Research Article

The Effect of Transformational Leadership on Employee Work Satisfaction with Organizational Culture as Mediating Variable (Study in District of Bireuen Land Office, Aceh Province, Indonesia)

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Abstract: The purpose of this study is to determine: (1) describe the state of transformational leadership, employee job satisfaction and organizational culture (2) analyze the influence of transformational leadership on employee job satisfaction, (3) analyze the influence of organizational culture on employee job satisfaction (4) analyze the influence of leadership transformational towards organizational culture and (5) analyzing the indirect effect of transformational leadership on employee performance through the job satisfaction of employees. While the research was conducted at the Bireuen District Land Office, its object is transformational leadership, organizational culture, employee job satisfaction. The results showed that transformational leadership, organizational culture, and work satisfaction of employees had gone well, transformational leadership had a positive and significant effect on employee job satisfaction, organizational culture had a positive and significant effect on employee job satisfaction, transformational leadership had an effect on culture organization and there is an indirect influence of transformational leadership on employee performance through the job satisfaction in the agency.

Keywords: Transformational Leadership, Organizational Culture and Job Satisfaction.

INTRODUCTION

The Republic of Indonesia National Land Agency is the only institution that has the authority to carry out the duties of the government in the land sector nationally, regionally and sectorally. This authority includes activities related to policies and activities of public services, both services to the public, private, social and religious legal entities and government institutions. As a public service institution, the National Land Agency always strives to improve the quality of services in the land sector, one of which is by implementing information and communication technology-based service innovations.

As a public service institution, it constantly strives to improve the quality of its services. As a government organization, the performance of the office is demanded to be improved, so that it can have a real impact on improving services to the people of Aceh, especially in the area of certificate services. Hence, it has several variables or factors that can influence the improvement of the performance of that agency.

As an institution, of course it requires workers or employees who have adequate competence. Human Resources are a very important factor in an organization both large and small organizations. In large-scale organizations, they are seen as a crucial element in the business development process, the role of human resources is becoming increasingly important (Tierney, 2011). The development of the business world will be realized if it is supported by quality human resources.

Every employee in carrying out the work always hopes to get job satisfaction in accordance with the wishes of the employees themselves. Job satisfaction also has a close relationship with an increase in employee performance. Job satisfaction is the first aspect achieved before an employee has the performance expected by the organization, according to which Gunlu *et al*. (2010), job satisfaction has a significant influence on one's work performance. Thus, variables such as organizational culture, job satisfaction, and work performance theoretically have a close relationship in influencing employee performance. The theoretical relationship is supported by several empirical studies which also found that organizational culture, job satisfaction, and compensation have a positive and significant influence on employee performance.

Based on the above phenomenon it can be concluded that the number of jobs that should be completed on time by each employee, but cannot be carried out in a timely and quality manner also has not shown the quality expected by the leadership. In addition, the existence of organizational culture factors that are not in accordance with the character of employees, the work environment that is still less comfortable and the level of employee discipline that is still low, causing the expected performance achievement can not be realized. The low realization was caused by several factors including the implementation of transformational leadership style and organizational culture that was still less supportive of employee habits resulting in performance in making the amphibious not reaching the expected target.

Today the development of management and leadership in any organization is important and needs attention. Without a good and aspirational leadership management, efforts to change and optimize performance achievement and organizational goals will be difficult to achieve and may not produce anything. Leadership is one of the determinants of the success of an organization in achieving its goals. Even in the broader context, it is believed that the progress of a nation and state is largely determined by the leadership of the country's leaders themselves.

LITERATURE REVIEW

Job satisfaction

It refers to as a feeling felt by employees because there are things that are underlying it. Basically a person will feel comfortable and the level of loyalty to his work will be high if in the work the person obtains job satisfaction according to what is desired. Hence it is a reflection of the feelings of workers towards their work. According to Masrukhin and Waridin (2012), the satisfaction of an individual depends on individual characteristics and work situation. Each individual will have a different level of job satisfaction in accordance with the interests and expectations so that the perceived level of satisfaction is higher, and vice versa.

