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School The Influence of Transformational Leadership and Organizational Culture on Organizational Commitment at PT Mustika Ratu East Jakarta

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ABSTRACT

The purpose of this study is to ascertain how organizational culture and transformational leadership affect organizational commitment at PT Mustika Ratu in East Jakarta. Transformational leadership inspires and motivates employees, and the standards and values followed in the workplace are reflected in the company culture. Organizational commitment is crucial for boosting employee loyalty and performance. To determine the link between independent factors (organizational culture and transformational leadership) and dependent variables (organizational commitment), PT Mustika Ratu workers were given a questionnaire to complete. To test the collected data, multiple linear regression analysis is employed. Organizational commitment is strengthened and stimulated by transformative leadership and organizational culture.

Keywords: *Organizational Culture ; Organizational Commitment ; Transformational Leadership ; PT Mustika Ratu East Jakarta.*

INTRODUCTION

Employee performance impacts the success of the agency or organization. Every company must have a commitment to its employees. Employees, the company's most valuable human resources, have a significant impact on its level of success. Therefore, to maintain the balance of everyone in the company, the company must be able to expand its human resources. Every company needs experienced workers. Employees must be able to work professionally because businesses have goals that need to be met. Employees must dedicate themselves to the organization if they hope to achieve their goals. A high level of responsibility is closely related to productivity. (Setiawan et al., 2023).

Having high-quality employees is one of the things that makes a company more competitive and also important for achieving the company's goals. Employee performance and the achievement of the organization's vision and goals are influenced by a high level of discipline and their ability to work independently as well as collaboratively. Working in groups requires cooperation, knowledge sharing, common goals, and good communication. Employers need employees who have a strong drive to succeed and the ability to complete tasks. (Syarif et al., 2017).

The company's human resources are one of its most important assets. In order to improve business effectiveness and efficiency, human resource management, or HRM, is a good management pattern needed to manage human resources effectively and efficiently. In the Global Era, people's ever-changing goals are closely related to the intense competition among many businesses. Therefore, a reform program is needed that can address all the issues faced by the modern world. HR operations, such as procurement (from recruitment to selection), orientation, maintenance, training and development, assessment, and much more, all fall under the HR strategy. Planning, quantitative and qualitative audits, and the development of an appropriate corporate culture are also connected to it. (Mu'tafi, 2020).

Many factors, including leadership style and company culture, influence their dedication to the company. Organizational performance will be enhanced by transformational leadership. This is not the same as leadership intended to maintain the status quo. (Christ et al., 2020) Leaders have a direct effect on their followers, and workers under transformational leadership may be inspired to focus more on their work than on their hobbies. Leaders can help others in various ways. (Munawar et al., 2023).

Organizational culture and transformational leadership are two important elements that have a significant impact on organizational commitment. In an increasingly competitive environment,

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organizations must place equal emphasis on building strong relationships between team members and leaders as they do on achieving short-term goals. People can be inspired and motivated by transformational leadership, which can encourage them to do more than the tasks assigned to them.

Most employees show an indifferent attitude and lack of interest in completing the tasks assigned to them, according to the observations. This is the result of poor leadership practices and a bad company culture. Employees feel unable to emotionally adjust to their work because the amount of work is greater than the number of employees. Additionally, some workers may not understand or adhere to the company's core principles, which include creativity, honesty, and customer focus. They often feel empowered but are denied the opportunity to reach their full potential. As a consequence, they cannot feel engaged and dedicated to the company, which can lead to employee behavior that is inconsistent with the desired work culture of the company.

Transformational leadership at PT Mustika Ratu East Jakarta plays a crucial role in building a strong organizational culture and impacting employee commitment to the organization. Transformational leaders are able to inspire and motivate their teams to contribute beyond just their basic responsibilities. By creating an environment that supports innovation and collaboration, this leadership encourages employees to feel more engaged and have a sense of ownership toward the company's vision. An open and inclusive organizational culture strengthens a sense of solidarity and attachment, thereby increasing employee commitment levels. Therefore, it is expected that the long-term performance and success of PT Mustika Ratu will be driven by the synergy between transformative leadership and a healthy organizational culture.

