

The Influence Of Leadership Style And Organizational Culture On Employee Performance Through Job Satisfaction At The Department Of Industry And Trade Of Deli Serdang

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Abstract

This study aims to analyze the influence of leadership style and organizational culture on employee performance through job satisfaction at the Deli Serdang Industry and Trade Office. This study used a quantitative-associative causal method, involving 44 respondents selected through a saturated sampling technique. Data were collected through questionnaires, observations, and literature reviews, analyzed using validity, reliability, classical assumptions, and path analysis using SPSS 26. The results of this study indicate that leadership style has no significant effect on employee performance or job satisfaction, employee performance also has no significant effect on job satisfaction, and job satisfaction does not act as an intervening variable. Meanwhile, organizational culture has a positive, significant, and dominant effect on performance and job satisfaction. This confirms that in public service organizations, improving employee performance and well-being is not effectively achieved through optimizing individual leadership or psychological mechanisms alone, but rather through strengthening an institutionalized, collective, and value-oriented organizational culture as the primary foundation of sustainable public governance.



Keywords: Leadership Style; Organizational Culture; Employee Performance; Job Satisfaction; Deli Serdang Industry and Trade Office.

INTRODUCTION

Indonesia as a developing country with a complex government structure has a public administration system that determines the effectiveness of state administration through thousands of public service organizations. However, the reality in public services actually shows that the ideal of effective and accountable governance has not been fully realized, marked by 586 reports of maladministration throughout 2025 as reported by the Ombudsman of the Republic of Indonesia (2025), which indicates a gap between the bureaucratic reform agenda and its implementation in the field due to weak professionalism of the apparatus, bureaucratic discipline, internal supervision, and consistency of public services, so that strengthening administrative reform and institutional capacity is the main urgency to realize an adaptive and responsive government.

In fact, if referring to Law No. 25 of 2009 (Republic of Indonesia, 2009), public services should be transparent, accountable, participatory, and fair, but the findings above, the Deli Serdang Industry and Trade Service actually shows suboptimal performance due to a less adaptive leadership style, weak organizational culture, and low attention to employee job satisfaction, which are interrelated in determining the quality of public services, as also explained by Moda et al. (2025) about the importance of leadership style and organizational culture in determining performance. If the unoptimization of public service performance continues, it will have an impact on decreasing public trust, hampering development, and weakening governance (Eriksson-Zetterquist & Pallas, 2024; Wagner et al., 2025). Therefore, researchers consider it important to examine how the role of leadership style and organizational culture in influencing employee performance as a basis for formulating strategies to strengthen effective and sustainable public services.

Researchers note that previous studies generally focus on corporate, hospital, educational, and non-profit organizations, without explicitly examining the relationship between leadership style, organizational culture, job satisfaction, and employee performance in the context of bureaucratic, hierarchical, and regulatory public service organizations, thus leaving an important conceptual gap for understanding the dynamics of leadership and work culture in the public sector in realizing professional and accountable governance. In addition, previous studies have been mostly conducted in

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global contexts such as Europe, China, Japan, and the United States without representing socio-cultural and bureaucratic characteristics such as Indonesia, and have not used intervening variables, so this study is urgent to fill the literature gap by examining the influence of leadership style and organizational culture on employee performance through job satisfaction in the context of Indonesian public service organizations, while enriching empirical and theoretical contributions to strengthening effective, adaptive, and results-oriented governance.

RESEARCH METHOD

This study used a quantitative method with a causal associative approach that aims to examine the relationship and influence between variables based on objectively measurable numerical data (Sekaran & Bougie, 2023). The study was conducted from October 2025 to January 2026 at the Deli Serdang Regency Industry and Trade Office with a sample of 44 respondents determined using census sampling techniques (Sugiyono, 2022). Data collection was carried out through questionnaires, participant observation, and literature studies (Creswell & Creswell, 2018). The obtained data were then analyzed using SPSS, which will later explain several data included in testing validity tests, reliability tests, classical assumption tests, and path coefficient analysis (Ghozali, 2021). In quantitative research, validity tests are generally conducted using Pearson Product Moment correlation, namely by correlating the score of each question item with the total score of the variable. The testing criteria are: If the calculated r value is $> r$ table, then the statement item is declared valid. Furthermore, if the significance value (Sig.) is < 0.05 , then the item is declared valid. Reliability testing is a test conducted to determine the extent to which a research instrument can provide consistent and stable results when used repeatedly under the same conditions. If all variables in the study have a Cronbach's Alpha value above 0.70, it can be concluded that the research instrument has a good level of internal consistency and is suitable for use in data collection.

