

## **The Role of Leadership Style, Training and Development, Organizational Culture, and Employee Engagement on Job Satisfaction and Employee Performance**

**Ishak<sup>1</sup>, Supriandi<sup>2</sup>, Yana Priyana<sup>3</sup>**

Institut Bisnis dan Ekonomi Indonesia<sup>1</sup>, Universitas Nusa Putra<sup>2</sup>, Universitas Nusa Putra<sup>3</sup>

awangishak863@gmail.com<sup>1</sup>, supriandi@nusaputra.ac.id<sup>2</sup>, yana.priyana\_mm25@nusaputra.ac.id<sup>3</sup>

### **ABSTRACT**

*This study examines the influence of leadership style, training and development, organizational culture, and employee engagement on job satisfaction and employee performance in Indonesian organizations. Using a quantitative approach, data were collected from 250 respondents representing various sectors. A Likert scale (1–5) was employed, and data were analyzed using Structural Equation Modeling – Partial Least Squares (SEM-PLS 3). The results demonstrate that leadership style, training and development, organizational culture, and employee engagement each have a positive and significant impact on job satisfaction. Furthermore, job satisfaction significantly mediates the relationship between these variables and employee performance. Among the predictors, organizational culture and employee engagement exhibit the strongest influence on job satisfaction and performance. The findings highlight the importance of creating an empowering work environment that fosters leadership effectiveness, continuous learning, strong cultural alignment, and high engagement levels. These factors collectively contribute to enhancing employee satisfaction and organizational productivity. The study provides practical insights for human resource managers in Indonesia to design integrated management strategies that improve both employee well-being and overall performance.*

**Keywords: Leadership Style; Training and Development; Organizational Culture; Employee Engagement; Job Satisfaction; Employee Performance**

### **INTRODUCTION**

In the era of rapid globalization and technological advancement, organizations in Indonesia face increasing challenges in maintaining competitiveness, productivity, and employee satisfaction. Human resources are widely recognized as the most valuable asset in achieving organizational excellence, making effective management of people—through leadership, training, organizational culture, and engagement—a central focus for sustainable performance. The interconnection between leadership style, training and development, organizational culture, employee engagement, job satisfaction, and employee performance forms the foundation of successful human resource strategies that drive overall organizational success. In Indonesia's rapidly evolving business environment, these elements are essential for fostering an adaptive and innovative workplace that supports long-term excellence. Leadership style plays a pivotal role, as a synergy leadership approach combining various styles has been shown to positively influence human resource performance by creating a supportive and motivating work environment (Chuang et al., 2023; Rusli, 2022). Continuous training and development are also vital for adapting to technological change and globalization, with Indonesian organizations encouraged to integrate technology into HR practices to enhance employee skills and organizational outcomes (Kasbuntoro, 2022). Furthermore, an adaptive and inclusive organizational culture motivates employees—particularly Generation Z—by promoting a supportive work environment that enhances job satisfaction, reduces turnover, and strengthens overall performance (Balahmar & Abadi, 2025; Rusli,

2022). Employee engagement is closely linked to job satisfaction, which in turn affects performance; thus, HR strategies emphasizing leadership development and inclusivity can increase engagement and satisfaction, leading to improved organizational outcomes (Cahyati, 2023; Chuang et al., 2023).

Leadership style plays a vital role in shaping employee attitudes and behaviors, as effective leaders not only guide subordinates toward achieving goals but also create a positive work environment that enhances satisfaction and performance. Transformational and participative leadership styles significantly boost motivation, trust, and engagement (Ngodo, 2008), while authoritarian or transactional styles may limit creativity and reduce job satisfaction. Transformational leadership—marked by vision, inspiration, and personal development—fosters innovation, job satisfaction, and organizational commitment (Baruah et al., 2024; Bhandari, 2016). Transactional leadership, focused on structured exchanges and rewards, tends to be more task-oriented and is linked to affective commitment but not strongly to job satisfaction (Baruah et al., 2024; Mester et al., 2003). Participative and democratic leadership, emphasizing employee involvement in decision-making, effectively enhances engagement and satisfaction (Sharma, 2024). Ultimately, leadership effectiveness depends on contextual factors such as organizational culture, industry norms, and workforce characteristics, underscoring the need for adaptive leadership approaches (Sharma, 2024).

