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# Company Performance Analysis: Leadership Style, Corporate Culture and Human Resource Development

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#### **ABSTRACT**

This study analyzed the influence of leadership style, corporate culture and human resource (HR) development on company performance. The research method is quantitative research, using survey method. The population of this study amounted to 2844 employees residing in six retail companies spread across Indonesia. The sample size used Slovin method for 351 respondents. Sampling method done by random. Analyzer used multiple linear regression, continued with partial test of hypothesis (t-test) and simultaneously (F test) with alpha 5%. Data analysis tool with SPSS application 23.00. The result of this research is that leadership style, corporate culture and HR development have positive and significant influence to company performance either partially or simultaneously. From the results of determination analysis there are other factors that affect the company's performance in addition to variables of leadership style, corporate culture and HR development. The better the leadership style, corporate culture and HR development will be the better corporate performance.

Keywords: Leadership Style, Corporate Culture, Human Resource Development, Organization Performance

JEL Classifications: M53, M54

#### 1. INTRODUCTION

The cornerstone of success for competitive advantage for firms is how to effectively manage human resource (HR) management that will increase high profitability to meet the needs of organizations, shareholders and investors (Melinda, 2004). Effective HR management can meet the needs of employees in several ways in line with the company's endurance, expansion and improvement of their profitability, the company provides job security, and more career opportunities and higher wages (Schuler, 1997). Discussing the performance of employees will not be separated by the presence of factors that can affect a person's performance. Where these factors can be sourced from individual factors or from organizational environmental factors (Mangkunegara, 2014). Organizational environmental factors are very supportive for individuals in achieving work performance. Organizational environmental factors such as leadership style, corporate culture and HR development. Leadership is one of the important elements in the company's management system. The results of several studies indicate that leadership is needed to improve the company's competitiveness in a sustainable manner. Leadership is a process whereby a person can become a leader through ongoing activities so as to influence his lead (followers) in order to achieve the goals of the organization or company (Brahmasari and Suprayetno, 2008).

A good leader is a leader who can create a situation in an organization with a good working atmosphere. Leaders should be able to be as expected by their employees and be able to understand what their subordinates need so that their subordinates can have a good impact and can work better by adjusting a style of leadership (Tabitha and Harjani, 2015).

Performance of employees cannot be separated from the role of leader. According to Bass (1990), the role of superior leadership in contributing to employees for optimal performance is done through five ways: (1) The leader clarifies what is expected of the employees, specifically the goals and objectives of their performance, (2) the leader explains how (3) the leader provides feedback when the employee has achieved the goal, and (4) the leader allocates the rewards based on the results they have achieved (Raharjo and Nafisah, 2006).

The goal path theory (Evans, 1970; House, 1971; House and Mitchell, 1974 in Yulk, 1989) says that leaders encourage higher performance by providing activities that influence subordinates to believe that valuable results can be achieved with serious effort. The universally applicable leadership results in high levels of performance and subordinate satisfaction (Raharjo and Nafisah, 2006).

Many studies have found that leadership styles have an effect on employee performance. Among them are research conducted by Ciptodihardjo (2014) which reveals leadership has a positive and significant influence on employee performance. The results of this study reveal that good leaders will be able to move their subordinates to work better for organizational progress. Next research conducted by Farida (2015) also suggested leadership style has a positive and significant influence on employee performance.

In addition to the style of leadership as for other factors that can affect performance is corporate culture. Culture becomes very important because corporate culture is seen as part of an organization or community and is considered important as part of the company (Darmadi and Gustomo, 2012). According to Putranto (2012) a strong organization/corporate culture will affect each of the behavior of the worker. A corporate culture that is not conducive can lead to low performance of existing employees within the company.

Research on the application of corporate culture to performance among others is done by Daniswara et al. (2016), Ernanto et al. (2015), and Yuswani (2016) where the results showed that strong corporate culture will significantly influence performance. Implementation of corporate culture can basically give a big influence on the performance of the organization, especially if the culture is strong (strong culture) so that the company can maintain superior performance in the face of increasing sales growth significantly.