RESULT AND DISCUSSION

The following is a presentation based on the results of data testing in the study. Some of the results are based on data validity, reliability, and normality tests, as well as data multicollinearity and heteroscedasticity.

First, the results of the validity test are tests conducted to determine the extent to which a research instrument (questionnaire) is able to measure what it is supposed to measure.

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Table 1. Data Validity

Variables	Item	r Count (range)	Sig. (2-tailed)	r Table	Information
X1	X1.1 – X1.6	0,549 – 0,847	< 0,05	0,297	Valid
X2	X2.7 – X2.12	0,778 – 0,923	< 0,05	0,297	Valid
Y	Y.13 – Y.18	0,705 – 0,800	< 0,05	0,297	Valid
Z	Z.19 – Z.24	0,441 – 0,846	< 0,05	0,297	Valid

Source: Researcher (2026) using SPSS 26

Based on the results of the research validity test, it can be concluded that the significance value (Sig.) is <0.05, thus the item is declared valid.

Furthermore, a reliability test is conducted to determine the extent to which a research instrument can produce consistent and stable results when used repeatedly under the same conditions. The following are the results of the reliability test in this study:

Table 2. Data Reliability

Variables	Item	Cronbach's Alpha	$\alpha \geq 0,70$	Information
X1	6	0,776	Fulfil	Reliable
X2	6	0,924	Fulfil	Reliable
Y	6	0,833	Fulfil	Reliable
Z	6	0,785	Fulfil	Reliable

Source: Researcher (2026) using SPSS 26

Based on the results of the research reliability test, it can be concluded that with a Cronbach's Alpha value above 0.70, the research instrument has a good and reasonable level of internal consistency.

Furthermore, the data normality test is conducted to determine whether the data in the study are normally distributed. In regression analysis and parametric statistics, the assumption of normality is crucial because a good model requires that the residual values (errors) are normally distributed. If the data are normally distributed, the results of statistical tests such as the t-test and F-test will be more accurate and reliable. The following are the results of the data normality test in the study:



Table 3. Data Normality

Model	Method	Results	Mark	Criteria	Information
Equality I (X1, X2 → Z)	Histogram and Normal P-P Plot	Pola sebaran residual	The bell curve is symmetrical, the points follow the diagonal line.	Normally distributed residuals	Meets the assumption of normality
Equality II (X1, X2, Z → Y)	Histogram and Normal P-P Plot	Pola sebaran residual			
All Models	Kolmogorov–Smirnov	Asymp. Sig. (2-tailed)	0,063	> 0,05	Normal
All Models	Kolmogorov–Smirnov	Sig. (2-tailed)	0,065	> 0,05	Normal

Source: Researcher (2026) using SPSS 26

The test results show a significance value greater than 0.05, and the graph shows a pattern following a normal distribution. Therefore, it can be concluded that the data meets the assumption of normality.

Furthermore, multicollinearity in the data is a condition in regression analysis where there is a high relationship or correlation between the independent variables. This situation can lead to a poor regression model because it is difficult to clearly determine the effect of each independent variable on the dependent variable. A good regression model should not experience multicollinearity. The following are the results of multicollinearity in the data in this study.

Table 4. Data Multicollinearity

Model	Variables	Tolerance	VIF	Tol > 0,10; VIF < 10	Information
Equality I (X1, X2 → Z)	X1	0,688	1,454	Fulfil	There is no multicollinearity
	X2	0,688	1,454	Fulfil	
Equality II (X1, X2, Z → Y)	X1	0,660	1,516	Fulfil	
	X2	0,302	3,310	Fulfil	
	X1	0,303	3,297	Fulfil	

Source: Researcher (2026) using SPSS 26



The results show that the tolerance value is above 0.10 and the VIF value is below 10. Therefore, it can be concluded that the regression model does not experience multicollinearity and is suitable for further analysis.

