

The Influence of Leadership Style on Knowledge Transfer and Organizational Culture for Employee Performance Improvement

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ABSTRACT

It conducted this research intending to analyze and know the extent of the impact of the leadership style and the knowledge transfer process, the effect of leadership on strengthening organizational culture, and improving the Class IIA Sungguminasa Women's performance's Prison. Research has been carried out using a quantitative approach that uses a questionnaire to obtain information related to the study. It is then carried out data processing on the questionnaire distribution recapitulation using the Structural Equation Model (SEM) method with Smart PLS 3.2.8 software. The leadership style adopted by this agency leadership has had a significant positive impact on transferring knowledge to employees and strengthening organizational culture but has not substantially impacted employee performance. The effect of mediation shows that corporate culture can have a significant impact as a mediating variable. In contrast, the transfer of knowledge has not substantially affected the influence of leadership style on organizational performance if used as a mediating variable.

Keywords: employee performance, organizational culture, knowledge transfer, leadership style

1. Introduction

Employees are one of the essential parts of an organization. Without them, an organization cannot achieve the expected goals because they also determine an organization's back and forth. Every government agency is obliged to maximize the performance of its employees. Employee performance cannot be separated from the leadership which controls an organization, the process of transferring knowledge, and the organizational culture that is running.

Mangkunegara, in research conducted by Razak Munir, Gunawan (2016) describes employee performance because of the work implementation process that has been determined both in quantity and quality. Furthermore, Sembe et al. (2018), in their research, found that the impact of a leader with a good leadership style has an excellent effect on employee performance. Subsequent research related to knowledge transfer and its effects on improving performance

has been carried out by Maulida Batubara (2017) and Chalifa & Nugrohoseno (2013). They both show a significant effect on knowledge transfer.

Research that is also related to organizational culture variables in this study results from research from Doloksaribu (2010), which found a significant positive effect of suitable leadership styles on strengthening corporate culture. Furthermore, Hardiyono et al. (2017), in their research, suggest that when an excellent organizational culture is formed and implemented by employees as work support guidelines, it will affect the optimization of employee performance. Based on pre-observation observations, the conditions in which the leadership of the Class IIA Sungguminasa Women's Prison empowers professional employees with educational backgrounds from various departments. It is related to the field of work to facilitate transferring knowledge to all existing employees. Besides that, the Class IIA Women's Prison leader, Sungguminasa, often takes the time to share knowledge with his subordinates to complete work. One of the organizational cultures related to knowledge transfer is the morning coffee culture which is routinely held every week when the leader is not out of town on duty.

The organizational culture that is also prominent in the Sungguminasa Class IIA Women's Prison Office is helping each other complete work and the culture of sharing knowledge from old employees to new employees. Besides, the Class IIA Sungguminasa Women's Prison leaders also hold family gatherings at certain periods to reduce employee fatigue, especially at the end of the year, to strengthen relationships between variables while reducing employee work stress resuming work.

2. Literature Review

2.1. Relationship between Employee Performance, Leadership Style, and Knowledge Transfer

In Dewi's research (2012), Muhammad Zainul explains performance as a series of processes with results that can be used as a reference in determining the quality of good or bad work results. In the process of directing from leaders to employees to maximize performance. Of course, it cannot be separated from the knowledge transfer process as the opinion expressed by Al-Salti and Hackney (2011) in research by Maulida Batubara (2017) to expand the knowledge base and develop employee competencies practical following the main objectives of the organization. The theorists above make the transfer of knowledge one of the ways that a government agency's leadership can improve the performance of employees in their scope of work.

Performance is a person's overall results during a certain period in carrying out tasks, such as work standards, targets or target criteria that have been determined in advance and have been mutually agreed. Employee performance is not just information for promotion or salary determination for the company. However, how the company can motivate employees and develop a plan to fix the decline in performance can be avoided. Employee performance needs an assessment with the intention of providing a good opportunity for employees for their career plans seen from their strengths and weaknesses, so that companies can determine salary payments, provide promotions, and can see employee behavior (Lionardo et al., 2020; Yusuf et al., 2019). Performance appraisal is known as "performance rating" or "performance appraisal". Performance appraisal is the process of assessing personality traits, work behavior, and the work results of a worker or employee (workers and managers), which are considered to support their work performance, which is used as consideration for making decisions about actions in the field of employment.

Performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities assigned to him. Performance is a description of the level of achievement of the implementation of tasks in an organization, to realize the goals, objectives, mission and vision of the organization. Performance is a result achieved by workers in their work according to certain criteria that apply to a job. Performance is the result of work achieved by employees based on job requirements. Employees are people who do work for services in the form of salaries and allowances from the government. These employees do all the work or government administration activities.

Then the definition of employee performance is the result of individual work in an organization. Organizational performance is the totality of the work achieved by an organization. Employee performance and organizational performance have a very close relationship, the achievement of organizational goals.

Employee performance cannot be separated from the resources owned by the organization, resources that are mobilized or run by employees who play an active role as actors in achieving the goals of the organization. Performance as a comparison of the results achieved with the participation of the labor union time (usually per hour).

Performance is about what to do and how to do it. There are several factors that affect performance in an organization, including: the unit of time from the input process to the achievement of results and evaluation, technology, motivation, work discipline, physical and non-physical environment, abilities, and skills. Quantity of work results, namely the amount of activity produced or completed. Quantitative measurement involves calculating the outputs of a process or implementation of an activity. This is related to the number of outputs produced. The quantity of work results can be seen from the work performance achieved by employees and the achievement of employee job targets. The qualitative measure of output reflects the measure of "satisfaction level". This relates to the form of output such as skills, customer satisfaction, or initiative. Punctuality, that is, according to the planned time. Timeliness measurement is a special type of quantitative measurement that determines the timeliness of completing an activity. This can be seen from the level of employee attendance, employee obedience at work.

2.2. The Relationship between Leadership Style and the Process of Establishing Organizational Culture and Improving Employee Performance

Junaidin et al. (2019), in their research, suggest that performance is the output of a series of work implementation processes that have been carried out following the provisions of the organization so that a constructive organizational culture is needed to support the operation of maximizing employee performance. The opinion confirms this regarding the corporate culture defined by Fuad Mas'ud in research conducted by Alam et al. (2019), a series of agreed value systems as a reference to support performance.

High-yielding jobs must be achieved by employees. Measures that need to be considered in performance appraisal include the quality of work, namely neatness, accuracy, and the relationship of work results without neglecting the volume of work. With the existence of good quality work, it can avoid the error rate in the completion of a job and the resulting work productivity can be beneficial for the progress of the company. Work Quantity, namely the volume of work produced under normal conditions. Work quantity shows the number of types of work done at one time so that efficiency and effectiveness can be carried out in accordance with company objectives. Responsibility, which shows how much employees can be accountable for their work, the facilities and infrastructure used and their work behavior. Initiative, which shows how much the employee's ability to analyze, assess, create and make decisions on solving the problems they face.

A person who is not motivated, puts only minimum effort in terms of work. The concept of motivation is an important learning concept about individual performance. Thus, motivation means giving encouragement, giving rise to motives or things that give rise to encouragement or circumstances that give rise to impulse. It can also be said that motivation is the factor that drives people to act in a certain way. Motivation is a change in energy in a person characterized by the emergence of "feelings" and is preceded by a response to a goal. This definition contains three important elements, namely: That motivation initiates a change in energy in each individual human being (although that motivation comes from within humans), its appearance will involve human physical activities, Motivation is marked by the emergence of relevant feelings. with psychological problems, effects and emotions and can determine human behavior.

3. Methods

This type of research is quantitative research. In data collection, questionnaires were distributed to all employees of the Class IIA Sungguminasa Women's Prison. A total number of respondents, as many as 40 people who were vulnerable to the research, was carried out for about two months, from December 2019 to February 2020. The results of the data from the questionnaires were then processed using the SEM research method. Smart PLS version 3.2.8 becomes statistical software in the data processing process to test predetermined hypotheses and complement the shortcomings of quantitative research results. The researcher also conducts an interview process with agency leaders related to the variable knowledge transfer process and organizational culture that has been formed.

