performance, which means that the higher the organizational culture, the higher the employee's performance

### **7.2 Suggestion**

Based on the results of the discussion and conclusions that have been described, the suggestions that can be submitted in relation to this research are as follows:

1. For Kayumanis Jimbaran Private Estate And Spa  
Based on the research that has been implemented, Kayumanis Jimbaran Private Estate And Spa should pay attention. The lowest-valued indicator is the transformational



leadership variable, namely inspirational motivation. Organizational culture needs to improve the implementation of values and the performance variable, namely time.

## 2. For Further Researchers

The next researcher is expected to evaluate the questions in the questionnaire so that they can represent the variable being measured accurately, and are expected to be able to look for other indicators as a measurement tool and research variables.

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