

# Leadership Style and Performance in Higher Education Institutions (PHEI): the Mediating Role of Organizational Culture

Higher Education  
Institution (PHEI)

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981

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## ABSTRACT

The purpose of this study is to examine the relationship between Leadership Style (LS) and Performance in Higher Education Institution (PHEI), the mediating effect of Organizational Culture (OC) on the relationship between the two is examined. Quantitative research approach with survey type. Descriptive and verifiable analyses were carried out to confirm and test the predictive causality of the constructed model. The total sample was 43 respondents selected using a purposive sampling approach. Path analysis is applied to analyze data in the research model. Forecasting with a regression approach, the process SPSS macro model was adopted to test the mediation effect. The estimation of the mediation effect was carried out by the Sobel test. The findings of the leadership style research have a positive and significant direct effect on the performance of higher education institutions, leadership style has a positive and significant effect on organizational culture, organizational culture has a positive and significant effect on the performance of higher education institutions. Organizational culture has a positive and significant indirect effect on the influence of leadership style on the performance of higher education institutions, there is a strong mediation effect of organizational culture compared to the direct effect of leadership style on the performance of higher education institutions. Research contributions, implications and recommendations are explained in this paper.

**Keywords:** Leadership Style, Organizational Culture, Performance in HEI, Predictive Mediation Effects

## ABSTRAK

Tujuan dari penelitian ini adalah untuk menguji hubungan antara gaya kepemimpinan dan kinerja pada perguruan tinggi, untuk menguji pengaruh mediasi budaya organisasi terhadap hubungan keduanya. Pendekatan penelitian kuantitatif dengan jenis survei. Analisis deskriptif dan dapat diverifikasi dilakukan untuk mengkonfirmasi dan menguji kausalitas prediktif dari model yang dibangun. Jumlah sampel sebanyak 43 responden yang dipilih dengan menggunakan pendekatan purposive sampling. Analisis jalur diterapkan untuk menganalisis data dalam model penelitian. Peramalan dengan pendekatan regresi, model makro process SPSS diadopsi untuk menguji efek mediasi. Estimasi efek mediasi dilakukan dengan uji Sobel. Temuan penelitian gaya kepemimpinan berpengaruh langsung positif dan signifikan terhadap kinerja perguruan tinggi, gaya kepemimpinan berpengaruh positif dan signifikan terhadap budaya organisasi, budaya organisasi berpengaruh positif dan signifikan terhadap kinerja perguruan tinggi. Budaya organisasi mempunyai pengaruh tidak langsung yang positif dan signifikan terhadap pengaruh gaya kepemimpinan terhadap kinerja perguruan tinggi, terdapat pengaruh mediasi yang kuat dari

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**Kata kunci:** *Gaya Kepemimpinan, Budaya Organisasi, Kinerja di HEI, Efek Mediasi Prediktif*

## INTRODUCTION

In this disruptive era of technology welcoming the 21<sup>st</sup> century, every organization is increasingly competing in the market to work better and be able to maintain its position. An important role is played by a leader to achieve organizational goals and improve employee performance (Paracha et al., 2012; Jamali et al., 2022). Leadership undoubtedly has a major role in the outcome of any project where all identified leadership styles have varying outcomes in different situations (Wahab et al., 2016). According to Burns (1978), states that leadership is one of the statements that leadership is one of the most observed and least understood phenomena on earth. People are very important in the life of an organization and to achieve certain results, they exert their efforts in a synchronized manner (Islam et al., 2012). When people work together to complete some tasks, they work in groups, where each member of the group is influenced by the other members (Paracha et al., 2012). This is where the role of leadership develops formally and informally (Islam et al., 2012). A leader through the human resource management department must be able to develop management talents, digital talents and encourage digital transformation of human resources through post-recruitment development programs that allow for an increase in multitalented human resource competencies for organizations operating in an environment that continues to be sharply influenced by the incision of the era of disruption, the rapid flow of globalization and digitalization practices in the midst of rapid progress digital economy (Budiarti & Firmansyah, 2024).