Meanwhile, Keith Davis (2011: 117) suggests that "job satisfaction is the favorableness or favorableness with employees view their work '(it is the feeling of supporting or not supporting what employees experience in work). Wexly and Yuki (2010) define it as " the way an employee feels about his or her job" (is the way employees feel themselves or their jobs). Employees will feel satisfied at work if the aspects of work and aspects of him support and vice versa if these aspects do not support, employees will feel dissatisfied. Along with the development of technology that is growing very rapidly, where all kinds of work equipment have been created by humans to accelerate and facilitate work to be able to produce more quality products, but human resources still play an important role because even though the equipment is very modern, but the equipment remains it will not run and even just an inanimate object and can also be damaged if the person does not have the ability or is not careful to operate it.

Transformational Leadership

Usman (2010: 278) states that humans are essentially leaders and every human being will be held accountable for his leadership later. Humans as minimal leaders are able to lead themselves. Every organization must have a leader, who is ideally obeyed and respected by his subordinates. A leaderless organization will be chaotic, therefore there must be a leader who governs and directs his subordinates to achieve individual, group and organizational goals. Meanwhile, Hasibuan(2012: 13) states that a leader is someone who uses his authority and leadership to direct others and is responsible for the person's work in achieving a goal. Leadership is the style of a leader influencing his subordinates, to be willing to work together and work effectively according to his orders. While Daft (2012: 313) states that leadership is the ability to influence people to achieve organizational goals. This definition has the idea that leaders engage with other people in achieving their goals. Or it can be said that leadership is the ability to influence people to achieve organizational or organizational goals. Power is the ability of a leader to influence others. Leadership power encourages vision, creativity and change in the organization, so that it can spur employees to be able to improve their performance in order to achieve organizational goals.

DuBrin (in Brahmasari and Suprayetno, 2013: 3) states that leadership is an effort to influence many people through communication to achieve goals, ways to influence people with instructions or commands, actions that cause others to act or respond and cause positive change, motivating forces and coordinate the organization in order to achieve goals, the ability to create self-confidence and support among subordinates so that organizational goals can be achieved.

Rost (in Khoirusmadi 2010: 7) defines it as a mutually beneficial relationship between leaders and followers (subordinates) wanting real change to reflect common goals. Leadership involves a relationship of profound influence, occurring among people wanting significant change, and that change reflects the goals shared by leaders and followers (subordinates). Furthermore Khoirusmadi explained that leadership style is a pattern of leader behavior that is used to influence the activities of people who are led to achieve goals in an organizational situation that can change. While how leaders develop their organizational programs, upholding discipline that is in line with the rules that have been made, pay attention to their subordinates by improving their welfare and how leaders communicate with their subordinates.

Organizational Culture

Schermerhom, Hunt, Osborn (2001) define it as a system that is trusted and values developed by the organization where it guides the behavior of the members of the organization itself. Basically, it comes from two words, namely culture and organization. Regarding culture, Kottler & Heskett (2012: 9) define it formally as the totality of patterns of behavior, art, beliefs, institutions and all other products from the work and human thought that distinguish a society. Similarly According to Prown (2008: 1), it is a shared value created by a group of people at a certain time.

Robbins (2012: 573), reveals aspects that are used in the measurement of it, namely: 1) Individual initiatives (individual initiatives) have the meaning of how far the level of responsibility, freedom, and independence possessed. 2) Risk Tolerance means how far employees are encouraged to be more aggressive, innovative, and dare to face risks. 3) Direction by the organization determines the goals to be achieved and the expected performance. 4) Integration means the extent to which units within the organization are encouraged to operate in one good coordination. 5) Management Support Management Support (management support) has where the managers provide clear communication, assistance, and support to their subordinates. 6) Control Control (control) means the extent to which direct regulations and supervision are used to monitor and control employee behavior. 7) Identity (identity) has a meaning to the extent of identifying with the organization as a whole, not with the work group or area of expertise. 8) Reward System (reward system) means the extent of the allocation of awards or expertise, salaries, and promotions based on the criteria of employee performance, not only from seniority, favor, or liking or disliking. 9) Conflict tolerance (tolerance to conflict) has the meaning of how far the motivation of employees is critical to differences of opinion and open to criticism and conflicts that occur. 10) Communication Patterns (communication patterns) means the extent to which communication in an organization is limited to a formal arrangement of authority.