4. Results

After distributing questionnaires to 40 respondents to the Class IIA Sungguminasa Women's Prison employees, a validity test was carried out related to the quality of the statement and the reliability test associated with the quality of the variables raised in the study. Where it was found that all indicators or arguments and constituent variables had been declared valid and reliable for then testing the hypothesis with the following results:

Table 1. Hypothesis Testing Results

Hypothesis	Coefficient	T Statistic	P-Value	Research result	Information
Leadership style towards knowledge transfer	0.673	8.073	0.000	Positive Significance	Received
Leadership style on organizational culture	0.475	4.157	0.000	Positive Significance	Received
Leadership style on employee performance	-0.056	0.219	0.827	Negatives are insignificant	Rejected
Transfer of knowledge on employee performance	0.035	0.136	0.892	Positive Not Significant	Rejected
Organizational culture on employee performance	0.508	3.102	0.000	Positive Significance	Received
Leadership style on employee performance through knowledge transfer	0.024	0.131	0.896	Positive Not Significant	Rejected
Leadership style on employee performance through organizational culture	0.242	2.763	0.006	Positive Significance	Received

Source: Smart PLS Output (2020)

By looking at the coefficient value (original sample) to determine the magnitude of the influence between variables, t statistic and p-value determine the significance of the effect value with the standard. It shows the t statistical number is more significant than 1.96, and the p-value must be below 0.05 to be declared more important than we can find out the hypothesis testing in this study. The results of hypothesis testing that have been carried out using the SEM method with Smart PLS software help. It shows the output as in the table above where for direct influence, there are 3 (three) accepted hypotheses, namely the effect of leadership style on performance and organizational culture and the impact of corporate culture on employee performance in this government agency. The other two rejected hypotheses were employee performance which was influenced by leadership style and organizational culture.

The mediation effect hypothesis test shows that when it becomes an intervening variable, organizational culture can increase the influence of leadership style on the performance of the Sungguminasa Class IIA Women's Prison staff significantly. However, it is very different, shown by the transfer of knowledge that has not been able to become a mediating variable to dramatically improve the Class IIA Sungguminasa Women's Prison employees' performance. Of the influence of the leadership style variable applied to this agency during the research process.

Based on the results of distributing questionnaires which then processed the data from the respondents' responses using SMAT PLS. Empirical findings showed that the leadership style, knowledge transfer, and employee performance had an insignificant positive effect. It could be seen that knowledge transfer could not be a mediating variable to increase the influence of leadership style on performance significantly.

Based on the results of distributing questionnaires which then processed the data from the respondents' responses using SMAT PLS. Empirical findings showed that leadership style, organizational culture, and employee performance have a significant favorable influence. Empirically corporate culture can be a mediating variable to increase leadership style's power on account significantly because a good leadership style impacts improving organizational culture with a good work orientation to enhance employee performance. Therefore, corporate culture can be a perfect mediating variable of leadership style's influence on employee performance at the Class IIA Sungguminasa Women's Prison.

5. Discussion

Based on the results of distributing questionnaires that then processed the data from the respondents' responses using SMAT PLS, empirical findings showed that the leadership style had a positive and insignificant effect on knowledge transfer. This indicates that the current leadership style has not provided a significant transfer of knowledge to employees at the Class II-A Sungguminasa Women's Civil Service Institution (LAPAS).

This study's results are in line with the theory of Robbins (2006), which states that leadership is the ability to influence a group towards the achievement of a goal. Leadership is a person who is carried out in certain situations and is directed through a communication process towards achieving one or several specific purposes. Leadership involves

the operation of social influence that a person deliberately carries out to structure activities and power within a group or organization.

