

ANALYSIS OF THE INFLUENCE OF TRANSFORMATIONAL LEADERSHIP STYLE, WORK MOTIVATION AND ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE

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ABSTRACT

Optimal or suboptimal employee performance is a problem that often occurs in private and public organizations. The issue of employee performance at the Riau Provincial Ministry of Religion Office is also a public assessment. Several indicators, such as organizational culture, work motivation, and leadership style, can be good or bad for employee performance. This study aims to measure three variables, organizational culture, work motivation, and transformational leadership style, that influence the performance of employees at the Riau regional office of the Ministry of Religion. This study uses quantitative analysis, data obtained from a questionnaire and processed using the Smart PLS application. The results of the study indicate that the Transformational Leadership Style Variable has a significant influence on employee performance variables. Furthermore, the work motivation variable significantly positively influences employee performance variables. The organizational culture variable has a significant favourable influence on employee performance. The study concludes that the three variables Transformational Leadership Style, Organizational Culture and Work Motivation significantly influence employee performance at the Riau Provincial Ministry of Religion Office. This study provides practical advice that organizational culture can significantly influence employee performance if the trend of technological innovation becomes a new and positive culture in the Riau Ministry of Religion work environment.

KATA KUNCI

Leadership Style,
Transformative, Organizational
Culture, Work Motivation,
Employee Performance

Introduction

In dynamic public administration, employee performance in government institutions such as the Ministry of Religious Affairs is critical to providing effective services and operational success (Sugiarti et al., 2021). The regional offices of the Ministry of Religious Affairs, which directly handle various religious affairs and community engagement, require an efficient and responsive workforce. Understanding the factors influencing employee performance in such an environment is critical to fostering an environment that enhances productivity and job satisfaction (Inuwa, 2016). Employee performance in regional offices of the Ministry of Religious Affairs is increasingly concerning, as evidenced by declining efficiency and quality of service (Yakup et al., 2021). Many employees have difficulty meeting operational targets and objectives, leading to frustration both internally and among the community members they serve (Heacox & Sorenson, 2007).

Leadership in the public sector often encompasses a range of styles, from autocratic to transformational. The leadership style managers adopt in the Ministry of Religious Affairs regional offices can significantly impact employee morale, commitment, and performance (Mus & Sinring, 2021). Different styles can inspire or discourage employee engagement and initiative, making examining this relationship a primary focus of the study. In the regional offices of the Ministry of Religious Affairs, apparent problems with varying leadership styles have emerged, affecting overall team effectiveness and cohesion. The prevailing leadership approach appears to oscillate between being highly directive and minimally involved, leading to employee confusion and inconsistency (Sanchez-Manzanares et al., 2020). This

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inconsistency can lead to a lack of clear direction, reduced trust in leadership, and decreased morale.

Furthermore, the variation in leadership styles also impacts the ability of staff to respond adaptively to changing policies and community needs, which is essential for the effective administration of religious affairs. Employees often feel uncertain about expectations and their role within the organization, resulting in lower engagement and productivity. Addressing these issues is critical to fostering a supportive and effective work environment that enhances employee performance and aligns with the Ministry's mission to serve the public efficiently.