The next factor that can affect performance is the development of HRs. HR development is a formal approach undertaken by companies to ensure that people within the company have the appropriate qualifications, abilities, and experience when needed (Regina, 2013). Florence (2007) in his research states that career development is a method of organized planning that is used to customize employee goals to the business needs of an organization.

Rivai and Ellah (2009) argue that the fundamental goal of HR development is to help employees analyze the ability and interest in adjusting between the need to grow with the needs of the company. Career development is also important where management can improve productivity, improve employee attitudes toward work and build higher job satisfaction.

HR development is also one factor that can affect employee performance. Cianni and Wnuck (1997) stated that companies that have a systematic model in the development of HRs will have a good performance. The results are supported by Applebaum et al. (2001) stating that companies with good HR management

will increase the willingness of employees to participate in development and behavioral activities in development, which will improve their performance.

Based on the background and problems, the objectives of this research are:

- 1. Analyzing the influence of leadership style on corporate performance partially
- 2. Analyzing the influence of corporate culture on corporate performance partially
- 3. Analyzing the effect of HR development on corporate performance partially
- 4. Analyze the influence of leadership style, corporate culture and HR development on corporate performance simultaneously.

#### 2. LITERATURE REVIEW

#### 2.1. Company Performance

According to Maharjan (2012), performance is a result achieved because motivated with work and satisfied with the work they do. Each individual is likely to be confronted with things that may not have been anticipated in the process of achieving the desired need so that through work and the growth of experience one will make progress in his life. Then according to Mangkunegara (2007), employee performance is the result of work in quality and quantity achieved by an employee in performing their duties in accordance with the responsibilities given to him. Rivai and Ella (2009) define performance as a real behavior that is displayed every person as achievement Work produced by employees in accordance with its role in the company. Performance is a full view of the company over a period of time, and is the result and achievement that is influenced by the company's operational activities in utilizing the resources owned. From the above opinion, can be concluded that the performance or performance is the work or achievement of work, whether the quality or quantity achieved by a person or group of people in the organization in carrying out its work duties.

Davoudi and Allahsyari (2013) that performance includes the attitude of workers in accordance with organizational goals. It means that performance results from the function of a particular job or the outcome of an activity within a certain period. Mathis and Jackson in Umam (2010) state the factors that influence individual performance that is ability, motivation, support received, existence of work they do, relationship with organization.

According to Mangkunegara (2007), employee performance can be assessed from:

- Quality of work showing tidiness, accuracy, linkage of work by not neglecting the volume of work. The good quality of work can avoid the level of error in the completion of a job that can benefit the progress of the company
- b. Quantity of work showing the number of types of work performed at a time so that efficiency and effectiveness can be accomplished in accordance with company goals
- c. Responsibility shows how big the employees in receiving and carrying out their work, responsible for the work and the facilities and infrastructure used and the work behavior every day

- d. Cooperation: Employee willingness to participate with other employees vertically and horizontally both inside and outside the job so that the work will be better
- e. Initiatives: The existence of initiatives from within members of the organization to do the job and to solve problems in the work without waiting for orders from superiors or show responsibility in the work that has an obligation of an employee.

#### 2.2. Leadership Style

Basically a leader has different behaviors in regulating his members, and the behavior is called a leadership style. The style of leadership is thus the way a leader influences members and cooperates with various programs and predetermined ways. Therefore leadership contains a dynamic force in encouraging, motivating, and coordinating the organization to achieve its expected goals (Agussalim, 2013).

Leadership style is a behavioral norm used by a person when the person is trying to influence the behavior of others as he sees. In this case the attempt to harmonize perceptions among people who will influence behavior with people whose behavior will be influenced becomes very important position (Thoha, 2015).

