

Analysis of the Influence of Organizational Culture, Transformational Leadership Style and Employee Performance Assessment on Employee Satisfaction at Bio Farma

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ABSTRACT

Keywords: organizational culture; transformational leadership; performance appraisal; employee satisfaction.

Bio Farma (Persero) is a state-owned pharmaceutical company that was established in 1890 as a bacteriology laboratory by the colonial government of the Dutch East Indies and has undergone many transformations until it became Bio Farma (Persero) in 1997. This study aims to examine the influence of leadership style, organizational culture, and performance assessment on the satisfaction of permanent employees at Bio Farma. In this scientific paper, the influence of employee participation through latent variables Power Distance Index (FOC1), IDV (FOC2), Masculinity versus Femininity (FOC3), Uncertainty Avoidance Index (FOC4), Ideal Influence (FOC5), Individual Consideration (FOC6), Inspirational Motivation (FOC7), Intellectual Stimulation (FOC8), Validity (FOC9), Approval (FOC10), Reliability (FOC11), Objective (FOC12), Salary (FOC13), Promotion (FOC14), Co-workers (FOC15), Boss (FOC16), and Employment (FOC17). The researcher used a Partial Least Square to see the influence between variables by testing the outer model as well as the inner model. Penelitian ini dilakukan terhadap 120 responden karyawan Bio Farma. The results of the study show that the three independent variables had a direct influence on employee satisfaction (p -value < 0.05), meanwhile, the simultaneous influence of the three variables showed no real influence (p -value = 0.639) with a p -value limit of < 0.5 .



Introduction

Bio Farma (Persero) is a state-owned pharmaceutical company that focuses on the research, development, production, and marketing of biological and pharmaceutical products throughout the country and around the world. The company was founded in 1890 and has undergone many transformations since then. The company was first established by the colonial government of the Dutch East Indies in Bandung as a bacteriology

laboratory. Then it became a state pharmaceutical company in 1950, and in 1997 it changed to Bio Farma (Persero).

Bio Farma based on the decision of the Ministry of SOEs is a holding entity or *holding company* that controls and manages several subsidiaries engaged in various sectors related to the business of pharmaceutical and health companies through a decision from the Ministry of SOEs. Changes that occur in the organizational structure, corporate governance, and management strategies implemented will affect the leadership style in the organization because it must adjust to the company's strategy.

With these changes, the decision of Bio Farma's board of directors in 2018 made the performance management system a central role in performance-based human resource management. The implementation of the performance management system will be carried out objectively, transparently and accountably. This encourages Bio Farma to implement KPI (key performance indicator) based on employee performance assessments and 360-degree assessments. Evaluation 2 regarding the implementation of performance appraisal can help identify the potential for further improvement or development of the existing system and can identify areas that need to be improved or refined to ensure that the performance appraisal system runs well and provides maximum benefits.

Bio Farma also adheres to the foundation of the core values of SOEs set by the Ministry of SOEs, namely AKHLAK (an acronym for Amanah, Competent, Harmonious, Loyal, Adaptive and Collaborative). This core value serves as a guideline for the behaviour of SOE human resources (HR) to be applied in daily life and form a culture in SOE companies.

AKHLAK entered its third year in July 2023, affirming the long-term commitment of the Ministry of SOEs and Bio Farma to apply its values in every aspect of organizational operations and decision-making. Over the past three years, the implementation of AKHLAK's core values at Bio Farma has undergone changes that reflect the organization's culture that continues to evolve towards the ideals of higher corporate success and integrity.

Significant changes in human resource management at Bio Farma as a background make Bio Farma a "Leading Life Science Company in APAC and Global". This is in line with the new vision carried out by Bio Farma. According to (Robbins & Judge, 2018), satisfied employees tend to be more motivated to achieve organizational goals. So the success of 3 of performance-based HR management can be indicated by employee satisfaction and motivation at work.

