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## The Organizational Culture As A Moderate For Motivation And Transformational Leadership On Employee Performance: A Literature Review

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### Abstract

*This study aims to explore the relationship between organizational culture, employee motivation, transformational leadership, and employee performance. In this literature study, the authors reviewed various journal articles that discussed the topic. The results of the literature analysis show that organizational culture has an important role as a mediator in influencing employee motivation and transformational leadership on their performance. A strong and positive organizational culture can increase employee intrinsic and extrinsic motivation and create a work environment that supports innovation, team collaboration, and self-development. In addition, transformational leadership was also found to have a significant impact on employee motivation and directly contribute to improving individual and group performance. This leadership style is able to inspire subordinates with a clear vision, provide emotional support, empower team members to achieve common goals. However, although there is much evidence about the positive relationship between organizational culture, employee motivation, and transformational leadership and employee performance, it should be remembered that each organizational context has unique and complex characteristics. Therefore, further research is needed to deeply understand this relationship in various industrial sectors and different organizational cultures. In conclusion, literature studies indicate that organizational culture, employee motivation, and transformational leadership are interrelated and have a significant influence on employee performance. In an effort to increase productivity and organizational success, it is important for managers to create a positive work culture, encourage both intrinsic and extrinsic motivation of employees and carry out transformational leadership effectively.*

**Keywords:** Organizational Culture, Motivation, Transformational Leadership Employee Performance.

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## **INTRODUCTION**

Human resources are a very important component for the successful operation of a company. For this reason, companies are required to improve the quality of their resources in order to increase the ability of employees and help companies to improve their abilities (Suwanto, 2011). Robbins PS, 2006) through the organization, will bring him to a different situation than before. Therefore, the role of human resources today will be one of the important components for the success of a project carried out in a company, be it state-owned, private or social.

In today's competitive business, curiosity and transformational leadership are essential to enhance organizational capabilities. Organizations that have a strong culture can have a profound influence on employee morale and the way they lead. Because of this, it is important to understand how corporate culture, incentives, and transformational leadership affect employee performance.

However, while there has been much research on the relationship between organizational culture, motivation, transformational leadership, and employee performance separately, it is still unclear how the three interact in the specific context of a particular company or industry. Therefore, a systematic research is needed with the main objective of this paper to analyze the existing literature regarding the relationship between organizational culture, employee motivation, transformational leadership, and employee performance. By conducting a comprehensive literature review, this study aims to: Identify the factors in organizational culture that influence motivation and transformational leadership, explain the mechanisms by which motivation can become a mediator between organizational culture and employee performance,

Thus, this paper is expected to contribute to further understanding of the importance of organizational culture as a moderator in the relationship between motivation and transformational leadership on employee performance.

## **Organizational Culture**

Robbins (2006) states that organizational culture is a system of shared meaning within an organization that determines at a higher level how employees act. Organizational culture is a value system that is believed by all members of the organization and is studied and implemented and developed on an ongoing basis that functions as a whole system. Robins (2006) states organizational culture refers to a system of shared meaning held by members that distinguishes the organization from other organizations. This system of shared meaning is, on closer analysis, a set of key characteristics that the organization value. Robbins (2006) further argues that:

## **Transformational Leadership:**

(Syani, 2017) suggests that leadership is a process of giving influence from a leader to other people (or groups of people) to carry out certain activities

according to his will. (Lubis, 2019) Suggest that leadership is the process of influencing other people or groups to want to cooperate voluntarily in certain situations, so that these members are motivated to do their work and feel not forced. Kartono (Kartini, 2010) says that today's modern humans are very interested in good leadership, who have high technical skills, and superior personality traits. Thus the importance of leaders for the organization, so it should get the attention of every leader in the organization.

### **Employee Performance**

The word performance is a translation of the English word Performance which has the meaning of doing, the result or the level of success in carrying out tasks. According to Hersey and Blanchard as quoted by Rivai and Basri (2006), in their book "Performance Appraisal", explains that performance is a function of leadership and ability. To complete a task or job, a person must have a certain degree of willingness and level of ability. A person's willingness and skills are not effective enough to do something without a clear understanding of what to do and how to do it.

### **Motivation**

Motivation is an impulse that causes a person to do an action to achieve a certain goal. Motivation comes from the word motive which means "impulse" or stimulation or "driving force" that is in a person. According to Elliot et al. (2000), motivation is defined as an internal condition that arouses us to act, encourages us to achieve certain goals, and keeps us interested in certain activities. According to Uno (2009), motivation can be interpreted as internal and external encouragement within a person as indicated by their existence; passions and interests; urges and needs; hopes and ideals; appreciation, and respect. Motivation becomes a force, energy or power, or a complex situation and readiness in the individual to move towards a certain goal, whether consciously or unconsciously (Makmun, 2003). A person's motivation can be generated and grow through himself-intrinsically and from the extrinsic environment (Elliot et al., 2000). Intrinsic motivation means the desire of oneself to act without external stimulation (Elliott et al, 2000). Intrinsic motivation will be more profitable and provide consistency in learning.

Research by (Kahfi et al. 2020), says that organizational culture has a significant effect on performance, transformational leadership has a significant influence on organizational performance. Motivation partially affects organizational performance Organizational culture also partially influences motivation. Transformational leadership also partially influences motivation. The influence of culture and transformational leadership affects organizational performance through motivational variables.

