

The Influence of Transformational Leadership and Organizational Culture on Employee Performance

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ABSTRACT

Leadership and organizational culture include elements that shape and support individuals in achieving set goals, which in turn affect the overall success of the organization. This study intends to identify the impact of transformational leadership and organizational culture on employee performance. For this study, the sample was 120 staff from three universities and the results were obtained through SPSS (26). The research instrument uses quantitative methods, while data analysis techniques include validity, reliability, classical assumption tests, normality, heteroscedasticity, autocorrelation, multicollinearity, t test and multiple regression. The results showed that with the acceptance of the first hypothesis results, it means that transformational leadership (X1) has an effect on staff performance (Y), indicating that this leadership style has a positive impact on the ability of staff to achieve organizational goals. Acceptance of the second hypothesis shows that organizational culture (X2) significantly affects staff performance (Y) positively. This indicates that the values, norms, and practices contained in the organizational culture have an important role in shaping the performance of the staff.

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1. INTRODUCTION

In the discipline of change management, transformational leadership plays an important role to respond to the dynamics of organizational change. It has become relevant due to its potential to effectively manage the change process, especially to deal with the uncertainty and complexity of today's business environment (Chen & Wang, 2022). Transformational leadership stands out because it emphasizes developing a strong vision, building empathic relationships, and providing encouragement for innovation to deal with organizational change.

The vision promoted by transformational leaders is a direction, and an inspiring picture of the future (Yukl, 2012). The vision provides a clear purpose for employees and allows them to understand their role and contribution to the changes that are taking place. By having a strong understanding of the vision,

employees tend to feel more engaged and motivated in working towards achieving common goals. Change efforts are accompanied by uncertainty, and this high sense of engagement and motivation is crucial to face every challenge (Kumar & Maheshwari, 2019).

The relationships built between transformational leaders and their subordinates also have a major role to play in managing change. An empathic and inclusive relationship creates an environment where employees feel heard, valued, and cared for. This helps build trust and deeper engagement among team members, which is indispensable for navigating complex change transitions. When employees feel that their leaders pay attention to and understand their feelings and views, they are more likely to be committed to the organization and their tasks, and more prepared to adapt to change (Hossain et al., 2019; Al Hakim & Hariani, 2021).

Employee performance is a measure of how well they perform their tasks at work (Kahya, 2009; Groen et al., 2019). It involves various aspects such as productivity, quality of work, initiative, and attendance rate (Darmawan et al., 2020). The importance of employee performance cannot be underestimated, as well-performing employees can make a positive contribution to organizational success and productivity. They not only complete their tasks well, but can also be an example for their peers, motivating them to improve their own performance (Mardikaningsih et al., 2017).

Pattnaik and Pattnaik (2021) mentioned that there are three main indicators to measure employee performance. First, task performance, which includes how well employees complete the work given to them. This includes the efficiency and quality of the work done. Second, interpersonal facilitation, which refers to the employee's ability to interact and cooperate with coworkers and superiors. This includes the ability to communicate well and collaborate in teams. Third, work dedication, which indicates how much employees are motivated and committed to their work. This includes good attendance, engagement, and passion for doing a good job.

In change management, employee performance becomes very important because change often affects the way of working, processes, and job demands (Karanja, 2015). When an organization undergoes change, be it in the form of restructuring, new technology implementation, or policy changes, employees need to be able to adjust quickly in order to maintain productivity and work quality. This is because changes often affect daily tasks and require adaptability from employees.

When an organization faces change, employees need to be able to change their tasks according to new demands. For example, if there are changes in work processes or task priorities, employees need to be able to adjust quickly to remain efficient and productive. Employees who have good task performance will be able to handle these changes more smoothly, allowing the organization to keep running without too much disruption. In the implementation of change management, employees who have good task performance can help the organization adjust to changes quickly and effectively (Zada, 2022).

