

THE INFLUENCE OF LEADERSHIP STYLE TO PERFORMANCE BY ORGANIZATIONAL CULTURE AS VARIABLE INTERVENING (STUDY OF SMES FASHION IN JEMBER)

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Abstrak. The purposes of this study are: 1) To determinate the influence of leadership style to organizational culture 2) To determinate the influence of leadership style to performance, 3) To determinate the influence of organizational culture to performance, and 4) To determinate the influence of leadership style to performance by organizational culture as intervening variable. The type of research used in associative research, which aims to determinate the influence of leadership style to performance by organizational culture as intervening variable of SMEs fashion in Jember. The population in this study are entrepreneur of SMEs fashion in Jember totaling 113 people. For this population, the sample is 53 respondents. The sampling technique is purposive sampling. Methods of data analysis using descriptive statistics and path analysis. The result shows that: 1) Leadership style (X) has a direct influence to organizational culture (Z) of SMEs fashion in Jember, 2) Leadership style (X) has a direct influence to performance (Y) of SMEs fashion in Jember, 3) Organizational culture (Z) has a direct influence to produktivity (Y) of SMEs fashion in Jember, and 4) Leadership style (X) has a direct influence to produktivity (Y) by organizational culture (Z) as intervening variable of SMEs fashion in Jember.

Keyword: SMEs, Fashion, Leadership style, Organizational culture, Performance

1. Introduction

According to the data compiled by the central bureau of statistics indonesia regarding (ekraf creative economy there are a couple of points that can be highlighted: 1). Creative economy sector is sector 7th most important thing 10 sectors national economy. In 2011, domestic product growth collection and gdp, which ekraf reached 4.91%. Ekraf to surpass the transportation of & communication; finance, real estate & services firm; gas mains & clean water; 2). The contribution of the gross domestic product gdp ekraf culinary largest produced the subsector (32.2% worth his 169,62, fashion (28.1% 147,6 worth his and handicraft (while 15.1% worth 79,4t) areas; 3). The gross domestic product gdp nominal ekraf always experience an increase, in the year 2011 reached 526 t , up 0.16% compared to 2010 which reached 472.8 t; 4). Labor ekraf sector also automatically his main demand rises in 2011 until reached 11,51 million people, up 4,91% of 2010 which only 11,49%; 5). The contribution of

labor largest absorbed subsector fashion (32,4% worth 3,73 jt persons), culinary (32.1% worth 3.7 jt persons).

The era of free trade now, challenges to be faced is preparing a human resources and productive. Performance to have a general sense the comparison between the input company with output. company output. Input intended is that the whole company resources and output is the result achieved by the company. Performance is the comparison between achieved results the resources used. Input. The performance of having two dimensions which is the first is the effectiveness of that leads to the maximum working on is the target, relating to quality the quantity and time. The second efficiency related to the effort to compare input with the realization penggunaanya or how work was done. Conclusions a statement on the performance of constituting an accession or purpose a company to be able to produce outputs that qualified by the realization input users with an efficient manner. The performance often said to be a very important and not to be missed in the formulation of the company business strategy. As a whole that could support function or parts in the company as a whole. The performance represents the unity function and the inside of the company as a whole. Every function and that passage of course not out of human resources the remote.

Human resources as one of the control is an important factor in all forms of organization. The effectiveness of organization in achieving the vision, mission, and organizational goals cannot be separated from the role of leader. A leader will be recognized as a leader when in the style of leadership can affect matter and capable of being steered inferiors organization at the achievement of a goal. Tending to very different leadership style, a style developed by a leader affected by major factors. All three will determine the extent to which he is doing the surveillance of a group led. The first, factors based on a group led. Both, factors based on the group/organization led by the leader of. Third, factors that depends on the situation, so that the situation can influence culture organization works. Ideally every organization work had a culture that is a value system that is a collective of all those involved in the company. A value system is the concept that is in thought people/individual employees and management. In this work closely related to cultural perceptions of value and environment, so the perception bore meaning that will affect attitudes and behaviors employees in work. To whom we have, work can be viewed from different perspectives as work is a form of worship, the way human actualize himself, tangible form of value, and one as a conviction. All that view can be the motivation to produce quality work in reaching organizational goals and individual. Based on the background above, researchers will be looking at is likely to give further those problems together with the title “the influence of leadership style to performance (study of SMEs fashion in Jember)”.