Workplace motivation is an important driver of employee performance (Irawati & Farradia, 2021). In government institutions, where extrinsic rewards such as high salaries and bonuses are less common than in the private sector, intrinsic motivators and job satisfaction become increasingly important. This study assesses how motivational factors such as achievement recognition, job security, and personal development opportunities affect employee productivity in the Ministry of Religious Affairs. In the regional office environment of the Ministry of Religious Affairs, there are real challenges related to work motivation among employees. The root of this problem lies in the perceived lack of intrinsic and extrinsic motivational factors. Intrinsic motivators such as personal fulfilment and professional development opportunities seem insufficient, leaving employees feeling unappreciated and stagnant in carrying out their duties. On the extrinsic side, rewards and recognition are minimal, leaving employee efforts and achievements not adequately recognized. This lack of motivational support leads to decreased employee enthusiasm and productivity, which is critical in an environment that relies heavily on its staff's dedication and proactive involvement to manage religious affairs effectively. Improving motivation within the office is essential to revitalizing the workforce, thereby improving their performance and overall service delivery to the community. In the Ministry of Religious Affairs regional office in Riau Province, a complex phenomenon highlights significant challenges affecting employee performance. The office, tasked with managing various religious activities and ensuring harmonious interactions between religious communities, is experiencing a decline in operational effectiveness. Key issues around inconsistent leadership, inadequate motivation, a limiting organizational culture, and the direct impact on employee performance have emerged. Leadership in the office is inconsistent, with leadership styles varying widely among managers, from highly directive to overly passive. This inconsistency has led to confusion and a lack of unified direction, undermining employee confidence and engagement. In addition, employee motivation is low, caused by a lack of recognition and appreciation, limited opportunities for career advancement, and a lack of incentives that align with personal and professional growth goals. The organizational culture within the office is also a barrier to efficiency. This culture is characterized by resistance to change and innovation, poor communication channels, and siloed structures that hinder department collaboration and information sharing. These cultural issues have created an environment that does not support proactive problem-solving or agile responses to the community's dynamic needs. This study aims to measure the influence of organizational culture, transformational leadership style, and work motivation on the performance of Ministry of Religion employees in the Riau region.

Method

This study employs a quantitative analytic technique to comprehend the factors of transformational leadership style, organizational culture variables, and work motivation variables that affect employee performance. This study selected the Riau regional office of the Ministry of Religion as the site of the research object. This study used a statistical analytic method to process data obtained from the distribution of questionnaires to employees. This study delivered questionnaires to 100 respondents of internal employees of the Ministry of

Religion. The questionnaire is an approach to collecting data on several research indicators. Furthermore, the questionnaire data is processed using the Smart PLS 4 application. The SmartPLS application is the right quantitative research tool to measure influence. The SmartPLS application is the right choice for researchers who want to analyze quantitative research, especially when the goal is to measure the influence between variables. This application enables users to execute structural equation modelling using the Partial Least Squares (PLS) approach, which is particularly useful for research data that does not necessarily follow a normal distribution.

Result

Outer Loading Factor

To prove a strong validation, the loading factor value requires several 0.50 to explain the latent construct firmly (Hair et al., 2010). Table 1 displays the initial outside variable values for corporate culture, transformational leadership style, employee performance, and job motivation. The loading factor value of 0.5 to 0.6 is adequate.

Table 1. Outer loading

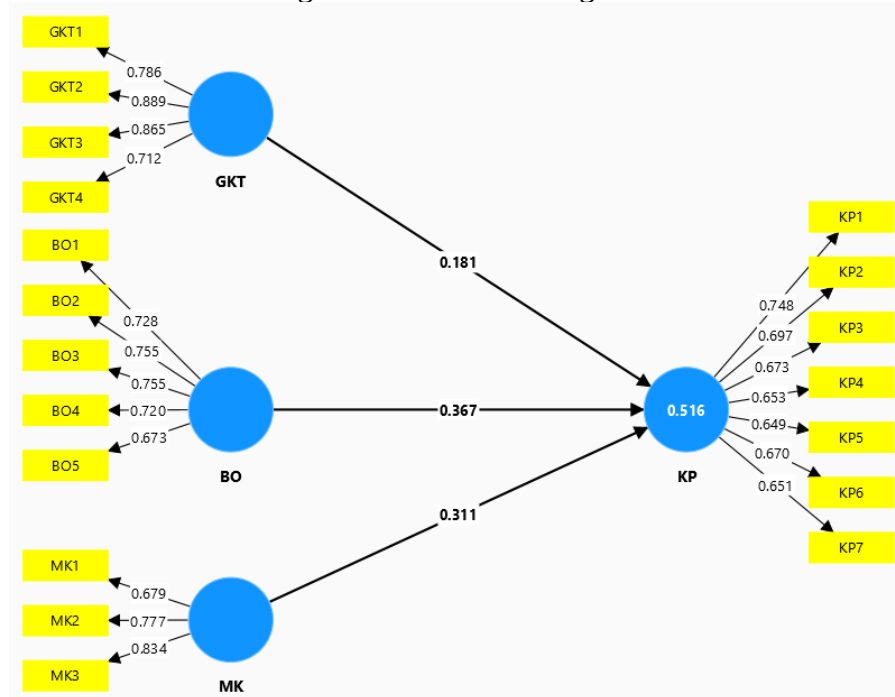
	Organizational culture	Transformative Leadership Style	Employee Performance	Work motivation
BO1	0.728			
BO2	0.755			
BO3	0.755			
BO4	0.720			
BO5	0.673			
GKT1		0.786		
GKT2		0.889		
GKT3		0.865		
GKT4		0.712		
KP1			0.748	
KP2			0.697	
KP3			0.673	
KP4			0.653	
KP5			0.649	
KP6			0.670	
KP7			0.651	
MK1				0.679
MK2				0.777
MK3				0.834