Leaders are those who use their power to influence and motivate employees for the betterment of themselves and the organization (Jamali et al., 2022). Employees' motivation and attitude towards work are strongly influenced by leadership direction and style (Jamaludin et al., 2011; Ngongo & Duka, 2020; Santri et al., 2023). However, globally the shift in the role of leaders continues to occur from time to time in organizations, which of course depends on the characteristics and application of the leadership style adopted by the leader (Waal, 2007; Waal & Sivro, 2012; Igbaekemen, 2014; Saleem, 2015; Obuobisa-Darko & Obuobisa-Darko, 2015; Alonderiene & Majauskaite, 2016; Kadiyono et al. 2020; Hustia, 2020; Adhan & Prayogi, 2021; Rizky, 2022; Santri et al., 2023). The findings of Torlak & Kuzey (2019), the results of the study concluded that leadership has a big impact on employee performance. In the university environment, lecturer performance depends on many factors, including leadership style & organizational culture (Indrasari, 2017; Suparman et al., 2023; Firmansyah et al., 2023; Rijanto, 2023). Research by Thrash (2009) and Jamali et al. (2022), states that leaders in academic institutions must have various types of leadership skills to be more effective in the institution. Transformational and transactional leadership styles are more adapted as leadership styles in educational institutions, rather than laissez-faire leadership styles that are still rare (Webb, 2008; Alonderiene & Majauskaite, 2016).

Good organizational performance is inseparable from the role of a leader's leadership style (Wahab et al., 2016). In addition to contributing to organizational performance and organizational culture, leadership style also greatly affects employee comfort and happiness, service, work behavior, employee satisfaction and performance (Paracha et al., 2012; Lin & Tseng, 2013; Igbaekemen, 2014; Obuobisa-Darko & Obuobisa-Darko, 2015; Alonderiene & Majauskaite, 2016; Domfeh et al., 2016; Firmansyah & Wahdiniwaty, 2023). A strong role begins with the leadership style adopted by the leadership that will shape the organizational culture so that it has an impact on organizational performance. However, in higher education institutions, there is still limited research that considers the role of leadership style and institutional performance mediated by organizational culture as a facilitator that strengthens the achievement of good institutional performance. The mediation role of organizational culture is examined as part of the originality and novelty

of this research. Therefore, the purpose of this study focuses on predicting causality between Leadership Style (LS) and Performance in Higher Education Institutions (PHEI), by considering the mediating power of Organizational Culture (OC) as a shared philosophy that will guide the direction for the development of the institution.

## LITERATURE REVIEW

The other hand, each organization has its own culture that can affect employee performance in the organizational journey. Organizational culture is described as a set of shared values, ideas, and ways of communication shared by members of the organization that motivate them to think and act in a certain way (Jamali et al., 2022; Suparman et al., 2023; Firmansyah et al., 2023; Rijanto, 2023). Organizational culture becomes a hereditary philosophy as a postulate inherent in the soul of the organization can be clearly articulated so that it is able to crystallize attitudes and values in the organization into guidelines for employees to think, behave and act in accordance with the values that the organization believes in (Warrick, 2017; Suparman et al., 2023). The clarity of organizational culture can be seen from the implementation of norms, the implementation of values, beliefs and philosophies, the implementation of the code of ethics, and the understanding of organizational history (Suparman et al., 2023). In the organizational order, the implementation of the organizational culture is greatly influenced by the leadership style.

There is a mutually reinforcing relationship between organizational culture and leadership (Ogbonna & Harris, 2000; Suparman et al., 2023; Firmansyah et al., 2023). Leadership dominates organizational culture, as well as shifts and developments in organizational culture can be strongly influenced by leadership (Bass & Avolio, 1994; Mhatre & Riggio, 2014; Vito et al., 2014). The adoption of appropriate leadership styles forms work behaviors that provide employee satisfaction and contribute to a good level of happiness management, and comfort while in the organizational environment (Alonderiene & Majauskaite, 2016; Firmansyah & Wahdiniwati, 2023). The strength of organizational culture that is embraced together is very useful for influencing behavior and improving employee performance in the organization, so that goals will be achieved and overall organizational performance will be improved (Firmansyah & Saepuloh, 2021; Jamali et al., 2022). The research findings of Naderi & Jadidi (2014), concluded that leadership style and organizational culture have an effect on leadership performance and employee performance. Good leadership performance and employee performance have an impact on organizational performance.

