
Article

THE INFLUENCE OF ORGANIZATIONAL CULTURE CHARACTERISTICS AND LEADERSHIP STYLE ON THE LEVEL OF JOB SATISFACTION OF PEUNAWA RAHMAT MEULABOH PHARMACY EMPLOYEES

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Abstract: In the current era of globalization, human resources are one of the most valuable assets for companies because of their role as the subject of implementing policies and activities carried out by the company. In order for the company's goals to be achieved and can continue to run, the company must dare to face every challenge and be confident to face any changes that exist. The problem that comes to the surface is how to create an employee who can produce optimal performance in accordance with company expectations so that the goals that have been made can be achieved together. In this study, researchers used quantitative research methods with descriptive statistical techniques. The purpose of using this method is to describe the facts that occurred.

Keywords: Organizational Culture, Leadership Style, Job Satisfaction, Pharmacy.

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1 Introduction

In this day and age where the globalization era is in full swing, HR or human resources have become something that is very meaningful for a company, because of their role as the subject of implementing policies and activities carried out by the company. In order for the company's goals to be achieved and to continue running, the company must have the courage to face every challenge and be confident to face any changes that exist. The goal is simple, namely, to win the competition against other competitors. In addition to good HR factors, there are also other types of resources owned by the company. The resources in question are capital, machines or tools, as well as methods that have been

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owned by the company so far. However, if the human resources owned by the company cannot carry out all of that, the company will find it difficult to optimize the potential that has been available. Therefore, the role of employees as human resources in a company is very crucial and important.

Coaching in the right human resources can foster a sense of belonging among employees, improve teamwork, and can create a warm atmosphere among employees which in turn can make employees enthusiastic at work so that it will increase the company's work efficiency. Employee performance (job performance) can greatly affect the success of the company. Employee performance is an achievement achieved by employees in carrying out the tasks and work assigned to them. Good job results from employees are needed by the company so that the company goals that have been planned can be achieved together [1].

Employee job satisfaction is very important and is something that must be considered by the company, because job satisfaction has a direct impact that will be felt by the company. The impact of job dissatisfaction can make a company have a bad image, such as decreased work performance, high absenteeism, and low morale, so that employees can easily leave the company. To minimize these consequences, companies are expected to be able to create a healthy working climate, as well as situations and conditions that can make employees really like their jobs and have a sense of belonging.

The problem that emerges to the surface is about how to make an employee who works for the company able to work optimally in accordance with company standards so that the goals that have been planned can be achieved together. There are many factors that affect employee performance, therefore the organization needs to ensure that the indicators that affect employee performance can be met to the fullest. In the company's efforts to improve employee performance, there are many tricks that can be done by companies in order to improve employee performance, one of which is the effectiveness of organizational culture which can be realized with a leadership style that is in line with the expectations of its employees. Organizational culture has an important role in efforts to improve the quality of employee job satisfaction. The organizational culture that the company has built strongly will produce superior individuals to compete so that it will have a good impact on the company.

As an illustration, PT Kimia Farma Pharmacy has an organizational culture that guides its employees in carrying out their daily work. The organizational culture in question is ICARE (Innovative, Customer First, Accountable, Responsible, and Eco-friendly). Having an organizational culture can be a driving force for employee commitment and can be a motivation for employees to help the company continue to grow. A company without implementing an organizational culture will have difficulty achieving goals because there is no basic guideline for working employees. When employees work without guidelines, the results of the work will not be in accordance with company expectations. This is what makes it difficult for the company to compete with business competitors.

The following is data of employees of the Peunawa Rahmat Meulaboh Pharmacy who came in and out from 2018 to April 2022.

Table 1. Number of Peunawa Rahmat Pharmacy Employees

Year	Number of Employee	Enter	Exit
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2018	28	-	2
2019	26	5	12
2020	19	-	1
2021	18	3	2
2022	21	2	-

Table 1. shows the level of company turnover from 2018 to 2022. The table above shows that the number of incoming and outgoing employees varies greatly. The fewest employees who left occurred in 2020. The most employees who left occurred in 2019, namely 19 people. The least number of employees who enter will be in 2022, namely 2 people. The most employees who entered occurred in 2019, namely as many as 5 people. From table 1. there is at least 1 employee who resigns every year from Peunawa Rahmat Pharmacy. According to [2] there are 4 reasons for employees to keep working or resign: (1) Organizational values, culture, strategies, opportunities, are well managed with result orientation, and job security; (2) Career, training and career development; (3) Relations between colleagues, supervisor or management support; (4) Salaries, benefits, bonuses and performance awards. When an employee feels dissatisfied in carrying out his work, they will tend to take an attitude to withdraw from the organization. Employees will leave their jobs if they do not have satisfaction at work [3].