Furthermore, the encouragement for innovation and creativity provided by transformational leaders is a major element to overcome the barriers that arise during the change process. Transformational leaders encourage employees to think creatively, take necessary risks, and explore new solutions (Bogar, 2019). This creates an environment where innovative ideas can arise and be implemented, strengthening the organization's ability to adjust to environmental changes effectively (Eisenbeiß & Boerner, 2013).

By paying attention to transformational leadership principles and practices, organizations can better manage change, improve employee performance, and build a strong foundation for long-term growth and success (Eisenbeiß & Knippenberg, 2021). Through this approach, organizations can optimize the change process, improve employee performance, and build a strong foundation for long-term growth and success. This study will observe transformational leadership variables to develop employee performance.

Transformational leadership is a leadership approach that focuses on inspiring and motivating staff to achieve higher goals. In addition, it also focuses on changes in organizational culture and encourages innovation. According to Jensen et al. (2018), one of the key characteristics of transformational leadership is the ability to communicate a clear and compelling vision to staff. Transformational leaders are able to

paint a compelling picture of the desired future for the organization, thus motivating staff to work towards that vision.

Saad Alessa (2021), states that transformational leadership indicators consisting of idealized influence, inspirational motivation, intellectual stimulation, and individual consideration, have a crucial role to form a leadership style that drives change. Inspirational motivation encourages employees to work towards the vision with passion and dedication, strengthening their involvement in the change. Intellectual stimulation evokes creativity and innovation, encouraging employees to think beyond the usual boundaries. Meanwhile, individual consideration shows the leader's attention and support for each employee's unique needs, desires, and potential, creating strong personal bonds to manage change. By bringing all these indicators together, transformational leadership becomes a powerful tool to facilitate organizational change and move employees towards long-term success.

Transformational leadership has a very important role. Transformational leadership focuses not only on achieving organizational goals, but also on encouraging and inspiring employees to reach their full potential. Transformational leadership style creates an environment where employees feel supported, inspired, and motivated to achieve superior performance (Dvir et al., 2002; Liang & Steve Chi, 2013; Ng, 2017; Buil et al., 2019; Shang, 2023).

In discussions in the field of change management, transformational leadership has a very important role to facilitate and manage organizational change effectively (Eisenbach et al., 1999). Transformational leadership is not only about creating an inspiring vision for the future of the organization, but also about mobilizing and motivating employees to actively participate in the change process (Azim, 2019).

In addition to transformational leadership as a key element of change management, organizational culture is a variable that is synonymous with organizational identity. It becomes interesting the cultural density in organizations relative to efforts to implement change management.

Organizational culture is an important concept in change management because it reflects the values, norms, and behaviors embraced by the organization, and has a significant impact in shaping attitudes and responses to change (Hariyani, 2021). In implementing change management, organizational culture acts as a strong and comprehensive foundation to unite individuals in the organization and form a shared perception of the changes that occur.

Organizational culture sets the standards of behavior shared by members of the organization. The values reflected in the organizational culture provide guidance to individuals on how they should act and interact in the work environment. When these values align with change objectives, they can provide clear direction on how individuals should respond to and participate in the change process. For example, if the organizational culture emphasizes innovation and collaboration, then members of the organization will tend to be more open to change and more active in seeking new solutions to address emerging challenges.

In addition, organizational culture also creates social norms that govern interactions between individuals in the organization. These norms influence the dynamics of inter-personnel relationships and play an important role in shaping attitudes towards change. For example, if the organizational culture encourages open communication and collaboration, then members of the organization will feel more comfortable sharing ideas, providing feedback, and working together to deal with change. Conversely, if the organizational culture tends to be centered on hierarchy and control, then there may be resistance to change and a lack of active participation from organizational members.

