

Analysis of Leadership Style and Organizational Culture Towards Human Resource Development in P.S. My Excellency the Field

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Abstract

Human resource development (HR) is a strategic factor in increasing the competitiveness and sustainability of the organization. Leadership style and organizational culture have an important role in shaping employee competence, attitudes, and performance. This study aims to analyze the influence of leadership style and organizational culture on human resource development at PT Abdi Budi Mulia Medan. The research method used is a quantitative approach with survey techniques through the distribution of questionnaires to employees as respondents. The data obtained was analyzed using statistical analysis to test the partial and simultaneous influence between variables. The results of the study show that leadership style has a positive and significant effect on human resource development. In addition, organizational culture also has a positive and significant effect on human resource development. Simultaneously, the leadership style and organizational culture make a significant contribution in encouraging human resource development at PT Abdi Budi Mulia Medan. These findings indicate that the implementation of an effective leadership style and the strengthening of a conducive organizational culture can improve the quality and competence of human resources. This research is expected to be a material for managerial consideration in formulating a sustainable human resource development strategy.

Keywords: Leadership Style, Organizational Culture, Human Resources Development

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Introduction

Human Resource Development (HR) is a strategic factor in increasing the competitiveness and sustainability of the organization in the midst of the dynamics of an increasingly complex business environment. Organizations are not only required to have good technology and systems, but also human resources who are competent, adaptive, and have optimal performance. In this context, human resource development is a long-term investment that is greatly influenced by internal organizational factors, especially leadership style and organizational culture [1].

Leadership style has an important role in directing, motivating, and developing employees' potential. Leaders who are able to apply the right leadership style can create a conducive work environment, encourage continuous learning, and increase employee engagement in the competency development process [2]. Conversely, a less effective leadership style has the potential to hinder human resource development due to low support, communication, and clarity of work direction. In addition to leadership, organizational culture is also a fundamental element that influences employee behavior, values, and work attitudes. A strong and positive organizational culture is able to form productive work habits, encourage collaboration, and instill a commitment to self-and organizational development [3].

1.2. Problem Identification

1. A leadership style that is less participatory and transformative has the potential to weaken learning motivation, organizational commitment, and the effectiveness of human resource development.
2. An organizational culture that is not yet oriented towards learning and innovation
3. Lack of learning and innovation can hinder the development of competencies, creativity, and readiness of human resources to face changes in the business environment.

1.3 Problem Formulation

1. Does the Leadership Style have a positive and partially significant effect on human resource development at PT Abdi Budi Mulia Medan?
2. Does Organizational Culture have a positive and partially significant effect on human resource development at PT Abdi Budi Mulia Medan?
3. Does the leadership style and organizational culture have a positive and significant effect simultaneously on Human Resource Development at PT Abdi Budi Mulia Medan?

Literature Review

2.1. Human Resource Development (Variable Y)

Human resource development is a process that is carried out systematically and planned to improve the knowledge, skills, and attitudes of employees so that they can achieve optimal performance and support the achievement of organizational goals [3]. Factors Affecting Human Resources Development: According to [3], there are several main factors that affect human resource development, including: 1) Abilities and Expertise, 2) Motivation, 3) Work Environment, 4) Work Plan, 5) Commitment, 6) Organizational Culture, 7) Leadership, 8) Job satisfaction, 9) Loyalty, 10) Personality. Based on [3], the indicators of Human Resources Development include: 1) Increased employee knowledge after participating in training or development, 2) Improving employee skills in carrying out work, 3) Changes in attitudes and behaviors of employees who are more positive at work, 4) Employees' ability to solve work problems effectively, 5) Increased work productivity after following development.

2.2. Leadership Style (X1)

According to [4], leadership style is a general trait, habit, and strategy used by a leader in influencing, directing, guiding, and supervising others to achieve certain goals. Leadership style reflects how a leader interacts with his subordinates, including in terms of decision-making, motivation, and how to resolve conflicts in the work environment. Kartono also emphasized that leadership styles can vary, ranging from authoritarian, democratic, to laissez-faire, and each has a different impact on work effectiveness and relationships within the organization. Factors Influencing Leadership Style According to [4]: 1) Leader Personality, 2) Educational Background and Experience, 3) Social Values and Norms, 4) Organizational Situation and Conditions, 5) Characteristics of Subordinates. Indicators of leadership style according to [4] include: 1) Decision Making Ability. 2) Motivational Ability. 3) Communication Skills. 4) Ability to Control Subordinates, 5) Ability to Control Emotions.