Next, the heteroscedasticity results are a condition in regression analysis where there is unequal variance of the residuals (errors) for each observation. In a good regression model, the residual variance should be constant, known as homoscedasticity. If heteroscedasticity occurs, the model can produce less accurate estimates because the standard error becomes biased, making the t-test and F-test no longer optimally reliable. The following are the results of the heteroscedasticity study in this study.

Table 5. Heteroscedasticity of Data

Model	Method	Variables	Sig. (Glejser)	(Sig. 0,05)	Information
Equality I (X1, X2 → Z)	Scatter plot	X1	0,484	Fulfil	No heteroscedasticity occurs
		X2	0,464	Fulfil	
	Glejser Test	All variables	> 0,05	Fulfil	
Equality II (X1, X2, Z → Y)	Scatter plot	X1	0,909	Fulfil	No heteroscedasticity occurs
		X2	0,149	Fulfil	
		Z	0,138	Fulfil	
	Glejser Test	All variables	> 0,05	Fulfil	

Source: Researcher (2026) via SPSS 26

The test results indicate no heteroscedasticity, meaning the regression model meets one of the classical assumptions and is suitable for further analysis.

Path Coefficient

Table 6. Results of Path Coefficient Analysis

Path of Influence	Variables	Path Coefficient (β)	Sig.	Decision
Model I	X1 → Y	0,163	0,124	Not significant
	X2 → Y	0,731	< 0,001	Significant
Model II	X1 → Z	0,089	0,392	Not significant



	X2 → Z	0,537	< 0,001	Significant
	Y → Z	0,292	0,060	Not significant

Source: Researcher (2026) via SPSS 26

Based on the results of the Path Coefficient, which shows that there are insignificant variables in variable X1 and are different from variable X2, which has a significant influence.

Structural Model Information

Table 7. Structural Model Information

Model	R Square (R ²)	Variance Explained	Error
Model I (X1, X2 → Y)	0,695	69,5%	e ₁ = 0,552
Model II (X1, X2, Y → Z)	0,723	72,3%	e ₂ = 0,526

Source: Researcher (2026) using SPSS 26

According to the research results, this study shows that the results are accurate and can be scientifically justified.

REGRESSION RESULTS AND HYPOTHESIS

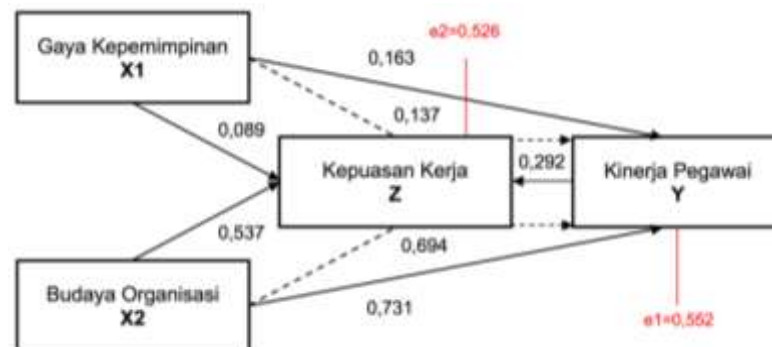


Figure 1. Regression Analysis Results

Source: Researcher (2026)

Table 8. Hypothesis Testing Results

Hypothesis	Description	Decision
Ha1	Leadership style does not affect employee performance.	Rejected
Ha2	Organizational culture affects employee performance.	Accepted

Ha3	Leadership style does not affect job satisfaction.	Rejected
Ha4	Organizational culture affects job satisfaction.	Accepted
Ha5	Employee performance does not affect job satisfaction.	Rejected
Ha6	Leadership style does not affect employee performance through job satisfaction.	Rejected
Ha7	Organizational culture does not affect employee performance through job satisfaction.	Rejected