Good organizational performance contributes to the welfare of higher education institutions and citizen education (Gappa et al., 2007). According to Firmansyah (2023), performance is an outcome that can be measured in terms of quality and quantity as an output of activities that have been carried out by individuals, work teams, and organizations for a certain period of time under the regulations that bind them, as well as the risks, challenges, and opportunities they face. This is mentioned by Abu-Mahfouz (2019), meaning that performance refers to the achievements of a person, work team, organization or process that has been implemented (Pambreni et al., 2019). Added value and increased service delivery for customers, the public as users and stakeholders, have a good level of effectiveness and operational capabilities in the context of the organization as a whole shows that an organization is in good performance (Evans, 2010). Financial performance, operational performance, customer or community satisfaction, employee satisfaction, learning and growth can be used as a measure of organizational performance (Abusa & Gibson, 2013). The leadership and stakeholders of Higher Education Institutions (HEIs) include students and lecturers (Siddique et al., 2011). Therefore, the performance of universities is relevant to consider indicators of academic achievement and the promotion of transparency by industry so as to form the image of the institution. References to theoretical concepts and relevant previous research, state of the art and research gap statements as described.

*H<sub>1</sub>: Leadership style has a positive effect on the performance of higher education institutions.*

*H<sub>2</sub>: Leadership style has a positive effect organizational culture.*

*H<sub>3</sub>: Organizational culture has a positive effect on the performance of higher education institutions.*

*H<sub>4</sub>: Organizational culture mediates on the influence of leadership style on the performance of higher education institutions.*

## METHOD

This type of research surveys uses a quantitative research approach. Descriptive and verifiable analyses were carried out to confirm and test the predictive causality of the constructed model (Firmansyah & Wahdiniwati, 2023). Extraction and modification of measurement items were carried out to meet the suitability of research objectives (Firmansyah & Saepuloh, 2022). The purpose of this study is to examine the relationship between leadership style and performance in higher education institutions, the mediating effect of organizational culture on the relationship between the two is examined. Leadership style (LS) is operationalized with eleven indicators. Organizational culture (OC) consists of ten indicators. The performance of higher education institutions (PHEI) is described with twelve indicators. The unit of analysis is individual employees at university X in Sukabumi, West Java, Indonesia. The research instrument used a likert scale of 1-5 and was distributed to 43 selected respondents determined by adopting a purposive sampling approach. The characteristics and profile of the receptors, such as length of employment, gender, age, education level and marital status as part of the considerations in determining the nomination of respondents in the sample criteria refer to the purpose of this study.

Path analysis is applied to analyze data in a simple path model that is constructed. The evaluation of data quality in the analysis model was carried out by applying the criterion of instrument validity greater than the critical number  $r > 0,3$  (Gujarati, 2012), and the reliability of the instrument of each construct was applied with the value of Cronbach's Alpha ( $C\alpha$ )  $> 0,7$  (Hair et al., 2011; Ghozali, 2014). Full collinearity is applied to  $VIF < 3,3$  (Kock & Lynn, 2012), and among the endogenous latents has a value of  $r < 0,80$  (Firmansyah et al., 2022). The use of the process SPSS macro model developed by Hayes (2018) to test adopted mediation, bias correction method and percentile method to test the effect of mediation, forecasting with a regression approach, and the confidence level for confidence intervals is 95% applied (Firmansyah & Saepuloh, 2022). This means that the significance of each influence on  $\alpha = 0,05$  (5%);  $t\text{-stat} > 1,96$ . Estimation with the Sobel test was carried out to determine the magnitude of the mediation pathway coefficient and the significance of the mediation effect.

## RESULT

The respondents in this study were 43 employees, male gender as much as 76.5% dominated female respondents as much as 23.5%. Between 36-40 years old and 41-45 years old, these two age groups are equally dominant. The level of education of Masters is lecturers and staff who are more than other levels of education, especially the academic part is still Bachelor and advanced study. The majority of respondents have the status of having a family. The length of work or service between 5-10 years is more dominant than other working years, and the length of service more than 15 years is the least number. The respondents' response was quite high regarding their willingness to fill in the statement items in the questionnaire of this study. To be able to collect 43 research instruments with complete answers acceptable to the research team, the distribution of research instruments was carried out up to four times to obtain complete respondent answers that could be accepted. Evaluation of the quality of research data for each construction was carried out by checking the validity and reliability of the instruments, as well as multicollinearity between independent variables.