Training and development play a crucial strategic role in enhancing employee competencies, knowledge, and skills, enabling organizations to remain competitive in the era of rapid industrial transformation and digitalization in Indonesia. Continuous and structured training programs are essential for building a capable and agile workforce that can adapt to evolving job demands and technological changes. Organizations that invest in employee development tend to experience higher satisfaction, loyalty, and performance levels, as employees perceive these initiatives as recognition of their value and contribution. Empirical studies confirm that training and development are vital for improving technical skills, motivation, and employee loyalty while ensuring organizational sustainability (Haratua et al., 2023). For instance, at PT Citra Kenedes Cake and Bakery, training programs significantly enhanced employee performance, fostering an innovative and adaptive work environment that supports resilience amid technological and market disruptions (Yuliantari & Martini, 2019). Continuous training—through re-skilling and up-skilling—also contributes to career growth and organizational progress by improving employee performance and satisfaction (Nurmaida & Khatimah, 2025; Purwono, 2024). Moreover, the success of such programs depends on managerial support, a learning-oriented culture, and the effective integration of technology, which together ensure alignment between employee development and organizational goals (Haratua et al., 2023).

Organizational culture represents the shared values, beliefs, and behavioral norms that shape how employees perceive their roles, interact, and contribute within a workplace. A strong and cohesive culture fosters collaboration, innovation, and commitment, thereby enhancing job satisfaction and performance through a sense of belonging and alignment with organizational values. Conversely, a rigid or misaligned culture can diminish morale, limit engagement, and increase turnover intentions. Research underscores that a cohesive organizational culture positively influences employee performance by aligning individual and organizational values, encouraging teamwork, and fostering open communication (Gokak et al., 2023). Cultural dimensions such as leadership style, trust, and work-life balance are key drivers of

motivation and satisfaction (Gokak et al., 2023). Similarly, a supportive and inclusive culture strengthens employee engagement, innovation, and loyalty, while a toxic environment leads to dissatisfaction and high turnover (Beena, 2004). Elements such as leadership inspiration, supervisor support, and a sense of belonging significantly predict job satisfaction (Shahriar et al., 2024), and there is a strong positive relationship between organizational culture, job satisfaction, and commitment, as employees tend to remain in organizations that value their contributions (Jigjiddorj et al., 2021). Moreover, a positive and inclusive culture enhances engagement, satisfaction, and loyalty, reducing turnover intentions and strengthening talent retention, particularly when organizations invest in cultural development and employee well-being initiatives (Mahesh et al., 2023).

Employee engagement—the emotional and psychological commitment employees have toward their organization—is a crucial determinant of organizational performance, particularly in dynamic and competitive environments like Indonesia. Engaged employees display higher enthusiasm, dedication, and discretionary effort, directly enhancing productivity, service quality, and overall organizational success (Morris, 2009). Engagement goes beyond job satisfaction and commitment, serving as a stronger predictor of positive performance outcomes (Rachmawati, 2014). In the Indonesian context, where talent competition is intense, fostering engagement has become a strategic priority for retaining skilled employees and sustaining competitive advantage, as seen in industries such as the dairy sector (YASMIN, n.d.). Engaged employees tend to exhibit greater job satisfaction, organizational citizenship behavior, and loyalty (Rachmawati, 2014). Moreover, employee engagement significantly mediates the relationship between quality of work life and performance in Indonesian organizations (Kusuma, 2021), while companies that invest in engagement initiatives benefit from improved performance, reduced turnover, and a more positive workplace culture (Yeganegi, 2018). Effective strategies to enhance engagement include aligning HR policies with employee aspirations, fostering supportive work environments, offering regular training, and strengthening organizational reputation—all of which have proven effective in improving engagement and retention (Kusuma, 2021; YASMIN, n.d.).

Ultimately, job satisfaction serves as a crucial mediating factor linking organizational practices to employee performance, as satisfied employees tend to be more motivated, creative, and productive, thereby contributing positively to organizational goals. Conversely, dissatisfaction can lead to absenteeism, turnover, and reduced efficiency, underscoring the importance of understanding the antecedents of job satisfaction and their influence on performance for effective human resource management. This study empirically examines the relationships among leadership style, training and development, organizational culture, and employee engagement, as well as their combined effects on job satisfaction and employee performance in Indonesia. Utilizing quantitative methods with 250 respondents and SEM-PLS 3 analysis, the research aims to provide evidence-based insights into how these variables interact and influence one another, enriching both theoretical and practical perspectives on human resource development. The findings are expected to offer recommendations for organizations seeking to enhance employee well-being and performance through integrated leadership, learning, and cultural strategies. In essence, this research highlights the significance of human-centered management practices in promoting job satisfaction and performance, emphasizing leadership, training, culture, and engagement as interconnected pillars of organizational success in Indonesia's evolving economic landscape.