Furthermore, organizational culture creates a shared understanding of the changes taking place in the organization (Abu-Jarad et al., 2010). When the values and norms in the organizational culture are in line with the goals of change, individuals are likely to have a positive perception of the change. They will see change as something that is consistent with the identity and direction of the organization, not as a threat or a destabilizing disruption. Therefore, a cohesive and change-oriented organizational culture can provide strong support for the change process and implementation of change more smoothly.

To implement change management, it is important for leaders and managers to understand and pay attention to the organizational culture. They need to actively seek to understand the values, norms and attitudes present in the organizational culture, and adapt their change strategies accordingly. This

involves communicating the vision for change in a way that is consistent with the organization's values, building support from key stakeholders and creating a work environment that promotes cooperation and creativity. By strengthening the cohesiveness of organizational culture, leaders and managers can maximize the chances of success for implementing change and building an organization that is adaptive and responsive to change (Bramwel et al., 2023).

Organizational culture, which is an identity that describes the values, norms, and behaviors embraced by an organization and plays an important role in directing how change is accepted and implemented (Irfan & Al Hakim, 2022).

Robbins and Judge (2019) state that organizational culture has a similar concept, but there are differences in perspective related to its evolution and development. Organizational culture can be created by anyone, whether individuals or groups, and can come from the bottom or top of the company (Denison & Neale, 1996). However, according to Kotter and Heskett (1992), the creation of organizational culture follows a sequential pattern that begins with top management. Furthermore, Denison (1990) developed a cultural model based on 4 cultural characteristics, namely involvement, consistency, adaptability, and mission. Denison et al. (2006) also used three component indices, each with a five-point scale, to assess each of these traits. Organizational leaders consider organizational culture as an important element in the decision-making process because of its significant influence on performance (Indiya et al., 2018). Uddin et al. (2013); Vargas-halabi and Yagüe-Perales (2023) found a positive influence of several dimensions of organizational culture on performance in organizations.

In implementing change management, organizational culture acts as a rooted foundation to unite individuals in the organization and form a shared understanding of the changes taking place (Park & Doo, 2020; Hariani, 2023). Therefore, attention to the density of organizational culture is important for implementing change management, because a solid organizational culture that is in line with the goals of change can provide strong support for the change process (Tulcanaza-Prieto et al., 2021).

Organizational culture has been recognized as a crucial element in its influence on employee attitudes, behaviors, and performance in an organization. However, the question that remains unanswered is the extent to which organizational culture variables affect employee performance, especially when the organization is undergoing change. Through this study, we aim to explore the relationship between organizational culture variables and employee performance during periods of organizational change. We will identify how values, norms, and practices in organizational culture affect employee engagement, motivation, and productivity during the change process. Organizational culture variables need to be observed for their role in shaping employee performance. Whether organizational culture variables have a role to develop employee performance as change management is implemented.

Thus, overall, the main objective of this study is to investigate and better understand the role that transformational leadership and organizational culture play in developing employee performance when organizations undergo change. Transformational leadership, with its focus on developing an inspiring vision, building empathic relationships, and encouraging innovation, is expected to have a significant impact on employee motivation, engagement, and performance. In addition, organizational culture, which reflects the values, norms, and practices espoused by the organization, is also believed to play a crucial role in shaping employee attitudes and behaviors. By understanding the role of these two variables, effective strategies can be developed to manage change, maximize employee performance, and achieve organizational goals. Through a research approach to this theme, it is expected that new insights will be discovered that can make valuable contributions to the practice of change management and human resource development in various organizations.

2. METHODS

This quantitative research will be conducted in three universities located in Surabaya with the aim of investigating the relationship between several independent variables and dependent variables relevant for university staff. The research sample is selected through purposive sampling method, in which respondents are selected based on certain relevant criteria, such as job position, work experience,

and organizational unit. The number of staff respondents to be taken as the research sample was 120, taking into account the balanced proportion between the three colleges.