Table 1. Validity Test

Variable	Item Instrument	r value	r Critical	P-value	Conclusion
LS	LS1	0.584	0.3	0.000	Valid
	LS2	0.388	0.3	0.010	Valid
	LS3	0.548	0.3	0.000	Valid
	LS4	0.632	0.3	0.000	Valid
	LS5	0.595	0.3	0.000	Valid
	LS6	0.543	0.3	0.000	Valid
	LS7	0.595	0.3	0.000	Valid
	LS8	0.569	0.3	0.000	Valid
	LS9	0.588	0.3	0.000	Valid
	LS10	0.484	0.3	0.000	Valid
	LS11	0.607	0.3	0.000	Valid
OC	OC1	0.620	0.3	0.000	Valid
	OC2	0.582	0.3	0.000	Valid
	OC3	0.486	0.3	0.000	Valid
	OC4	0.444	0.3	0.003	Valid
	OC5	0.551	0.3	0.000	Valid
	OC6	0.474	0.3	0.000	Valid
	OC7	0.599	0.3	0.000	Valid
	OC8	0.389	0.3	0.010	Valid
	OC9	0.634	0.3	0.000	Valid
	OC10	0.656	0.3	0.000	Valid
PHEI	PHEI1	0.541	0.3	0.002	Valid
	PHEI2	0.375	0.3	0.044	Valid
	PHEI3	0.363	0.3	0.017	Valid
	PHEI4	0.659	0.3	0.000	Valid
	FHEI5	0.514	0.3	0.000	Valid
	PHEI6	0.320	0.3	0.036	Valid
	PHEI7	0.841	0.3	0.000	Valid
	FHEI8	0.640	0.3	0.000	Valid
	PHEI9	0.805	0.3	0.000	Valid
	FHEI10	0.740	0.3	0.000	Valid
	PHEI11	0.758	0.3	0.000	Valid
	FHEI12	0.673	0.3	0.000	Valid

The leadership style (LS) measurement instruments, namely LS1-LS11, each have a calculated r value greater than the critical value of r (calculated  $> 0,3$ ), meaning that it meets the validity criteria (see Table 1). The results of the evaluation of the validity of the leadership style instrument showed that all indicators of the leadership style variable measurement had good correlation and validity. The organizational culture (OC) measurement instruments, namely OC1-OC10, each of which has a calculated r value greater than the critical value of r ( $>0,3$ ), which means meeting the validity criteria. The results of the evaluation of the validity of the organization culture instrument showed that all indicators of measurement of organizational culture variables had good correlation and validity. The performance measurement instruments of higher education institutions (PHEI), namely PHEI1-PHEI12, each have a calculated r value greater than the critical value of r (rcal $>0,3$ ), meaning that it meets the validity criteria. The results of the evaluation of the validity of the performance instruments of higher education institutions showed that all indicators of measuring the performance variables of higher education institutions had good correlation and validity.

Table 2. Reliability Test

Variables	Cronbach's Alpha (C $\alpha$ )	Reliability $\alpha$	Conclusion
Leadership Style (LS)	0.766	0.7	Reliable
Organization Culture (OC)	0.738	0.7	Reliable
Performance in HEI	0.819	0.7	Reliable

It can be seen that the leadership style, organizational culture, and performance of higher education institutions, each have a Composite Reliability at Cronbach's Alpha ( $C\alpha$ )  $> \alpha = 0,70$  (see Table 2), meaning that all the constructions studied have the criteria of persistence and consistency at a good level. The classical assumption test was evaluated from the criteria of multicollinearity among independent variables.

Table 3. Multicollinearity Test Results

Variables	rXi, rMi	VIF	Conclusions
Leadership Style (LS)	0.709	2.013	Free Multikolinearitas
Organization Culture (OC)	0.709	2.013	Free Multikolinearitas

From the results of the multicollinearity test on Table 3, it shows that the r value between LS and OC is smaller than 0,80 ( $0,709 < 0,80$ ). The values of VIF LS and VIF OC are less than 3,3 ( $VIF_{LS}; VIF_{OC} < 3,3$ ). Therefore, it can be concluded that there is no full multicollinearity among the latent data of endogenous variables. At this stage, respondents' responses will be presented that reflect the conditions of leadership style, organizational culture and performance of higher education institutions referring to each indicator used to measure it. The explanation starts from the assessment of leadership tyle variables, organizational culture and performance of higher education institutions.

Table 4. Respondents

Variable	Item Pengukuran	Respondents	Average Response	Valuation
LS	LS1	43	4.00	Good
	LS2;	43	4.19	Good
	LS3	43	4.21	Good
	LS4	43	4.16	Good
	LS5	43	4.23	Excellent
	LS6	43	4.09	Good
	LS7	43	4.25	Excellent
	LS8	43	3.91	Good
	LS9	43	4.00	Good
	LS10	43	4.05	Good
	LS11	43	4.07	Good
OC	OC1	43	4.05	Good
	OC2	43	4.15	Good
	OC3	43	4.12	Good
	OC4	43	4.10	Good
	OC5	43	3.88	Good
	OC6	43	4.19	Good
	OC7	43	4.11	Good
	OC8	43	4.07	Good
	OC9	43	4.09	Good
	OC10	43	4.14	Good
PHEI	PHEI1	43	4.07	Good
	PHEI2	43	4.05	Good
	PHEI3	43	4.09	Good
	PHEI4	43	3.95	Good
	PHEI5	43	4.19	Good
	PHEI6	43	4.12	Good
	PHEI7	43	4.00	Good
	PEHI8	43	4.09	Good
	PHEI9	43	4.07	Good
	PHEI10	43	4.00	Good
	PHEI11	43	3.91	Good
	PHEI12	43	4.05	Good