## METHODS

The research applies a quantitative explanatory design, aiming to explain the causal relationships between the independent variables (leadership style, training and development, and organizational culture), the mediating variable (employee engagement and job satisfaction), and the dependent variable (employee performance). This design was chosen because it allows for testing hypotheses and quantifying the strength and direction of relationships among variables. The study focuses on Indonesian organizations across multiple sectors, including manufacturing, services, and education, to ensure generalizability of findings.

## RESULTS AND DISCUSSION

### Descriptive Analysis

The descriptive analysis aims to provide an overview of respondents' demographic characteristics and the descriptive statistics of all research variables, helping to understand the sample profile and participants' perceptions of the studied constructs—leadership style, training and development, organizational culture, employee engagement, job satisfaction, and employee performance. Data were collected from 250 respondents representing various sectors in Indonesia, including manufacturing, services, education, and finance. The use of a diverse sample enhances the generalizability of the findings and ensures a comprehensive representation of the Indonesian workforce.

Table 1. Respondent Demographics

| Demographic Variable | Classification     | Frequency (n) | Percentage (%) |
|----------------------|--------------------|---------------|----------------|
| Gender               | Male               | 152           | 60.8           |
|                      | Female             | 98            | 39.2           |
| Age                  | 20–30 years        | 90            | 36.0           |
|                      | 31–40 years        | 105           | 42.0           |
|                      | 41–50 years        | 45            | 18.0           |
|                      | Above 50 years     | 10            | 4.0            |
| Education Level      | Diploma            | 42            | 16.8           |
|                      | Bachelor's Degree  | 158           | 63.2           |
|                      | Master's Degree    | 50            | 20.0           |
| Work Experience      | 1–5 years          | 115           | 46.0           |
|                      | 6–10 years         | 90            | 36.0           |
|                      | More than 10 years | 45            | 18.0           |

Table 1 presents the demographic profile of the 250 respondents who participated in this study. The gender distribution shows that 152 respondents (60.8%) were male and 98 respondents (39.2%) were female, indicating that the sample was moderately dominated by male participants. In terms of age, the largest group fell within the 31–40 years range (42%), followed by 20–30 years (36%), 41–50 years (18%), and above 50 years (4%). This suggests that most respondents were in their early to mid-career stages, representing a productive segment of the workforce. Regarding education, the majority held a bachelor's degree (63.2%), while 20% possessed a master's degree and 16.8% a diploma, showing that respondents were generally well-educated and professionally qualified. In terms of work experience, nearly half (46%) had between 1–5 years of experience, followed by 36% with 6–10 years and 18% with more than 10 years. Overall, these demographics reflect a diverse yet balanced workforce, providing a reliable representation of

employees across various sectors in Indonesia and ensuring the robustness and generalizability of the study's findings.

Descriptive statistics were computed to determine the mean and standard deviation of all variables. The means represent the average response level on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree), while the standard deviation shows the level of variation in respondents' perceptions.

Table 2. Descriptive Statistics of Research Variables

| Variable                      | Mean | Standard Deviation | Interpretation |
|-------------------------------|------|--------------------|----------------|
| Leadership Style (LS)         | 4.18 | 0.52               | High           |
| Training and Development (TD) | 4.12 | 0.55               | High           |
| Organizational Culture (OC)   | 4.09 | 0.48               | High           |
| Employee Engagement (EE)      | 4.21 | 0.50               | High           |
| Job Satisfaction (JS)         | 4.16 | 0.47               | High           |
| Employee Performance (EP)     | 4.20 | 0.45               | High           |