1.1. Theoretical

1.1.1. Leadership Style

A style of leadership is a variety of the behaviors that favored by leaders in the process of directing and affects. subordinate Variable leadership style with two, indicators which is oriented to: leadership, duties, and relations. Indicators leadership style [1], covering: Leadership on the duty of oriented, and Leadership on the relations of oriented

1.1.2. Organizational Culture

Organizational culture is a view not shared by all and believed to be a member of a vision and mission to determine appropriate organizational goals. The organizational culture [2] and [3], covering: Communication, Innovation and the risk, Support, People oriented, Team oriented, Result oriented, Assertiveness.

1.1.3. Performance

Performance has been critical for employees who is in company. The performance of work expected the work done efficiently and effectively, that it all finally needed in the achievement of a goal that has been set. Organization can be work out to a result the performance of work than workers. The

performance of work employees it can be seen through measurements. Produktivitas uses the work can be measured as follows [4], [5], dan [6]: Work quantity, Work quality, Timeliness

1.2. The relation between variables

1.2.1. To determinate the influence of leadership style to organizational culture

Leadership involving more than using power and exercise authority, and displayed at different levels. On the individual level, for example leadership involving advice, guidance, inspiration, and motivation. Leaders build a team, created unity, and resolve disputes at the group level, and eventually leader build culture and creating the change in organization [7].

Culture created by leader, leader created by culture. Culture in is not foundation for an organization. If the foundation is not enough, firm made and as good is a building so it is not enough solid for [8]. There are several opinions told how it does. supposed to be formed. Of the various opinions cannot be denied is the role of leader.

Research by noted that behavior transformasional influential leader in significantly to culture organization. Culture is the result of the organization often creation its founder. Specifically leadership applied the founders of organization and the successors of culture can help develop the related to joint dpandu values and the assumption by a belief in the founders and the leader of the personal [9].

H1 : The style of leadership to depend on the organizational culture.

1.2.2. To determinate the influence of leadership style to performance

The style of leadership and transformational leadership style transaksiinal have influence with the performance of. employees work. Efforts to motivate subordinate in transactional leadership style focused on self interest subordinate. Transactional leadership behavior which includes the award as a motivation, supervision and the use of a penalty as the act of corrective against mistakes employee organization vision. needed to reach While a transformational leadership is regarded as a leader who focused on the achievement of a change value, trust, attitude, behavior emotional, and needs a better subordinate to a shift in the future. Transformational leadership style can make subordinate be loyal to a leader, so that they are motivated to do more, which in turn will improve the performance of the subordinate/employees work [10].

A style of leadership that we are doing having an influence that significantly correlates with the performance of work. Leadership that we are doing means a sense of ownership activities are to be implemented that affects orang-orang provide loans for businesses intense against the achievement of a goal a group, and according to the views of the group, the leadership of taken a precaution measure to convince the people of another to the middle east trying to in an intensive manner for attaining a particular goal. Of the attainment of an objective in this research is the success of a leader in improve their performance and of employee performance [11].

H2 : The style of leadership to depend on the performance.

1.2.3. To determinate the influence of organizational culture to performance

Success of the program implementation organization culture can be seen from increasing responsibility, self discipline and compliance with the existing rules, intertwining communication and harmonious relations with all levels, the increased participation and care, increasing the chance to problem solving. Culture work employees it can be said good if the results by employees better that affects income results company. Also standart work and good service will can impact on the performance of work employees. The factors that used to measuring culture work covering the basic assumption about work, an attitude toward work, behavior at work, work environment and tools work, work ethic. While the factors that used to measuring the performance of work covering quantity, the quality and timeliness of. So the culture work formed of culture organization will have an impact on performance and performance [12].

H3 : The organizational culture to depend on the performance.

1.2.4. To determinate the influence of leadership style to performance by organizational culture

A leader in an organization have the ability to move, directing, and create a condition that dynamic, fun for the whole of members of an organization, so that subordinate be motivated to work [13]. In the style of the leadership that applied in the structure of, so will be expected to build a culture organization that strong. Organization culture will not cease to can be used as a manual and role model for anggita organization to achieve the vision and mission of with. With such a poor condition so it is expected that leaders can form a strong culture and is constantly at able to make those changes, so that in the end can improve the performance of work.

H4 : The style of leadership to depend on the performance by organizational culture.