The data in Table 4, shows that the eleven measurement items (LS1-LS11) as indicators used to measure leadership style (LS), were assessed by respondents with the average response being in the good category (indicators LS1-LS4 and LS6, LS8-LS11).

Meanwhile, LS5 and LS7 are considered excellent. The ten measurement items as indicators used to measure organizational culture (OC), were assessed by respondents with an average response in the good category. The twelve measurement items as indicators used to measure the performance of higher education institutions (PHEI) were all assessed by respondents with the average response being in the good category.

Table 5. Correlation

Variables	LS	OC
Leadership Style (LS)		
Organizational Culture (OC)	0.709	
Performance in HEI	0.743	0.792

The correlation between leadership style (LS) and higher education institution performance (PHEI) is in the strong category, sig at  $\alpha = 0,05$ . The correlation between LS and organization culture (OC) is in the strong category, which is 0,709, sig at  $\alpha = 0,05$ . Also, the correlation between organizational culture (OC) and the performance of higher education institutions (PHEI) is in the strong and positive category, sig at a  $\alpha = 0,05$ . The direction of each relationship is confirmed to be positive.

Table 6. Determination coefficient

Variable	R	R <sup>2</sup>	Adj. R <sup>2</sup>	Std. Error
LS on PHEI	0.743 <sup>a</sup>	0.553	0.542	2.445
LS on OC	0.709 <sup>a</sup>	0.503	0.491	1.938
OC on PHEI	0.792 <sup>a</sup>	0.627	0.618	2.232
LS and OC on PHEI	0.833 <sup>a</sup>	0.694	0.678	2.049

The contribution of leadership style (LS) to improve the performance of higher education institutions (PHEI) is  $R^2 = 55,3\%$  of the total performance variance of higher education institutions. The contribution of leadership style (LS) in strengthening organizational culture (OC) is  $R^2 = 50,3\%$  of the total variance of organizational culture. The contribution of organizational culture (OC) in strengthening and improving the performance of higher education institutions (PHEI) is  $R^2 = 62,7\%$  of the total performance variance of higher education institutions. The joint contribution of leadership style (LS) and organizational culture (OC) to improve the performance of higher education institutions (PHEI) is  $R^2 = 69,4\%$  of the total performance variance of higher education institutions. The implication of 30,6% is the remainder of the variance in the performance of higher education institutions explained by other variables outside this research model.

The direct influence test was carried out to determine: 1) the significance of the influence of leadership style (LS) on higher education performance (PHEI); 2) the significance of the influence of leadership style (LS) on organizational culture (OC); and 3) the significance of the influence of organizational culture (OC) on higher education performance (PHEI). The stage of testing the significance of the indirect influence is testing the mediating influence of organizational culture (OC) on the influence of Leadership Style (LS) on higher education performance (PHEI), namely testing H4 with calculations using the Sobel test.

Table 7. Direct and indirect effects Significance Test Results

Hypothesis	Path Coeffcts	B	Std. Error	Beta	t-Stat	Sig.	Conclusions
H <sub>1</sub>	LS → PHEI	0.443	0.147	0.366	2.944	005	Accepted
H <sub>2</sub>	LS → OC	0.631	0.098	0.709	6.445	000	Accepted
H <sub>3</sub>	OC → PHEI	0.708	0.165	0.533	4.291	000	Accepted
H <sub>4</sub>	LS → OC → PHEI	0.447	0.125		3.571	000	Accepted

The results of the direct effects significance test of each pathway in the constructed model, it was found that: 1) Leadership style (LS) had a positive effect on the performance of higher education institutions (PHEI), significant at  $\alpha = 0,05$  and  $t\text{-Stat} = 2,944 > 1,96$