Employee satisfaction is essential to achieve optimal organizational performance and productivity in a competitive business environment. Employee satisfaction can have a positive impact on employee motivation, engagement, loyalty, and retention, which contribute to a company's long-term success. To maximize employee potential and contribution, Bio Farma must understand the factors that affect employee satisfaction.

Organizational culture is one of the components that can affect employee satisfaction levels (Tariq, Yunis, Shoaib, Abdullah, & Khan, 2022). A positive and inclusive organizational culture consists of norms, values, and beliefs that are shared and

internalized by all members of the organization. A positive and inclusive organizational culture can create a harmonious work environment where employees feel valued, and supported, and have an important role to play in achieving organizational goals. Previous studies have shown that a strong organizational culture that aligns with workers' values can increase employee satisfaction (Kumari & Singh, 2018).

Leadership style also plays an important role in generating employee satisfaction. An effective leadership style can increase motivation in the workplace, provide clear direction, and provide adequate support. According to research, positive leadership styles, such as transformative or participatory leadership, can increase employee satisfaction. (Khantee & Jeerapattanatorn, 2023). On the other hand, an authoritarian or unsupportive leadership style can cause employees to be less happy.

In addition, employee satisfaction can be affected by performance appraisals. An objective and fair performance appraisal provides significant feedback and provides opportunities for improvement. If employees feel their performance assessments are accurate and objective, they are more likely to feel satisfied with their work. (Pulakos, Hanson, Arad, & Moye, 2015); (Memon et al., 2020). However, dissatisfaction and decreased motivation can occur if performance appraisals are perceived as unfair or inconsistent.

The theoretical assumption is that employee satisfaction can drive the company to achieve its intended vision. Meanwhile, satisfaction is influenced by performance appraisals, leadership styles and organizational culture. This is in line with the implementation of KPIs and 360-degree assessments to measure performance assessments that lead to employee satisfaction. Leadership style and organizational culture also need to be used as a benchmark in KPIs and formed in the change phase to build employee satisfaction. Therefore, it is very important to analyze the influence of employee performance appraisals, organizational culture, and overall leadership style on Bio Farma's employee satisfaction.

Through this research, it is hoped that a deeper understanding of the influence of employee performance appraisal, organizational culture, and leadership style on employee satisfaction at Bio Farma can be obtained. The results of this study are expected to provide useful insights and recommendations for companies in increasing employee satisfaction and achieving optimal performance.

Table 1
List of Previous Research

It	Research Title	Writer	Methodology	Research Results
1.	<i>The Influence of Organizational Culture and Organizational Commitment on Employee Performance and Job Satisfaction as a Moderating</i>	Paramita E, E. 2020	quantitative and qualitative methods, data analysis techniques, path analysis, regression analysis, and factor analysis.	<ul style="list-style-type: none"> Organizational culture and organizational commitment are positively and simultaneously related to employee satisfaction.

	<i>Variable</i> at PT. Bank Mandiri (Persero), Tbk.			<ul style="list-style-type: none"> Organizational culture is positively related to employee satisfaction.
2.	The Impact of Performance Assessment and Career Development on Job Satisfaction of Banking Employees.	Saefullah U A. 2022	metode <i>explanatory survey</i> . Descriptive analysis and verifiable analysis	<ul style="list-style-type: none"> Performance appraisal has a positive and significant effect on job satisfaction
3.	<i>Determining the impact of entrepreneurial orientation and organizational culture on job satisfaction, organizational commitment, and employee performance.</i>	Bahadur Ali Soomro. 2019	Data was collected through a survey questionnaire. Using random sampling techniques	<ul style="list-style-type: none"> Organizational culture is influenced by job satisfaction.
4.	Assessment Analysis Performance Against Satisfaction and Impact on Performance	Synopsis. 2020	Descriptive research with a quantitative approach to questionnaire tools	<ul style="list-style-type: none"> Performance appraisal has a nonsignificant effect on employee job satisfaction.
5.	<i>The Role Of Leadership Styles On Staffs Job Satisfaction In Public Organizations.</i>	Dirar AbdelAziz Al-maaitah. 2021	Quantitative Approach with Questionnaire Tool	<ul style="list-style-type: none"> Transformational leadership style has a positive effect on employee job satisfaction

Research Methods

The research method used in this study is a quantitative method with a causal approach. This study uses a closed questionnaire as a data collection instrument and conducts statistical analysis to determine the causal relationship between the variables studied, namely organizational culture, leadership style, employee performance assessment, and employee satisfaction at Bio Farma.