The research instrument used is a questionnaire designed to measure the variables under study, namely employee performance, transformational leadership, and organizational culture. The questionnaire will consist of items that refer to the concepts and indicators of the research variables. Employee performance is the result of work performed by individuals in accordance with predetermined standards, based on the responsibilities assigned to them (Schmitt et al., 2003). Based on the opinion of Pattnaik and Pattnaik (2021), employee performance indicators consist of (a) task performance; (b) interpersonal facilitation; and (c) work dedication.

Berson and Avolio (2004) put forward the definition of transformational leadership as a leadership style in which the leader motivates his followers to put the interests of the organization ahead of their personal interests, by inspiring them to achieve common goals. Indicators of transformational leadership, namely (a) idealized influence; (b) inspirational motivation; (c) intellectual stimulation; and (d) individual consideration (Saad Alessa, 2021).

According to Rai (2011), organizational culture is a shared value framework embraced by organizational members that differentiates the organization from others. There are four indicators to measure organizational culture variables, namely (a) reward system; (b) communication; (c) teamwork; and (d) management support (Olayuwola & Akeke, 2022).

This research uses survey methods and statistical analysis to identify and analyze the relationship between the variables studied. The data collected will be analyzed using multiple linear regression analysis to evaluate the relationship between these variables. With this approach, the research aims to investigate and understand the influence of the variables under study on staff performance. By combining surveys with statistical analysis, the research can provide a deep insight into the factors that influence staff performance in an organizational context.

Multiple linear regression analysis will allow the researcher to identify how much influence the independent variables (transformational leadership and organizational culture) have on the dependent variable (employee performance), as well as how significant that influence is after considering control factors.

By using this survey method and statistical analysis, it is expected that this study can provide a better understanding of the relationship between transformational leadership, organizational culture, and employee performance in higher education institutions in Surabaya. The validity and reliability of the research instruments will be ensured to ensure the reliability and validity of the research results. The validity and reliability of the questionnaire will be tested before it is used in data collection, through techniques such as content validity test, Cronbach's alpha reliability test, and factor analysis.

3. FINDINGS AND DISCUSSION

In the category of work experience, there are three groups, namely less than 5 years: 36 respondents (30%); 5-10 years range: 55 respondents (45.8%); and a range of more than 10 years: 29 respondents (24.2%). Respondents with less than 5 years of work experience (30%) were more likely to be new staff who had just joined the college or who had just started their careers after graduation. This finding suggests that some staff are relatively new to the college, who may need more support and training to adjust to their working environment. The 5-10 years group (45.8%) shows that there is a good balance of staff with intermediate work experience in higher education. They may have developed a strong understanding of their duties and responsibilities and have contributed significantly to the day-to-day operations of the college. This was the majority group of respondents in this study. Those with more than 10 years (24.2%) fall into the senior category who have a better understanding of organizational dynamics and have contributed significantly to the life of the college. This finding highlights the presence of staff with long experience, which can be a valuable resource to support the long-term stability and growth of higher education institutions. As such, the work experience composition of college staff reflects their diverse levels of preparedness, experience and contribution to

supporting the goals and mission of higher education institutions. By understanding this work experience profile, colleges can more effectively plan and manage staff development and maximize their potential to support institutional quality and performance.

In the education category, there were three groups: three staff (2.5%) with high school graduates; 89 staff (74.2%) with undergraduate degrees; and 28 staff (23.3) with postgraduate degrees. Respondents with high school graduates (2.5%) are technical staff with low operational responsibility. Bachelor graduates (74.2%) as the majority of respondents in the job position of administrative staff, or education personnel. This suggests that most college staff have higher education relevant to their position, and may have diverse roles in academic and administrative activities. While postgraduates (23.3%) are less numerous than undergraduates, this group remains significant as they have more specific or technical responsibilities. Thus, the educational structure of the college staff affects their composition and contribution in academic and administrative activities. It also illustrates the importance of educational diversification to meet the diverse needs of colleges and support the complete development of staff performance.