The results in Table 2 show that all variables have mean values above 4.00, placing them in the "High" category, which indicates that respondents generally perceive their organizational environments positively. Leadership Style (M = 4.18, SD = 0.52) reflects that leaders are viewed as having clear vision, effective communication, and motivational influence, suggesting the presence of supportive leadership across organizations. Training and Development (M = 4.12, SD = 0.55) demonstrates that employees believe their organizations provide sufficient opportunities for professional growth and skill enhancement. Organizational Culture (M = 4.09, SD = 0.48) suggests a cohesive and collaborative culture that promotes teamwork and innovation. Employee Engagement (M = 4.21, SD = 0.50) achieved the highest mean score, indicating that employees are highly enthusiastic, committed, and emotionally connected to their work. Job Satisfaction (M = 4.16, SD = 0.47) shows that respondents are generally content with aspects such as leadership, career opportunities, compensation, and work environment. Lastly, Employee Performance (M = 4.20, SD = 0.45) indicates that employees perceive themselves as performing well, demonstrating consistency, initiative, and successful goal achievement.

## Reliability and Validity Testing (Measurement Model)

### Convergent Validity

Convergent validity is achieved when all indicators within a construct show strong intercorrelations, confirming that they measure the same underlying concept. According to Hair et al. (2021), convergent validity is considered satisfactory when the outer loadings of each indicator are equal to or greater than 0.70 and the Average Variance Extracted (AVE) is equal to or greater than 0.50. Based on these criteria, the results of the convergent validity test for all constructs are presented in Table 3 below.

Table 3. Convergent Validity Results

| Variable              | Indicator Code | Outer Loading | AVE   | Interpretation |
|-----------------------|----------------|---------------|-------|----------------|
| Leadership Style (LS) | LS1            | 0.823         | 0.641 | Valid          |
|                       | LS2            | 0.802         |       |                |
|                       | LS3            | 0.790         |       |                |
|                       | LS4            | 0.811         |       |                |
|                       | TD1            | 0.834         | 0.658 | Valid          |

|                               |     |       |       |       |
|-------------------------------|-----|-------|-------|-------|
| Training and Development (TD) | TD2 | 0.818 | 0.658 | Valid |
|                               | TD3 | 0.797 |       |       |
|                               | TD4 | 0.808 |       |       |
| Organizational Culture (OC)   | OC1 | 0.820 | 0.643 | Valid |
|                               | OC2 | 0.833 |       |       |
|                               | OC3 | 0.784 |       |       |
|                               | OC4 | 0.806 |       |       |
| Employee Engagement (EE)      | EE1 | 0.846 | 0.675 | Valid |
|                               | EE2 | 0.822 |       |       |
|                               | EE3 | 0.829 |       |       |
|                               | EE4 | 0.799 |       |       |
| Job Satisfaction (JS)         | JS1 | 0.838 | 0.669 | Valid |
|                               | JS2 | 0.831 |       |       |
|                               | JS3 | 0.812 |       |       |
|                               | JS4 | 0.809 |       |       |
| Employee Performance (EP)     | EP1 | 0.849 | 0.684 | Valid |
|                               | EP2 | 0.826 |       |       |
|                               | EP3 | 0.832 |       |       |
|                               | EP4 | 0.814 |       |       |

Table 3 presents the results of the convergent validity analysis for all constructs in the study, showing that each variable meets the required validity criteria. All outer loading values exceed 0.70, and all Average Variance Extracted (AVE) values are greater than 0.50, indicating that each construct demonstrates adequate convergent validity (Hair et al., 2021). Leadership Style (AVE = 0.641) shows strong indicator correlations, suggesting that items LS1–LS4 consistently capture the leader’s inspirational and supportive behaviors. Training and Development (AVE = 0.658) also exhibits solid validity, confirming that indicators TD1–TD4 effectively represent opportunities for skill enhancement and learning application. Organizational Culture (AVE = 0.643) reflects coherence among its indicators, emphasizing shared values, teamwork, and innovation. Employee Engagement (AVE = 0.675) records high loadings across all indicators, demonstrating that vigor, dedication, and commitment are well-represented. Similarly, Job Satisfaction (AVE = 0.669) indicates that satisfaction with tasks, leadership, compensation, and career development are closely related dimensions. Lastly, Employee Performance (AVE = 0.684) has the highest convergent validity, showing that indicators EP1–EP4 reliably measure consistency, quality, initiative, and cooperation in work performance. Overall, these results confirm that all measurement items are valid and effectively capture the underlying constructs used in this study.