Research Variables

A variable is something that is used as a characteristic, trait or measure that is owned or obtained by a research unit about a certain concept of meaning, such as age, gender, education, marital status, occupation, knowledge, income, disease, and so on

(Notoatmodjo, 2005). The variables used in this study can be identified into dependent variables and independent variables as follows:

Dependent Variables

The dependent variable is a consequential variable or effect variable or this variable is influenced by an independent variable or an independent variable. (Notoatmodjo, 2005) This variable is a variable that is measured or observed to determine whether there is a change or effect caused by a change in an independent variable, in other words, a dependent variable is a variable whose value depends on other variables in a study. The dependent variable in this study is employee satisfaction (HOC4).

Independent Variables

Independent variables are risk variables or causes that affect dependent variables This variable is considered a cause or factor that affects the dependent variable. The independent variables in this study are organizational culture (HOC1), leadership style (HOC2), and employee performance assessment (HOC3) because these three variables are considered factors that can affect employee satisfaction levels.

Population and Sample

Population is the entire object of research or the object to be studied. The population of this study included all employees of Bio Farma totalling 1305 people, but did not include employees at the high management level or who had the authority to conduct assessments. Due to the very large number of samples, sample calculations can be carried out using the Slovin technique. The Slovin sample formula is used to determine a representative sample size of a large population and is used for research using the random sampling method with the following formula:

$$n = \frac{N}{1 + N \cdot e^2}$$

Where:

n = Desired sample size

N = Number of population

e = Allowable error rate (0,01)

$$n = \frac{N}{1 + N \cdot e^2}$$

$$n = \frac{1305}{1 + 1305 \cdot 0,01^2}$$

$$n = 119 \approx 120 \text{ Sample}$$

Based on the calculation above, the sample in this study can be obtained from a total of 119 people and can be rounded to 120 people.

Types and sources of data

This study uses primary and secondary data types. Primary data is "first hand" information obtained directly from respondents through a questionnaire in the form of a questionnaire about organizational culture, leadership style, employee performance and employee satisfaction at Bio Farma. Secondary data is data that has been collected by

other parties before and used as a reference to support the analysis and findings of this study. This secondary data is obtained from Bio Farma or other external parties that contain studies, company data and others that support this research.

Data Collection Methods

Primary data was obtained directly from respondents through a questionnaire about organizational culture, leadership style, employee performance and employee satisfaction at Bio Farma. For data collection techniques, this study will use a questionnaire method that will be distributed electronically to respondents. The distribution of the electronic questionnaire will be carried out through the company's email which can be accessed by respondents.

Data Processing and Analysis Methodology

The analysis in this study was carried out using the most appropriate analysis method after the data was collected. The use of descriptive statistics is used to describe the theoretical range, frequency, and percentage of respondent characteristics. The process of data analysis and processing involves giving and summing the answer weights for each variable with a Likert scale. Data processing will be carried out using IBM's SPSS version 23 tool.

Analysis Model

The SEM model contains 2 parts, namely the latent variable model and the measurement model (outer model). The measurement model is a model between observed variables that affect latent variables. In the measurement model, each indicator on the latent variable is tested for validity and reliability, while in the latent variable model, only the relationship between the latent variable models is seen. The causal relationship in the latent variable has two variables, namely, the independent variable and the dependent variable. In the SEM model, the dependent variable is called the endogenous variable and the independent variable is called the exogenous variable, both of which will be measured for their feasibility and influence.