Leadership plays a significant role in the success and failure of an organization. While Robbins (2006) identified four types of leadership styles, among others:

- 1. Charismatic leadership style:
  - Followers are encouraged by heroic or extraordinary leadership abilities when they observe the particular behaviors of their leader. There are five main characteristics of charismatic leaders:
  - a. Vision and articulation: He has a vision aimed at the ideal goal that hopes the future is better than the status quo, and is able to clarify the importance of visions that others can understand
  - Personal ratio: Charismatic leaders are willing to pursue high personal risks, bear substantial costs, and engage in self-sacrifice to achieve the vision
  - c. Sensitive to the environment: They are able to assess realistically the environmental constraints and resources needed to make changes
  - d. Sensitivity to followers' needs: Charismatic leaders are perceptive to others' abilities and responsive to their needs and feelings
  - e. Unconventional behavior: Charismatic leaders engage in behavior that is considered new and contrary to the norm.
- 2. Transactional leadership style:
  - Transactional leaders are leaders who guide or motivate their followers toward defined goals by clarifying the terms of roles and tasks. Transactional leadership style focuses more on the leader-subordinate relationship without any effort to create change for his subordinates. There are four characteristics of transactional leaders:
  - Contingent rewards: Exchange contracts rewarded for the effort made, promising rewards for good performance, recognizing achievements
  - b. Management by exception (active): Looking at dean

- looking for deviations from rules and standards, taking corrective action
- Management by exception (passive): Intervenes only if standards are not met
- d. Laissez-Faire: Release responsibility, avoid making decisions.
- 3. Transformational leadership style:
  - The transformational leader focuses on the things and development needs of each follower. The transformational leader changes the followers consciousness of the problems by helping them to see old problems in new ways, and they are able to excite, awaken, and inspire followers to spend extra effort to achieve group goals. There are four characteristics of transformational leaders: Charisma: Gives vision and a sense of mission, instills pride, earns respect and trust.
  - Inspiration: Communicating high expectations, using symbols to focus on effort, illustrates the point of importance simply
  - b. Intellectual stimulation: Encourages intelligence, rationality, and problem solving carefully
  - c. Individual considerations: Give personal attention, serve employees personally, train and advise
- 4. Visionary leadership style:

Creation creates and articulates a realistic, credible, and exciting vision of the future of a growing organization and organizational unit that is growing and improving today. This vision if properly selected and implemented, has great power so that it can lead to an early jump into the future by awakening the skills, talents, and resources to make it happen.

#### 2.3. Corporate Culture

Corporate culture is a system of values perceived by all employees in the company. In addition to being understood, the whole range believes in these values systems as the basis of organizational motion (Robbins in Djokosantoso, 2003). According to Djokosantoso (2003), corporate culture is a system that is believed by all employees and that is studied, applied, and developed continuously, serves as a package system, and can be used as a reference behave in the organization to create corporate goals have been established. Corporate culture is the value of trust, attitudes and behaviors held by members (McKenna and Beech, 2000).

Organizational culture is concerned with how employees understand the cultural characteristics of an organization, and are not related to whether employees like the characteristics. Organizational culture is a descriptive attitude, not like a more evaluative job satisfaction.

Culture implies the existence of certain dimensions or characteristics that are closely related and interdependent. Robbin and Judge (2015) stated that organizational culture has several characteristics, among others:

- a. Innovation and the courage to take risks: The extent to which employees are encouraged to be innovative and risk-taking
- b. Attention to the details: The extent to which employees are expected to exercise precision, analysis, and attention to detail

- Orientation of results: The extent to which management focuses more on results than on the techniques and processes used to achieve these results
- d. People's orientation: The extent to which management decisions take into consideration the effect of such outcomes on those within the organization
- e. Team orientation: The extent to which work activities in the organization on the team rather than on individuals
- f. Aggressiveness: The extent to which people are aggressive and competitive rather than relaxed
- g. Stability: The extent to which organizational activities emphasize the preservation of the status quo in comparison with growth.

#### 2.4. HR Development

Development is an attempt to improve the technical, conceptual, and morale skills of employees in accordance with the needs of employment or occupation through education and training (Hasibuan, 2009). The development of HRs has a vital role in the effort to direct, encourage, motivate the improvement/development of skills and skills of employees who are implemented in their work to achieve the effectiveness of HRs in the organization (Lee and Bruvold, 2003).