Organizational culture has an influence on employees and is a vital factor [4]. Several studies have shown that organizational culture has no effect on the quality of employee performance [5]. Meanwhile, leadership style has no effect on the performance produced by employees [6]. Furthermore, leadership style influences the performance produced by employees [7].

Based on the results of previous research, organizational culture and leadership style can have a positive or negative effect on employee performance. Therefore researchers are interested in conducting this research to determine the influence of organizational culture and leadership style on the performance of Peunawa Rahmat Meulaboh Pharmacy employees.

2 Basic Theory and Hypothesis Development

2.1 Organizational Culture

Culture is a system of shared values as the basis for beliefs, attitudes and behavior of people, and each effect can be measured by how much people are motivated to respond to a phenomenon in their cultural environment [8]. From this understanding, culture can be interpreted as a number of people who gather in an organized manner with the same beliefs, values, and goals that are in line. Apart from the many different assumptions regarding the elements of organizational culture put forward by experts, in general there are two elements of organizational culture, namely idealistic elements and behavioral elements.

The opinion put forward [9], regarding organizational culture variables refers to a pattern that can be understood by all members of the organization. These patterns will be the difference between one organization and another. Organizational culture can also be interpreted as a shared value that is used as a guideline by members of the organization

when taking action within the organizational environment. A supportive organizational culture can encourage organizational members to do their best. Along with the development of the times, organizational culture is also growing and growing in line with the increasing diversity within an organization. However, in reality the process of adapting to organizational culture still cannot be carried out together due to the different systems in each organization.

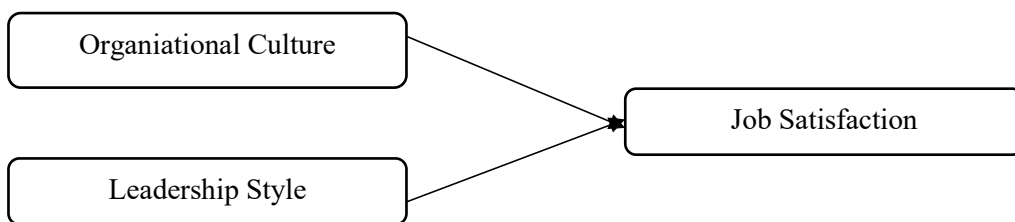
2.2 Leadership Style

According to [10], leadership is an individual skill that is used to motivate, influence, and enable other people to contribute to the company to create effectiveness and achieve success in accordance with company goals. Based on the understanding that has been conveyed in the previous sentence, leadership is an effective way of influencing and motivating employees so that they can make a good contribution and optimal performance for organizational success. Basically, leadership style is a manifestation of the behavior and habits of a leader that can be seen directly by employees. Leadership style is also a reflection of the leader about his ability to become a leader. The manifestation of the leadership style can usually be seen from the behavior and habits of the leader when leading employees in their daily activities.

2.3 Job Satisfaction

According to [11], job satisfaction is a description of employees related to the results of their work. The impact of job satisfaction is related to employee performance which is the key to producing good performance or poor performance. According to [12], what determines job satisfaction includes decent work, appropriate rewards or wages, co-workers who provide mutual support, positive working conditions, and personal compatibility with the work received. The level of job satisfaction becomes an aspect that is very instrumental in influencing the level of employee performance. Employee job satisfaction is not enough just to be given incentives for the work they do, employees also need motivation and recognition for the performance that has been done. In addition, the level of employee job satisfaction will also increase when they get opportunities for promotions to higher positions.

2.4 Hypothesis Development



Picture 1. Research Design

The following are the hypothesis of this study:

H1: Organizational Culture influences Job Satisfaction.

H2: Leadership Style Influences Job Satisfaction.

H3: Organizational Culture and Leadership Style influence Employee Job Satisfaction.