### Internal Consistency Reliability

Reliability testing ensures that each construct consistently measures the intended concept, thereby confirming the stability and accuracy of the measurement model. In this study, internal consistency was assessed using Cronbach’s Alpha (CA) and Composite Reliability (CR). According to Hair et al. (2021), a Cronbach’s Alpha value of 0.70 or higher indicates good reliability, while a Composite Reliability value equal to or greater than 0.70 signifies a high level of internal consistency across the indicators of each construct.

Table 4. Reliability Testing Results

| Variable                      | Cronbach's Alpha (CA) | Composite Reliability (CR) | Interpretation |
|-------------------------------|-----------------------|----------------------------|----------------|
| Leadership Style (LS)         | 0.847                 | 0.893                      | Reliable       |
| Training and Development (TD) | 0.859                 | 0.902                      | Reliable       |
| Organizational Culture (OC)   | 0.851                 | 0.895                      | Reliable       |
| Employee Engagement (EE)      | 0.872                 | 0.910                      | Reliable       |
| Job Satisfaction (JS)         | 0.866                 | 0.906                      | Reliable       |
| Employee Performance (EP)     | 0.874                 | 0.912                      | Reliable       |

Table 4 presents the results of the reliability testing for all constructs, showing that each variable meets the recommended thresholds for internal consistency. All Cronbach's Alpha (CA) values exceed 0.70, ranging from 0.847 to 0.874, while all Composite Reliability (CR) values are also above 0.70, ranging from 0.893 to 0.912. These results confirm that all constructs are reliable and consistently measure their respective theoretical dimensions (Hair et al., 2021). Among the constructs, Employee Performance (CA = 0.874; CR = 0.912) and Employee Engagement (CA = 0.872; CR = 0.910) show the highest reliability, indicating strong internal consistency in measuring work enthusiasm, commitment, and performance outcomes. Leadership Style, Training and Development, Organizational Culture, and Job Satisfaction also demonstrate high reliability levels, reflecting consistent responses across their indicators.

### Discriminant Validity

Discriminant validity assesses whether a construct is truly distinct from other constructs in the model. The Fornell-Larcker criterion states that the square root of the AVE for each construct should be greater than its correlations with other constructs.

Table 5. Fornell-Larcker Criterion Results

| Variable                      | LS    | TD    | OC    | EE    | JS    | EP    |
|-------------------------------|-------|-------|-------|-------|-------|-------|
| Leadership Style (LS)         | 0.801 |       |       |       |       |       |
| Training and Development (TD) | 0.612 | 0.811 |       |       |       |       |
| Organizational Culture (OC)   | 0.584 | 0.597 | 0.802 |       |       |       |
| Employee Engagement (EE)      | 0.628 | 0.602 | 0.615 | 0.822 |       |       |
| Job Satisfaction (JS)         | 0.590 | 0.601 | 0.576 | 0.634 | 0.818 |       |
| Employee Performance (EP)     | 0.605 | 0.594 | 0.579 | 0.622 | 0.648 | 0.827 |

Table 5 presents the Fornell-Larcker Criterion results used to assess discriminant validity among the constructs. According to Hair et al. (2021), discriminant validity is established when the square root of the Average Variance Extracted (AVE) for each construct (displayed on the diagonal) is greater than its correlations with other constructs (off-diagonal values). The results in Table 5 show that all constructs meet this criterion, confirming that each variable is empirically distinct and measures a unique theoretical concept. The diagonal values—ranging from 0.801 to 0.827—are higher than their corresponding inter-construct correlations, which range between 0.579 and 0.648. For instance, Leadership Style

( $\sqrt{AVE} = 0.801$ ) has higher internal consistency than its correlations with other constructs such as Training and Development (0.612) and Employee Engagement (0.628). Similarly, Job Satisfaction ( $\sqrt{AVE} = 0.818$ ) demonstrates a stronger association within its own construct than with others, even though it shows moderate correlations with Employee Engagement (0.634) and Employee Performance (0.648). These results indicate that all constructs—Leadership Style, Training and Development, Organizational Culture, Employee Engagement, Job Satisfaction, and Employee Performance—exhibit satisfactory discriminant validity, ensuring that each construct captures a distinct dimension within the overall structural model.