The model built in this study is the 2nd-order SEM. The 2nd Order SEM model goes through two calculation stages, the first stage is the calculation of the model to check the validity; Reliability; and validity of the First Order Construct (FOC) variables. Meanwhile, in the second stage of calculation, the score from the FOC is used as an indicator of the Second Order Construct (HOC). FOC testing against HOC is carried out to check the outer model, inner model, and assumption check.

Uji Hipotesis

1. Direct Impact Test

The H1, H2, and H3 hypotheses are each a single hypothesis that tests the influence of variables Organizational Culture, Leadership Style, and Performance Assessment on Employee Satisfaction. To test a single hypothesis like this, use the T-test if the dependent variable (Employee Satisfaction) is nominal or ordinal. The Likert scale is used on all variables including ordinal scales, so this study uses the T-test.

2. Simultaneous Effect Test

The H4 hypothesis is a combined hypothesis that tests the combined influence of three independent variables (Organizational Culture, Leadership Style, and Performance Appraisal) on the dependent variable (Employee Satisfaction). The hypothesis test is used for the combined hypothesis on the SEM model through intervening variable / moderating variable. The relationship to be seen is the relationship *between all* independent variables to the dependent variables.

Results and Discussion

Validity and Reliability Testing

Validity and reliability testing is carried out to ensure that the model is feasible which is indicated by valid indicators, valid latent variables and reliable. Latent variables that are valid and reliable can be calculated in the second stage. Testing the validity of indicators based on factor loading values with a limit of > 0.5 can be declared valid. As for the reliability of the variables of the indicator through three main values, namely Cronbach's Alpha value, Composite Reliability and AVE Value. A variable is said to be trustworthy if the value of the AVE parameter > 0.5 ; CR > 0.7 ; and Cronbach's alpha > 0.7 .

Table 2
Convergent Validity Testing

		<i>First Order Construct (FOC)</i>	<i>Indikator Outer Loading</i>	
Calculation Stage 1	<i>Power Distance Index (FOC1)</i>	Z1	0,853	
		Z2	0,905	
		Z3	0,899	
		Z4	0,885	
	IDV (FOC2)	Z5	0,854	
		Z6	0,825	
		Z7	0,837	
		Z8	0,825	
		Z9	1,000	
	<i>Masculinity versus Femininity (FOC3)</i>	Z10	0,821	
		Z11	0,796	
		<i>Uncertainty Avoidance Index (FOC4)</i>	Z12	0,860
			Z13	0,864
Phase 2 Calculation	Organizational Culture (HOC1)	FOC1	0,843	
		FOC2	0,745	
		FOC3	0,795	

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		FOC4	0,792
		Z14	0,897
	<i>Ideal influence (FOC5)</i>	Z15	0,929
		Z16	0,930
		Z17	0,954
	Individual Considerations (FOC6)	Z18	0,950
Calculation Stage 1		Z19	0,949
	<i>Inspirational Motivation (FOC7)</i>	Z20	0,918
		Z21	0,929
		Z22	0,753
	<i>Intellectual Simulation (FOC8)</i>	Z23	0,893
		Z24	0,913
		FOC5	0,857
Phase 2 Calculation	Leadership Style (HOC2)	FOC6	0,804
		FOC7	0,814
		FOC8	0,787
		Z25	0,866
	Validity (FOC9)	Z26	0,915
		Z27	0,891
		Z28	0,901
Calculation Stage 1	Approval (FOC10)	Z29	0,933
		Z30	0,932
	Reliability (FOC11)	Z31	0,947
		Z32	0,969
	Objectives (FOC12)	Z33	0,972
		FOC9	0,592
Phase 2 Calculation	Performance Assessment (HOC3)	FOC10	0,842
		FOC11	0,844
		FOC12	0,885
Calculation Stage 1	Gaji (FOC13)	Z34	0,929
		Z35	0,912

		Z36	0,858
		Z37	0,934
	Promotion (FOC14)	Z38	0,901
		Z39	0,947
	Co-workers (FOC15)	Z40	0,954
		Z41	0,946
	Superior (FOC16)	Z42	0,966
		Z43	0,963
	Work (FOC17)	Z44	0,933
		Z45	0,886
Phase 2 Calculation	Job Satisfaction (HOC4)	FOC13	0,799
		FOC14	0,796
		FOC15	0,771
		FOC16	0,747
		FOC17	0,710

Table 2 shows that the outer loading value of stage one on all latent variable builder indicators is > 0.5 so the indicator can be said to be valid. This shows that the latent variable FOC constructed by the latent variable indicator has consistently explained the variable in question. The indicator is also considered to have the closest relationship with the latent variable FOC as measured by the highest factor loading value compared to other indicators on the same latent variable FOC.