2.5 Research Methods

According to [13] the research method is a method used in a study by using the mind carefully in an effort to achieve the desired goals of a research. In this study, researchers used a type of quantitative research method using descriptive statistical analysis techniques.

2.6 Definition of Operational Variables

Table 2. Operational Variables

No.	Variable	Indicator	Measurement Scale
1.	Organizational Culture	<ul style="list-style-type: none"> • Employee active values in work activities. • Activeness of employees when participating in company activities outside working hours. • Activeness of employees when participating in making management decisions. • The values of the achievement of results • Results quality values. 	Likert
2.	Leadership Style	<ul style="list-style-type: none"> • Absolute authority possessed by the leadership. • Every decision is made by the leader. • Subordinates do not have the opportunity to express opinions. • Leaders give a lot of responsibility to employees. • Employees can freely provide suggestions and opinions. • The responsibility of the leader is not absolute. • Leaders engage employees in making joint decisions. • Employees have the opportunity to express opinions. 	Likert
3.	Job Satisfaction	<ul style="list-style-type: none"> • Salary according to work. • Salary in accordance with the necessities of life. • Salary compliance with applicable standards. • Opportunity to be promoted. • Desire to develop career. • Promotional fairness. • Work support from peers. • Work support from superiors. 	

3. Result and Decision

Respondents who were employees of Peunawa Rahmat Pharmacy totaled 21 respondents consisting of 15 male employees and 6 female employees. The age of the respondents consisted of 24-27 years totaling 11 people, 28-32 years totaling 6 people and 35-39 years totaling 4 people. There are 2 employees who have worked for less than 1 year, 6 employees who have worked for 1-2 years and 13 employees who have worked for more than 2 years.

3.1 Convergent Validity

Convergent validity is a form of calculation that uses units that have a correlation value between the unit score and the construct value. The Convergent Validity value can be determined by looking at the AVE value, composite reliability, R square, and Cronbach's alpha. The results of the AVE, composite reliability, R square, and cronbach's alpha values that have been obtained and have been processed using Smart PLS 3.0 can be seen in the following table:

Table 3. Reliability test

	AVE	Composite Realibility	Cronbach's Alpha
X1	0.691	0.918	0.890
X2	0.589	0.952	0.946
Y	0.545	0.880	0.832

The value of validity and reliability can be known from the total value generated by the variable reliability and AVE value for each variable. A variable is considered reliable if its combined reliability score is greater than 0.7 and its AVE score is greater than 0.5. The table above has proven that all research-related variables have met the combined reliability criteria, because their values are above the recommended value of 0.7.

3.2 Discriminant Validity

Discriminant validity is a cross loading value that can be used in determining a construct has a discriminant score. The trick is to compare the load value with the desired structure. The minimum value is 0.7. Based on the following table, each construct contains a cross loading value that is greater than the minimum value, which is 0.7.

Table 4. Validity Test

Code	X1	X2	Y
X1P3	0,859	0,675	0,528
X1P5	0,789	0,432	0,289
X1P6	0,888	0,617	0,504
X1P8	0,850	0,784	0,579
X1P10	0,764	0,584	0,387
X2P1	0,659	0,783	0,529
X2P2	0,502	0,771	0,502
X2P3	0,687	0,715	0,474

Code	X1	X2	Y
X2P4	0,566	0,769	0,759
X2P5	0,577	0,829	0,550
X2P6	0,547	0,834	0,688
X2P7	0,507	0,774	0,616
X2P8	0,716	0,758	0,561
X2P9	0,656	0,712	0,382
X2P10	0,671	0,870	0,458
X2P11	0,602	0,725	0,389
X2P12	0,556	0,721	0,630
X2P13	0,482	0,734	0,585
X2P14	0,569	0,730	0,671
YP1	0,540	0,592	0,820
YP2	0,527	0,688	0,757
YP3	0,287	0,498	0,780
YP4	0,527	0,642	0,770
YP5	0,210	0,376	0,724

3.3 Composite Reliability

In an effort to measure the reliability of a construct using SmartPLS, two methods can be used. The first method is to measure by comparing the Cronbach's Alpha value and the Composite Reliability value. However, using the Cronbach's Alpha value will give a lower value, so it is recommended to use Composite Reliability with a minimum value of 0.7. In the table as shown below, it includes all variable values in reliability testing. Cronbach's Alpha and Composite Reliability both have values above 0.7 and in testing the AVE value is more than 0.5. So it can be concluded that the variables tested are valid and reliable.

