



The Influence of Leadership, Organizational Culture, and Motivation on Employee Performance (Case Study at PT. XYZ)

Moh. Dwi Kharis Rifai ^{1*}, Susilowati ², Indah Soelistityaningsih Radiany ³

^{1, 3} STIE Mahardhika, Jawa Timur 60234, Indonesia

STIE Pancasetia, Kalimantan Selatan 70248, Indonesia

* Corresponding Author: **Moh. Dwi Kharis Rifai**

Article Info

ISSN (online): 2583-6536

Volume: 04

Issue: 04

July - August 2025

Received: 07-06-2025

Accepted: 04-07-2025

Published: 26-07-2025

Page No: 97-99

Abstract

This study aims to analyze the influence of leadership, organizational culture, and motivation on employee performance, both partially and simultaneously, at PT. XYZ, an automotive component manufacturing company in Indonesia. This study employed a quantitative approach with a survey method involving 133 respondents selected through proportional random sampling. Data analysis was performed using multiple linear regression, preceded by validity and reliability tests, and classical assumption tests. The results showed that the three independent variables— leadership, organizational culture, and motivation—have a positive and significant effect on employee performance, both partially and simultaneously. This study contributes to the development of human resource management theory and provides practical implications for increasing productivity through leadership strategies, work culture, and motivation.

Keywords: Leadership, Organizational Culture, Motivation, Employee Performance, Manufacturing

Introduction

Employee performance is a key element in achieving a company's strategic goals. In the competitive manufacturing industry, such as PT. XYZ, part of the Yamaha group, operational success depends on the effectiveness of human resource management. Three key factors that significantly influence employee performance are leadership, organizational culture, and work motivation. Therefore, this research is important to provide a deeper and more contextual understanding of the influence of these variables. Land fires are still burning every year in Indonesia, especially in Pontianak due to a lack of public awareness and concern so that cases of forest and land fires in the city of Pontianak are still high inactivity.

Leadership in an organization plays a vital role in shaping employee work behavior. The leadership style adopted by managers or direct superiors will influence the motivation, loyalty, and productivity of individuals and work teams as a whole.

Overall, in a dynamic work environment like the automotive industry, leaders are required not only to direct but also to inspire, motivate, and create an inclusive work environment. Therefore, examining the influence of leadership on employee performance is crucial to supporting organizational effectiveness.

On the other hand, organizational culture is a system of shared values and norms that shape a company's identity and employee behavior patterns. A strong work culture aligned with the organization's vision will foster collective commitment and a sense of shared responsibility in achieving goals. Companies like PT. XYZ, which operates under Yamaha's global standards, require an adaptive, collaborative, and quality-oriented organizational culture to compete amidst the challenges of a constantly evolving industry.

Employee motivation is also a fundamental factor that cannot be ignored. Highly motivated employees tend to perform better, are more disciplined, and take initiative in completing tasks. Motivation can stem from internal factors, such as the need for self-actualization, or external factors, such as compensation and recognition for work performance. Therefore, a thorough understanding of the most effective forms of motivation in the operational context of PT is crucial. XYZ needs to be used as a basis for managerial decision making.

Through this research, the author attempts to comprehensively explore the extent to which the three factors of leadership, organizational culture, and motivation influence employee performance in the context of a manufacturing company. This research not only provides

theoretical contributions to the development of human resource management science but also has significant practical value in developing performance improvement strategies based on a human capital approach in the modern manufacturing workplace.

