

Effects Of Situational Leadership Style On Organizational Culture, Spirituality And Employee Performance

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Abstract: This study provides description on: (1) effects of situational leadership style; (2) organizational culture; (3) spirituality; and (4) employee performance. Results of the research show that: (1) Situational leadership style gives positive effects on Organizational Culture with CR value by 9,338 and probability value by 0,000. (2) Situational leadership style gives positive effects on spirituality, with CR value by 6,664 and probability value by 0,000. (3) Situational leadership style gives no positive effects on employee performance with CR value by -0,850 and probability by 0,395. (4) Organizational culture gives positive effects on employee performance with CR value by 2,424 and probability value by 0,015. (5) Spirituality gives positive effects on employee performance with CR value by 3,940 and probability value by 0,015. Based on the SME analysis results, there are positive effects of situational leadership style on organizational culture and spirituality as well as organizational culture and spirituality on employee performance, meanwhile, situational leadership style has no positive effects on employee performance in Ministry of Religion Office, Kendari City.

Index Term: Situational Leadership Style, Organizational Culture, Spirituality, Employee Performance.

1 INTRODUCTION

Each person certainly has target to be achieved. To achieve the maximal targets, it is necessary for qualified and quality resources. The most important resources in an organization are human resources, people giving their energy, talents, creativity and efforts to the organization (Handoko, 2008). Thus, human resources or employees serve as determinant key for the organization success. Each employee is demanded to have knowledge and competence as well as must have experiences, motivation, high commitment, self-discipline and high work motivation. In order each employee can complete their tasks and functions effectively and efficiently, it is necessary for strength, which theoretically stated by Compbell in Rukmini (2009) that there are four strengths to be owned by a performance, namely: 1) knowledge, 2) skills or expertise, 3) motivation, and 4) role. Therefore, theoretically, it can be said that good quality service depends on good performance. Prawirosentono (2013: 98) defined performance as work outcomes achieved by a person or group of people in an organization, based on each authority and responsibility, in order to achieve organizational purpose legally, not to violate any laws and based on moral ethics. Employee performance can be seen from work quantity and quality aspects, among others including time punctuality of work execution, work accuracy, level of provided service, level of work error, competence on analysis and competence on evaluate. Leadership style particularly situational leadership style serves a great role in improving quality of employee performance.

Helleday et al. (2014: 15) expressed that Hersey and Blanchard used Ohio State study to develop further four types of situational style owned by managers, namely: (a) telling, (b) selling, (c) participation, and (d) delegating. Meanwhile, the main contingence approach for leadership is situational leadership style proposed by Hersey and Blanchard, in Stonner(1996: 171) stating that "the most effective leadership style varies by employee readiness. Hersey and Blanchard defined readiness as a willingness to obtain achievement, willingness to accept responsibility and willingness related to tasks, skills and experiences. Followers' targets and knowledge plays a role as the important variables in determining effective leadership style. On another side, organizational culture plays an important role and has positive relationship in improving employee performance in an office or institution. Any factors giving effects on performance as stated by Sanna, et al. (2003:261) is supported by opinions by Hellriegel and Slocum (2004: 391-392) stating that explicitly work culture gives effects on employee performance. According to Gibson et al., (2006: 31), organizational culture is about employee is felt and how such perception can create a pattern of trust, value and expectation. Meanwhile, Schein (1985) in Usman et al. (2016:282), described that organizational culture is a pattern of basic assumptions found out or developed by certain group with the purpose that an organization can learn to solve any arising problems as a result of quite good adaptation between extern and intern integration. This is in line with opinion by Robbins (2006: 621) stating that organizational culture includes (1) existence of organizational willingness; (2) existence of rewards on organizational time; (3) existence of honesty and openness; (4) existence of togetherness and feeling of mutual belonging, and organizational norms including (5) compliance to rules; and (6) the existence of the same perception on the vision and mission. Not only organizational culture, spirituality is also seen as important factors in improving employee performance. Karakas et al.(2010) in Asrun (2012 : 7) expressed that spirituality in organization has positive relationship with creativity, employee satisfaction, team performance and organizational commitment. Spirituality as referred to in this study is as said by Mitroff and Denton (1999) in Asrun (2012: 8) that spirituality is not a part of religious formality, since