2.3. Organizational Culture (X2)

According to [11], organizational culture is "the overall values, norms, beliefs, and behavior patterns developed and maintained jointly by members of the organization, which are the foundation in decision-making and the implementation of daily activities in achieving common goals." Factors That Influence Organizational Culture

According to [11], organizational culture is influenced by several factors, namely the following: 1) General influence from outside, 2) The influence of values in society, 3) Organization-specific factors. Organizational Culture Indicators: According to [11], the indicators of organizational culture are as follows: 1) Innovative risk accounting, 2) Paying attention to every problem, 3) Oriented towards the results to be achieved, 4) Oriented to all employee interests, 5) Aggressive at work, 6) Maintain and maintain work stability. Based on the relationship between these variables, the conceptual framework of this study illustrates that leadership style and organizational culture have a direct influence on human resource development, this framework is the basis for hypothesis formulation and empirical testing to obtain scientific evidence on factors that affect human resource development at PT Abdi Budi Mulia Medan.

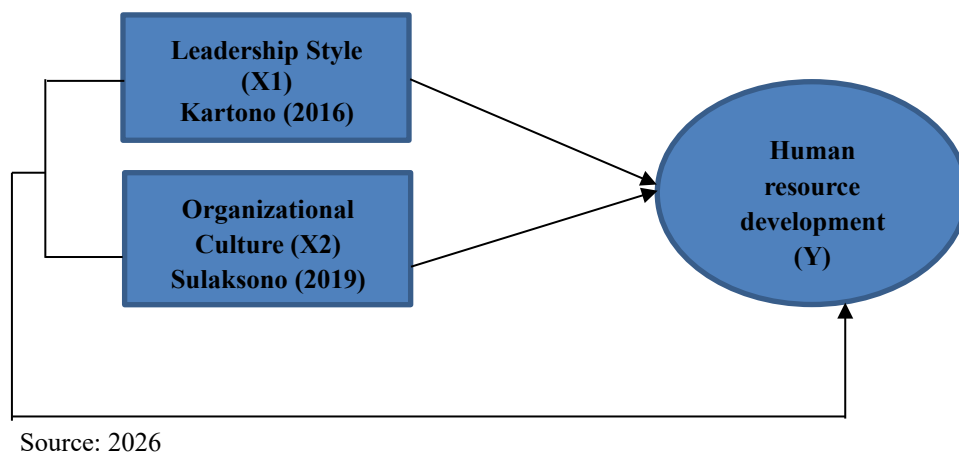


Figure 1. Conceptual Framework

2.4 Research Hypothesis

1. Leadership style has a positive and significant effect on human resource development at PT Abdi Budi Mulia Medan
2. Organizational Culture has a positive and significant influence on human resource development at PT Abdi Budi Mulia Medan

3. Leadership Style and Organizational Culture have a positive and significant effect simultaneously on the development of human resources at PT Abdi Budi Mulia Medan.

Research Methodology

3.1. Research Design

This study uses a quantitative approach with an associative method. The quantitative approach is used because this study aims to examine the relationship and influence between variables through statistical analysis (Sugiyono, 2019). The associative method was used to determine the influence of work discipline (X1) and work environment (X2) on work productivity (Y) with motivation (Z) as a moderating variable at PT Abdi Budi Mulia Medan.

3.2. Population and Samples/Data Types and Sources

The population in this study is all employees who work at PT Abdi Budi Mulia Medan, totaling 35 people. The sampling technique uses saturated sampling (census sampling), where all members of the population are used as research samples because the number is relatively small (Sugiyono, 2019). Thus, the number of samples in this study is 35 respondents.

3.3. Data Collection Techniques

Data collection techniques are carried out through:

- a. Questionnaire (Questionnaire); Contains statements that are measured using a Likert scale to assess respondents' perceptions of each variable.
- b. Observation; Directly see the conditions of the work environment and employee discipline behavior.
- c. Documentation; Collect company profile data, organizational structure, and employee attendance records.

3.4. Data Analysis Model

1. Types of Analysis

The type of analysis used in this study is quantitative analysis with an inferential approach. Quantitative analysis was chosen because this study aims to examine the influence of intervariables empirically and measurably, namely the influence of leadership style and organizational culture on human resource (HR) development.