### Structural Model and Hypothesis Testing Coefficient of Determination ( $R^2$ )

The  $R^2$  value represents the proportion of variance in the endogenous (dependent) variables explained by the exogenous (independent) variables, where values of 0.75, 0.50, and 0.25 indicate substantial, moderate, and weak explanatory power, respectively (Hair et al., 2021). In this study, the  $R^2$  value for Job Satisfaction (0.672) indicates that 67.2% of the variance in job satisfaction is explained by leadership style, training and development, organizational culture, and employee engagement, reflecting a moderate to substantial level of explanatory power. Meanwhile, the  $R^2$  value for Employee Performance (0.708) shows that 70.8% of the variance in employee performance is explained by leadership style, training and development, organizational culture, employee engagement, and job satisfaction. These results demonstrate that the research model possesses strong explanatory power, indicating that the selected constructs effectively account for variations in both job satisfaction and employee performance, and thus confirming the model's suitability for hypothesis testing.

### Path Coefficients and Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping method in SmartPLS 3.0 with 5,000 resamples. The relationships among the constructs were evaluated based on the Original Sample (O), t-statistics, and p-values. The hypothesis is considered significant if the t-statistic  $> 1.96$  and p-value  $< 0.05$  at a 95% confidence level.

Table 7. Results of Hypothesis Testing

| Hypothesis | Relationship                                | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics ( O/STDEV ) | P Values |
|------------|---|---------------------|-----------------|----------------------------|--------------------------|----------|
| H1         | Leadership Style → Job Satisfaction         | 0.261               | 0.258           | 0.068                      | 3.838                    | 0.000    |
| H2         | Training and Development → Job Satisfaction | 0.218               | 0.215           | 0.065                      | 3.354                    | 0.001    |
| H3         | Organizational Culture → Job Satisfaction   | 0.203               | 0.206           | 0.062                      | 3.274                    | 0.001    |

|    |   |       |       |       |       |       |
|----|---|-------|-------|-------|-------|-------|
| H4 | Employee Engagement → Job Satisfaction          | 0.289 | 0.285 | 0.070 | 4.129 | 0.000 |
| H5 | Leadership Style → Employee Performance         | 0.179 | 0.181 | 0.060 | 2.983 | 0.003 |
| H6 | Training and Development → Employee Performance | 0.172 | 0.170 | 0.058 | 2.965 | 0.003 |
| H7 | Organizational Culture → Employee Performance   | 0.164 | 0.160 | 0.056 | 2.929 | 0.004 |
| H8 | Employee Engagement → Employee Performance      | 0.208 | 0.205 | 0.063 | 3.302 | 0.001 |
| H9 | Job Satisfaction → Employee Performance         | 0.237 | 0.240 | 0.061 | 3.885 | 0.000 |

The results indicate that all nine hypotheses (H1–H9) are supported, confirming that each proposed relationship in the model is statistically significant. Leadership style positively and significantly influences job satisfaction ( $\beta = 0.261$ ,  $t = 3.838$ ,  $p < 0.001$ ), showing that effective leadership characterized by clear communication, support, and motivation enhances employees' satisfaction with their roles and work environment. Training and development also have a significant positive impact on job satisfaction ( $\beta = 0.218$ ,  $t = 3.354$ ,  $p = 0.001$ ), as continuous learning opportunities foster career growth and skill enhancement. Organizational culture positively affects job satisfaction ( $\beta = 0.203$ ,  $t = 3.274$ ,  $p = 0.001$ ), where a supportive and inclusive environment fosters belonging and stability. Employee engagement significantly contributes to job satisfaction ( $\beta = 0.289$ ,  $t = 4.129$ ,  $p < 0.001$ ), with engaged employees showing greater passion and commitment. Leadership style also directly enhances employee performance ( $\beta = 0.179$ ,  $t = 2.983$ ,  $p = 0.003$ ) by promoting motivation and accountability. Similarly, training and development significantly improve performance ( $\beta = 0.172$ ,  $t = 2.965$ ,  $p = 0.003$ ), demonstrating that skill-based programs elevate work quality. Organizational culture exerts a positive influence on performance ( $\beta = 0.164$ ,  $t = 2.929$ ,  $p = 0.004$ ) through innovation and teamwork, while employee engagement strengthens performance outcomes ( $\beta = 0.208$ ,  $t = 3.302$ ,  $p = 0.001$ ) by increasing enthusiasm and dedication. Finally, job satisfaction shows the strongest direct effect on performance ( $\beta = 0.237$ ,  $t = 3.885$ ,  $p < 0.001$ ), indicating that satisfied employees are more motivated, consistent, and committed to achieving organizational goals.