( $H_1$  accepted); 2) Leadership style (LS) towards organizational culture (OC), significant at  $\alpha = 0,05$  and  $t\text{-Stat} = 6,445 > 1,96$  ( $H_2$  accepted); 3) the findings also showed that organizational culture (OC) on the performance of higher education institutions (PHEI), was significant at  $\alpha = 0,05$  and  $t\text{-Stat} = 4,291 > 1,96$  ( $H_3$  accepted). These findings have proven all the direct influence hypotheses constructed, proving that  $H_1$ ,  $H_2$  and  $H_3$  are acceptable. Based on the results of the indirect influence test, the findings show that organizational culture (OC) has a mediating effect on the influence of leadership style (LS) on the performance of higher education institutions (PHEI), and is significant at  $\alpha = 0,05$  and  $t\text{-Stat} = 3,571 > 1,96$  ( $H_4$  accepted), with a coefficient value of 0,447 greater than the direct path coefficient of Leadership style (LS) on performance of higher education institutions (PHEI). Here are the findings from the construction of the research model offered.

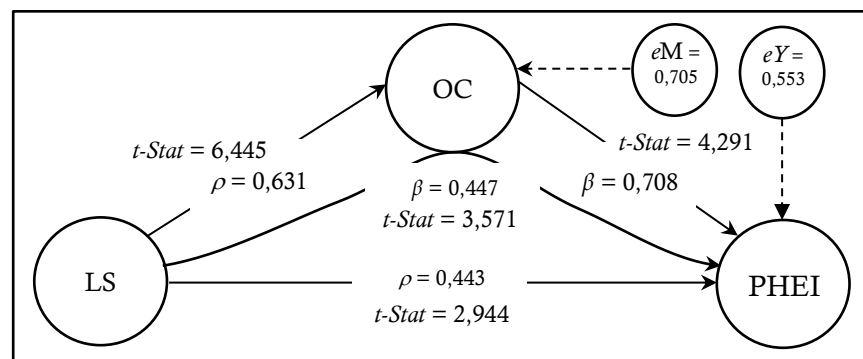


Figure 1. Findings of the research model offered

## DISCUSSION

Descriptively, it can be explained that the leadership style (LS) is already in the good category and in accordance with the behavior within the institution. This condition reflects that the leadership style adapted by the leadership at higher education institution X in Sukabumi is implemented in accordance with the expectations and conditions of the employee's ability, and is based on the goals of the institution. This is especially true for the measurement items of transformational leadership style and transitional leadership style as the leadership style is widely adopted. However, the characteristics and ability to adopt transformational leadership styles are predominantly rated as the best among the other model leadership style measurement items. The organizational culture in higher education institution X is able to influence the trust and work behavior of employees so that it becomes a common philosophy that will guide the direction for the development of the institution. This condition reflects the state of organizational culture as a hereditary philosophy that is embraced together is able to motivate thinking styles, influence behavior and ways of acting in a certain way in accordance with the values that the organization believes in, in every effort to achieve its goals. This is especially for the measurement items of the organizational culture (OC), namely the implementation of norms, the implementation of values, beliefs and philosophies, work attitudes and behaviors, acting in the good category and the code of ethics. However, the implementation of thinking style and understanding of organizational history is in the lowest category of good responses. The performance of higher education institutions (PHEI) also descriptively obtained a good response. This condition reflects financial performance, operational performance, customer or community satisfaction, employee satisfaction, learning and growth, student academic achievement, expansion by industry, partnerships and cooperation, as well as the image of the institution, has been implemented well and is able to provide outputs that are in accordance with the interests of various parties. This increases the existence of external benefits that are able to integrate internal and external interests.

Leadership style (LS) has a correlation with the performance of higher education institutions (PHEI), the results of our analysis also found that leadership style has a correlation with organizational culture (OC), as well as OC has a correlation with PHEI. The level of closeness of all relationships is on a strong criterion, and the direction of all relationships is confirmed to be positive. In addition, the findings show that leadership style has the ability to explain the variance of higher education institution performance and the variance of organizational culture, the contribution is greater than 50%. However, this contribution is inseparable from the error term predictor leadership style in explaining the variance of organizational culture (see figure 1), various other variables that are not observed affect the operation of the relationship between the two. The findings from other pathway analyses imply that the contribution of organizational culture to the performance of higher education institutions is greater than 50% but less than 70%, the variance in the performance of higher education institutions can be explained by organizational culture.