2. Multiple Linear Regression Model (Without Moderation)

The basic regression model to see the direct influence of Leadership Style (X₁) and Organizational Culture (X₂) on HR Development (Y) is as follows:

$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$ Description:

Y = HR Development α = Constant β_1, β_2 =

Regression coefficient for X₁ and X₂

X₁ = Leadership Style X₂ =

Organizational Culture e =

Error (error factor)

This model is used to determine the direct influence of each independent variable on human resource development.

3. Hypothesis Testing Criteria

a. Partial Test (t-test)

It is used to determine the influence of each independent variable on the dependent variable.

H₀: $\beta = 0$ (no significant influence)

H₁: $\beta \neq 0$ (there is a significant influence) Criteria: If sig < 0.05 then H₀ is rejected → the variable has a significant effect on Y.

b. Simultaneous Test (F Test)

Used to determine the joint influence of the variables X_1 and X_2 on Y .

Criteria: If the $\text{sig} < 0.05$ then H_0 is rejected $\rightarrow$ there is a significant simultaneous influence. **c.**

Determination Coefficient Test (R^2)

It is used to determine the amount of contribution of independent variables to dependent variables. The higher the R^2 value, the greater the model's ability to explain the variation in HR Development.

4. Analysis Tools

All statistical tests are carried out with the help of SPSS software version 26 to ensure more accurate analysis results.

5. Interpretation of Analysis Results

1. **The value of the Regression Coefficient (β)** indicates the direction and strength of the influence between variables. β positive $\rightarrow$ a one-way influence (the higher X , the higher the Y).
 β negative $\rightarrow$ opposite influence (the higher X , the lower Y).
2. **The p-value** indicates whether the relationship is statistically significant.
3. **The R^2 value** indicates the large influence of the combined independent variables on HR Development.

Results

4.1 Validity and Reliability Tests

a. Validity Test

The validity test is carried out with the aim of testing the validity of each question item on the questionnaire that has been designed. A question item is said to be valid if the correlation value (R calculated) of the question item $> R$ table (0.3). Table 4.1 presents the results of the validity test for each question item from the questionnaire.

Table 1. Validity Test of Questionnaire Question Items

P	R Count	R Table	Results
	.884	0.3	<u>Valid (R Count > R Table)</u>
	.939	0.3	<u>Valid (R Count > R Table)</u>
	.931	0.3	<u>Valid (R Count > R Table)</u>
	.868	0.3	<u>Valid (R Count > R Table)</u>
	.938	0.3	<u>Valid (R Count > R Table)</u>
	.892	0.3	<u>Valid (R Count > R Table)</u>
X1.1			<u>Valid (R Count > R Table)</u>
X1.2			<u>Valid (R Count > R Table)</u>
X1.3			<u>Valid (R Count > R Table)</u>
X1.4			<u>Valid (R Count > R Table)</u>
X1.5			<u>Valid (R Count > R Table)</u>
X2.1			<u>Valid (R Count > R Table)</u>
X2.2			<u>Valid (R Count > R Table)</u>
X2.3			<u>Valid (R Count > R Table)</u>
X2.4			<u>Valid (R Count > R Table)</u>
X2.5			<u>Valid (R Count > R Table)</u>

	.972	0.3
	.951	0.3
	.870	0.3
	.930	0.3
<u>X2.6</u>	.943	0.3
Y1	.770	0.3
Y2	.889	0.3
Y3	.870	0.3
Y4	.744	0.3
Y5	.944	0.3

A question is said to be valid if the value of R is calculated > 0.3 (R table). It is known that all R values are calculated > 0.3 (R table). So it was concluded that all the questionnaires were valid.

b. Reliability Test

Reliability tests should be performed only on questions that already have or meet the validity test, so if they do not meet the validity test requirements then there is no need to proceed for the reliability test. The following are the results of the reliability test on valid question items.

Table 2. Reliability Test

Variable	Cronbach's Alpha	Results
Leadership Style (X1)	.969	Reliable
Organizational Culture (X2)	.977	Reliable
Human Resources Development (Y)	.940	Reliable

If Cronbach's Alpha value is greater than 0.6, then the research questionnaire is reliable. It is known that the questionnaire is reliable, since the entire value of Cronbach's Alpha is greater than 0.6.