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religion talks about a set of values and behavior rules which have been through codification process. According to Zohar (2004), "spirituality is not only an issue of religion or trust. Spirituality is about universal issue, namely values, meaning, and purpose in human life which do not depend on religion, trusted by a person". Based on observation results conducted by the researcher in Ministry of Religion Office, it shows that there is still low level of employee performance, this can be seen from the following indicators:

1. There is still low level of commitment to complete the work based Standard Operational Procedure.
2. There is love level of innovation. Results of observation by the researcher show frequency of employees to complete their tasks and functions using conventional work system and ways such as preparing program and activity plans tend to copy and paste previous programs and activities.
3. There is low level of responsibility. This can be seen from large number of employee cancelling their works and having no clear targets and time in completing their tasks.

Consideration in studying the effects of situational leadership style on organizational culture, spirituality and employee performance is since these variables are assumed to be less optimal or not based on its expectation. Theoretical and empirical arguments as well as above phenomena are seen as the main issue for development of study form by testing variable Effects of Situational Leadership Style on Organizational Culture, Spirituality and Employee Performance so the findings of this research can give practical and theoretical implications.

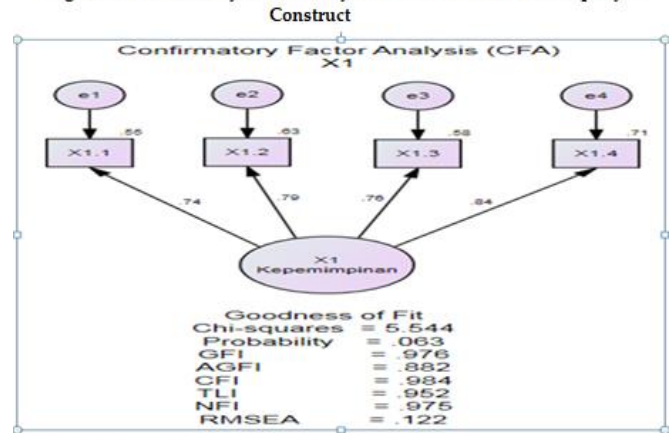
2 RESEARCH METHOD

This study used a survey method with a causal approach through SEM (Structural Equation Models) analysis, which examines the effects of situational leadership symbolized by (X1), organizational culture symbolized by (Y1), spirituality symbolized by (Y2) and employee performance symbolized by (Y3). This research was conducted at the Office of the Ministry of Religion in Kendari City in September to October 2019 in Kendari City, Southeast Sulawesi. Data collection technique was carried out using questionnaire as the research instrument, namely: (1) the instrument giving effects on situational leadership style (2) the instrument of organizational culture, (3) the instrument of spirituality and (4) the instrument of employee performance. Rating scale is used for all variables that have five categories of answer choices, namely: (a) strongly agree, (b) agree, (c) disagree, (d) disagree, (e) strongly disagree. Alternative answer choices are given a value of 5 to 1 for a positive statement, and a weighting value of 1 to 5 for a negative statement.

3 RESULTS AND DISCUSSION

- 1) Confirmatory Factor Analysis of Situational Leadership Style Construct Latent variable of service attribute excellence in this confirmatory model consists of 4 indicators as its former dimension. Results of data processing for confirmatory factor analysis of situational leadership style construct can be seen in Figure 1 and Table 1.

Figure 1. Confirmatory Factor Analysis of Situational Leadership Style Construct



Source: processed primary data, 2019

Results of data processing analysis shows that all constructs used to form a research model in confirmatory factor analysis process have met specific criteria of goodness of fit. The probability value of goodness of fit testing show value of 0,063, with testing on goodness of fit model has met the requirements as a good model. Thus, goodness of fit model which is predicted with observation value can meet its goodness of fit criteria. To obtain meaning of extracted dimensions in forming latent variable of situational leadership style, it can obtain standardized loading factor value of each dimension. If it is obtained very significant testing value then it indicates that the dimension is quite good to extract to form the situational leadership style variable. The following results are significance testing of each dimension in forming latent variables.