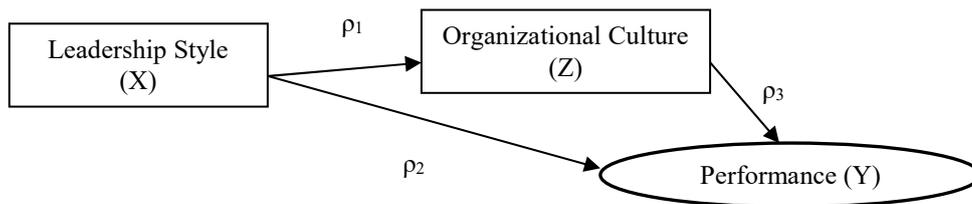


Figure 1. Conceptual Framework

Source: Modified by Siagian (2003), Kempton (1995) and Robbins (2006)

2. Methods

2.1. The type and Data Source

Type research used is the type the eksplanatori survey. This study included in category including research quantitative data where a question need alternative answers, could not agree, agree, neutral, disagree, and strongly disagree. Judgment, the answer to use likert scales, in which could not agree the answer given a score of 5, agree 4, 3, neutral disagree, 2 and strongly disapproved of 1. Research data is divided into two are primary and secondary data. Primary data the data obtained indirectly from msmb of about fashion in jember who were respondents through the distribution of the this study. Secondary data obtained from the literature study as literature/other sources which has to do with research.

2.2. Population and Sample

The population that referred to in this research is umkm sector in districts jember. The number of umkm sector in the fashion district jember 113. as many as with the number of the population count, then in the determination of the vials used a formula slovin as follows:

$$n = \frac{113}{1 + (113).(0,1)^2} \quad n = 53,05 \text{ sample}$$

The sample collection methods of the research is purposive, sampling in this technique researchers selected their sample purposive or sample in subjective aims.

2.3. Variable research

Variables used in the study that the force leadership as the independent variable and performance as the dependent variable. The culture of the organization as intervening variable.

Basically, research instruments used in research is as follows:

1. The questionnaire, is a list of questions asked respondents to to obtain data relating to this research.
2. Interview , namely get informnasi by means of respondents said directly to with a view to provide the when the questionnaire.
3. Observation (observation), includes activities a focus for a objects by use all the senses, a this is directly in research locations observation.

3. Result and Discussion

3.1. Test Validity

Testing validity carried on three large sets of this study, the style, the keprimimpinan performance, and culture organization. Table shows 1 KMO Measure of Sampling Adequacy (MSA) in this study 0,521. Because of value MSA at the top of 0,5 and score Bartlett's test with Chi-squares significant on 0,000 it can be concluded that the process can proceed this factor analysis.

Table 1. Validity test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		,521
	Approx. Chi-Square	17,798
Barlett's Test of Sphericity	Df	3
	Sig.	,000

Source: Primary data processed, 2019

3.2. Test Reliability

From table 2 can be seen the results of testing reliability shows that koefisiensi (from alpha count all variable is higher than criteria required or value critical (role of tumb) as much as 0.6 that the force leadership style, performance, and organizational culture each of 0,920; 0,885; and 0,786 so that it can be said that items questions all variable in a state of reliabel.

Tabel 2. Reliability test

Variable	Cronbach's Alpha	Result
Leadership style	0,920	Reliabel
Performance	0,885	Reliabel
Organizational culture	0,786	Reliabel

Source: Primary data processed, 2019

3.3. Test assumption classic

3.3.1. Test normality

Test normality, normally distributed shows that data to see the value kolmogrof smirnov and each variables is not significant at 0,05, because 0,05. probability is greater than. This means H0 accepted meaning data distributed normally.

Tabel 3. Normality test

No	Description	Asymp Significant	Information
1	Leadership style / GK (X)	0,074	Residual normally distributed
2	Performance / P (Y)	0,208	Residual normally distributed
3	Organizational culture / BO (Z)	0,132	Residual normally distributed

Source: Primary data processed, 2019

3.3.2. Test heterokedastisitas

Heterokedastisitas happens when variant residual of a observation to observation other not constant. The assumption variant said constant when distribution residual not influenced by the magnitude of variable independent. This research using test glejser to detect heterokedastisitas. The criteria for glejser test, if significance correlation more than 0.05 (sig. & >0.05), so on the model regression does not occur heterokedastisitas.