4.2 Descriptive Statistical Analysis

In the descriptive analysis section, the distribution of frequency and percentage of the variables of leadership style (X1), organizational culture (X2) and human resource development (Y) is presented.

Table 3. Frequency and Percentage Distribution

Descriptive Statistics					
	N	Minimu m	Maximu m	Red	Std. Deviation
X1.1	35	1	5	3.54	1.314
X1.2	35	1	5	3.54	1.268
X1.3	35	2	5	3.57	1.119
X1.4	35	2	5	3.63	1.165
X1.5	35	1	5	3.60	1.265

Valid N (listwise)	35
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Based on the results of descriptive statistical analysis of the leadership style variable (X1) measured through five indicators (X1.1–X1.5) with a total of 35 respondents, a minimum value between 1–2 and a maximum value of 5 was obtained. This shows that all statement items are able to capture the variation in respondents' perceptions from the lowest to the highest. The mean values for each indicator are in the range of 3.54 to 3.63, which is in the good category. The indicator with the highest mean value was X1.4 (mean = 3.63), which showed that the leadership style aspect of the indicator was most positively perceived by respondents. Meanwhile, the X1.1 and X1.2 indicators have the same mean value of 3.54, but remain in the good category. The standard deviation value ranged from 1.119 to 1.314, which indicated that there was a variation in respondents' answers but still within reasonable limits. The highest standard deviation was found in the X1.1 indicator (1.314), showing a relatively more diverse difference in perception compared to other indicators, while the lowest standard deviation was found in the X1.3 indicator (1.119) which showed that respondents' perceptions were relatively more homogeneous. Overall, the results of these descriptive statistics show that the leadership style applied in the organization is well judged by the majority of respondents, and has run consistently on all measured indicators.

Table 4. Frequency and Percentage Distribution

Descriptive Statistics					
	N	Minimu m	Maximu m	Red	Std. Deviation
X2.1	35	1	5	3.43	1.170
X2.2	35	1	5	3.57	1.170
X2.3	35	1	5	3.51	1.147
X2.4	35	1	5	3.43	1.170
X2.5	35	2	5	3.66	1.027
X2.6	35	2	5	3.60	1.090
Valid N (listwise)	35				

Based on the results of descriptive statistical analysis of organizational culture variables (X2) measured through six indicators (X2.1–X2.6) with a total of 35 respondents, a minimum score of 1-2 and a maximum score of 5 were obtained. This shows that the respondents' answers cover the entire range of assessment scales used. The mean value of each organizational culture indicator is in the range of 3.43 to 3.66, which is included in the good category. The indicator with the highest mean value was found at X2.5 (mean = 3.66), which showed that the organizational culture aspect of the indicator was most positively perceived by respondents. Meanwhile, the X2.1 and X2.4 indicators had the lowest mean value, at 3.43, but remained in the good category. The standard deviation value ranged from 1.027 to 1.170, indicating a variation in respondents' perception of the organizational culture, but still within relatively homogeneous limits. The lowest standard deviation was found in the X2.5 indicator (1.027), which indicated a higher level of uniformity of respondents' answers compared to other indicators. In contrast, the highest standard deviation was found in the X2.1, X2.2, and X2.4 indicators (1,170), which showed a relatively larger difference in respondents' perceptions. Overall, the results of these descriptive statistics show that the organizational culture in the research environment has been running well, as reflected in the average value of all indicators

that are in the good category and supported by a relatively stable level of variation in respondent answers.

Table 5. Frequency and Percentage Distribution

Descriptive Statistics					
	N	Minimu m	Maximu m	Red	Std. Deviation
Y.1	35	2	5	3.71	.926
Y.2	35	2	5	3.91	.853
Y.3	35	2	5		.963
				3.89	
Y.4	35	2	5	3.80	.933
Y.5	35	2	5	3.80	.833
Valid N (listwis e)	35				

Based on the results of descriptive statistical analysis of the Human Resource Development (Y) variable measured through five indicators (Y.1–Y.5) with a total of 35 respondents, a minimum value of 2 and a maximum value of 5 were obtained. This shows that all respondents gave a moderate to very high assessment of the human resource development aspects studied. The mean value of each indicator is in the range of 3.71 to 3.91, which is in the good to very good category. The indicator with the highest mean value was found at Y.2 (mean = 3.91), which showed that the human resource development aspect of the indicator was most positively felt by respondents. Meanwhile, the Y.1 indicator has the lowest mean value, which is 3.71, but remains in the good category. The standard deviation value ranged from 0.833 to 0.963, which indicated that respondents' perception of human resource development was relatively homogeneous and consistent. The lowest standard deviation is found in the Y.5 indicator (0.833), indicating a high uniformity of answers, while the highest standard deviation is found in the Y.3 indicator (0.963), which reflects a slight variation in perception but is still within reasonable limits. Overall, the results of this descriptive statistics show that human resource development in the organization has been well implemented, as reflected in the average value of all indicators in the good category and the relatively low level of variation in respondents' answers. This indicates that human resource development programs and policies have been benefited by most employees.