The integration of these categories of work experience and education provides a comprehensive understanding of the college staff profile, which is highly relevant for assessing the influence of transformational leadership and organizational culture on staff performance development from the point of view of respondents' perceptions. Maturity of thought due to work experience and educational background makes greater opportunities for staff to assess more objectively the culture, policies, development programs, leadership practices in the college as well as individual staff performance.

There were eight questions for the transformational leadership variable, there were eight for organizational culture, and there were six for employee performance. Validity was calculated using corrected item-total correlation, where the desired value is above 0.3. The validity test results are presented in Table 1 (validity results), showing that the overall value of the transformational leadership, organizational culture, and employee performance variable indicators resulted in a corrected item-total correlation greater than 0.3. Thus, this indicates that each indicator can be declared capable of measuring variables.

Table 1. Validity Results

| No. | Variable | Statement Item | Corrected Item-Total Correlation | Description |
|-----|-----------------------------------|----------------|----------------------------------|-------------|
| 1 | Transformational Leadership (X.1) | X1.1 | 0.668 | Valid |
| | | X1.2 | 0.435 | Valid |
| | | X1.3 | 0.685 | Valid |
| | | X1.4 | 0.749 | Valid |
| | | X1.5 | 0.749 | Valid |
| | | X1.6 | 0.658 | Valid |
| | | X1.7 | 0.654 | Valid |
| | | X1.8 | 0.406 | Valid |
| 2 | Organizational Culture (X.2) | X2.1 | 0.615 | Valid |
| | | X2.2 | 0.496 | Valid |
| | | X2.3 | 0.553 | Valid |
| | | X2.4 | 0.419 | Valid |
| | | X2.5 | 0.537 | Valid |
| | | X2.6 | 0.351 | Valid |
| | | X2.7 | 0.446 | Valid |
| | | X2.8 | 0.533 | Valid |
| 3 | Employee Performance (Y) | Y.1 | 0.665 | Valid |

| | | | |
|--|-----|-------|-------|
| | Y.2 | 0.780 | Valid |
| | Y.3 | 0.781 | Valid |
| | Y.4 | 0.760 | Valid |
| | Y.5 | 0.810 | Valid |
| | Y.6 | 0.763 | Valid |

Table 2. Reliability Results

| No. | Variable | Cronbach's Alpha | N of Item | Descriptive |
|-----|-----------------------------------|------------------|-----------|-------------|
| 1 | Transformational Leadership (X.1) | 0,868 | 8 | Reliabel |
| 2 | Organizational Culture (X.2) | 0,782 | 8 | Reliabel |
| 3 | Employee Performance (Y) | 0,912 | 6 | Reliabel |

In order to determine the reliability of the construct, there are several tests, one of which is the *Cronbach alpha* reliability test. The test criteria are declared reliable if the *Cronbach alpha* is above 0.6. The results of the *Cronbach alpha discrimination reliability test* are presented in Table 2. Table 2 informs that the *Cronbach alpha* value of all variables has a value above 0.6 (informational leadership = 0.868, organizational culture = 0.782, and employee performance = 0.912). These results can be declared reliable.

Next, normality testing was carried out. If the data distribution is normal, then data analysis and hypothesis testing can use parametric statistics. A good regression model is one that has a normal or near-normal distribution. Normality can be checked by looking at the normal probability plot. If the data points are evenly spread along the diagonal lines in the plot, it indicates that the data follows a normal distribution. The assumption of normality can also be seen from the data histogram which shows the distribution of data that is close to the normal curve. In addition, the distribution of data around the diagonal lines in a normal P-Plot plot also indicates that the data is normally distributed.