RESEARCH METHOD

Research methodology is a very important stage in addressing challenges in a study. This is because the research methodology includes a series of protocols that are then applied to select the appropriate analysis and processing instruments for data examination. As explained by Sahir (2022), research methodology is a series of actions aimed at uncovering phenomena in a study. This investigation adopts a quantitative research paradigm. Quantitative research is a systematic methodology for studying phenomena thru the collection of measurable data, which is then analyzed using statistical, mathematical, or computational methodologies (Amelia et al., 2023). In the context of this research, the author identifies two different categories of variables: independent variables (X), which serve as causal factors, and dependent variables (Y), which represent the measured outcomes or effects. The research title, *The Influence of Transformational Leadership and Organizational Culture on Organizational Commitment*, has been modified to reflect these areas. A questionnaire with a Likert scale was used to measure each variable. (Sutarman, 2022). Data collection techniques include observation and questionnaires sent directly to respondents. The data obtained is then tested for validity and reliability using the Pearson Correlation method to assess the accuracy of the measurement instrument.

RESULTS AND DISCUSSION

The Influence of Transformational Leadership on Organizational Commitment

Research findings indicate that the characteristics of transformational leadership have a beneficial impact on organizational commitment, with a regression coefficient of x_1 having a value of 0.215, or 21.5%. In other words, the dedication of a particular organization will be positively influenced by the growth of other variables. The t-value of 2.057 is greater than the t-table value of 1.982, and the significance value indicates that Transformational Leadership (X_1) is $0.042 < 0.05$ significant for Organizational Commitment (Y). It is proven that organizational commitment is significantly influenced by transformational leadership. As a result, hypothesis H1 is accepted and the null hypothesis (H0) is rejected. The significant figure indicates that a stronger transformational leadership style contributes more to enhancing organizational commitment in that place.

The Influence of Organizational Culture on Organizational Commitment

The research results show that the regression coefficient $[x_2]$ of 0.254 or 25.4% indicates how organizational culture can positively influence organizational commitment. In other words, increasing the organizational culture variable will lead to higher quality work for organizational commitment if all other independent factors remain constant. The significance value of 0.015 is less than 0.05 and the t-count value of 2.471 is higher than the t-table value of 1.982, indicating that organizational culture (x_2) has a significant impact on organizational commitment (Y). H0 is rejected, but H2 is accepted. This shows how organizational culture influences the organizational commitment of PT Mustika Ratu Jakarta

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Timur. Significant figures indicate that a better culture within an organization positively correlates with its contribution to enhancing organizational commitment to its environment.

The Influence of Transformational Leadership and Organizational Culture on Organizational Commitment

This study shows that organizational culture and transformational leadership have a significant impact and benefits on the organizational commitment of PT Mustika Ratu East Jakarta. This study uses seventeen questionnaire items to assess three factors: transformational leadership (X1), organizational commitment (Y), and organizational culture (X2). With a value of $0.000 < 0.05$, the F-test findings indicate that transformational leadership (X1) and organizational culture (X2) significantly affect organizational commitment (Y). The F-table value of 3.08 is less than the F-count value of 8.495. This illustrates how both significantly enhance organizational commitment. According to this research, transformational leadership and organizational culture impact employee commitment at PT Mustika Ratu East Jakarta. As a result, these factors must be considered to enhance employee organizational commitment.

CONCLUSIONS

Employee organizational commitment at PT Mustika Ratu Jakarta Timur has increased as a result of transformational leadership. This shows that the leadership style used in the workplace directly impacts the level of commitment employees have toward the organization. In other words, a stronger leadership style in the workplace is more strongly associated with a higher level of organizational commitment. Employee organizational commitment is positively and significantly influenced by the organizational culture of PT Mustika Ratu Jakarta Timur. Employee organizational engagement and a more successful company culture have a strong correlation, according to research. In other words, organizational commitment increases more when the company culture is stronger. The organizational commitment of employees at PT Mustika Ratu East Jakarta is positively influenced by the overall organizational culture and transformational leadership style.

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