The results of the reliability test had a Cronbach's Alpha value of > 0.7 on each indicator in all variables, so it can be said that respondents were consistent in answering questions. Meanwhile, based on the table, the composite reliability value shows > 0.7 , which indicates that all indicators in all variables have a good level of reliability.

Analisa Outer Model

The trajectory model uses the 2nd-order SEM CFA. In this model, the calculation is carried out in two stages. The first stage of calculation includes checking the outer model of the FOC. The trajectory model of this research was made using SmartPLS for phase 1 calculations shown in Figure 1.

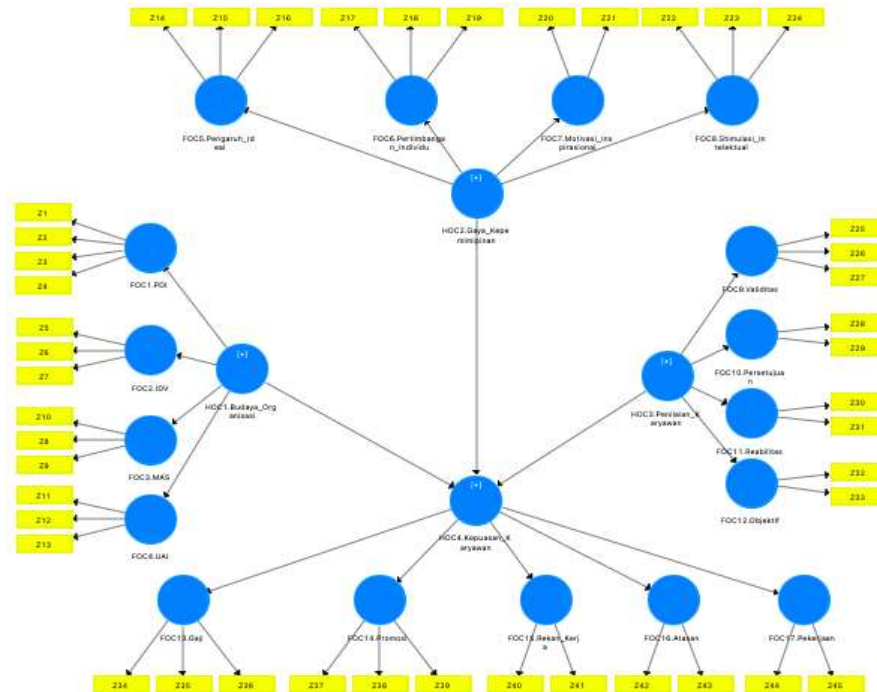


Figure 1. Phase one calculation trajectory model

Furthermore, after the first stage of calculation, the latent variables and indicators from the model can be considered valid. So in the second stage of calculation, the latent variable value of the first stage calculation is used as an indicator of the latent variable / HOC.

Discrimination Test Results

The validity test of discrimination uses two testing methods, namely HTMT and Fornell Larcker. The latent variable with a discriminatory validity value higher than the discriminatory validity value against other latent variables shows that the latent variable has limitations in its measurement and is not unidimensional.

The results of the discrimination validity test with the HTMT of all latent variables have a value of < 0.9 so all variables can be said to be valid. Based on Table 3 below, it is shown that each latent variable has a latent square root of AVE > other square roots of AVE, so each latent variable of HOC can be considered non-unidimensional, Leadership Style (HOC2; 0.613); Performance Assessment (HOC3; 0.306); and Employee Satisfaction (HOC4; 0.54).