Source: Researcher (2026) via SPSS 26

DISCUSSION

The Influence of Leadership Style on Employee Performance

The results of the Model I regression test indicate that leadership style does not significantly influence employee performance with a significance value of 0.124 (>0.05). This indicates that in the context of the Deli Serdang Regency Industry and Trade Office, employee performance is not directly determined by leadership behavior patterns, but rather is influenced by structural and systemic factors. This is in line with the background problems of weak coordination, service delays, and low employee participation, which are more reflective of organizational governance issues than personal leadership relationships. This aligns with the view of Obeng & Ugboro (2025) that public bureaucracy performance is highly dependent on work systems and organizational support rather than individual leadership figures alone.

The insignificant influence of leadership style on employee performance indicates that administrative and formalistic leadership, as identified in the research background, has not been able to function as a driving force for performance, because leadership behavior is not internalized in employees' daily work practices, in line with Heidari et al. (2023) which emphasizes that performance in public organizations is more determined by the effectiveness of coordination mechanisms, procedures, and internal controls, and answers the findings of Eriksson-Zetterquist & Pallas (2024) that bureaucratic leadership often loses its influence when organizational structure is more dominant than interpersonal leadership interactions.



This finding can also be understood through the empirical reality that employees tend to work based on rules, operational standards, and ingrained work culture, so that the leadership style of leaders does not directly affect the quality, timeliness, or commitment of employees' work, as measured in this study, complementing the explanation of Torresin et al. (2025) which states that performance is not only determined by leadership, but by the suitability between the design of the work system and the organizational environment, and answers the conditions in the background of the study which show that public services continue to run slowly even though there is a formal leadership structure. The lack of evidence of the influence of leadership style on employee performance also shows a gap between the concept of ideal leadership and bureaucratic practices in the field, where leaders have not acted as agents of performance change, but rather as administrative managers, in line with the findings of Wagner et al. (2025) that low motivation of public sector employees is often triggered by a rigid work system and minimal space for participation, and answers the background problem regarding low responsiveness and openness of information that cannot be adequately addressed only through an individual leadership approach.

The results of this study differ from the findings of Vu & Hsieh (2026) and Iliev et al. (2025) which showed a significant influence of leadership style on performance, but this difference can be explained by differences in organizational context, where Vu & Hsieh (2026) and Iliev et al. (2025) did not focus on public service organizations that are hierarchical and highly regulated, such as in Indonesia, as emphasized by Gregoriou et al. (2025) that leadership effectiveness is highly contextual and depends on the discretionary space that leaders have in managing subordinate performance. Thus, this finding reveals that leadership style does not have a significant effect on employee performance because without a strong and performance-oriented work culture, leadership does not have sufficient leverage, so that the effectiveness of public bureaucracy performance is more determined by structural factors, work systems, and institutionalized organizational culture (Cahyani et al., 2025; Detzen & Verbeeten, 2025).

The Influence of Organizational Culture on Employee Performance

The results of the Model I regression test show that organizational culture has a positive and significant effect on employee performance with a significance value of <0.001 and a standardized beta coefficient of 0.731, which confirms that organizational values, norms, and work climate are dominant factors in determining the quality of work results, timeliness, and employee commitment, directly addressing background problems

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in the form of weak coordination between sectors, low employee participation, and delays in public services, in line with the concept of organizational culture as a system of shared meaning that directs collective work behavior (Rahmania et al., 2025; Zampella & Ferri, 2025). The strength of the influence of organizational culture on employee performance shows that in the context of public bureaucracy, employee work behavior is more determined by internalized values and work habits than individual instructions, in line with the background conditions of the study which describe the still strong bureaucratic and less collaborative work culture, so that organizational culture functions as a social control mechanism that forms discipline, responsibility, and results orientation, as stated by Iddrisu (2025) that a culture based on trust and open communication can increase social cohesion and work effectiveness sustainably in public service organizations. This finding strengthens the argument that suboptimal employee performance is not solely a matter of individual competence, but rather a reflection of an organizational culture that does not fully support innovation, transparency, and responsiveness, addressing the background issues regarding low information transparency and slow service, in line with the view of Heidari et al. (2023) that performance is the result of systemic interactions between individuals and the organizational environment, and complements the findings of Shi et al. (2025) which emphasize that an inclusive and supportive organizational culture contributes significantly to productivity and work quality.