HR development aims to produce a logically and comprehensively related framework to develop an environment where employees are encouraged to learn to grow (Sedarmayanti, 2008). Development is an effective way to deal with some of the challenges facing many large organizations. These challenges include employee obsolescence, sociotechnical changes and labor turnover. The ability to overcome these challenges is a critical determinant of the success of the personnel department in maintaining effective HRs (Handoko, 2008).

Development is the preparation of individuals to assume different or higher responsibilities within the organization (Simamora, 2006). Development is usually associated with the improvement of intellectual or emotional skills needed to better align the work. Development stands on the fact that an employee will need the knowledge, skills, and abilities that evolve to work well in the succession of the position undertaken during his career. The long-term career preparation of an employee for this set of positions is what employees development is about.

Employee development aims and benefits for companies, employees, consumers, or the public who consume goods/services produced by the company. According to Tohardi (2002) development goals are:

- a. Productivity: With the development, employee productivity will increase, quality and quantity of production will be better, because technical skill, human skill and managerial skill of employees will be better
- Efficiency: Development of employees to improve the efficiency of HRs, time, raw materials and reduce the wear of machines. Wastage is reduced, production costs are relatively small so that the competitiveness of companies getting smaller
- c. Damage: Employee development aims to reduce the damage of goods, production and machinery because employees are increasingly skilled and skilled in carrying out their work

- d. Accidents: Development aims to reduce the rate of employee accidents, so the amount of medical expenses that companies spend reduced
- e. Services: Development aims to improve the better service of employees to corporate customers, because better service delivery is a very important attraction for the partners of the company concerned
- f. Moral: With the development, employee morale will be better because the skills and skills in accordance with their work so that the brand enthusiastically finish the job well
- g. Careers: With development, the opportunity to improve employee careers is greater, because skills, skills and job performance are better, scientific promotion is usually based on one's skill and work performance
- Conceptual: With development, managers will be more competent and faster in making better decisions, because technical skills, human skills and managerial skills better
- Leadership: With development, leadership of a manager will be better, human relations more broadly, motivation more focused so that coaching vertical and horizontal cooperation more harmonious
- Reply services: With development, payroll (salary, wage, intensive and benefit) employees will increase because of their greater job performance
- k. Consumers: Employee development will provide better benefits for the consumer community as they will acquire more quality goods or services.

#### 2.5. Conceptual Framework

The success of an organization is strongly influenced by the performance of its employees, because with good performance will certainly bring good results as well. Instead, the organization will face obstacles in achieving its goals when employee performance is ineffective, in the sense of not being able to meet the job demands desired by the organization.

Discussing the performance of employees will not be separated by the presence of factors that can affect a person's performance. Where these factors can be sourced from individual factors or from organizational environmental factors (Mangkunegara, 2014). Organizational environmental factors are very supportive for individuals in achieving work performance. Organizational environmental factors such as leadership style, corporate culture and HR development.

Many studies have found that leadership styles have an effect on employee performance. Among them are research conducted by Ciptodihardjo (2014) which reveals leadership has a positive and significant influence on employee performance. The results of this study reveal that good leaders will be able to move their subordinates to work better for organizational progress. Next research conducted by Farida (2015) also suggested leadership style has a positive and significant influence on employee performance.

In addition to the style of leadership as for other factors that can affect performance is corporate culture. Culture becomes very important because the corporate culture is seen as part of the organization or community and is considered important as part of the company (Darmadi and Gustomo, 2012). The research on the implementation of corporate culture on performance such as Daniswara et al. (2016), Ernanto et al. (2015), and Yuswani (2016) where the results of his research show if a strong corporate culture will have a significant effect on performance. The application of corporate culture can basically have a considerable effect on organizational performance, especially if the culture is strong (strong culture) so that the company can maintain superior performance in the face of the increasing sales growth significantly.

The next factor that can affect performance is the development of HRs. HR development is also one factor that can affect employee performance. Cianni and Wnuck (1997) stated that companies that have a systematic model in the development of HRs will have a good performance. The results are supported by Applebaum et al. (2001) stating that companies with good HR management will increase the willingness of employees to participate in development and behavioral activities in development, which will improve their performance.

