

The Effect of Islamic Leadership on Performance Mediated by Organizational Culture: Case Study at PT. Pos Indonesia Malang City

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ABSTRACT: This study aims to analyze and test whether the influence of Islamic leadership on employee performance. In addition, the researchers also analyzed and tested whether the influence of organizational culture on employee performance, and also analyzed and tested the influence of Islamic leadership on performance mediated by organizational culture. This research is an explanatory research using a quantitative approach. The sampling method used in this study is the Saturated Sampling method where the sample taken is the entire population. The sample in this study is to take the entire population in PT. Pos Indonesia Malang City is 110 employees. In collecting data in this study using valid and reliable questionnaire data, while in analyzing data using Path Analysis processed with a computer program package, the SPSS (Statistical Program for Social Sciences Windows) sub-program. Based on the results of the analysis of the data obtained, it can be concluded that Islamic leadership has a significant positive effect on employee performance. Organizational culture has a significant positive effect on employee performance. And organizational culture mediates the influence of Islamic leadership on the performance of PT. Pos Indonesia Malang City.

KEYWORDS: Islamic Leadership, Performance, Organizational Culture

I. INTRODUCTION

In this era of globalization, every organization or company in the form of private or government, has good goals for the short and long term to be achieved through the activities it carries out. In order to achieve the goals that have been set, it is necessary to plan and manage human resources as well as possible. The term human resources refers to the individuals in the organization who work together to achieve the goals of the organization. Human resources are the most important thing that an organization has, one of the implications is that the most important investment made by an organization is in the field of human resources. Therefore, in order for an organization to achieve maximum performance, fair and satisfactory treatment is needed for human resources who work for the organization.

Employee performance is one of the factors that play an important role in achieving company goals and individual goals. The company will find it difficult to achieve its goals if the employees in the company do not have good performance. In an effort to achieve a company goal, it is necessary to have employees who are full of awareness, loyalty, obedience, discipline and are responsible for all the work given and have been done. Mangkunegara (2011) states that employee performance (work achievement) is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him to the company. Optimal employee performance is a description of quality human resources. This performance reflects the success of a person. Huda (2019) stated that in order to improve employee performance, organizational culture is also

quite important. The function of organizational culture is as a unifying component of the organization, being a determinant of identity, energy stimulant, driving force and can be used as a guide by everyone in the organization. Organizational culture is a unifying instrument that makes the people in it more united, so that it becomes positive energy and makes the organization a better direction. Leadership and organizational culture are both closely related. Each leader has different leadership characteristics, then the organizational culture is formed. It can be likened to two sides of a coin that have the same value (Trang, 2013). Littlejohn & Foss (2005) states that organizational culture is something that results from everyday interactions within the organization. When people interact over time, they form a culture. Every culture develops rules and norms that affect members of that culture, of course, influencing members of that culture cannot be separated from the influence of leadership.

Good leadership will form a good culture and affect employee performance. This has the consequence that every leadership is obliged to provide a serious sense of care to foster, mobilize, direct all the potential of employees in their environment or culture, so that the level and workload are realized in accordance with the direction of the goal (M. Thoha, 2001). To form organizational satisfaction and commitment, a leader needs to do serious coaching to employees, thereby increasing the high level of performance. Winarni (2011) explains that leadership from a leader can basically be explained through three streams of theory, namely: first, genetic theory (heredity) which argues that leadership is not produced, but is born. A person will only be an effective leader because he is born with extraordinary natural talents inherited from his family. Second, social theory is an approach that views that leaders are formed and prepared. According to this approach, the effectiveness of one's leadership can be formed and prepared. By getting broad opportunities through various educational activities and leadership training that are directed and intensive, a person can grow and develop his leadership effectiveness. Third, the ecological theory explains that a person will be successful in becoming a leader, if since birth he has had leadership talents, and these talents had been developed through experience and educational efforts, also in accordance with environmental or ecological demands.