4.3 Classical Assumption Test

1. Normality Test

The normality test aims to test whether in the regression model, the interfering or residual variables have a normal distribution. Test and assume that the residual value follows the normal distribution. In this study, the normality test of residual uses the Kolmogorov-Smirnov test. The level of significance used. The basis for decision-making is to look at the probability numbers, with the following conditions. If the probability value is 0.05, then the assumption of normality is met. If the probability < 0.05, then the assumption of normality is not met. $tF\alpha = 0,05pp \geq$

Table 6. Normality Test

One-Sample Kolmogorov-Smirnov Test
Unstandardiz

<u>N</u>		<u>35</u>
Normal Parameters ^{a,b}	<u>Red</u>	<u>.0000000</u>
	Std.	3.47407863
	Deviation	
Most Extreme	<u>Absolute</u>	<u>.134</u>
Differences	<u>Positive</u>	<u>.086</u>
	Negative	-.134
<u>Test Statistic</u>		<u>.134</u>
<u>Asymp. Sig. (2-tailed)</u>		<u>.113c</u>
		<u>.512</u>
<u>Exact Sig. (2-tailed)</u>		<u>.000</u>
<u>Point Probability</u>		

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Note that based on Table 4.6, it is known that the probability value or pAsymp. Sig. (2tailed) is 0.512. Because the probability value, which is 0.512, is greater than the significance level, which is 0.05. This means that the data is distributed normally.p

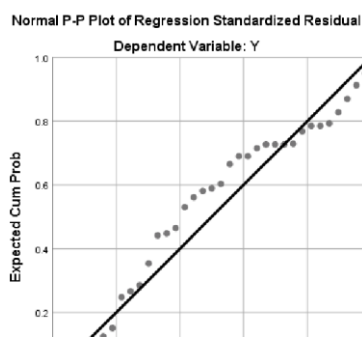


Figure 2. Normal Normality Test Probability Plot

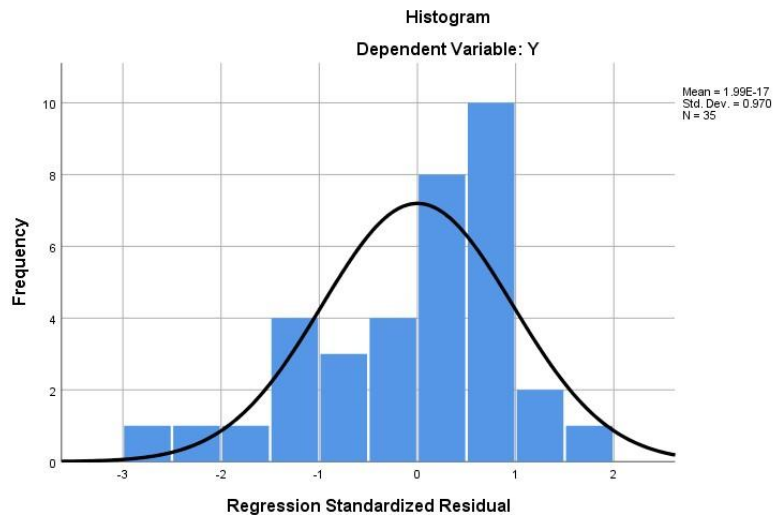


Figure 3. Histogram Normality Test

Figure 2 is a normality test with a normal probability plot approach, while Figure 3 is a normality test with a histogram approach. It is known that in Figure 2, the points are spread around the diagonal line, while in Figure 3, the curve is seen in the form of a normal curve, so that the data is distributed normally.

2. Multicollinearity Test

To check whether multicollinearity occurs or not can be seen from the value of variance inflation factor (VIF). A VIF value of more than 10 indicates a variable that is free of multicollinearity.