Based on the above explanation of the flow of thinking between research variables with reference to the results of previous research and expert opinion, it can be described through the framework of research models such as the Figure 1.

#### 2.6. Research Hypothesis

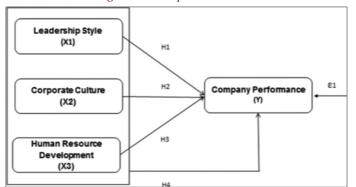
Pursuant to research purpose hence this research hypothesis is:

- 1. Leadership style effect on company performance partially
- 2. Corporate culture affects the company performance partially
- 3. HR development affects the company performance partially
- Leadership style, corporate culture and HR development affect corporate performance simultaneously.

#### 3. METHODS

The unit of analysis of this research is 6 retail companies spread all over Indonesia which amounted to 2844 employees. The sample size using Slovin method amounted to 351 respondents. Quantitative analysis method, with multiple linear regression equation analysis tools, the equation  $Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + e$ , where Y is a variable of company performance,  $\beta_1$ ,  $\beta_2$  and  $\beta_3$  coefficient variable leadership style  $(X_1)$  corporate culture  $(X_2)$  and HR development  $(X_3)$ . SPSS version 23.0 program data analysis tool.

Figure 1: Conceptual framework



Then the analysis is continued with analysis of determination analysis test (R<sup>2</sup>), partial hypothesis testing (t-test) and simultaneous (F test) with 5% error tolerance level. Before multiple linear regression process in the test instrument (questionnaire) with validity and realibility test and classical assumption (normality test, multicolinearity and heteroscedasticity).

#### 4. RESULT

Generally respondents in this study provide a good perception of the questionnaires distributed and responded to vary from agree and to strongly agree on the items of the questionnaire. This indicates that the leadership style, corporate culture, HR development and corporate performance have been implemented in accordance with the respondents' perception expectations.

Results interpretation of summary models, coefficients, and ANOVA from the output of quantitative analysis of multiple linear regression as below.

A good multiple linear regression equation model that can be passed to the next analysis is those that meet the requirements of classical assumptions, including all normal distributed data through the normality test, the model must be free of heteroscedasticity and no correlation between independent variables through multicolinearity test. From the previous analysis it has been proved that the equation model proposed in this study has met the requirements of the classical assumption so that the equation model in this research is considered good. Multiple linear regression analysis is used to test the partial and simultaneous hypothesis of the independent variables on the dependent variable. Based on multiple linear regression coefficient with SPSS 23.0 program obtained the result as Table 1.

From Table 1 we get the result of multiple linear regression equation:  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e = 0.818 + 0.180 X_1 + 0.240 X_2 + 0.657 X_3 + e$ . Description: Y = Company performance;  $X_1 = \text{Leadership style}$ ;  $X_2 = \text{Corporate culture}$ ;  $X_3 = \text{HR}$  development. From this equation can be interpreted: (1) Variable leadership style, corporate culture and HR development has a positive coefficient toward the company's performance; (2) constant value shows the effect of variables  $X_1$ ,  $X_2$  and  $X_3$  when the variable X one unit will affect one unit on variable Y.

#### 4.1. Results of Determination Analysis (R<sup>2</sup>)

To see contribution of variable of leadership style  $(X_1)$ , corporate culture  $(X_2)$ , and HR development  $(X_3)$  to company performance can be seen from coefficient of determination value  $R^2$  as seen in Table 2:

The R = 0.685 shows the double correlation (leadership style\_ $X_1$ , corporate culture\_ $X_2$  and HR development\_ $X_3$ ) with company performance. Considering the variation of R<sup>2</sup> value of 0.469 which shows the role or contribution of variable of leadership style, corporate culture and HR development able to explain company performance variable equal to 46.9% and the rest 53.1% influenced by other variables.