## **Model Predictive Relevance ( $Q^2$ ) and Goodness of Fit (GoF)**

To further evaluate the predictive accuracy and overall quality of the structural model, the  $Q^2$  (Stone-Geisser's  $Q^2$ ) and Goodness of Fit (GoF) indices were analyzed. A  $Q^2$  value greater than zero indicates predictive relevance, while the GoF index, calculated as  $\sqrt{AVE \times R^2}$ , reflects the overall model fit, with values above 0.36 signifying a large model fit (Tenenhaus et al., 2005). The results show that the model has a  $Q^2$  value of 0.512, indicating strong predictive relevance, and a GoF value of 0.671, signifying a robust and well-fitting structural model. These findings confirm that the proposed model effectively explains the relationships among the studied constructs and demonstrates high predictive power and overall goodness of fit.

## **Discussion**

### **The Role of Leadership Style in Enhancing Job Satisfaction and Performance**

The findings reveal that leadership style has a significant and positive influence on both job satisfaction and employee performance. This indicates that effective leaders—those who communicate clearly, inspire, and provide consistent support—create a positive organizational climate that enhances satisfaction and motivates employees to perform at their best. These results align with transformational leadership theory, which highlights the importance of visionary and supportive leaders in fostering motivation, trust, and commitment (Bass & Avolio, 1994). In the Indonesian cultural context, where collectivist values and interpersonal harmony are highly valued, leadership that emphasizes empathy, collaboration, and mutual respect tends to strengthen employee loyalty, engagement, and overall satisfaction.

Empirical evidence further supports these findings, as demonstrated by Raharjo et al. (2021), who found that leadership behavior significantly improves both job satisfaction and performance among employees in public and private institutions across Indonesia. This suggests that leadership is not merely an administrative or managerial function but also a relational process that nurtures emotional connections, shared goals, and collective purpose within the workplace. By cultivating trust and aligning individual aspirations with organizational vision, effective leaders can sustainably enhance performance and foster a resilient, motivated workforce.

### **The Influence of Training and Development on Employee Outcomes**

The results indicate that training and development have a significant positive impact on both job satisfaction and employee performance. Employees who are provided with continuous learning opportunities tend to perceive greater organizational support, which enhances their satisfaction, motivation, and productivity. This relationship underscores the importance of investing in employee growth as a strategic approach to improving overall organizational outcomes. Training not only equips employees with relevant skills but also fosters a sense of belonging and appreciation, which contributes to a more committed and high-performing workforce.

These findings are consistent with human capital theory, which posits that investment in employee development enhances both individual capabilities and organizational effectiveness (Becker, 1993). Regular and well-designed training programs strengthen technical competencies, boost confidence, and improve adaptability in dynamic work environments. Suharto et al. (2020) similarly found that structured training initiatives in Indonesian organizations led to higher job satisfaction and measurable performance improvements. Thus, organizations that

prioritize continuous learning and professional development cultivate an innovative and resilient workforce capable of sustaining long-term excellence.

### **The Impact of Organizational Culture on Job Satisfaction and Performance**

The study confirms that organizational culture has a positive and significant impact on both job satisfaction and employee performance. A strong and cohesive culture fosters trust, shared values, and collaboration, all of which enhance employees' sense of belonging and motivation. These findings are consistent with Schein's (2010) organizational culture theory, which posits that shared beliefs and values within an organization significantly shape employee attitudes and behaviors. When employees identify with the organization's values, they are more likely to demonstrate high commitment and performance. Moreover, the results align with the study of Putra and Santoso (2022), who found that supportive organizational cultures in Indonesian companies encourage teamwork and innovation, resulting in higher employee satisfaction and productivity. Therefore, cultivating a healthy and adaptive organizational culture is essential for maintaining long-term organizational sustainability and ensuring continuous performance improvement.

### **Employee Engagement as a Catalyst for Satisfaction and Performance**

The findings indicate that employee engagement has a significant positive influence on both job satisfaction and employee performance, confirming that engaged employees are emotionally connected, motivated, and dedicated to achieving organizational goals. This result aligns with the Job Demands-Resources (JD-R) model proposed by Bakker and Demerouti (2007), which suggests that engagement arises when employees perceive sufficient resources such as leadership support, recognition, and opportunities for development. Engaged employees not only experience higher satisfaction but also demonstrate proactive behaviors, creativity, and enhanced performance outcomes. Consistent with Hidayat and Sutanto (2021), who found that engagement mediates the relationship between leadership and performance in Indonesian organizations, these findings highlight that fostering engagement through recognition, open communication, and empowerment serves as a strategic mechanism for improving organizational effectiveness and achieving superior performance results.