Table 3
Validitas Diskriminan HTMT perhitungan tahap dua

	HOC 1	HOC 2	HOC 3	HOC 4
HOC1				
HOC2	0,615			

<i>HOC3</i>	0,417	0,306	
<i>HOC4</i>	0,707	0,541	0,54

Inner Model Analysis

The inner model also called the structural model is used in taking into account the causality (cause-and-effect) relationship between latent variables. Measurement of the feasibility of the inner model can be done using Goodness of Fit. The goodness of fit parameters used in this study are SRMR and NFI.

The goodness of fit model

The Goodness of Fit parameters used to assess the feasibility of the model in this study are the Normed Fit Index (NFI) with a limit of > value of 0.8 and the Standardized Root Mean Square Residual (SRMR) with a feasibility value of < 0.1. The results of the Goodness of Fit test are contained in the following table:

Table 4
Goodness of Fit

	Saturated Model	Estimated Model	Information
SUMMER	0.089	0.089	Fulfilled
d_ ULS	1.221	1.221	Unfulfilled
d_ G	0.389	0.389	Fulfilled
NFI	0.734	0.734	Unfulfilled

Table 4 above shows that in this study the entire model is considered to have absolute feasibility with an SRMR value of 0.089 and a Geodesic distance value in the confidence interval range so that the feasibility is met. This shows that the entire model has shown feasibility both in absolute and incremental terms. Furthermore, the model analysis can be continued for hypothesis-checking

Direct Impact Testing

In the second stage of calculation, the calculation trajectory model built in this study includes latent variables (HOC1; ORC2; HOC3) and their effect on HOC4, respectively, are based on the direct influence of the latent variable and the simultaneous influence. The test of the significance of direct influence can be seen through the p-value value, if the p-value has a < value of 0.05, then the latent variable can be said to have a real or influential influence and vice versa, if the p-value has a value of > 0.05, it can be said to have no real influence or no effect. The results of the significance test of the influence can be seen in the following table 5:

Table 5
Direct Effect Test Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
Organizational Culture -> Leadership Style	0,482	0,481	0,085	5,640	0,000
Organizational Culture -> Employee Appraisal	0,357	0,373	0,086	4,154	0,000
Organizational Culture -> Employee Satisfaction	0,392	0,381	0,075	5,213	0,000
Leadership Style -> Employee Satisfaction	0,201	0,220	0,083	2,421	0,016
Leadership Style -> Employee Satisfaction	0,108	0,126	0,150	0,722	0,471
Penilaian_Karyawan -> Employee Satisfaction	0,272	0,268	0,076	3,586	0,000

In Table 5, it is shown that organizational culture has a real and positive influence on the employee satisfaction variable (p-value = 0.000). The leadership style variable had a real and positive influence on the employee satisfaction variable (p-value = 0.016). The employee assessment variable had a real and positive influence on the employee satisfaction variable (p-value = 0.000). The variables of leadership style, employee appraisal and organizational culture had no real effect on the employee satisfaction variable (p-value = 0.639)

Proof of Hypothesis

Based on the results of testing the measurement model and structural model of the influence of Organizational Culture, Leadership Style, and Employee Performance Assessment on Job Satisfaction, the results of hypothesis testing are obtained as follows:

Table 6
Hypothesis Testing

Hypothesis	Latent Variable Relationships	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
H1	Organizational Culture ->	0,392	0,381	0,075	5,213	0,000

	Employee Satisfaction					
H2	Leadership Style -> Employee Satisfaction	0,201	0,220	0,083	2,421	0,016
H3	Penilaian_Karyawan -> Employee Satisfaction	0,272	0,268	0,076	3,586	0,000
H4	HOC1 -> HOC3 -> HOC2 -> HOC4	0,008	0,013	0,017	0,469	0,639

Hypothesis 1, which states that Organizational Culture positively and significantly affects Employee Satisfaction, can be accepted with a coefficient value of 0.392 and p-values of 0.000. Hypothesis 2, which states that Leadership Style positively and significantly affects Employee Satisfaction, is also acceptable with a coefficient value of 0.201 and p-values of 0.016. Hypothesis 3, which states that Employee Assessment positively and significantly affects Employee Satisfaction, was accepted with a coefficient value of 0.272 and p-values of 0.000. However, Hypothesis 4, which states that the simultaneous influence between Organizational Culture, Leadership Style, and Employee Assessment on Employee Satisfaction is not significant, is unacceptable because the p-value of 0.639 shows that the simultaneous influence has no real effect.