RESEARCH METHOD

This research was conducted at the Bireuen District Land Office. The research object is transformational leadership, organizational culture, job satisfaction of employees of Land Office. Data analytical tool test the perceptions of respondents used descriptive test using descriptive statistical models using a test based on the mean value of each variable to be studied, with the assumption that if the mean value is ≤ 4, then it is perceived poorly and if the mean value is ≥ 4, then it is perceived well by the respondents, testing is also done using an average t-test different. The data analytical device used in this study is structural equation modeling (SEM) with the assitance of the Amos 22 program. The SEM equation model is a set of statistical techniques that allow testing of a series of relatively complex relationships simultaneously (Ferdinand, 2006: 181).

The appearance of complex models has an impact that in reality the management decision-making process is a complicated process or a multidimensional process with various patterns of tiered causality relationships. Therefore we need a model as well as an analytical tool that can accommodate the multidimensional research.

SEM is able to enter latent variables into the analysis. Latent variables are unobserved concepts that are approximated by observed or measured variables obtained by respondents through data collection methods (survey, test, observation) and are often called manifest variables (Ghozali, 2014).

RESULTS AND DISCUSSIONS

The next analysis is a full model of Structural Equation Model (SEM) analysis of which conduated after analyzing the level of unity dimensionality of latent variable forming indicators tested by confirmatory factor analysis. Analysis of data processing result at full stage of SEM model is done by doing conformity test and statistical test. Results of data processing for the analysis of full SEM model can be shown in Figure 4.3 below:
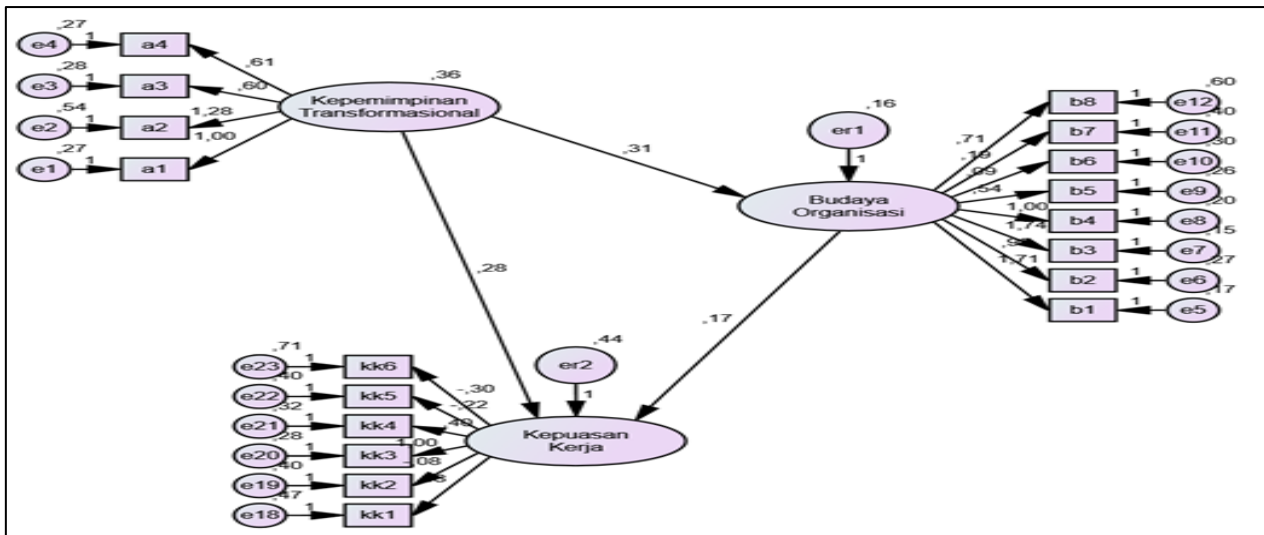

Figure 4.3. Full Structural Equation Model (SEM).