The significance of organizational culture on employee performance also indicates that the values of ethics, trust, and collaboration inherent in the organization have a greater driving force than a purely structural approach, thus addressing the phenomenon of maladministration outlined in the research background, where procedural deviations and service delays reflect weak internalization of work values. As explained by Zampella & Ferri (2025), who argued that an organizational culture based on ethics and accountability can suppress dysfunctional behavior and improve performance through value-based control.

The results of this study align with the findings of Cahyani et al. (2025), who demonstrated that organizational culture significantly influences hospital organizational performance. They also complement the findings of Slavickova & Zemanova (2025), who emphasized the role of teamwork as the most important cultural attribute determining organizational performance. This reinforces the explanation that the weak public service performance at the Deli Serdang Regency Industry and Trade Office, as identified in the background, is more accurately understood as a collective work culture issue rather than individual employee failure. Thus, these findings reveal that organizational culture has a



significant and dominant influence on employee performance due to its ability to shape collective work behavior, service ethos, and employee commitment on an ongoing basis in hierarchical and regulatory public organizations (Blom & Curseu, 2025; Vu & Hsieh, 2026).

The Influence of Leadership Style on Job Satisfaction

The results of the Model II regression test indicate that leadership style does not significantly influence employee job satisfaction, with a significance value of 0.392 (>0.05). This indicates that employee job satisfaction at the Deli Serdang Regency Industry and Trade Office is not directly determined by leadership behavior, but rather is more influenced by structural conditions and the work environment. This addresses the underlying issues of an unsupportive work environment and minimal institutional attention to employee welfare. This aligns with the concept of job satisfaction as the result of systemic interactions between individuals and organizations as explained by Liu et al. (2025).

This insignificant influence of leadership style on job satisfaction indicates that administrative and formalistic leadership has not been able to build employee emotional attachment to their work. This aligns with the underlying conditions that identify low employee motivation and participation. It also addresses the view of Dautovic et al. (2025) that job satisfaction is strongly influenced by the alignment between individual expectations and a work environment that provides space for development, recognition, and psychological support, rather than solely by the presence of a structurally sound leader.

This finding indicates that although leaders have a symbolic role in the organization, employee job satisfaction is more determined by daily factors such as workload, reward systems, and work climate, as reflected in the research background that shows limited transparency and internal communication, complementing the view of Amin et al. (2025) that job satisfaction functions as a reflection of the social and emotional rewards received by employees from the organizational system as a whole, so that leadership that is not institutionalized in organizational practices fails to significantly increase job satisfaction. The lack of influence of leadership style on job satisfaction also indicates a gap between normative leadership style and actual work experiences of employees, where leaders have not been able to create a sense of justice, comfort, and meaning of work, answering the background problem regarding a less conducive work atmosphere, in line with Bolli & Pusterla (2025) who emphasized that job satisfaction is

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more closely related to flexibility, work-life balance, and autonomy in work compared to leadership styles that are only administrative supervision.

The results of this study differ from the findings of Gregoriou et al. (2025) and Iliev et al. (2025) which showed a significant influence of leadership style on job satisfaction of health workers, but this difference can be explained by differences in organizational context, because the health sector provides a space for more intense emotional and professional interactions between leaders and subordinates, while bureaucratic public service organizations tend to limit the role of leadership in influencing individual work experiences, as responding to the structural conditions outlined in the research background. Thus, this finding reveals that leadership style does not have a significant influence on employee job satisfaction because psychological well-being is more determined by the consistency of the organizational system, a fair and supportive work environment, organizational culture, and an adequate reward system, rather than the personal approach of leadership alone (Jiang & Yuan, 2025; Rahmania et al., 2025).