Overall, the findings from the analysis of the research model show that there is a joint contribution of leadership style and organizational culture to the performance of higher education institutions. Leadership style and organizational culture together can affect the performance of higher education institutions by more than 50% and less than 70% of the total performance variance of higher education institutions. This means that a leadership style that is able to shape and strengthen organizational culture will contribute to improving the performance of higher education institutions. Where, the measure of success can be seen from the performance indicators of higher education institutions developed in this study. It is also acknowledged that the occurrence of term predictor errors in leadership style and organizational culture together in explaining the variance of PHEI (see Figure 1; eM, eY), the operation of the relationship between the three is affected by various other variables that are not observed. One of the other factors that strongly influences it is the policy aspect of the relevant high authorities that overshadow and overshadow the implementation of teaching in higher education and as a guide to the direction of educational achievement, the improvement of the development of the human index (HDI), the nation's intelligence, the young generation with a global perspective and high competitiveness, which boils down to the ability of citizens to contribute to the country's progress now and in the future.

The power of the leadership style in educational institutions will always be in touch with the ability to make adjustments to these various policies. Such conditions imply that policy, change management, adaptability and transformation of the higher education implementation process, the community environment and demographic aspects, technology, characteristics of staff and employees of the institution as other factors that contribute to influencing leadership style and organizational culture in influencing various areas of performance in higher education institutions (PHEI). The vision, mission and goals of the institution also affect it, because it reflects short-term and long-term goals so that it will affect leadership decisions, management talents, motivation, thinking style, human resource competencies, cognitive aspects, behavioral and social learning, global view, planning, operations, binding work behavior and actions, budget and accountability, orientation and services, control to the external evaluation stage. Ultimately, this research contributes to a wide range of options in adapting leadership styles to strengthen work culture in organizations and improve various performance in higher education institutions.

The findings of the study show that leadership style (LS) has a positive and significant direct influence on the performance of higher education institutions (PHEI),  $H_1$  is proven to be acceptable. The characteristics and implementation of the leadership style adopted by a leader of a higher education institution can affect comfort and happiness, behavior and job satisfaction so that it has an impact on employee performance and student academic achievement which will strengthen the performance of the educational institution as a whole (Waal, 2007; Waal & Sivro, 2012; Igbaekemen, 2014; Obuobisa-Darko & Obuobisa-Darko, 2015; Saleem, 2015; Alonderiene & Majauskaite, 2016; Torlak & Kuzey, 2019; Kadiyono et al., 2020; Hustia, 2020; Adhan & Prayogi, 2021; Rizky,

2022; Santri et al., 2023). Leadership style has a huge impact on employee performance. The implication is that a leader in an academic institution must have various types of leadership skills to be more effective in the institution (Thrash, 2009; Jamali et al., 2022).

Leadership style (LS) has a positive and significant influence on organizational culture (OC), H<sub>2</sub> has proven to be acceptable. The implementation of the leadership style that a leader adapts will affect the formation of a strong organizational culture. There is a reciprocal relationship between leadership style and organizational culture, the two cannot be separated because they will strengthen each other and this finding is strengthened by research findings (Ogbonna & Harris, 2000; Suparman et al., 2023; Firmansyah et al., 2023). Shifts and developments in organizational culture can be greatly influenced by leadership, this shows the dominant role of leadership in shaping organizational characteristics, behavior and culture (Bass & Avolio, 1994; Mhatre & Riggio, 2014; Vito et al., 2014). Characteristics that are in line with personnel expectations are important, so that adapting the right leadership style forms work behavior that provides employee satisfaction and contributes to a good level of management, happiness and comfort while in the organizational environment (Alonderiene & Majauskaite, 2016; Firmansyah & Wahdiniwati, 2023).

The research results also found that organizational culture (OC) has a positive and significant influence on higher education performance (PHEI), H<sub>3</sub> was proven to be acceptable. A strong organizational culture that is upheld and shared together is very beneficial in influencing work behavior so as to produce more meaningful results to improve employee performance in the organization, so that goals will be achieved and overall organizational performance will increase, and the findings of this research are in line with several researchers (Naderi & Jadidi, 2014; Firmansyah & Saepuloh 2021; Jamali et al., 2022). Organizational culture influences employee behavior and performance which has implications for the strength of trust, obedience and compliance in work, vision-mission orientation is understood as a shared goal even at the supervisory level so that it has strong implications for improving institutional performance.