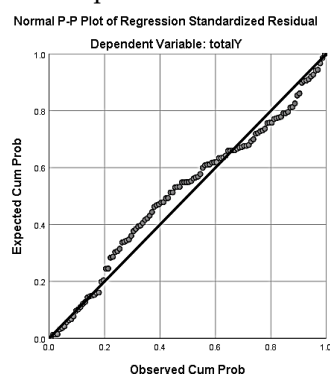


Figure 1. Normality Test

Multiple regression equations need to be tested for homoscedasticity, that is, whether the variance of residuals between one observation and another is consistent or not. If the residual variance is constant, it indicates homoscedasticity, while if the variance is not constant, it indicates heteroscedasticity. A good regression equation will have homoscedasticity. Through the Scatter Plot, the results of the homoscedasticity test can be obtained as follows:

From Figure 2, there is no obvious pattern as the dots are located above and below 0 on the Y-axis. Consequently, the dots are scattered randomly and irregularly, without forming a consistent pattern. Therefore, it can be concluded that the data tested does not indicate the presence of heteroscedasticity.

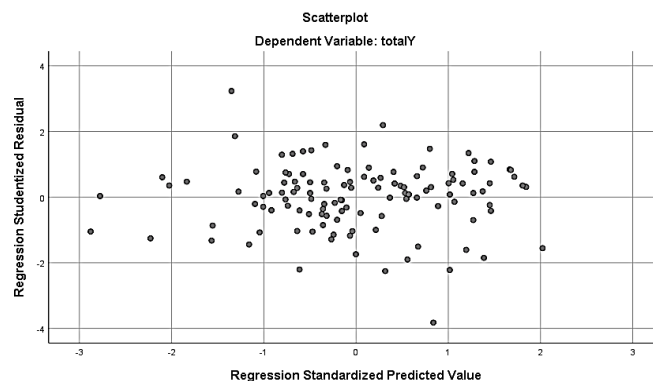


Figure 2. Heteroscedasticity Test

Based on the results of data processing in table 3 by conducting an autocorrelation test, the relationship between transformational leadership variables and organizational culture on staff performance variables. Detection of autocorrelation if the Durbin-Watson value of -2 to 4 indicates freedom from autocorrelation. This study obtained a Durbin-Watson value of 2.070. The Durbin-Watson value shows a number between -2 and 4, with this it can be stated that it does not have autocorrelation symptoms.

The multicollinearity assumption test aims to measure the degree of relationship, relationship closeness, or linear relationship between independent variables. One commonly used multicollinearity test is the Variance Inflation Factor (VIF). If the VIF value of variable X is less than 10, it can be concluded that there is no multicollinearity. In addition, the tolerance test is also used, where if the tolerance value of variable X is more than 0.1 (or > 1 in decimal form), it can be considered that there is no multicollinearity. Based on Table 5, the VIF and tolerance values of each variable (X1 = transformational leadership and X2 = organizational culture) are less than 10 and 1. It can be concluded that the data tested does not occur multicollinearity.

Table 3. Determination Coefficient Test Results

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------------------|----------|-------------------|----------------------------|---------------|
| 1 | .744 ^a | .554 | .546 | 6.14213 | 2.070 |

R² employee performance has a value of 0.554 or 55.4%. This shows that the employee performance variable can be explained by transformational leadership and organizational culture. While the remaining (100% - 55.4%) of 44.6% of employee performance (Y) is influenced by other variables outside this study.

Table 4. F Test Results

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1 | Regression | 5471.955 | 2 | 2735.977 | 72.523 | .000 ^b |
| | Residual | 4413.912 | 117 | 37.726 | | |
| | Total | 9885.867 | 119 | | | |

Table 5. Multiple Linear Regression Test Results

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|-------|------------|-----------------------------|------------|---------------------------|--------|------|-------------------------|-------|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | -4.371 | 3.120 | | -1.401 | .164 | | |
| | totalX1 | .431 | .093 | .460 | 4.656 | .000 | .391 | 2.559 |
| | totalX2 | .346 | .104 | .327 | 3.310 | .001 | .391 | 2.559 |

From Table 4, the observed F value is 72.523, and the significance value (Sig.) is 0.000. Since the value of Sig. (0.000) is smaller than the significance level α (0.05), and the observed F value (72.523) is quite high. In conclusion, the variables of transformational leadership and organizational culture together have a significant effect on staff performance.