Source: SmartPLS data processing results, 2025

Table 1. Outer Loading shows the outer loading results of the structural equation model analysis using SmartPLS. It measures how effectively the indicators describe the constructs they represent in the model. For the construct "Organizational Culture," the outer loading values of indicators BO1 to BO5 range from 0.673 to 0.755, indicating that most indicators effectively measure this construct. In "Transformational Leadership Style," indicators GKT1 to GKT4 have excellent loading values, from 0.712 to 0.889, with GKT2 as the highest, indicating a strong representation of this construct.

Furthermore, "Employee Performance" is measured by indicators KP1 to KP7, with loadings ranging from 0.649 to 0.748. For the construct "Work Motivation," indicators MK1 to MK3 show values ranging from 0.679 to 0.834, with MK3 as the most effective indicator in measuring this construct. These high-loading values indicate good convergent validity for most indicators, supporting the reliability and relevance of the measurements in the model.

Figure 1. Final Path Diagram



Source: SmartPLS data processing results, 2025

Figure 1. A structural equation model was analyzed using SmartPLS, showing the relationships between various constructs and the effectiveness of indicators in measuring the constructs. This model consists of four primary constructs: Change Management Style (GKT), organizational environment (BO), Job Passion (MK), and worker productivity (KP). Transformative Leadership Style is measured through four indicators (GKT1 to GKT4) with loading values ranging from 0.712 to 0.889, indicating perfect measurement. Organizational Culture has five indicators (BO1 to BO5) with loadings between 0.673 and 0.755, where BO5 shows the lowest effectiveness and may require further evaluation. Work Motivation is measured by three indicators (MK1 to MK3), which show strong loadings between 0.679 and 0.834. Meanwhile, Employee Performance is measured by seven indicators (KP1 to KP7), with loading values ranging from 0.649 to 0.748. The coefficients of paths between concepts show the intensity and course of their interactions. Organizational Culture significantly affects employee performance, with a coefficient of 0.367 indicating a strong positive effect. The leadership that transforms style contributes less, with a coefficient of 0.181. Work Motivation has an important impact on worker performance, with a value of 0.311. The R-squared value for Employee Performance is 0.516, which means that the modelled constructs can explain about 51.6% of the variation in Employee Performance.

Reliability and Validity Test

The instrument's dependability is measured using two criteria: the total reliability value and Cronbach's alpha. Cronbach's alpha frequently evaluates the dependability of the variable lower than the combined accuracy, hence it is advisable to adopt the composite reliability

approach (Haryono, 2017). A construct is considered reliable if Cronbach's alpha value is greater than 0.70, and a variable is considered reliable if the composite reliability value is greater than 0.70 Ghazali (2005).