The findings of the study show that organizational culture (OC) has a positive and significant indirect effect on the influence of leadership style (LS) on the performance of higher education institutions (PHEI), there is a strong mediating effect of organizational culture (OC) compared to the direct influence of leadership style (LS) on the performance of higher education institutions (PHEI), so the final findings of this study conclude that H<sub>4</sub> is proven to be acceptable. In the organizational order, the implementation of the organizational culture is greatly influenced by the leadership style. Where, a strongly formed organizational culture can be a facilitator that strengthens the achievement of good institutional performance. Leadership performance strengthens organizational culture and binds employee behavior consciously and fully understanding the important values of the organization and its goals so as to motivate the work behavior of employees to achieve their best performance, and the output will ultimately lead to the achievement and performance of the organization as an institution that develops and has a good image among the community and other stakeholders who must be well served through the implementation of the Tridharma of Higher Education as an intermediary for knowledge transfer, by implementing education and teaching models that are relevant to current conditions and needs. According to Evans (2010), Good performance of an organization or institution is able to create added value and increase service delivery for customers, the community as users and stakeholders, have a good level of effectiveness and operational capabilities in the context of the organization as a whole.

The leadership, organizational culture and performance of higher education institutions are inseparable from stakeholders including students, academic staff and lecturers, even the community environment and industry needs for graduates of a university in higher education (Siddique et al., 2011). Although the transformational leadership style as a leadership style shows leadership characteristics and practices that are good for both subordinates and organizational development, transactional leadership styles are sometimes necessary to motivate subordinates who are less active and stagnant

in their work, so that these two leadership styles are more widely adapted as leadership styles in educational institutions, rather than the laissez-faire leadership style which is still rare (Webb, 2008; Alonderiene & Majauskaite, 2016). However, laissez-faire leadership style under certain conditions, types of organizations and ways of working to achieve goals with the characteristics of leaders who are inactive, indifferent and avoid decision-making, sometimes this model is necessary.

In fact, the characteristics and leadership styles continue to emerge, the differences in leadership styles that continue to develop so that the kaliscipality becomes more complex and all of them ultimately affect various areas in organizational performance. Apart from all that, a good leadership style can strengthen organizational culture and improve organizational performance which can be measured from financial performance, operational performance, customer or community satisfaction, employee satisfaction, learning and growth can be used as a tool to measure organizational performance, so in higher education institutions (HEIs) (Abusa & Gibson, 2013). However, the findings of this study also acknowledge that leadership styles in higher education institutions are different from business organizations in general, so this condition has different complexity and vulnerability implications for the formation of organizational cultural strength and institutional performance levels. Universities must meet society's goals, quickly adapt to policy changes, collaborate, have teaching staff, lecturers and educational staff who are experts in their fields, creative and independent.

## **CONCLUSION**

Leadership style (LS) has a correlation with the performance of higher education institutions (PHEI), leadership style has a correlation with organizational culture (OC), as well as OC has a correlation with PHEI. All relationships are on strong criteria, and the direction of all relationships is confirmed to be positive. Leadership style has the ability to explain the variance of organizational culture and the variance of the performance of higher education institutions, as well as organizational culture to the performance of higher education institutions. It was found that there was a joint contribution of leadership style and organizational culture to the performance of higher education institutions. The findings of the study also concluded that leadership style has a positive and significant direct influence on the performance of higher education institutions, leadership style has a positive and significant influence on organizational culture, and organizational culture has a positive and significant influence on the performance of higher education institutions. In addition, organizational culture has a positive and significant indirect effect on the influence of leadership style on the performance of higher education institutions, there is a strong mediation effect of organizational culture compared to the direct influence of leadership style on the performance of higher education institutions. Transformational and transactional leadership styles are more widely adopted and applied, but laissez-faire leadership styles are sometimes needed in a condition according to the type, way of working, and goals of the organization. The measure of success can be seen from the performance indicators of higher education institutions developed.

The research contribution enriches the literature on leadership style, organizational culture and organizational performance in the higher education environment. In an effort to improve the performance of institutions and the culture of higher education institutions, a leader is inseparable from the attention to stakeholders including students, academic staff and lecturers, even the community environment and industry needs for graduates and their influence on the image of the institution globally and sustainably. The implication is that a leader in an academic institution must have various types of leadership skills to be more effective in the institution. It was also emphasized that the leadership style in higher education institutions is different from that of business organizations in general. The limitations of the research are difficult to generalize both methodologically and the scope of the subject, object, unit of analysis and the amount of research data. The leadership style in higher education institutions is different from the

leadership style in business organizations in general, there is the potential for different vulnerabilities and pressures in strengthening and influencing the organizational culture and institutional performance. This is not explained in detail in this study, so it can be considered for future research directions.

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