After completing the validity test, reliability test, and classical assumption test, the next step is to conduct hypothesis testing to evaluate the relationship that has been formulated in the model, namely assessing the impact of transformational leadership variables (X1) and organizational culture (X2) on employee performance (Y). Hypothesis testing uses the T-statistic value, with the criterion that if the significance value (sig.) is below 0.05, it indicates a significant effect. The results of hypothesis testing are presented in Table 5, where overall, the influence between variables shows significance. The significance value for the effect of transformational leadership (X1) on employee performance (Y) is 0.000, while for organizational culture (X2) on employee performance (Y) is 0.001. Therefore, it can be concluded that the effect of transformational leadership and organizational culture on employee performance is significant. This indicates a significant influence between the two variables because the significance value is below 0.05.

To test multiple linear regression, a variety of statistical methods can be used, including multiple regression analysis. The purpose of multiple linear regression is to determine whether the independent variables (X1 and X2) have a significant influence on the dependent variable (Y), which is staff performance. The resulting regression model is $Y = -4.371 + 0.431(X1) + 0.346(X2)$. The regression coefficient for X1 is 0.431, which means that every one unit increase in transformational leadership will be followed by a 0.431 unit increase in staff performance. This indicates that transformational leadership has a significant positive influence on staff performance. In addition, the regression coefficient for X2 is 0.346, which means that every one unit increase in organizational culture will result in an increase of 0.346 units in staff performance. This confirms that a strong and well-defined organizational culture also has a significant positive impact on staff performance.

The Influence of Transformational Leadership on Employee Performance

The results of the study analysis can be stated that transformational leadership affects employee performance. These results are in line with studies from Dvir et al. (2002); Liang and Steve Chi (2013); Ng (2017); Buil et al. (2019); Shang (2023). The application of transformational leadership in higher education institutions can have a significant impact on staff performance. This in turn reflects the aspect of responsibility assumed by the leader. Transformational leadership emphasizes vision, inspiration, intellectual stimulation, and individualized attention to team members. In the higher education environment, where innovation, self-development, and quality service are essential in this leadership strategy can be the key to improving staff performance (Handayani & Khairi, 2022; Putra & Mardikaningsih, 2022; Ismaya et al., 2023).

Staff in higher education institutions often respond positively to transformational leadership. This is due to the leader's ability to inspire, provide clear direction and motivate staff to achieve shared goals. When staff feel supported by their leaders, they tend to feel more motivated and emotionally connected to the goals of the institution. Leadership that is able to create a supportive work environment will help create a greater sense of trust and engagement among staff, which in turn will increase job satisfaction (Putra et al., 2022; Radjawane & Darmawan, 2022) and commitment to the institution (Hill et al., 2012; Ndlovu et al., 2018).

Staff who feel supported and recognized by leaders tend to be more eager to make their best contributions. When leaders recognize and pay attention to staff efforts and contributions, it strengthens the bond between staff and the institution, increases ownership of the institution's outcomes, and encourages staff to be more passionate about their tasks. In an environment where leaders notice and value staff participation, staff feel more empowered and motivated to achieve high performance standards, which ultimately contributes to the success and progress of higher education institutions (Retnowati et al., 2022).

In addition to positively impacting staff motivation and commitment, transformational leadership also plays an important role in enhancing individual development (Crane & Hartwell, 2018). Through an empathic approach, a transformational leader is able to provide intellectual stimulation and support in developing the careers and abilities of staff. By providing opportunities for learning and development, transformational leaders help staff to explore their full potential and expand their skills in the professional sphere. Thus, transformational leaders are not only a source of inspiration, but also a mentor who supports the individual growth of staff.