Table 2. Construct Reliability

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
BO	0.777	0.780	0.848	0.628
GKT	0.830	0.841	0.888	0.666
KP	0.805	0.811	0.856	0.660
MK	0.643	0.652	0.809	0.687

Source: SmartPLS data processing results, 2025

Table 2. shows the results of the reliability and construct validity analysis using SmartPLS for 2025. In the table, four constructs are assessed using several metrics standard in quantitative research: Cronbach's alpha, blended reliability (rho_a and rho_c), and variance on average extracted (AVE). Cronbach's alpha is a measure of internal coherence. Values beyond 0.7 are generally deemed satisfactory, showing that the elements in the construct are highly connected. The BO, GKT, and KP constructs have alpha values that reflect good reliability, with values above 0.7, while MK is slightly lower at 0.643, indicating potential for improvement in its internal consistency. The combination of reliability ratings (rho_a and rho_c) also evaluates internal consistency, with rho_c being the more harsh assessment. All constructs in the table have rho_a and rho_c values that are greater than 0.7, suggesting exceptional reliability. AVE measures how well a construct explains the variance of the items it measures. An AVE number above 0.5 is regarded good, suggesting high validity for convergence. All of the constructs in your table attain this value, suggesting that the things within every unit are somewhat related to each other.

Discriminant Correlation Test

Viewing the correlation between one construct and another can be used with the discriminant correlation test approach. If a construct has a high level of validity, the square root value (square root of average), or AVE, exceeds than the correlated ratio between the two constructs.

Table 3. Discriminant Validity Values

	Organizational culture	Transformative Leadership Style	Employee Performance	Work motivation
BO				
GKT	0.745			
KP	0.798	0.661		
MK	0.765	0.604	0.801	

Source: SmartPLS data processing results, 2025

Table 3 shows the results of the discriminant validity value of an analysis conducted using SmartPLS for 2025. Discriminant validity is a measure that shows how well the constructs in a model can be empirically distinguished from each other. Typically, the evaluation of discriminant validity entails comparing the cubic root of the average variate extracted (AVE) of every feature (which is preferably displayed on the primary diagonal of the table) to the correlation between the constructs (which is displayed off-diagonal). Columns and rows

representing different constructs are shown, and the numbers listed are the correlations between the constructs. Organizational Culture (BO) correlates with Transformational Leadership Style (GKT) of 0.745, Employee Performance (KP) of 0.798, and Work Motivation (MK) of 0.765.

Furthermore, GKT correlates with KP of 0.661 and with MK of 0.604. KP and MK have the highest correlation among all constructs, which is 0.801. To confirm good validity for discrimination, the square measure of AVE for every variable must be larger than these associations.

Table 4. R-square value

	R-square	R-square adjusted
KP	0.516	0.501

Source: SmartPLS data processing results, 2025

Table 4 suggests that the independent variables in the model can explain the R-square value of 0.516, which accounts for 51.6% of the variation in employee performance. This shows that the model provides a fair explanation for the dependent variable. Furthermore, the new R-squared value of 0.501 is an adjusted version that takes into account the amount of factors and sample size in the model. The results in Table 4 above show that after considering the number of predictors, approximately 50.2% of the diversity in worker productivity is still explicable by each of the independent variables in the equation. Both values provide evidence that the model is quite effective in explaining and predicting employee performance with fairly robust performance.

Table 5. Path Coefficient Results

	Path coefficients
BO -> KP	0.367
GKT -> KP	0.181
MK -> KP	0.311

Source: SmartPLS data processing results, 2025

Table 5. The path coefficient shows that organizational culture positively influences employee performance, with a path coefficient value of 0.367. Furthermore, the transformational management design has a slight impact with a coefficient of 0.181, implying that increasing transformational leadership style results in a minor rise in employee performance. The work motivation indicator has a strong effect on staff productivity, with a coefficient level of 0.311. This value means that work motivation can improve employee performance by a significant proportion. Thus, three variables, transformational leadership style, workplace inspiration, and company culture, positively affect employee performance, with organizational culture being the most dominating component in influencing employee performance.