Table 1. Regression Weight in Confirmatory Factor Analysis of Situational Leadership Style Construct

Variances: (Group number 1 - Default model)

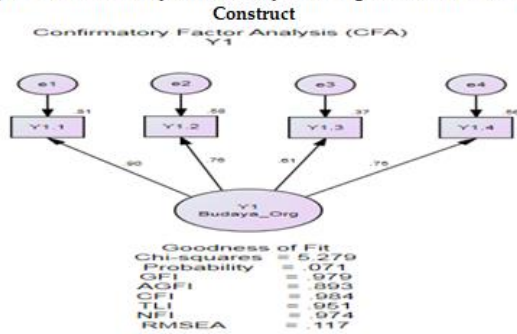
	Estimate	S.E.	C.R.	P	Label
X1_leadership	.234	.053	4.405	***	par_4
e1	.195	.032	6.118	***	par_5
e2	.147	.027	5.472	***	par_6
e3	.194	.032	6.009	***	par_7
e4	.148	.032	4.595	***	par_8

Source: processed primary data, 2019

The factor analysis also shows the value of testing of each constructor. The results show that each indicator or dimension forming each latent variable shows good results, namely the CR value more than 1.96 or with smaller probability factor than 0.05. By such result, it can be said that indicators forming situational leadership style latent variable show unidimensionality. Then based on confirmatory factor analysis of this construct, then the research model can be used for further analysis without modification or adjustment.

- 2) Confirmatory Factor Analysis of Organizational Culture The latent variables of organizational culture in the confirmatory model consist of 4 indicators as dimensions of its former. The results of data processing for the confirmatory factor analysis of organizational culture construct are shown in Figure 5.2, Table 5.3 and Table 5.4.

Figure 2. Confirmatory Factor Analysis of Organizational Culture Construct



Source: processed primary data, 2019

The analysis results of data processing show that all constructs are used to form a research model, in the confirmatory factor analysis process, it has fulfilled the goodness of fit criteria. The probability value of a goodness of fit test indicates a value by.071, with the testing of goodness of fit model fulfilling as a good model. Thus, the model goodness of fit predicted with the observational values adequately meet the model goodness of fit. The following is the results of significance testing of each dimension in forming latent variable of organizational culture.

Table 2. Regression Weight in Confirmatory Factor Analysis of Organizational Culture

Variances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Y1_Org_Culture	.538	.093	5.802	***	par_4
e1	.123	.042	2.939	***	par_5
e2	.147	.025	5.782	***	par_6
e3	.282	.040	7.028	***	par_7
e4	.193	.031	6.303	***	par_8

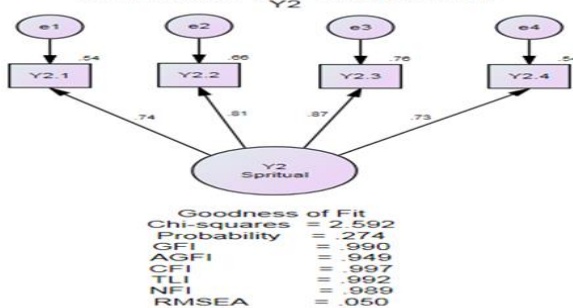
Source: processed primary data, 2019

The factor analysis also shows the testing value of each construct. The results show that each indicator or dimension forming each organizational culture variable shows good results, namely the CR value is above 1.96 or with probability analysis smaller than 0.05. By this result, it can be said that the indicators forming latent variables have shown unidimensionality. Then, the research model can be used for further analysis without modification or adjustments.