Individual development encouraged by transformational leadership in turn results in better performance and greater contribution to the institution (Novita et al., 2022). Staff who feel supported and empowered to develop professionally tend to show high levels of motivation and innovate in their work. They are also better equipped to deal with challenges and changes in the work environment. Thus, investment in individual development by transformational leaders not only benefits staff individually, but also produces positive outcomes for the institution, through improved performance and greater contributions from each team member.

As such, the implementation of transformational leadership in higher education institutions can provide significant benefits, including improved staff performance, higher job satisfaction, and stronger commitment to institutional goals. It creates an environment where staff feel supported, inspired and able to make meaningful contributions to the advancement of the educational institution.

The Influence of Organizational Culture on Employee Performance

Organizational culture plays a key role in improving staff performance in higher education institutions. As stated by Uddin et al. (2013), Oskooee and Wooton (2020), and Paais and Pattiruhu (2020), organizational culture creates a foundation for staff growth and development. The idea that the success of higher education institutions lies in the ability of staff to accommodate and implement the values embodied in their organizational culture, is an important factor. Coztanza et al. (2016) underlined that organizational culture facilitates staff adaptation to the institution's environment, helping them to act in accordance with the values held by the institution as a guide in the execution of their tasks and completion of their work.

An organizational culture that prioritizes values such as integrity, professionalism, and accountability not only creates a positive work environment, but also helps in setting high performance standards in higher education institutions. When integrity is considered a key pillar in the organizational culture, staff tend to act honestly and fairly in all aspects of their work. They will prioritize honesty in reporting work results, maintain ethics in interacting with students and colleagues, and maintain moral principles in decision-making.

The professionalism promoted in the organizational culture has a positive impact on the way staff interact, work and deliver educational services (Quicke, 2000). Staff who uphold the value of professionalism will dedicate themselves to continuously improving their skills and knowledge, providing quality services, and maintaining high ethical standards in their profession.

Meanwhile, according to Abadzi (2020), accountability that is the focus of organizational culture will encourage staff to take responsibility for their tasks and decisions. They will feel responsible for achieving expected results and provide accountability for their performance to colleagues, superiors, and other stakeholders. Thus, an organizational culture that emphasizes integrity, professionalism, and accountability will form the foundation for improving the efficiency and effectiveness of educational and administrative processes in higher education institutions.

A strong and clear organizational culture in higher education institutions has a significant impact on improving staff performance, strengthening commitment to institutional goals, and improving services to students and society (Aranki et al., 2019). A strong organizational culture provides clear direction and guidance for staff on how they should act and interact in the work environment. This not only creates consistency in staff behavior, but also enables them to move in line with the vision, mission and values of the educational institution.

A well-defined organizational culture strengthens staff commitment to the institution's goals. When staff feel engaged in a culture that promotes collaboration, innovation, and the achievement of common goals, they are more likely to be motivated to contribute their maximum to the success of the institution. A good organizational culture also impacts the services provided to students and the community. Staff who perceive values such as caring, professionalism, and service excellence in the organizational culture will be more likely to provide quality services and be responsive to the needs of students and the community.

Thus, a strong and well-defined organizational culture in higher education institutions not only creates a positive working environment for staff, but also strengthens their commitment to the institution's goals and improves the quality of services provided to students and the community.

4. CONCLUSION

Research shows that transformational leadership and organizational culture have a significant impact on staff performance in higher education institutions. Transformational leadership, with its ability to inspire, provide clear direction and motivate staff, directly affects staff performance. So does a strong organizational culture, which creates a supportive work environment, is full of positive values, and facilitates staff engagement. Together, these two factors contribute significantly to staff performance in higher education. Suggestions for higher education institutions are to pay serious attention to transformational leadership development and the establishment of a positive organizational culture. Transformational leadership training and development for leaders as well as efforts to build and maintain a supportive organizational culture will be valuable investments for the long-term success and optimal performance of their staff.

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