Tabel 4. Heterokedastisitas test

No	Description	Probabilitas / Significant	Information
1	Leadership style / GK (X)	0,989	Tidak ada heterokedastisitas
2	Organizational culture / BO (Z)	0,944	Tidak ada heterokedastisitas

Source: Primary data processed, 2019

3.3.3. Test multikolinieritas

Tabel 5. Multikolinieritas test

No	Description	Tolerance	VIF
1	Leadership style / GK (X)	0,190	5,263
2	Organizational culture / BO (Z)	0,190	5,263

Source: Primary data processed, 2019

The data said to occur a symptom of multikolinieritas if the value of tolerance & than any version $<0,10$ or is equal to the value of vif & >10 . Based on the results of the test and been approved multikolinieritas in table above shows the value of vif as much as 5,263 and value of tolerance as much as 0,190 on the variables of a style of leadership that we are doing (x) and culture of the organization of (z). It means the situation is conclude that the place where the data was not the fact that there are a symptom of multikolinieritas.

3.4. Hypothesis test

Tabel 6. The results of the regression equation 1

Variable Independent	Variable dependent: Organizational culture		
	Coefficient beta	t	Sig.
Leadership style	0,995	14,745	0,000
F-sig.	=	0,000	
R Square	=	0,810	
Adjusted R Square	=	0,806	
Signifikansi	=	5%	

Based on the analysis of the first phase of the variable and leadership style have had a positive impact in culture significant, organization indicated the sig $0,000 < 0,05$. That is when the leadership be raised cultural organization will increase. Adjusted value of r^2 0,806 which means that 80,6% variable cultural organization can be explained by variable, leadership style the remaining percent of 19,4% described by other variables not participated in this research.

Tabel 7. The results of the regression equation 2

Variable Independent	Variable dependent: Performance		
	Coefficient beta	t	Sig.
Leadership style	0,785	11,546	0,000
F-sig.	=	0,000	
R Square	=	0,723	
Adjusted R Square	=	0,718	
Signifikansi	=	5%	

Based on the analysis of the stage both the variable style leadership have had a positive impact significant at performance, indicated by value sig $0,000 < 0,05$. It means when style leadership be raised, performance will increase. Adjusted r^2 value of 0,718 which means that 71,8% performance

variables can be explained by variable style leadership, the rest of 28,2% described by other variables that not participated in this research.

Tabel 8. The results of the regression equation 3

Variable Independent	Variable dependent: Performance		
	Coefficient beta	t	Sig.
Organizational culture	0,719	12,148	0,000
F-sig.	=	0,000	
R Square	=	0,743	
Adjusted R Square	=	0,738	
Signifikansi	=	5%	

According to the analysis of the stage a third cultural variable organization it has some positive effects significant on performance, shown with the sig 0,000 < 0,05. This means that when style improved performance leadership and will increase .The adjusted r2 of 0,738 which means that 73,8% performance variables can be explained by variable style leadership, the rest of 26,2% described by other variables not participated in this research.

Tabel 9. The results of the regression equation 4

Variable Independent	Variable dependent: Performance		
	Coefficient beta	t	Sig.
Leadership style	0,393	2,537	0,014
Organizational culture	0,509	3,287	0,002
F-sig.	=	0,000	
R Square	=	0,879	
Adjusted R Square	=	0,763	
Signifikansi	=	5%	

Based on the analysis of the the fourth stage of the style of leadership and significant cultural organization it has some positive effects on performance .This is apparent from the significance of the second variable < 0,05. Adjusted value of r2 0,763 which means that 76,3% performance variables can be explained by the style of leadership and cultural organization, the rest of 23,7% described by other variables that not participated in this research.

The influence of direct or indirect effect variable on variables, performance leadership style were identified with compared lane coefficients leadership style at the time diregresi variables and coefficients performance with the leadership of variable culture through the organization of the performance.The direct effect on performance variable leadership style is as much as 0,362.Indirect effect variable variable leadership style with no intervening culture organisation is by multiplying the coefficient of course the influence of the style of the lead on the culture of the organization with a variable organization culture on performance ($\beta=(X \rightarrow Z) \times (Z \rightarrow Y)$). The coefficient track committed leadership style against culture organsasi is 0,995.While, the coefficient of variable line culture of the organization of the performance is 0,424.The results of the second time, namely 0,995 multiplied by 0,424 is 0,4219 (0,995 x 0,424 = 0,4219).

The variable leadership style a direct influence on performance, influence leadership style on performance through culture organization as intervensi variable is 0,362: 0,4219.It can be seen that influence style leadership intervensi variable (0,4219) value greater than a direct influence on performance style leadership (0,362). Hence it can be said that culture is the variable that variable organization can be intervensi variable, between variables style guilty performance variables.This means if the variable style leadership organization in campur by culture it is improve performance.