Remarks: Kepemimpinan Transformasional : Transformational Leadership
Kepuasan Kerja   : Employee Job Satisfaction
Budaya Organisasi: : Organizational Culture

Effect of Transformational Leadership on Organizational Culture

The estimation parameter for testing the effect of brand trust on customer satisfaction shows that the CR value is 2.336 and with a probability of 0.023. Both of the values obtained are eligible for H1 acceptance, namely the CR value of 2.336 which is greater than 1.96 and a probability smaller than 0.05.

Effect of Transformational Leadership on Employee Job Satisfaction

The estimated value for testing the effect of transformational leadership on job satisfaction shows the CR value of 2.102 and with a probability of 0.000. Both values are obtained to meet the requirements for acceptance of H2, namely the CR value of 2.102 which is greater than 1.97 and a probability smaller than 0.05. Thus it can be concluded that transformational leadership at the Land Office of Bireuen District has an effect on increasing employee job satisfaction.

The Influence of Organizational Culture on Employee Job Satisfaction

Estimated parameter values for testing the influence of organizational culture on employee job satisfaction shows the CR value of 3.663 and with a probability of 0.000. Both values are obtained to meet the requirements for H3 acceptance, namely the CR value of 3.663 which is greater than 1.97 and a probability smaller than 0.05. Thus it can be concluded that the organizational culture produced can have an effect on increasing employee job satisfaction at the Bireuen District Land Office.

Based on the results of the analysis showed that transformational leadership has an effect on endogenous variables namely organizational culture and increased employee job satisfaction significantly and no significant variables were not found, so that in this study there was no full mediation. Thus it can be concluded that the findings in this subsample are consistent with the findings in the entire sample, in which the variable transformational leadership has a role as a partially mediated variable among organizational culture variables with the engagement of Bireuen District Land Office employees.

The results of this study as a whole are consistent with previous research conducted by Marselius Sampe Tondok and Rita Andarika, (2011), showing that transformational leadership influences organizational culture and also has an impact on improving organizational performance ". The results of research conducted by Suparjo, *et al* (2015) also show that transformational leadership has an influence on increasing employee job satisfaction.

Then the organizational culture also has an influence on increasing the job satisfaction of Bireuen District Land Office, with the existence of an organizational culture that has been running, the employees concerned will increasingly have an emotional bond with the organization, the results of this study are consistent with the research conducted by Mitchel *et al*. 2011) reveals that employee job satisfaction will illustrate how an employee is tied to work and the organization in which he works because of the influence of aspects that originate from work or outside work.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

1. The transformational leadership, organizational culture, and job satisfaction of the agency have gone well,
2. The transformational leadership has a positive and significant effect on employee job satisfaction,
3. The organizational culture has a positive and significant influence on the job satisfaction,
4. The transformational leadership influences the organizational culture,
5. There is an indirect effect of transformational leadership on employee performance through the job satisfaction

Recommendations

1. It is expected that the leader is able to direct subordinates to prioritize the interests of the organization as compared to personal interests
2. The employee must always strive to improve the mental attitude in him so that they can face many challenges in addressing the many problems of employment and can achieve the performance expected by the leadership
3. In order to increase employee job satisfaction, it is expected that all employees should always be comfortable when carrying out every job;
4. To improve the performance of the agency, it needs to address and to ensure the implementation of service activity whether in accordance with the procedures set out or not, so that the work can proceed smoothly.

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