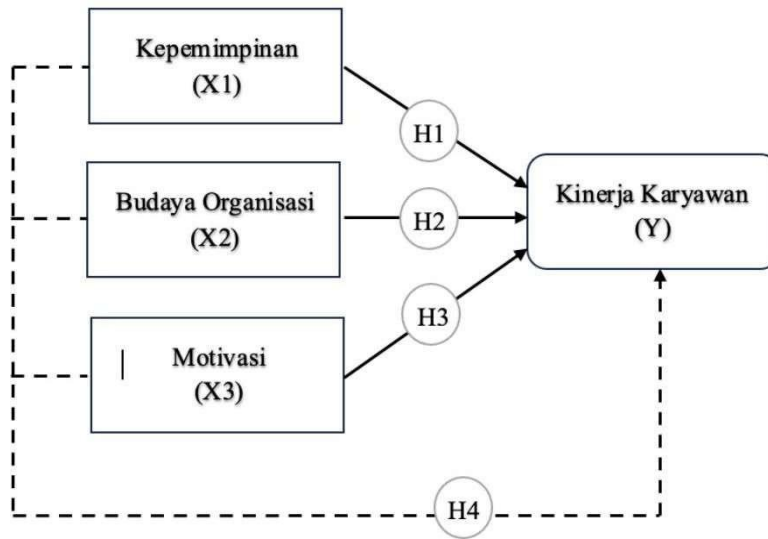


Fig 1: Conceptual Framework

Literature Study

Research on the influence of leadership, organizational culture, and motivation on employee performance has been widely conducted in the context of modern organizations. A study by Fitriana & Sari (2021) ^[9] showed that transformational leadership significantly increased employee motivation and loyalty in the industrial sector. This finding supports the theoretical basis that leaders play a central role in shaping employee behavior and work morale.

Furthermore, Prasetyo and Wijayanto (2022) ^[17] examined the importance of organizational culture in creating a healthy and productive work environment. In their study of an automotive company, they found that a work culture emphasizing the values of collaboration and innovation significantly impacted productivity and job satisfaction.

Research by Amalia and Syahrul (2023) ^[1] reinforces the relevance of motivation as a determinant of performance. They identified that the combination of intrinsic motivation (such as achievement and recognition) and extrinsic motivation (such as financial incentives) has a direct influence on work output and efficiency.

Furthermore, Santoso & Mulyani (2020) ^[19] and Setiawan *et al.* (2024) ^[21] integrated these three variables into one empirical model and concluded that Leadership, organizational culture, and motivation are important components in the employee performance management system in the manufacturing sector.

Methodology

This study used a quantitative approach with a survey method. The study population was 200 employees of PT. XYZ, with a sample size of 133 respondents determined using the Slovin formula. The research instrument was a 5-point Likert scale questionnaire measuring four variables: Leadership, Organizational Culture, Motivation, and Employee Performance. Data were analyzed using multiple linear regression and validity, reliability, and classical assumption tests.

Results and Discussion

The analysis results show that leadership, organizational culture, and motivation have a positive and significant influence on employee performance. The coefficient of determination (R^2) of 0.671 indicates that 67.1% of the variation in performance can be explained by these three independent variables. This finding aligns with the theories of Bass & Riggio (2020) ^[5], Schein (2020) ^[20], and Herzberg (2021) ^[11]. Transformational leadership, an adaptive organizational culture, and appropriate motivation have been shown to be important factors in boosting work productivity. The analysis results show that leadership, organizational culture, and motivation have a positive and significant influence on employee performance. The coefficient of determination (R^2) of 0.671 indicates that 67.1% of the variation in performance can be explained by these three independent variables. This finding aligns with the theories of Bass & Riggio (2020) ^[5], Schein (2020) ^[20], and Herzberg (2021) ^[11]. Transformational leadership, an adaptive organizational culture, and appropriate motivation have been shown to be important factors in boosting work productivity. The finding that leadership has a positive and significant influence on employee performance supports the transformational leadership theory proposed by Bass & Riggio (2020) ^[5], which emphasizes the importance of leaders in building vision, inspiring, and addressing individual employee needs. At PT. XYZ, the transformational leadership style appears to be the dominant and effective approach in boosting morale, increasing loyalty, and facilitating the achievement of production targets.

Organizational culture has also been shown to have a significant influence on employee performance. In line with Schein's (2020) ^[20] view, a strong work culture internalized in daily behavior can foster consistency, engagement, and collective spirit in carrying out tasks. At PT. XYZ, values such as teamwork, innovation, and adherence to quality standards are essential to the work system, ultimately creating an environment conducive to productivity.

Work motivation, both intrinsic and extrinsic, plays a significant role in driving optimal performance. These results support Herzberg's (2021) ^[11] theory, which explains that motivators such as recognition, responsibility, and achievement significantly contribute to job satisfaction and output. In the PT.

XYZ, providing bonuses, incentives, and training programs that open up career development opportunities are sources of motivation that have a direct impact on increasing employee productivity and dedication.

Simultaneously, the three independent variables are leadership, organizational culture, and motivation. has high predictive power on employee performance with an R² value of 0.671. This means that more than half of the variation in employee performance can be explained by this model. These results support previous findings from Santoso & Mulyani (2020) ^[19] and Setiawan *et al.* (2024) ^[21], which emphasized the importance of a multidimensional approach to improving performance.