Discussion

Organizational Culture (BO) significantly influences Professional Productivity (KP) at the Riau Province Government of Religious Affairs Office. A path coefficient of 0.367 implies a positive and robust association between company culture and worker productivity. A healthy company culture, which can include values such as truthfulness, cooperation, and devotion to service quality, is critical in enhancing staff engagement and job efficiency. In the context of the Riau Province Ministry of Religious Affairs office, efforts to strengthen

positive values in work culture, such as increasing transparency, rewarding performance, and building a supportive work environment, will likely improve overall employee performance.

The effect of 0.367 is quite substantial, indicating that any increase in positive organizational culture elements improves morale and job satisfaction and directly contributes to more effective work outcomes. The organization may benefit from investing in training programs designed to develop effective leadership, promote strong organizational values, and review and adjust internal policies to support a positive work culture. According to the SmartPLS study results, the influence of Transformational Leadership Style (GKT) on Employee Performance (KP) at the Riau Province Ministry of Religious Affairs Office has a path coefficient of 0.181. This number shows a favorable correlation between transformational leadership style and employee performance. The transformational leadership style applied in the work environment at the Riau Province Ministry of Religious Affairs Office involves inspiring employees to exceed expectations through motivation and innovation. This leadership style also involves leaders who become role models, encourage employees' personal and professional development, and foster an attractive vision for the organization's future. Although the value of the effect is not too high, this leadership style still positively contributes to improving employee performance. The value of the path coefficient of 0.181 suggests that although transformational leadership style has a favorable impact on employee performance, other factors may be more dominant in influencing employee performance in the office. Therefore, although important, the influence of transformational leadership style must be considered together with other factors, such as work motivation and organizational culture, to get a more holistic picture of the factors that influence employee performance at the Riau Provincial Ministry of Religious Affairs Office.

Leadership development and training focusing more on transformative aspects can be one strategy to improve further employee performance, including mentorship programs, leadership workshops, and professional development initiatives that target improving transformative leadership skills among managers and leaders at all levels. Work Inspiration (MK) has a path coefficient of 0.311 on Employee Productivity (KP) at the Riau Province Ministry of Religious Affairs Office. This value indicates a considerable favourable effect of Job Motivation on improving worker efficiency, although not as strong as the influence of Administrative Style. Work Motivation has an influence of 0.311, indicating that increased employee work motivation can significantly impact performance. In the context of work at the Riau Province Ministry of Religious Affairs, this could imply that factors that increase motivation, such as recognition for good work, clear career opportunities, a supportive work environment, and fair compensation, may be important in urging workers to work further effectively and efficiently.

The implementation of these strategies will not only contribute to improving individual employee performance but will also help in achieving overall organizational goals. Maintaining a high level of work motivation among employees is key to ensuring that the Riau Province Ministry of Religion office can consistently provide effective services and meet public expectations.

Conclusion

This study concludes that Organizational Culture (BO) significantly affects Employee Performance (KP) at the Riau Province Ministry of Religion Office, with a path coefficient of 0.367. The data explains a positive relationship between an organizational culture that includes values such as integrity and employee cooperation. Visionary management style significantly positively affects worker productivity at the Riau Province Ministry of Religion regional office with a route correlation value of 0.181. Although this effect is smaller than other variables, such as Organizational Culture, a transformative leadership style that includes motivation,

inspiration, and employee personal and professional development still positively contributes to improving employee performance. Occupational Inspiration (MK) significantly and significantly affects Worker Effectiveness (KP) at the Riau Province Ministry of Religion Office, with a path coefficient of 0.311. Although its effect is not as strong as organizational culture, work motivation is still an important factor that can significantly improve employee performance. Factors such as career opportunities, supportive work environment conditions, equitable compensation, and high work motivation can significantly drive employee performance.

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