Table 1: Coefficients<sup>a</sup>

Model	Unstanda	ardized coefficients	Standardized coefficients	t	Significant
	В	Standard error	Beta		
1					
(Constant)	0.816	2.596		0.314	0.753
$X_1$ _Leadership_style	0.180	0.037	0.250	4.921	0.000
$X_2$ Corporate culture	0.240	0.048	0.221	4.992	0.000
$X_3$ _HR_development	0.657	0.098	0.363	6.690	0.000

<sup>&</sup>lt;sup>a</sup>Dependent variable: Y\_Company\_Performance. Source: Output SPSS under 23.00. HR: Human resource

Table 2: Model summary

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Standard error of the estimate
1	0.685a	0.469	0.464	3.261

<sup>\*</sup>Predictors: (Constant),  $X_3$ \_Human\_resource\_development,  $X_2$ \_Corporate\_culture,  $X_1$ \_Leadership\_style. Source: Output SPSS under 23.00

Other variables or other factors that may affect performance are job motivation and job satisfaction. While the results of other studies explain that the motivation and employee satisfaction have positive and significant impact on employee performance, either partially or simultaneously (Masydzulhak et al., 2016).

Besides, work discipline and work spirit have a positive and significant effect on employee performance (Masydzulhak et al., 2016). So from the results of other studies that organizational culture, organizational climate and leadership style positive and significant effect on organizational commitment, either partially or simultaneously and have a positive impact also on employee performance (Agussalim et al., 2016).

### **4.2.** Partial Effect Test Result (t-test) and Simultaneous Influence (Test F)

Hypothesis testing aims to explain the characteristics of particular relationships or differences between groups or independence of two or more factors in a situation (Hapzi and Lima, 2013. p. 72). The partial effect test aims to test whether each independent variable significantly influences the dependent variable partially with  $\alpha = 0.05$  and also the acceptance or rejection of hypotheses. Partial test (t-test) to answer hypotheses one and two of this study.

From Table 3, it can be concluded that leadership style  $(X_1)$  of 4.921 has positive and significant influence to company performance. The value of significance is 0.921, with a significance value of 0.000, because the level of significance is more <0.05 (0.000 < 0.05). Thus the first hypothesis is proved and acceptable.

Furthermore, in Table 3 obtained the number t component variable corporate culture  $(X_2)$  of 4.992, with a significance value of 0.000, due to the significance level of more <0.05 (0.000 < 0.05) it can be concluded that corporate culture has a positive and significant impact on company performance. Thus the second hypothesis is proven and acceptable.

Furthermore in Table 3 obtained the number t arithmetic variable of HR development ( $X_3$ ) of 6.690, with a significance value of 0.000, because the level of significance level is much more <0.05 (0.000 < 0.05) it can be concluded that HR development has a positive

Table 3: t-test results (partial)

<u>u</u>	,	
Model	t	Significant
1		
(Constant)	0.314	0.753
$X_1$ _Leadership_style	4.921	0.000
$X_2$ Corporate_culture	4.992	0.000
$X_3$ _HR_development	6.690	0.000

Source: Output SPSS under 23.00. HR: Human resource

Table 4: ANOVA<sup>a</sup>

Model	Sum of	df	Mean	F	Significant
	squares		square		
1					
Regression	3260.582	3	1086.861	102.181	$0.000^{\rm b}$
Residual	3690.911	347	10.637		
Total	6951.493	350			

<sup>a</sup>Dependent variable: Y\_Company\_performance. <sup>b</sup>Predictors: (Constant),  $X_3$ \_Human\_resource\_development,  $X_2$ \_Corporate\_culture,  $X_1$ \_Leadership\_style. Source: Output SPSS under 23 00

and significant impact on corporate performance. Thus the third hypothesis is proven and acceptable.

To answer the fourth hypothesis that the leadership style, corporate culture and HR development affect the company's performance simultaneously can be seen from Table 4.

Table 4 shows that (ANOVA table) obtained  $F_{count}$  of 102.181, with a significant value of 0.000 smaller than 5% (0.000 < 0.05). Then the hypothesis zero ( $H_0$ ) is rejected and hypothesis alternative ( $H_1$ ) accepted, meaning there is a positive and significant influence variable leadership style ( $X_1$ ), corporate culture ( $X_2$ ) and HR development ( $X_3$ ) on company performance (Y) simultaneous. Thus the fourth hypothesis is acceptable.