The Influence of Organizational Culture on Job Satisfaction

The results of the Model II regression test indicate that organizational culture has a positive and significant effect on employee job satisfaction, with a significance value of <0.001 and a standardized beta coefficient of 0.537. This confirms that the values, norms, and work climate developed at the Deli Serdang Regency Industry and Trade Office play a central role in shaping employee feelings of comfort, appreciation, and motivation. This addresses the underlying issues of an unsupportive work environment and minimal institutional attention to employee well-being. This aligns with the concept of job satisfaction as a reflection of the balance between organizational demands and individual psychological fulfillment as explained by Liu et al. (2025).

The significant influence of organizational culture on job satisfaction indicates that employee satisfaction is shaped more through daily collective experiences in the work environment than through personal interactions with leadership. This aligns with the underlying conditions that identify weak information transparency and a lack of employee ownership of the organization. It also complements the view of Rahmania et al. (2025) that a positive organizational culture creates social support, a sense of emotional connectedness, and meaningful work that strengthen employee satisfaction and commitment in public service organizations. This finding indicates that employee job satisfaction is not only influenced by material factors such as compensation, but is greatly determined by the quality of social relations, trust, and work values internalized in

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organizational culture, answering the background problem regarding low employee participation and motivation, as in line with Amin et al. (2025) who emphasized that job satisfaction is a form of emotional validation of social treatment and organizational support, so that an unsupportive work culture will weaken the psychological well-being of employees even though the organizational structure is available.

The strong influence of organizational culture on job satisfaction also shows that the values of ethics, justice, and trust that exist within the organization act as the main source of psychological comfort for employees, answering the background phenomenon regarding the less conducive work atmosphere and minimal recognition of employee contributions, in line with Zampella & Ferri (2025) who stated that an organizational culture based on ethics and accountability builds a sense of security and trust, which ultimately increases job satisfaction by strengthening moral legitimacy and institutional integrity. The results of this study are in line with the findings of Dheer et al. (2026) who showed that clan-oriented organizational culture and trust in top management improve the psychological safety and well-being of employees across countries, and complement the findings of Qian et al. (2026) that a culture of service plays an important mediator in improving individual well-being in the public sector, thus strengthening the explanation that employee job satisfaction at the Department of Industry and Trade of Deli Serdang Regency as described in the background is more appropriately understood as a result of the quality of organizational culture rather than individual factors alone.

The dominant role of organizational culture in shaping employee job satisfaction also explains why a less participatory leadership style does not automatically decrease job satisfaction, because employees still assess their work experience based on the collective climate and prevailing value system, responding to background conditions regarding suboptimal leadership but continuing organizational routines, in line with Blom & Curseu (2025) who emphasized that an organizational culture that fosters psychological safety allows individuals to feel valued and comfortable despite limitations in formal leadership aspects. This finding also confirms that job satisfaction in public organizations cannot be separated from a culture of inclusion, collaboration, and well-being that develops structurally, answering the gap in previous research that emphasized more on the role of individual leadership (Gregoriou et al., 2025; Iliev et al., 2025), furthermore Shi et al. (2025) who stated that an inclusive organizational culture improves mental health and work engagement, so that job satisfaction of Indonesian public employees is highly dependent on the organization's ability to build a fair, supportive, and socially meaningful work environment.



Thus, the results of this study confirm that organizational culture has a significant influence on employee job satisfaction due to its ability to shape the work climate, social relations, and psychological well-being of employees, directly addressing the problems of an unsupportive work atmosphere and low employee motivation, and in line with the views of Rahmania et al. (2025), Dheer et al. (2026), and Amin et al. (2025) that job satisfaction in public organizations requires strengthening institutionalized values, trust, and collective support, so that increasing employee job satisfaction can only be achieved through consistent and sustainable transformation of organizational culture.

The Influence of Employee Performance on Job Satisfaction

The results of the Model II regression test indicate that employee performance does not significantly influence job satisfaction, with a significance value of 0.060 (>0.05). This indicates that employee job satisfaction at the Deli Serdang Regency Industry and Trade Office is not directly influenced by individual or group performance achievements, but rather by the work environment and organizational system. This addresses the underlying issues of service delays, weak coordination, and an unsupportive work environment. This aligns with Liu et al.'s (2025) view that job satisfaction is a subjective evaluation of overall work experiences, not solely a reflection of productivity levels.