3) Confirmatory Factor Analysis of Spirituality Construct

The latent variable of spirituality in this confirmatory model consists of 4 indicators as the dimensions of its formers. The results of data processing for the confirmatory factor analysis construct are shown in Figure 3, and Table 3 below

Figure 3. Confirmatory Factor Analysis of Spirituality Construct



Source: processed primary data, 2019

The analysis results of data processing show that all constructs are used to form a research model, in the confirmatory factor analysis process, it has fulfilled the goodness of fit criteria. The probability value of a goodness of fit test indicates a value by.071, with the testing of goodness of fit model fulfilling as a good model. Thus, the model goodness of fit predicted with the observational values adequately meet the model goodness of fit. The following is the results of significance testing of each dimension in forming latent variable of spirituality.

Table 3. Testing Result of Model Goodness of Fit in Confirmatory Factor Analysis of Spirituality Construct

Variances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Y2_Spirituality	.177	.040	4.465	***	par_4
e1	.148	.023	6.411	***	par_5
e2	.149	.027	5.496	***	par_6
e3	.114	.027	4.227	***	par_7
e4	.177	.028	6.350	***	par_8

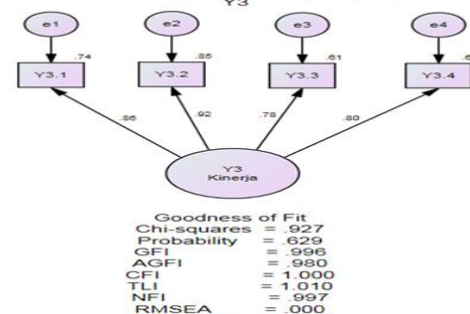
Source: processed primary data, 2019

The analysis results of data processing show that all constructs are used to form a research model, in the confirmatory factor analysis process, it has fulfilled the goodness of fit criteria. The probability value of a goodness of fit test indicates a value by 0.057, with the testing of goodness of fit model fulfilling as a good model. Thus, the model goodness of fit predicted with the observational values adequately meet the model goodness of fit. The following is the results of significance testing of each dimension in forming latent variable of spirituality. The factor analysis also shows the testing value of each construct. The results show that each indicator or dimension forming each spirituality variable shows good results, namely the CR value is above 1.96 or with probability analysis smaller than 0.05. By this result, it can be said that the indicators forming latent variables have shown unidimensionality. Then, the research model can be used for further analysis without modification or adjustments.

4) Confirmatory Factor Analysis of Employee Performance Construct

The latent variable of employee performance in this confirmatory model consists of 4 indicators as the dimensions of its formers. The results of data processing for the confirmatory factor analysis construct are shown in Figure 4, and Table 4 as the following:

Figure 4. Confirmatory Factor Analysis of Employee performance Construct



Source: processed primary data, 2019

The analysis results of data processing show that all constructs are used to form a research model, in the confirmatory factor analysis process, it has fulfilled the goodness of fit criteria. The probability value of a goodness of fit test indicates a value by.071, with the testing of goodness of fit model fulfilling as a good model. Thus, the model goodness of fit predicted with the observational values adequately meet the model goodness of fit. The following is the results of significance testing of each dimension in forming latent variable of employee performance.

Table 4. Regression Weight in Confirmatory Factor Analysis of Employee Performance Construct

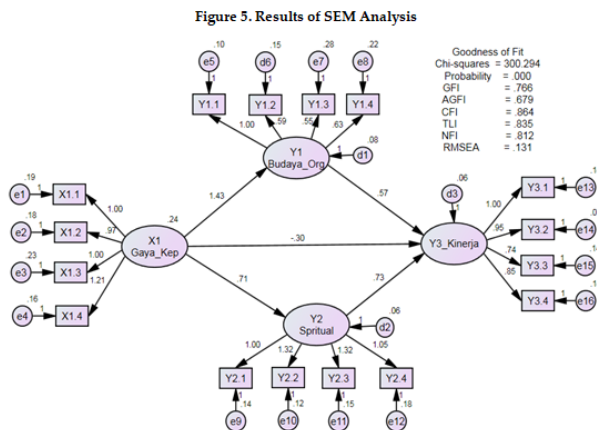
Variances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Y3_performance	.389	.068	5.699	***	par_4
e1	.139	.025	5.581	***	par_5
e2	.066	.017	3.831	***	par_6
e3	.138	.021	6.628	***	par_7
e4	.149	.023	6.371	***	par_8