Apart from the three streams of theory, it can be concluded that the most important thing in influencing employee performance is a leader who is able to create a good organizational culture so as a driving force to improve employee performance. A company definitely needs a leader who is expected to be able to serve and help others to move forward sincerely in accordance with the characteristics of Islamic leadership. Mustofiah (2015) explains the characteristics of leadership according to Islam, namely deliberation, fairness and freedom of thought. Through deliberation the decision-making process can be achieved. In deliberation all parties can play a role in deciding, not only the leader in power here. A leader must also act fairly or impartially to anyone, the right must be defended and the wrong must be warned or punished. The last principle is that a leader must also give freedom of thought to its members, providing opportunities to express their opinions. So that employees feel valued for their existence and there is enthusiasm in working so that they can improve their performance. Based on the characteristics of Islamic leadership, Islamic leadership influences employee performance by means of deliberation, fairness and freedom of thought. In this way, employees feel not only guided, but also feel that they are valued for their existence even though the positions of these employees are considered lower-level positions, and fair Islamic leadership has an impact on the comfort of all employees at work. It can be concluded that Islamic leadership greatly affects the increase in the performance of these employees. Islamic leadership has an ethic in them so that being better at carrying out their work will result in a conducive environment to produce a good culture, a good culture is very influential on increasing the performance of employees in the company. A Muslim leader is obliged to imitate the nature of the prophet Muhammad SAW, because all attitudes or behavior in leading Muslims are basically a reflection of the contents of the Qur'an. In addition, Allah has also given humans a complete guide in the form of the Qur'an. One of its functions is as Al-Furqon, in which the good and the bad can be seen clearly and transparently.

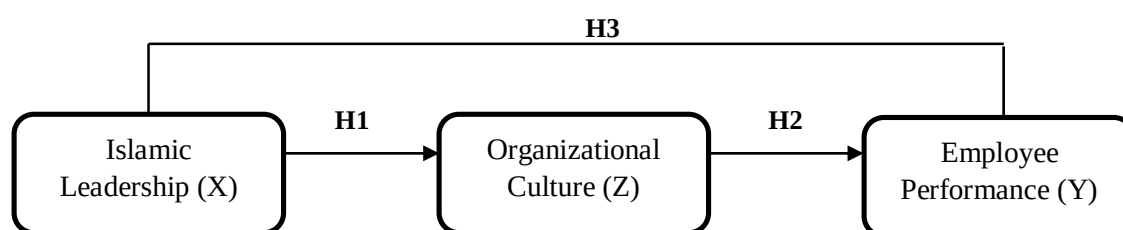
Many previous studies have discussed Islamic leadership, organizational culture and employee performance. Several previous studies have found that Islamic leadership has been shown to improve employee performance. Jumaning et al. (2017) suggested that Islamic leadership has a significant influence on employee performance. This statement is supported by previous research including Harahap (2017) and Wijayanti & Meftahudin (2016). However, Mappamiring's (2015) research actually found that Islamic leadership had no significant effect on employee performance. Previous research has shown a relationship between organizational culture and performance. This is in accordance with research conducted by Sani (2004), Yuniarsih (2013), Edwin B. Flippo in Hasibuan (2014), Hakim (2015), Wirawan (2007), and Tika (2006) who say that organizational culture has an effect on employee performance. However, there are also studies which state that organizational culture has no

effect on employee performance, such as research conducted by Haryanti and Cholil (2015), Logahan and Aeseria (2014) which shows that organizational culture has no significant effect on employee performance. The object of this research is the employees of PT. Pos Indonesia Malang City. PT. Pos Indonesia is a state-owned company engaged in mail and goods delivery services which has its head office in Bandung City and has 11 regional offices spread throughout Indonesia. In carrying out the policies taken by the head office, regional offices act as drivers of policies taken to be implemented in their respective regions. Over time, Pos Indonesia has now been able to show its creativity in the development of the Indonesian postal sector. By utilizing its network infrastructure, which reaches around 24 thousand service points that reach 100 percent of cities or regencies, almost 100 percent of sub-districts and 42 percent of sub-districts or villages, and 940 remote transmigration locations in Indonesia.

At PT. Pos Indonesia Malang City applies a performance assessment measurement system in the form of Key Performance Indicators (KPI). Key Performance Indicators (KPI) are management tools or instruments so that an activity or process can be followed, controlled (if it deviates, it can be identified for correction), and ensured to achieve the desired performance. One way to achieve good indicators in evaluating employee performance is by using the KPI method. KPI compares what has been created with what has been set. Successful implementation will depend on implementing a good maintenance strategy in accordance with what has been established (Ramadian, 2012).