Table 5. Operational Variables

Variable	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Organizational Culture	0,890	0,918	0,691
Leadership Culture	0,946	0,952	0,589
Job Satisfaction	0,832	0,880	0,594

3.4 R-Square

The changing R-square value can be used as an explanation of the relationship between exogenous variables and endogenous variables that can have a substantive impact. The reference R-square value used in this study is 0.75 as a strong model, 0.50 as a moderate model, and 0.25 as a weak model [14].

Table 6. R-Square

Variable	R Square (R ²)	R Square Adjusted
Job Satisfaction	0,566	0,517

From the results of the calculations that have been carried out on the R-Square value in the table above, the results are worth 0.566. This value indicates that organizational culture and leadership style variables influence employee job satisfaction by 56.6%. While the rest is influenced by other variables outside of this research variable.

3.5 Discussion

1. Organizational culture has no effect on employee job satisfaction

A construct value on variable X1 or organizational culture variable has no effect on employee job satisfaction. The construct value of organizational culture has no effect ($O = -0.007$) on the job satisfaction construct and the t-statistical value on the relationship between these two variables is $0.025 < 1.96$ and the p-value is $0.490 > 0.05$. Therefore, the first hypothesis was not proven in this study. This is in line with previous research conducted by [5] that organizational culture variables do not have a significant or negative effect on the performance of working individuals. The same thing was conveyed by [15] that good and bad organizational culture will not affect employee job satisfaction.

2. Leadership style influences employee job satisfaction.

The research construct value owned by the influential leadership style variable is ($O = 0.758$) with the job satisfaction construct and the t-statistic value on the relationship between these two variables is $2.802 > 1.96$ and the p-value is $0.003 < 0.05$. Therefore, the second hypothesis has influence and is proven in this study, such as research conducted by [7] states that leadership is an important factor that will be useful in providing direction and motivation to employees.

3. Organizational culture and leadership style affect employee job satisfaction.

The results of calculating the R-Square value that has been obtained based on calculations using SmartPLS is 0.566, which means that this value represents that organizational culture and leadership style variables affect employee job satisfaction by 56.6%. Therefore, the third hypothesis in this study can be accepted. In research conducted by [16] said that organizational culture and leadership style variables affect employee job satisfaction.

The changing R-square value can be used as an explanation of the relationship between exogenous variables and endogenous variables that can have a substantive impact. The reference R-square value used in this study is 0.75 as a strong model, 0.50 as a moderate model, and 0.25 as a weak model [14].

4. Conclusion and Recommendations

4.1 Conclusions

In this study, researchers took organizational culture and leadership style variables as test variables to determine their effect on employee job satisfaction at Peunawa Rahmat Meulaboh Pharmacy. Respondents from this study were all employees of

Peunawa Rahmat Meulaboh Pharmacy, totaling 21 employees. Based on the results and discussion in this study, researchers can draw several conclusions, namely:

1. Organizational culture has no effect on the level of employee job satisfaction. Even though according to calculations that have been made that organizational culture has no effect on the level of employee job satisfaction, it would be nice for the company to pay attention to the level of job satisfaction of its employees. The organizational culture variable in this study is indeed not proven, but there are other studies which say that organizational culture variables affect the level of employee job satisfaction.
2. Leadership style influences employee job satisfaction. This means that the leadership style possessed by the leader of the Peunawa Rahmat Meulaboh Pharmacy will affect the performance and quality of work of the employees of the Peunawa Rahmat Meulaboh Pharmacy.

4.2 Suggestion

Suggestions that can be conveyed by researchers based on the conclusions listed above are as follows:

1. For prospective researchers who will conduct research on the same topic, please take examples from other sectors so that new hypotheses will emerge which will make this topic even wider.
2. For researchers who will take other variables as topics, it is better to add other variables such as motivation, workload, wages, work environment, and others.
3. Peunawa Rahmat Meulaboh Pharmacy is advised to pay more attention to the level of job satisfaction of its employees so that the pharmacy can make policies that are in accordance with mutual wishes and decisions.
4. The leadership of the Peunawa Rahmat Meulaboh Pharmacy should also evaluate the leadership style that has been applied. Even though the results are good, it would be nice to be able to maintain the quality of leadership that is applied.

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