Conclusion

Based on the results of data analysis and discussion, it can be concluded that leadership, organizational culture, and motivation have a positive and significant influence on employee performance at PT. XYZ, both partially and simultaneously. The coefficient of determination of 0.671 indicates that the three variables together are able to explain 67.1% of the variation in employee performance. This finding indicates that a human resource management approach that integrates the right leadership style, a strong organizational culture, and an effective motivation system can improve overall work productivity.

Specifically, transformational leadership has been shown to exert the most dominant influence, with characteristics such as inspiration, individual attention, and encouragement for high performance. Organizational culture is oriented toward collaboration, innovation, and shared work values is also an important foundation for creating a conducive work environment. On the other hand, motivation, both intrinsic (such as achievement and responsibility) and extrinsic (such as compensation and rewards), plays a key role in increasing employee morale and engagement with their duties and responsibilities.

The implications of this research are the importance for PT. XYZ's management to strengthen the role of leaders as agents of change, build an organizational value system that is adaptive to change, and design incentive policies that holistically address employee needs. With this integrative approach, the company can not only improve employee performance but also strengthen its competitiveness and future operational sustainability.

This research demonstrates that leadership, organizational culture, and motivation have a positive and significant impact on employee performance. The implication of these results is the need for PT. XYZ management to continue developing inspirational leadership, building a collaborative work culture, and creating a balanced motivation system between intrinsic and extrinsic aspects.

References

1. Amalia S, Syahrul R. The influence of motivation on employee performance in chemical industry. *J Manag Bus.* 2023;15(2):112-25.
2. Armstrong M. Performance management: key strategies

- and practical guidelines. 5th ed. London: Kogan Page; 2022.
3. Avolio BJ, Gardner WL. Authentic leadership development. *Leadersh Q.* 2022;16(3):315-38.
4. Central Bureau of Statistics of Indonesia. Manufacturing industry statistics year 2021/2022. Jakarta: BPS; 2022.
5. Bass BM, Riggio RE. Transformational leadership. 2nd ed. New York: Routledge; 2020.
6. Cameron KS, Quinn RE. Diagnosing and changing organizational culture: based on the competing values framework. 4th ed. Hoboken: Wiley; 2022.
7. Denison DR. Corporate culture and organizational effectiveness. New York: Wiley; 2021.
8. Dessler G. Human resource management. 15th ed. New York: Pearson Education; 2021.
9. Fitriana L, Sari N. Transformational leadership and its influence on employee performance. *Indones J Econ Manag.* 2021;19(1):45-56.
10. Green P, Brown C. Organizational culture and its influence on employee motivation: a meta-analysis. *Hum Resour Manag J.* 2020;28(2):89-103.
11. Herzberg F. Motivation to work. 12th ed. New York: John Wiley & Sons; 2021.
12. Johnson D. Enhancing employee performance through transformational leadership. In: Proceedings of the 10th International Conference on Human Resource Development; 2021; Singapore. Singapore: Springer; 2021. p. 45-60.
13. Lee H, Kim J. Exploring the mediating role of motivation in the relationship between leadership and performance. *Int J Bus Manag.* 2022;17(4):45-67.
14. Luthans F. Organizational behavior. 14th ed. Boston: McGraw-Hill; 2022.
15. Miller JR. The role of organizational culture in improving employee performance: a case study of automotive manufacturing [dissertation]. Ann Arbor: University of Michigan; 2020.
16. Indonesian Ministry of Industry. Report on the manufacturing industry development in 2022. Jakarta: Indonesian Ministry of Industry; 2022.
17. Prasetyo A, Wijayanto H. Organizational culture and employee performance in automotive companies. *J Bus Adm.* 2022;17(3):98-107.
18. Robbins SP, Judge TA. Organizational behavior. 18th ed. New York: Pearson Education; 2021.
19. Santoso D, Mulyani S. The influence of leadership, organizational culture, and motivation on employee performance. *J Manag Sci Appl Account.* 2020;11(1):25-37.
20. Schein EH. Organizational culture and leadership. New York: Wiley; 2020.
21. Setiawan R, Hamdani A, Lestari M. Leadership style, motivation and employee performance: evidence from electronics manufacturing firms. *Int J Bus Res Manag.* 2024;22(1):56-68.
22. Smith A, Jones B. The impact of leadership styles on employee performance in manufacturing industries. *J Leadersh Stud.* 2021;15(3):112-26.
23. Vroom VH. Work and motivation. Revised ed. San Francisco: Jossey-Bass; 2020.