The Influence of Organizational Culture on Employee Satisfaction

Organizational culture is a set of values or standard rules that can help members overcome problems in the organization (Vebranis, Agussalim, & Haryati, 2021). Organizational culture is important for a company to own and implement because it can affect employee performance. Companies with a healthy organizational culture can motivate employees to do their jobs which has an impact on employee satisfaction.

In line with the research of (Ndeok, FoEh, Manafe, & Niha, 2023), a good organizational culture and an adequate work environment will have an impact on increasing employee work productivity, which ultimately causes an employee's psychological state, namely satisfaction (Ndeok et al., 2023). In (Irfan, 2022) research, organizational culture has a significant role in the formation of employee satisfaction where the clearer and more trusted an organizational culture will have an impact on employee satisfaction (Irfan, 2022).

Based on the description above, the first hypothesis is proven to explain the real or positive influence of organizational culture on employee satisfaction. The results of the study show that organizational culture has a positive and real influence on employee satisfaction. This is in line with *the social exchange theory*, that organizational culture will provide a good environment and adequately provide stimulus or support for someone to succeed at work. With positive support and stimulus, it will provide job satisfaction to

employees. This is shown by the proposition of success and stimulus in *social exchange theories*

The Influence of Leadership Style on Employee Satisfaction

Leadership style is the work pattern of leaders to guide their subordinates in carrying out work (Khairizah, 2015). A person's leadership pattern will vary depending on the size and environment of the company, personality, knowledge, and experience that the leader has (Herawati & Ranteallo, 2020). Employee satisfaction influenced by leadership style is also related to mutual respect between superiors and subordinates.

The results of the study show that leadership style has a real and positive influence on employee satisfaction. A professional and responsible leadership style will create effective work dynamics so that it has an impact on the achievement of organizational or group goals, which will indirectly cause employee job satisfaction.

A good leadership style will have an impact on individual performance and affect the achievement of organizational performance and employee satisfaction. This is by (Yanoto, 2018) research, that a good leadership style from a company can increase job satisfaction and make employees feel more satisfied in working at the company. Another appropriate research is a study by (Vahera & Onsardi, 2021) leadership style has a positive and significant effect on employee job satisfaction. Leaders who always give direction to employees will make employees feel motivated to do their jobs and increase employee satisfaction.

The results of the study show that leadership style has a positive and real influence on employee satisfaction. This is in line with the social exchange theory, that leadership style provides the main stimulus in terms of supporting the work environment formed by the leader. In addition, a positive leadership style can create effective direction and goals to maintain a balance of expectations between employees and the company. These two things also have a positive impact on employee satisfaction. This is shown by the proposition of stimulus and approval-aggression in social exchange theories.

The Effect of Employee Assessment on Employee Satisfaction

Employee Assessment is an effort to ensure that employees can meet the performance that the organization has made with the specified standards (January 2015). Employee assessment is a reference to get the human resources needed by the organization. The assessment will spur the achievement of individual performance so that the organization develops more.

The results of this study show that employee performance appraisal has a positive influence and a direct relationship with employee satisfaction, so the third hypothesis can be accepted. The better the performance appraisal system implemented by the company on employees can affect employee satisfaction. An effective assessment will give employees a positive impression of the company's brand. This is in line with research conducted by Saefullah (2022), a good performance assessment will increase employee satisfaction with the company.