Table 7. Multicollinearity Test

Collinearity Statistics Models		Tolerance	VIVID
1	(Constant)		
	X1	.996	1.004
	X2	.996	1.004

Note that based on Table 4.7, it is known that the VIF value of leadership style (X1) is 1.004, the VIF value of organizational culture (X2) is 1.004. Because all VIF values are < 10 , it is concluded that multicollinearity does not occur.

3. Heteroscedasticity test

The Glejser statistical test was chosen because it can better guarantee the accuracy of the results compared to the plot graph test which can cause bias. The Glejser test is carried out by regressing the independent variable to its residual absolute value to the dependent variable (Ghozali, 2013). The criteria used to declare whether or not heteroscedasticity occurs among observational data can be explained using significance coefficients. The significance coefficient should be compared to the previously established level of significance (5%). If the significance coefficient is greater than the level of significance set, it can be concluded that heteroscedasticity (homoscedasticity) does not occur. If the significance coefficient is smaller than the set significance level, then it can be concluded that heteroscedasticity occurs.

Table 8. Heteroscedasticity Test with Glejser Test

		Coefficient				
		Unstandardized Coefficients	Standardized Coefficients			
Models		B	Std. Error	Beta	t	Sig.
1	(Constant)	<u>5.986</u>	<u>1.469</u>		<u>4.076</u>	<u>.000</u>
	X1	<u>-.020</u>	<u>.056</u>	<u>-.056</u>	<u>-.350</u>	<u>.729</u>
	X2	-.040	.035	-.078	-1.161	.246

a. Dependent Variable: abs_res

Based on Table 4.8, it is known that the value of Sig. The Glejser of the leadership style (X1) is $0.729 > 0.05$, known as the Sig value. The glejser of organizational culture (X2) is $0.246 > 0.05$. It is known that all the values of Sig. The glycers of each independent variable are above 0.05, so it is concluded that heteroscedasticity does not occur.

4.4 Multiple Linear Regression Analysis

The analysis method used in this study is to use multiple linear regression analysis. Multiple linear regression analysis is used when the number of independent variables is at least two independent variables. The use of multiple linear regression analysis is intended to determine the influence of the independent variable commonly referred to as the nonindependent variable commonly referred to as . Table 4.9 is the result of multiple linear regression analysis.XY

Table 9. Multiple Linear Regression Analysis

Table 3: Multiple Linear Regression Analysis						
		Coefficient				
		Unstandardized	Standardized			
		Coefficients	Coefficients			
Models		B	Std. Error	Beta	t	Sig.
1	(Constant)	<u>9.988</u>	<u>2.763</u>		<u>3.615</u>	<u>.000</u>
	X1	<u>.230</u>	<u>.060</u>	<u>.209</u>	<u>3.795</u>	<u>.000</u>
	X2	.258	.096	.409	2.697	.011

a. Dependent Variable: Y

Based on Table 4.9, the multiple linear regression equation is obtained as follows.

$Y = 9.988 + 0.230X_1 + 0.258X_2 + e$ with:

Y = Human Resource Development

X₁ = Leadership Style

X₂ = Organizational Culture

Discussion

1. The Influence of Leadership Style (X1) on Human Resources Development (Y)

The results of the t-test showed that the leadership style variable (X1) had a regression coefficient value of 0.230, a calculated t-value of 3.795, and a significance level of 0.000. The significance value is smaller than $\alpha = 0.05$, so it can be concluded that leadership style has a positive and partially significant effect on human resource development. The positive regression coefficient shows that the better the leadership style applied, the more human resource

development in the organization will increase. Thus, the hypothesis that states that leadership style affects human resource development is accepted.

2. The Influence of Organizational Culture (X2) on Human Resources Development (Y)

The organizational culture variable (X2) had a regression coefficient of 0.258, a calculated t-value of 2.697, and a significance level of 0.011. The significance value is also smaller than $\alpha = 0.05$, so it can be concluded that organizational culture has a positive and partially significant effect on human resource development. This shows that a strong and conducive organizational culture is able to encourage optimal improvement in human resource development. A Standardized Beta value of 0.409 indicates that organizational culture has a more dominant influence than leadership style.

Sec. 3. Constant Interpretation

The constant value of 9.988 with a significance level of 0.000 indicates that if the variables of leadership style and organizational culture are considered constant or have a value of zero, then the value of human resource development remains 9.988. Significant constants show the contribution of other factors outside the research model that also affect human resource development.