In line with the results of research (Rudianto, et al. 2023) which argues that transformational leadership, task delegation and work motivation have a positive and significant effect on organizational performance by mediating organizational

culture, this research provides guidelines for units of naval headquarters detachments in an effort to improve organizational performance through the importance of rebuilding organizational culture. The research findings of Irvansyah et al, (2023) show that there is an influence of organizational culture and the influence of organizational commitment on dynamic capabilities. While the results of the indirect hypothesis also influence, namely organizational culture and organizational commitment to organizational performance. While the research conducted (Talib, et al,

(Baruna Rizky Perdana, Fahrur Rozi, 2021) shows that there is a positive and significant influence between transformational leadership style, work motivation, organizational culture on employee performance) There is a partial effect between work motivation variables on employee performance and There is an influence of organizational culture on employee performance . The results of the study (Litra Antara, Desmawati, and Tamrin, 2022), show that transformational leadership has a significant effect on organizational commitment, organizational culture has a significant effect on organizational commitment, transformational leadership has a significant effect on performance, organizational culture has a significant effect on performance, organizational commitment has a significant effect on performance,

Research on Transformational Leadership Style, Organizational Culture on Motivation and Performance conducted by (Faripa, I Dewa, 2019) shows that, transformational leadership, organizational culture do not have a significant effect on performance, transformational leadership style and organizational culture have a positive effect on work motivation. While the results of the study (G. Ngurah, I Gusti Ayu, 2019) Work motivation is able to mediate the relationship between transformational leadership and organizational culture on employee performance.

The results of the study (Epriliyana, 2017) say that leadership influences organizational commitment. The influence of leadership on organizational culture. Leadership influences organizational commitment and organizational culture.

The results of the study (Prakoso, Yuliharsi. 2022) show that leadership has a significant effect on performance, organizational culture has a significant effect on performance through organizational climate, and leadership has a significant effect on performance

In contrast to research conducted by (Tindaon and Hidayat. 2023) shows that there is no positive and significant influence on the relationship between transformational leadership and organizational commitment, organizational culture has a positive effect on organizational commitment and there is no negative effect on the relationship between transformational leadership and organizational commitment which is moderated by organizational culture.

Research results from (Rismayadi Budi, 2022) say that transformational leadership and organizational culture have a positive and significant effect on job

satisfaction, but only leadership style has a positive and significant effect on employee performance.

Shabrina, 2021, says that transformational leadership has no significant impact on employee performance, transformational leadership has a significant impact on organizational culture, organizational culture has no significant impact on employee performance, transformational leadership has no indirect impact on organizational culture, transformational leadership has on employee performance does not have an indirect impact on organizational change.

Based on research from (Hardjadinata et al. 2022) shows that organizational culture has an effect on employee motivation. Motivation at work is not affected by the transformational leadership style. Employee performance is influenced by work motivation. Organizational culture has an impact on employee performance. Transformational leadership also has an impact on employee performance

Suranto, et al. 2022, states that there is an influence of leadership and organizational culture on work motivation, there is an influence of leadership and organizational culture on employee performance, there is an influence of work motivation on employee performance, there is no influence of leadership and organizational culture on employee performance. employee performance through work motivation. Work motivation does not provide a leadership role and organizational culture to improve employee performance.

## **METHOD**

This research uses literature review as its type and method. Starting with a literature search for research articles or articles on the same topic, the research includes a review of various published reports or research articles. Based on the background sources of the article reviews, research methods, results of discussions, discussions, and conclusions, the researchers chose the feasibility of the research report.

This study analyzes articles related to Organizational Culture, Transformational Leadership Motivation and Employee Performance

## **RESULTS AND DISCUSSION**

In discussing the relationship between organizational culture, employee motivation, transformational leadership, and employee performance, there are several things that need to be considered. The following are some of the important points generated:

1. Relationship between Organizational Culture and Employee Motivation: Several studies have shown that a strong and positive organizational culture can increase employee motivation. Factors such as shared values, social norms that support collaboration and innovation, and fair management practices can affect an individual's level of motivation.

2. Effect of Transformational Leadership on Employee Motivation: Previous studies have shown that transformational leadership has a positive impact on employee motivation. This leadership style involves inspiring visions of the future, providing emotional support to subordinates, and encouraging their self-development.
3. Mediation by Motivation in the Relationship between Organizational Culture and Employee Performance: Several studies also state that motivation is an important mediator in the relationship between organizational culture and employee performance. When individuals feel motivated to work hard to achieve common goals and get recognition for their contributions from a conducive work environment (organizational culture), employee performance can increase.
4. Interaction between Organizational Culture, Motivation, and Transformational Leadership in Influencing Employee Performance: Several studies have shown that these three variables interact in a complex way to influence employee performance. For example, an organizational culture that values innovation and gives freedom to employees (organizational culture) can encourage their motivation to create new solutions as well as transformational leadership that supports individual self-development (transformational leadership).

## **CONCLUSION**

In conclusion of the literature review regarding the relationship between organizational culture, employee motivation, transformational leadership, and employee performance, there are several things that can be concluded:

1. A strong and positive organizational culture has a significant influence on employee motivation. Shared values, social norms that support collaboration and innovation, and fair management practices can increase an individual's level of motivation.
2. Transformational leadership plays an important role in increasing employee motivation. This leadership style involves inspiring visions of the future, emotional support for subordinates, and encouragement for their self-development.
3. Motivation is a mediator in the relationship between organizational culture and employee performance. When individuals feel motivated by a conducive work environment (organizational culture), they tend to achieve better performance.
4. The complex interaction between organizational culture, motivation, and transformational leadership together contributes to improving employee performance. An organizational culture that encourages innovation and gives employees freedom can boost their motivation to create new solutions when combined with a transformational leadership style.



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