Based on the results of distributing questionnaires which then processed the data from the respondents' responses using SMAT PLS, empirical findings were obtained that the leadership style had a significant positive effect on organizational culture. This shows that the current leadership style has successfully formed an excellent corporate culture among employees at the Class II-A Sungguminasa Women's Institution for Parenting (LAPAS). This study's results align with the theory put forward by Robbins in Riani (2011: 7), which states that organizational culture as the dominant values disseminated in organizations is used as the work philosophy of employees that guides corporate policies in managing employees. Therefore, the role of leadership in managing culture means trying to understand how the existing culture's strengths and its effects on organizational goals. Failure in managing culture considers individual behavior and works climate an integral part of the culture itself. This study's empirical condition shows the positive and significant influence of leadership style on organizational culture is supported by observations during the survey that saw the firm and disciplined nature of the Class IIA Sungguminasa Women's Prison leadership, which can be transmitted to employees as organizational culture.

Based on the results of distributing questionnaires that then processed the data from the respondents' responses using SMAT PLS, empirical findings showed that the leadership style had a negative and insignificant effect on employee performance. This indicates that no matter how good the Class II-A Sungguminasa Women's Institute for Parenting (LAPAS) leadership style cannot have a significant effect on employee performance because employees have performed well even though the leadership often changes in a relatively short period.

According to Kartono (2005), leadership is the ability to give constructive influence to others to make a cooperative effort to achieve the goals that have been planned. Leadership is the process of influencing one individual to another to achieve a common goal (Kreitner & Kinicki, 2008; Nuraini et al., 2019; Umanailo, 2020, 2019). Leadership can be defined as using power and influence to direct followers' activities towards achieving goals (Colquitt, et.al, 2009; Mu'adi et al., 2020; Nawawi et al., 2020).

Based on the results of distributing questionnaires that processed the data from the respondents' responses using SMAT PLS, empirical findings were obtained that the transfer of knowledge had a positive and insignificant effect on employee performance. This shows that the transfer of wisdom found in the Class II-A Sungguminasa Women's Institution (LAPAS) research process could not significantly affect employee performance. Because employees already have essential competencies related to working duties and functions obtained during pre-service and through the training and education and training.

Knowledge sharing can be defined as disseminating information and knowledge throughout the organization, as Ling et al. (2009) proposed. The term knowledge sharing can also imply the giving and receiving information in the context of knowledge by resources. Furthermore, according to Xue (2011), knowledge transfer will be a series of processes that occur in an organization with a role to maximize the performance of human resources.

Based on the results of distributing questionnaires which then processed the respondent's data using SMAT PLS, empirical findings were obtained that organizational culture has a significant positive effect on employee performance. This shows that an excellent corporate culture at the Class II-A Sungguminasa Women's Institution can empirically have a substantial impact on employee performance. Because employees have a disciplined organizational culture that can be role models for prison residents, this culture will impact employees' performance.

Darodjat (2015: 238) argues that organizational culture is a value that guides human resources to deal with external problems and adjustments to the organization. Each member of the organization must understand the importance that exists and how the brand should be. Act and behave to maximize performance. Widodo (2015: 131) further argues that performance is the level of achievement of results for the implementation of specific tasks, while Edison et al. (2016: 190) states that performance is the result of a process that refers to and is measured over a certain period based on the provisions or agreements that have been predetermined. This study also supports the results of research by Wahyuni, E. (2015), who found empirical conditions that there was a positive influence of organizational culture on employee performance, as happened at the Class IIA Sungguminasa Women's Prison.

6. Conclusion

Leadership style has a significant positive effect on the transfer and organizational culture of knowledge, which shows that it will have a considerable impact on knowledge transfer and strengthening of corporate culture when the leadership style is getting better. In contrast, when related to performance, the influence of leadership style at Class IIA Women's Prison is not maximal. Knowledge transfer also shows a positive but insignificant effect on employee performance, which indicates that when the transfer of knowledge is getting better, it will not significantly improve employee performance. Furthermore, when the organizational culture is running well, the concert will have a significant effect. Leadership style has no significant positive impact on employee performance if mediated by knowledge transfer and has a significant positive effect on employee performance if mediated by organizational culture. Based on the research results, the suggestions from this study's results are for the leaders of the Class IIA Sungguminasa Women's Prison to pay more attention to good communication with employees. They take the time to provide direction to employees who can support the employees' performance and provide opportunities for employees to develop their knowledge-related field of work through training or opportunities to continue education following work. There are suggestions for further researchers to develop this research by adding other variables that can influence employee performance.

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