4.4 Hypothesis testing

1. Simultaneous Significance Test (F Test)

The F test aims to test the influence of independent variables together or simultaneously on non-performance (Y) variables.

Table 10. Simultaneous Effect Test with Test F

NEW ERA						
Models		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	149.189	2	74.595	5.817	.007b
	Residual	410.354	32	12.824		
	Total	559.543	34			

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1

Based on Table 4.10, it is known that the value of F is calculated as 5.817 and the value of Sig. is $0.007 < 0.05$. then leadership style (X1) and organizational culture (X2) together or simultaneously have a significant effect on performance (Y).

2. Partial Significance Test (t-test)

The t-statistical test is used to determine the significance of the influence of each independent variable on the dependent variable. Table 4.11 presents the regression coefficient values, as well as the t statistical values for partial effect testing.

Table 11. Partial Influence Significance Test (Test)t

Coefficient						
Models		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.988	2.763	.060	3.615	.000
	X1	.230		.209	3.795	.000

X2	.258	.096	.409	2.697	.011
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a. Dependent Variable: Y

The t-test is used to determine the influence of the independent variables X1 and X2 partially on the dependent variable Y.

1. Constant

The constant value is 9.988 with a calculated t-value = 3.615 and a significance level of $0.000 < 0.05$. This shows that the constant is significant, meaning that when X1 and X2 are zero, then Y has a value of 9.988.

2. Influence of X1 on Y

The variable X1 has a regression coefficient of 0.230, with a calculated t-value = 3.795 and a significance level of $0.000 < 0.05$. Thus, X1 has a positive and significant effect on Y. This means that every increase of X1 by one unit will increase Y by 0.230 units, assuming the other variables are constant.

3. Effect of X2 on Y

The X2 variable has a regression coefficient of 0.258, with a calculated t-value = 2.697 and a significance level of $0.011 < 0.05$. This shows that X2 has a positive and significant effect on Y. Each increase of X2 by one unit will increase Y by 0.258 units, assuming the other variables are fixed.

4. Most Dominant Variables

Based on the Standardized Coefficients (Beta) value, X2 has a beta value of 0.409, greater than X1's of 0.209. This shows that X2 is the most dominant variable affecting Y.

3. Coefficient Determination Analysis

The coefficient of determination (R^2) is a value (proportion value) that measures how much the free variables used in regression equations are capable of explaining the variation of nonfree variables. R^2

Table 12. Coefficient of Determination
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.516a	.267	.221	3.581

a. Predictors: (Constant), X2, X1

Based on Table 4.12, it is known that the value of the determination coefficient (RSquare) is 0.267. This value can be interpreted as the variable of leadership style (X1), organizational culture (X2) of 26.7%, the rest of $100\% - 26.7\% = 73.3\%$ explained by other variables or factors.

Conclusion

1. Constant

The constant value is 9.988 with a calculated t-value = 3.615 and a significance level of $0.000 < 0.05$. This shows that the constant is significant, meaning that when X1 and X2 are zero, then Y has a value of 9.988.

2. Influence of X1 on Y

The variable X1 has a regression coefficient of 0.230, with a calculated t-value = 3.795 and a significance level of $0.000 < 0.05$. Thus, X1 has a positive and significant effect on Y. This means that every increase of X1 by one unit will increase Y by 0.230 units, assuming the other variables are constant.

3. Effect of X2 on Y

The X2 variable has a regression coefficient of 0.258, with a calculated t-value = 2.697 and a significance level of $0.011 < 0.05$. This shows that X2 has a positive and significant effect on Y. Each increase of X2 by one unit will increase Y by 0.258 units, assuming the other variables are fixed.

4. Most Dominant Variables

Based on the Standardized Coefficients (Beta) value, X2 has a beta value of 0.409, greater than X1's of 0.209. This shows that X2 is the most dominant variable affecting Y.

Suggestions

1. Leadership Style

Leaders at every level need to involve employees in the decision-making process, provide space to convey ideas and input, and be able to be role models in learning and change.

2. Organizational Culture

Companies are expected to create a work environment that is open to new ideas, encourage collaboration between departments, and give appreciation to employees who show initiative, creativity, and willingness to learn.

3. Human resource development

Companies are advised to encourage innovation through discussion forums, knowledge sharing, and the development of creative projects that involve employees.

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