This insignificant effect of performance on job satisfaction indicates that employees do not automatically feel more satisfied even if they are able to complete tasks and achieve targets, as these work results are not always accompanied by rewards, recognition, or improved welfare. This aligns with the background research that highlights the lack of a performance reward and recognition system, and complements Dautovic et al.'s (2025) view that job satisfaction is strongly influenced by the match between effort expended and rewards received, both materially and psychologically, in the context of bureaucratic public organizations.

This finding indicates a separation between the logic of performance and the emotional experience of employees, where performance achievement is not necessarily internalized as a satisfying work experience, addressing the background problem regarding low employee motivation and participation, as in line with Amin et al. (2025) who stated that job satisfaction functions as emotional validation of organizational treatment, so that performance that is not followed by appreciation and social support tends to fail to increase employee satisfaction and engagement with their work. The insignificant effect of performance on job satisfaction also indicates that employee satisfaction is more shaped by the work climate, social relations, and organizational

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justice than the work results themselves, addressing the background conditions that emphasize a less conducive work atmosphere and weak information transparency, in line with Bolli & Pusterla (2025) who emphasized that job satisfaction is more closely related to flexibility, autonomy, and work-life balance than to high performance demands without adequate system support.

The results of this study differ from the findings of Luan et al. (2025), Wagner et al. (2025), and Torresin et al. (2025) who positioned performance as a determinant of job satisfaction, but this difference can be explained by the characteristics of public organizations that tend to assess performance as an administrative obligation, not as a source of psychological fulfillment, as well as answering the background problem regarding work orientation that is still procedural, complementing the view of Jiang & Yuan (2025) that job satisfaction is closely related to mental health and psychological capital that are not automatically formed from performance achievements alone. Thus, the findings of this study reveal that employee performance does not have a significant effect on job satisfaction because increasing performance without the support of a work system, organizational justice, and a supportive culture has the potential to increase psychological burdens, so that job satisfaction in hierarchical public service organizations is more influenced by the work environment, reward systems, trust, and collective social support than by individual performance achievements (Liu et al., 2025; Amin et al., 2025).

The Influence of Leadership Style on Employee Performance through Job Satisfaction

The path analysis results indicate that the indirect effect of leadership style on employee performance through job satisfaction is not statistically significant, with an indirect effect value of 0.048 and a total effect value of 0.137. This confirms that job satisfaction does not function as an intervening variable in this relationship, addressing the underlying issue of less adaptive leadership and low employee job satisfaction, which has not been able to drive improvements in public service performance. This aligns with Liu et al.'s (2025) view that job satisfaction only acts as an effective mediator if leadership is able to influence actual working conditions and employee psychological well-being.

The untested mediation role of job satisfaction in the relationship between leadership style and employee performance indicates that the administrative and formalistic leadership identified in the research background is not strong enough to create a satisfying work experience, thus job satisfaction does not develop as a psychological mechanism linking leadership to performance. This aligns with Dautovic et al.'s (2025)

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assertion that job satisfaction arises from the match between individual expectations and organizational support, not solely from leadership style without improvements to the work system. This finding indicates that although theoretically leadership is seen as being able to improve performance through increased job satisfaction, in the context of Indonesian public service organizations this relationship is hampered by a rigid bureaucratic structure, addressing the background issues regarding weak employee participation and a less conducive work atmosphere, as in line with Amin et al. (2025) who stated that job satisfaction as a mediator is only effective when the organization provides consistent social rewards, recognition, and emotional support for employee contributions.

The insignificance of this mediation pathway also indicates that employee job satisfaction is not formed as a direct response to leadership style, but rather is more influenced by the organizational climate and collective work culture. This addresses the underlying phenomenon of limited institutional attention to employee well-being. This aligns with Bolli & Pusterla (2025) who asserted that job satisfaction is more closely related to flexibility, work-life balance, and organizational justice than to the structural influence of individual leadership.