II. METHODOLOGY

This study aims to analyze and test whether the influence of Islamic leadership on employee performance. In addition, the researchers also analyzed and tested whether the influence of organizational culture on employee performance, and also analyzed and tested the influence of Islamic leadership on performance mediated by organizational culture. Questionnaires have been given to 110 employees of PT. Pos Indonesia Malang City to collect data according to the variables to be studied. The hypothetical model that will be proposed is in accordance with Figure 1:

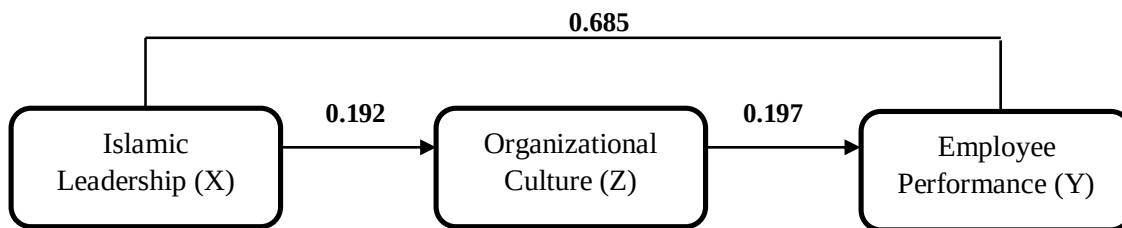


Procedure of Survey and Sampling: The population in this study were all employees of PT. Pos Indonesia Malang as many as 110 employees. The sampling technique uses saturated samples, thus using all members of the population as sample members (Sani & Maharani, 2013). The sample used is 110 employees of PT. Pos Indonesia Malang City. All items in the questionnaire filled out by employees of PT. Pos Indonesia Malang City is said to be valid because the value of $r_{table} > r_{arithmetic}$ (0.1874). According to (Sugiono, 2011) the questionnaire is said to be valid if one of the questions has a value of $r_{table} > r_{count}$. The instrument can be said to be reliable, if it can be used to measure a symptom at different times, it always shows the same results or consistently gives the same measurement results. The instrument can be said to be reliable if the Cronbach Alpha coefficient value is > 0.6 (Supriyanto and Maharani, 2013).

Research instrument: The items in the independent variable used in this study are Islamic Leadership. According to Mahazan, et al. (2015) Islamic leadership can be measured by indicators, namely: Trust or Integrity, Employee Orientation, Muhasabah (Retrospection), and Patience. The items in the dependent variable used in this study are the Employee Performance variable. Performance indicators according to Blickle et al. (2008) there are three, namely: task performance, adaptive performance, and contextual performance. The items in the mediating variable are organizational culture. There are several indicators of organizational culture indicators according to Mckenna (2006), namely: Human-Human Relations, Cooperation, and Employee Performance.

III. ANALYSIS OF DATA

Path Analysis is an analytical method used to examine the relationship between variables and explain the relationship between independent variables and the dependent variable directly or indirectly (Supriyanto and Maharani, 2019). The path development diagram can be seen in Figure 2:



The independent variable of Islamic leadership was measured by 10 questionnaire statements, the dependent variable of employee performance was measured by 6 questionnaire statements, the mediating variable of organizational culture was measured using 6 questionnaire statements.

The First step of the Analysis: The significance test will be carried out in two substructure tests, the first to see the influence of Islamic leadership on organizational culture. The first substructure equation is as follows: $Z = b_1X + e_1$.

Where: Z = organizational culture

b_1 = Islamic leadership regression coefficient

X = Islamic leadership

e_1 = residual

**Results of Regression Analysis of Islamic Leadership (X)
on Organizational Culture (Z)**

Model	Beta	T	Sig	Description
X	0.192	2.028	0.045	Significant
Dependent Variabel =Z R = 0.192 R square = 0.037 F count = 4.115 Sig F count = 0.045				

Source: Data processed, 2021

Based on the table, the regression equation that reflects the variables in this study are: $Z = 0.192X + e_1$.

The standardised coefficient beta value shows the contribution of the Islamic Leadership variable to organizational culture is 0.192 and also a significant value of $0.045 < 0.05$, which means that Islamic leadership has a positive and significant effect on organizational culture.

The second substructure, will examine the influence of Islamic leadership and organizational culture on employee performance. The second substructure equation is as follows: $Y = b_1X + b_2Z + e_2$.