Based on the results of the testing of hypotheses using analysis the (path analysis) mentioned above showing no 3 the stage (ρ_1 , ρ_2 , ρ_3 , dan ρ_4) That have leverage significantly, both the direct effect and indirect effect Thus for more details fourth phase the lane is presented in figure 1. below.

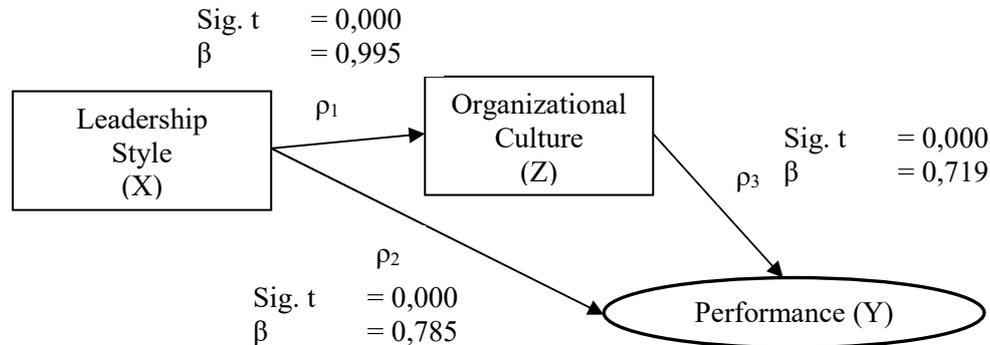


Figure 2. Path Analysis Model

3.5. Discussion

Based on the analysis of the in the first phase is variable leadership style (x) have leverage directly on variables cultural organization (z) SMEs fashion in Jember. This is shown by the value of 0,000 probabilitas ($p < 0,05$) and (β) of 0,995. This means that the style of leadership owned by a leader can affect subordinate to more to do or seeks in order to achieve, organizational goals so in the end can affect on the increase in organizational culture. These findings in this research identified that variable style leadership (x) have leverage to organizational culture (z).

Based on the results of the analysis lines running on the second phase that is variable style of leadership (x) have leverage directly against performance variables (y) on SMEs fashion in Jember. This is shown by the value of probabilitas as much as 0,000 ($p < 0,05$) and (β) 0,785 as much as. It means a style of leadership that owned by a leader can affect the increase in the performance.

Based on the analysis of the in the third phase is variable cultural organization (z) have leverage to directly performance variables (y) in SMEs fashion in Jember. This is shown by the value of 0,000 probabilitas ($p < 0,05$) and (β) of 0,719. And scores of 12.148 t count cultural organization capable of change and improvement of better, and have an impact on improving performance.

Based on the results of the analysis in the fourth stage variable and leadership style (x) have leverage on performance (y) through the organization (z) as variable and intervening in the SMEs fashion in Jember. This is shown by the adjusted r square of 0,763 which means that 76,3% performance variables can be explained by the leadership style and culture, organization the remaining of 23,7% described by other factors outside model. It is also demonstrated by the value the (β) influence style of leadership on performance melalui cultural organization as variable intervening by 0,4219 (β). It is a style of leadership that is owned by a leader can affect subordinate and subordinate will always follow, boss a culture that bulid strong organization. The culture is so strong it would affect on performance and the SMEs fashion in Jember.

4. Conclusion, Limitation and Suggestion

4.1 Conclusion

1. Leadership style (x) have leverage directly on variables culture organization entrepreneurs SMEs fashion in Jember. It means a style of leadership that owned by a leader can affect subordinate to more can do in order to achieve or attempt to organizational goals , so that in the end will affect on the increase in organization culture.
2. Leadership style (x) have leverage to directly performance variables (y) entrepreneurs SMEs fashion in Jember. This means that the style of leadership owned by a leader can affect performance improvements.

3. Organizational culture (z) have leverage directly against performance variables entrepreneurs SMEs fashion in Jember. It means culture organization able to make changes and revamping better , thus increasing the impact.
4. Leadership style (x) have leverage on performance (y) through the organization (z) as intervening variable. That means that the culture of the organization was created and embedded with so strong will increase variable influence leadership style on the performance of the entrepreneurs SMEs fashion in Jember.

4.2 Limitation and Suggestion

Independent variables in this research is limited to only. variable leadership style. Hence the future should be adding variable supporting, for example. learning organization and performance This research because that future conduct of the topic of the same and different, only its object only so that future research is new findings and results of the research is to be more comprehensive.

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