The findings of this study differ from those of Vu & Hsieh (2026) and Iliev et al. (2025), who demonstrated that job satisfaction successfully mediated the relationship between leadership and performance in the context of project organizations and professional health. This finding is also supported by Gregoriou et al. (2025) who emphasized the role of job autonomy in activating psychological mechanisms of leadership. This difference in results can be explained by the more flexible and professional organizational context of previous studies, while Indonesian public service organizations are hierarchical and highly regulated, limiting subordinates' discretion and preventing job satisfaction from developing as an effective mediator. Thus, this finding reveals that leadership style does not have a significant effect on employee performance through job satisfaction because job satisfaction has not functioned as an effective psychological mechanism without structural support and organizational culture, so that the relationship between leadership, job satisfaction, and performance is contextual and non-linear in hierarchical public organizations, and improving performance requires systemic improvements to work culture and organizational environment, not just optimizing leadership style (Jiang & Yuan, 2025; Liu et al., 2025).



The Influence of Organizational Culture on Employee Performance through Job Satisfaction

The results of the path analysis show that the indirect effect of organizational culture on employee performance through job satisfaction is statistically insignificant, although numerically there is an additional contribution of 0.157, which confirms that job satisfaction has not functioned as an effective intervening variable in the relationship, answering the background problem regarding bureaucratic work culture that is not fully oriented towards employee welfare, and in line with the view of Liu et al. (2025) that job satisfaction is only able to mediate structural relationships if positive work experiences are truly felt consistently by employees. The lack of evidence for the mediating role of job satisfaction indicates that the influence of organizational culture on employee performance is more dominant through the direct path, as reflected in the high beta coefficient of organizational culture on performance, answering the background conditions regarding weak coordination, delays in service, and low work discipline that are more quickly influenced by collective values, norms, and work habits, in line with Heidari et al. (2023) who emphasized that the performance of public organizations is very responsive to systemic work culture compared to individual psychological mechanisms such as job satisfaction.

These findings indicate that a strong organizational culture can directly direct employee work behavior through value internalization and social control, without first having to shape individual job satisfaction. This addresses the underlying issue of procedural and minimally participatory work practices. This aligns with Zampella & Ferri (2025), who stated that an organizational culture based on ethics and accountability can improve performance through value adherence without necessarily resulting in subjective individual satisfaction. The insignificant mediation pathway for job satisfaction also indicates that employee job satisfaction in public service organizations has not yet developed as a source of performance motivation, but is still perceived as a secondary consequence of the work system. This addresses the underlying condition of a lack of institutional attention to employee well-being. This aligns with Dautovic et al. (2025), who assert that job satisfaction, as a mediator, requires concrete support in the form of rewards, recognition, and development opportunities to function optimally in improving performance.

These findings differ from the findings of Qian et al. (2026) in rural public organizations in China and Dheer et al. (2026) in a cross-study of 18 countries, which showed that organizational culture can influence performance through psychological well-



being and safety, but this difference can be explained by the context of previous research that is supported by a culture of service and a high level of organizational trust as the foundation of well-being, while Indonesian public service organizations still face a bureaucratic culture that places employee well-being as a secondary aspect, as reflected in background problems regarding low employee motivation and work comfort. Thus, this finding reveals that organizational culture does not have a significant effect on employee performance through job satisfaction because the influence of work culture is more dominant directly in shaping discipline, collective values, and result orientation, so that the relationship between organizational culture, job satisfaction, and performance is contextual and non-linear in hierarchical and regulatory public organizations (Obeng & Ugboro, 2025; Slavickova & Zemanova, 2025).

CONCLUSION

This study found that in the context of a hierarchical and regulatory public service organization, employee performance and job satisfaction are more determined by the strength of organizational culture than leadership style, because leadership style has no significant effect on performance or job satisfaction, performance does not increase job satisfaction, and job satisfaction does not mediate the relationship between variables, so that this finding closes the gap in previous research that generally emphasizes the effectiveness of leadership and individual psychological mechanisms in the context of the private, professional, or non-bureaucratic sector, by presenting empirical evidence that in the Indonesian public bureaucracy, structural factors, work systems, and internalization of collective organizational cultural values are the main determinants of employee performance and well-being.

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