Based on research conducted (Hariani & Irfan, 2019), performance appraisal is a tool to assess work results based on employee talents, which can help companies plan for

the future career growth of their employees. Employees will be motivated to work as best as possible to get a positive assessment from the organization. According to Darmawan, et. Al (2021), performance appraisal can measure the accuracy of employee performance, so that it can build a relationship between performance to tasks and the potential for rewards for employees to be transparent. The low quality of performance appraisals, such as the company's inability to control the appraisal process and the lack of knowledge to explore the potential of employees, can result in low levels of job satisfaction, as employees feel that their contributions to the company are not appreciated.

This is in line with the social exchange theory, the relationship between these two variables shows that the value or reward given is by the work results given by the employee. Another appropriate proposition is the deviation-satiation proposition, where the subjective value given is still equivalent to a decrease or increase in the exchange of employee performance results. So two propositions that correspond to the variable relationship between employee assessment and employee satisfaction are the value proposition and deviation-satiation.

Simultaneous influence of Organizational Culture, leadership style, and performance appraisal on Employee Satisfaction

Based on the data from this study, the variables of leadership style, organizational culture, and employee assessment simultaneously have an influence but in a small enough size that they are not considered to have a real effect based on statistical conclusions on employee satisfaction. So the fourth hypothesis is unacceptable. This small influence is also strengthened by the high and direct influence of individuals between variables, and simultaneous influences/interactions between 2 independent variables. So that the simultaneous influence of the three independent variables no longer has a significant influence.

This description indicates that this research is not in line with several previous studies (Indrani, 2022) which states that organizational culture, employee performance and employee satisfaction affect each other simultaneously. This is because all variables reinforce each other so that there is a synergy that has an impact on improving employee performance (Erniwati, Ramly, & Alam, 2020). This is suspected to be due to factors, such as a lack of support from colleagues, competition for promotions, and compulsion to do the tasks given.

Based on the explanation above, it can be concluded that employee satisfaction can be achieved if there is a good relationship between employees and superiors. Furthermore, a positive mind or culture will be created so that employees can provide good performance, and freely express opinions and creative ideas. This is certainly inseparable from the assessment tool that can run effectively and transparently. The influence of the interaction of independent variables can make a positive contribution to employee satisfaction as mentioned in previous research. But the influence did not have a big impact.

The greatest contribution remains to the individual influence of leadership style variables, organizational culture and employee assessment. Furthermore, other

contributions came from the interaction between 2 independent variables, namely Organizational Culture and Leadership Style, as well as Organizational Culture and Employee Assessment of Satisfaction. This conclusion is in line with the social exchange theory. Where the simultaneous relationship between all positive exogenous variables on employee satisfaction is in line with the proportion of success, deviations, values, approval-aggression and stimulus.

Conclusion

This study was built to understand the relationship between the variables of organizational culture style, leadership style, and employee assessment on employee satisfaction. The influence relationship built is based on the SEM model of PLS 2nd Order. The model built is worth testing assumptions. This is because based on the calculations of stages one and two, the model has gone through checking the validity of the instrument, and the feasibility of the outer model and the inner model. The influence of the latent variables of organizational culture ($\beta = 0.392$, p-value = 0.000), and employee performance assessment ($\beta = 0.272$, p-value = 0.000) had a real and positive influence value. Likewise, the latent variable Leadership style ($\beta = 0.201$, p-value = 0.016) has a positive influence and has a real impact on employee satisfaction. In addition, simultaneously the independent variables had no real effect on employee satisfaction ($\beta = 0.008$, p-value = 0.639).

Based on this discussion, it can be concluded that organizational culture is an initial foundation for the formation of employee satisfaction. If implemented properly, it can provide comfort both in terms of employee performance and in the work environment. So that there is a harmony of vision and mission that is embraced together. In addition, leadership style also affects employee satisfaction in an organization. Qualified leaders can increase employee satisfaction. This can encourage qualified individual performance and an ever-growing organization, with leaders who can motivate well and make employee judgment important to employee satisfaction. So this is also in line with the proposition of social exchange theories related to the value proposition, stimulus, approval-aggression, deviation-satiation and success.

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