The factor analysis also shows the testing value of each construct. The results show that each indicator or dimension forming each employee performance variable shows good results, namely the CR value is above 1.96 or with probability analysis smaller than 0.05. By this result, it can be said that the indicators forming latent variables have shown unidimensionality. Then, the research model can be used for further analysis without modification or adjustments.

5) Structural Equation Modelling (SEM) Analysis

The following analysis is the Structural Equation Model (SEM) analysis in a full model, after an analysis has been carried out on the level of unidimensionality of indicators of variable formers which are tested by confirmatory factor analysis. Result analysis of data processing at the full SEM model stage is carried out by conformity test and statistic test. The results of the data processing or full SEM model analysis are presented on Figure 5. Table 5. As the following:



Source: Processed Primary Data, 2019

The test of this full SME model goodness of fit is tested using Chi-square, GFI, CFI, TLI, CMIN / DF and RMSEA within the expected value range, even though AGFI is accepted as a marginal, as in table 5. As the following:

Table 5. Testing Results of Goodness of Fit of Structural Equation Model (SEM)

Goodness of Fit Index	Cut-off Value	Analysis Results	Model Evaluation
Chi- Square	Kecil(<215.563)	300.294	Good
Probability	≥0.05	0.000	Good
RMSEA	≤0.08	0.131	Good
GFI	≥0.90	0.766	Good
AGFI	≥0.90	0.679	Good
CMIN /DF	≤2.00	1.812	Good
TLI	≥0.95	0.835	Good
CFI	≥0.95	0.864	Good

Source: processed primary data, 2019

The results show that the used model is acceptable. The level of significance is 0.241 indicating as a good structural equation model. The measurement index of TLI, CFI, CMIN/DF and RMSEA is in the expected value ranges though GFI and AGFI are accepted in a marginal manner.

6) Hypothesis Testing

After all assumptions can be fulfilled, then there will be previouslyhypothesis testing. Testing on the 5 (five) research hypotheses is carried out based on the Critical Ratio (CR) value of the causal relationship from the results of SEM processing as shown in table 6. below.

Table 6. Regression Weight Structural Equation Model Estimates (Group number 1 - Default model) Scalar Estimates (Group number 1 - Default model) Maximum Likelihood Estimates Regression Weights: (Group number 1 - Default model)

		Estimate	S.E.	C.R.	P	Label
Y1_Org_Culture	<--- X1_Lead_Style	1.428	.153	9.338	***	par_1
Y2_Spirituality	<--- X1_Lead_Style	.712	.107	6.664	***	par_4
Y3_Performance	<--- Y1_Org_Culture	.567	.234	2.424	.015	par_2
Y3_Performance	<--- Y2_Spirituality	.735	.186	3.940	***	par_3
Y3_Performance	<--- X1_Lead_Style	-.303	.356	-0.850	.395	par_5
X1.4	<--- X1_Lead_Style	1.215	.135	9.026	***	par_6
X1.3	<--- X1_Lead_Style	.995	.129	7.744	***	par_7
X1.2	<--- X1_Lead_Style	.966	.117	8.254	***	par_8
X1.1	<--- X1_Lead_Style	1.000				
Y1.1	<--- Y1_Org_Culture	1.000				
Y1.2	<--- Y1_Org_Culture	.593	.057	10.392	***	par_9
Y1.3	<--- Y1_Org_Culture	.553	.072	7.664	***	par_10
Y1.4	<--- Y1_Org_Culture	.630	.065	9.687	***	par_11
Y2.4	<--- Y2_Spirituality	1.054	.132	7.961	***	par_12
Y2.3	<--- Y2_Spirituality	1.318	.145	9.078	***	par_13
Y2.2	<--- Y2_Spirituality	1.321	.145	9.080	***	par_14
Y2.1	<--- Y2_Spirituality	1.000				
Y3.1	<--- Y3_Performance	1.000				
Y3.2	<--- Y3_Performance	.954	.070	13.722	***	par_15
Y3.3	<--- Y3_Performance	.743	.072	10.334	***	par_16
Y3.4	<--- Y3_Performance	.854	.075	11.307	***	par_17