The results of the interpretation of the data above it can be discussed that:

1. From the hypothesis testing performed known leadership style has an influence on company performance. The results of this study show the same results with research conducted by Ciptodihardjo (2014) which reveals leadership has a positive and significant impact on employee performance. The results of this study reveal that good leaders will be able to move their subordinates to work better for organizational progress. Next research conducted by Farida (2012) also suggests leadership style has a positive and significant influence on employee performance. The style of leadership is the way in which a manager in managing the organization, leads and shapes to influence his subordinates in order to perform

tasks, responsibilities, mutual cooperation, deliberation and mutual support to achieve the goals of better organization. Therefore a leader must be able to understand the behavior of individuals within the organization he leads to be able to find the right leadership style for his organization. Because the right leadership style can give effect to the performance of his subordinates.

- Against company performance. The results of this study show the same results with research conducted by Yuswani (2016) where the results of his research showed if a strong corporate culture will have a significant effect on performance. Implementation of corporate culture can basically give a big influence on the performance of the organization, especially if the culture is strong (strong culture) so that companies can maintain superior performance in the face of sales growth is increasing significantly. Culture becomes very important because corporate culture is seen as part of an organization or community and is considered important as part of the company (Darmadi and Gustomo, 2012). According to Putranto (2012) a strong organization/corporate culture will affect each of the behavior of the worker. A corporate culture that is not conducive can lead to low performance of existing employees within the company.
- 3. From testing the hypothesis that is known to the development of HRs have an influence on company performance. Cianni and Wnuck (1997) stated that companies that have a systematic model in the development of HRs will have a good performance. The results are supported by Applebaum et al. (2001) stating that companies with good HR management will increase the willingness of employees to participate in development and behavioral activities in development, which will improve their performance.
- From the hypothesis testing conducted known leadership style, organizational culture and HR development simultaneously have an influence on company performance. The results of this study in accordance with research Brahmasari and Suprayetno (2008), there is influence motivation, leadership, and organizational culture together to performance. It is mentioned that organizational culture has a significant influence on performance. This is also supported by previous research by Ogbonna and Harris (2000), which provides empirical evidence that the relationship between leadership and performance can be mediated by the form of organizational culture. The results of this study also reinforced a number of previous studies conducted by Yulius (2008), Melinda (2004), and Mulyadi (2013) stating that the variables of leadership style, organizational culture, HR development, and work motivation affect employee performance.

#### 5. CONSLUSION AND SUGGESTIONS

Based on the results and discussion then the conclusions of this study are:

There is influence of leadership style on company performance.
 The results of analysis show that participative leadership style is one of the indicators/dimensions of the leadership style that most reflects the leadership style variables. This provides an

- understanding that participative leadership styles greatly affect employee performance in the organization
- 2. There is influence of corporate culture to company performance. The results of the analysis revealed that the dimensions of innovation and risk taking are the dimensions that most reflect organizational culture variables. This provides an understanding that innovation and risk taking greatly impact the performance of these employees on the organization
- 3. There is influence of HR development on company performance. The result of analysis is known that the dimension of mutation/transfer is the dimension that most reflects the variable of HR development. This provides an understanding that mutations/transfers greatly affect the performance of these employees to the organization
- 4. There is influence of leadership style, organizational culture and HR development together to employee performance.

Based on data analysis, statistical calculation process, empirical research model test and discussion of the results of the study conducted, submitted some suggestions as follows:

- 1. Although simultaneously leadership style, corporate culture, and HR development have significant influence to company performance, but the contribution of these three variables is only 46.9%. This means that further research is needed to find other variables that more dominant influence (53.1%) to the improvement of employee performance so as to add horizon and wider scientific knowledge
- Companies need to reconsider other factors that affect the performance of employees, such as work environment, reward, job satisfaction or organizational commitment in the form of making employee questionnaires to determine the most dominant factor in affecting employee performance
- Always motivate through enhancing HR development, implementing appropriate leadership styles and organizational culture that is in line with the times that enable employees to achieve better performance.

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