### **The Mediating Role of Job Satisfaction on Employee Performance**

The study reveals that job satisfaction serves as a critical mediating variable linking organizational factors—namely leadership, training, culture, and engagement—to employee performance. This indicates that satisfied employees are more likely to exert greater effort, demonstrate stronger commitment, and maintain consistent performance levels. The finding supports Herzberg's Two-Factor Theory (1959), which suggests that satisfaction derived from intrinsic factors such as achievement, recognition, and personal growth enhances motivation and performance. In this study's context, fair leadership practices, continuous development opportunities, supportive organizational culture, and high engagement collectively elevate satisfaction, which in turn drives superior performance outcomes. This result aligns with Wibowo and Suryani (2020), who found that job satisfaction significantly mediates the relationship between organizational support and performance in Indonesian manufacturing firms. Therefore, fostering employee satisfaction should remain a key strategic focus for organizational management to ensure sustainable performance improvement.

## **Theoretical Implications**

Theoretically, this study contributes to the advancement of organizational behavior literature by integrating multiple determinants—leadership, training, organizational culture, and employee engagement—into a unified framework that explains job satisfaction and employee performance. Through the use of SEM-PLS analysis, the study provides strong empirical evidence supporting the interconnectedness among these variables. The findings reinforce the relevance of transformational leadership theory, human capital theory, and the Job Demands-Resources (JD-R) model, confirming their applicability within the Indonesian cultural and economic context. Furthermore, the study underscores the crucial mediating role of job satisfaction in linking organizational practices to employee outcomes, thereby enriching the theoretical understanding of motivation, engagement, and performance mechanisms in contemporary organizations.

## **Practical Implications**

From a managerial perspective, the results highlight several practical strategies for enhancing employee performance through effective human resource management practices. Organizations should strengthen leadership competencies by investing in development programs that improve communication, emotional intelligence, and transformational leadership skills to create an inspiring work environment. Continuous training and career development initiatives must be prioritized to build both technical and soft skills, ensuring employees remain adaptable in a rapidly changing business landscape. Fostering a strong organizational culture grounded in trust, teamwork, and recognition will further promote satisfaction and cross-departmental collaboration. Employee engagement should also be enhanced through empowerment, transparent communication, and reward systems that acknowledge individual and team contributions. Finally, organizations must focus on job satisfaction as a key driver of performance by conducting regular satisfaction assessments to identify potential issues early and implement targeted interventions that sustain motivation, commitment, and productivity.

## **CONCLUSION**

This study provides empirical evidence demonstrating how leadership style, training and development, organizational culture, and employee engagement collectively influence job satisfaction and employee performance in Indonesian organizations. The results confirm that all four independent variables significantly and positively affect job satisfaction, which subsequently enhances employee performance. These findings highlight the interconnectedness of key organizational behavior factors, emphasizing that effective leadership, continuous employee development, and a supportive organizational culture are essential for fostering engaged and satisfied employees. Leadership style emerges as a crucial factor in shaping motivation, communication, and teamwork, with participative leaders inspiring trust and innovation that strengthen employees' sense of belonging. Similarly, training and development empower employees by improving competencies and reinforcing organizational commitment, while a strong organizational culture—characterized by shared values and collaboration—promotes satisfaction and higher performance. Employee engagement further contributes by deepening emotional attachment and dedication to organizational goals.

From a managerial perspective, these results suggest that sustainable employee performance requires a holistic human resource management strategy that

harmonizes leadership effectiveness, training programs, cultural development, and engagement practices. Organizations are encouraged to create inclusive and empowering environments that value learning, recognition, and teamwork as integral components of performance enhancement. In conclusion, this study reinforces the central role of human capital as a driver of organizational success. By cultivating transformational leadership, investing in continuous learning, nurturing a positive culture, and strengthening employee engagement, organizations in Indonesia can achieve higher levels of satisfaction and superior performance outcomes. Future research may expand on these findings by examining specific industries or introducing moderating variables—such as work environment, digital transformation, or generational diversity—to deepen the understanding of human resource dynamics within the Indonesian context.

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