Source: processed primary data, 2019

6.1. 1 Hypothesis Testing

H1: Situational Leadership Style has significant effects on organizational culture. The estimated parameter for testing the effects of situational leadership style on organizational culture shows CR value by 9,338 and with probability value by 0,000. Both values fulfill the requirements of H1 acceptance namely CR value by 9,338 which is greater than 1,96 and the probability is smaller than 0.05. therefore, it can be concluded that Situational Leadership Style gives positive effects on organizational Culture in Ministry of Religion Office, Kendari

City.

6.2. 2 Hypothesis Testing

H2: Situational Leadership Style has significant effects on spirituality. The estimated parameter for testing the effects of situational leadership style on spirituality shows CR value by 6,6664 and with probability value by 0,000. Both values fulfill the requirements of H2 acceptance namely CR value by 6,6664 which is greater than 1,96 and the probability is smaller than 0.05. therefore, it can be concluded that Situational Leadership Style gives positive effects on Spirituality in Ministry of Religion Office, Kendari City.

6.3. 3 Hypothesis Testing

H3: Situational Leadership Style has significant effects on Employee Performance. The estimated parameter for testing the effects of situational leadership style on employee performance shows CR value by -0,850 and with probability value by 0,395. Both values do not fulfill the requirements of H3 acceptance namely CR value by -0,850 which is smaller than 1,96 and the probability is greater than 0.05. Therefore, it can be concluded that Situational Leadership Style has no effects on employee performance in Ministry of Religion Office, Kendari City.

6.4. 4 Hypothesis Testing

H4: Organizational Culture has significant effects on Employee Performance. The estimated parameter for testing the effects of situational leadership style on employee performance shows CR value by 2,424 and with probability value by 0,015. Both values do not fulfill the requirements of H4 acceptance namely CR value by 2,424 which is greater than 1,96 and the probability is smaller than 0.05. Therefore, it can be concluded that Organizational Culture gives positive effects on employee performance in Ministry of Religion Office, Kendari City.

6.5. 5 Hypothesis Testing

H5: Spirituality has significant effects on Employee Performance. The estimated parameter for testing the effects of situational leadership style on employee performance shows CR value by 3,940 and with probability value by 0,000. Both values do not fulfill the requirements of H5 acceptance namely CR value by 3,940 which is greater than 1,96 and the probability is smaller than 0.05. Therefore, it can be concluded that Spirituality gives positive effects on employee performance in Ministry of Religion Office, Kendari City.

4. CLOSING

1. Situational leadership style consisting of telling, selling, participating, and delegating indicators has significant effects on organizational culture. This means that the situational leadership style of the Head of Ministry of Religion Office effectively results in an increase in organizational culture.
2. Situational leadership style consisting of telling, selling, participating, and delegating indicators has significant effects on spirituality. It means that the application of an effective situational leadership style results in an increase in spirituality.
3. Situational leadership style consisting of telling, selling, participating, and delegating indicators does not have significant effects on employee performance. It means that the application of situational leadership style does not

result in improved employee performance at the Ministry of Religion Office in Kendari City.

4. Organizational culture consisting of organizational seriousness, respect for organizational time, honesty and openness, togetherness and a sense of belonging indicators has significant effects on employee performance. This means that the application of pleasant organizational culture results in an improved employee performance.
5. Spirituality consisting of spiritual belief, spiritual experience, spiritual coping, spiritual practice indicators has significant effects on employee performance. This means that pleasant application of spirituality results in improved employee performance.

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