Where: Y = employee performance

X = Islamic leadership

Z = organizational culture

b_1 = Islamic leadership regression coefficient

b_2 = organizational culture regression coefficient

e_2 = residual

**Results of Regression Analysis of Islamic Leadership (X) and Organizational
Culture (Z) on Employee Performance (Y)**

Model	Beta	T	Sig	Description
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X	0.685	10.488	0.000	Significant
Z	0.197	3.008	0.003	Significant
Dependent Variable = Y R = 0.748 R square = 0.560 F count = 68.058 Sig F count = 0.000				

Source: Data processed 2021

Based on the table, the regression equation that reflects the variables in this study are: $Y = 0.685X + 0.197Z + e2$.

The value of the Standardized coefficient beta shows the contribution of the Islamic leadership variable to employee performance is 0.685 and also a significant value of $0.000 < 0.05$ which means that Islamic leadership has a positive and significant effect on employee performance. The standardized coefficient beta value shows the contribution of organizational culture variables to employee performance is 0.197 and also a significant value of $0.003 < 0.05$ which means organizational culture has a positive and significant effect on employee performance.

The Second step of the Analysis: Calculate the direct effect, indirect effect and total effect as follows:

Effect of Variable Calculation

Direct Influence	Indirect Influence	Total Influence	Significant Value
X to Y = 0.685	X to Z to Y = $(0.192 \times 0.197) = 0.037$	X to Z to Y = $(0.192 + 0.197) = 0.389$	X to Y = 0.000 (Significant)
Z to Y = 0.197			Z to Y = 0.003 (Significant)
X to Z = 0.192			X to Z = 0.045 (Significant)

Source: data processed, 2021

Direct influence, to calculate the direct effect, the following formula is used: The influence of Islamic leadership variables on employee performance: X to Y = 0.685. The influence of organizational culture variables on employee performance: Z to Y = 0.197. The influence of Islamic leadership on organizational culture: X to Z = 0.192.

Indirect influence, to calculate the indirect effect, the following formula is used: The influence of Islamic leadership variables on employee performance through organizational culture: X to Z to Y = $0.192 \times 0.197 = 0.037$.

Total influence, to calculate the total effect, the following formula is used: The influence of Islamic leadership variables on employee performance through organizational culture: X to Z to Y = $0.192 + 0.197 = 0.389$.

IV. DISCUSSION AND CONCLUSION

The results of this study testing the hypothesis using the path analysis method can be seen that Islamic leadership has a direct and positive effect on the performance of employees of PT. Pos Indonesia Malang in the calculation using SPSS based on unstandardized coefficient beta of 0.685 with a significant value of $0.000 < 0.05$. These results can be concluded that Islamic leadership directly has a positive and significant effect on employee performance. This means that in the role of Islamic leadership that is applied properly, it can improve employee performance. The results of this study are in line with research according to (Wijayanti & Wajdi, 2012) which shows that of all independent variables, only Islamic leadership has a significant positive effect on employee performance. The results of this research hypothesis using the path analysis method can be seen that Organizational Culture has a positive and significant direct effect on employee performance at PT. Pos Indonesia Malang City

calculation using SPSS based on unstandardized coefficient beta of 0.197 with a significant value of 0.003 <0.05. These results can be said that organizational culture directly has a positive and significant effect on employee performance. This means that in the role of Organizational Culture that is implemented properly, it can improve employee performance. The results of this study are in line with research according to (Madjir & Listeti Yuniar, 2013) which shows that simultaneously competence, training and organizational culture have a significant effect on employee performance. Partially, both training and organizational culture have a significant effect on employee performance.

Based on the results of this study, using the path analysis method, it can be seen that Islamic leadership indirectly has a significant effect on employee performance at PT POS Indonesia Malang City. It can be seen from the table that has been presented above that the value of the indirect calculation of the Islamic Leadership variable on employee performance through organizational culture is 0.037 and the calculation of the total influence of the Islamic Leadership variable on employee performance through organizational culture is 0.389. In this case, it can be concluded that Islamic leadership indirectly has a positive and significant influence on the performance of employees of PT POS Indonesia Malang City through organizational culture. This means that if the role of Islamic Leadership and Organizational Culture is very high, it will indirectly have an impact on improving the performance of employees of PT POS Indonesia Malang City. The results of this study are in line with research according to (Deni Risianto, Dodi W. Irawanto & Mugiono, 2018) organizational culture is able to mediate the influence of leadership style on organizational performance. The role of organizational culture is because it is able to accommodate all the values brought by each individual in the organization and of course the leader as the most influential individual is able to form an order in the organizational culture system. The researcher hopes that this research can contribute information or can be used as consideration for the role of Islamic leadership in having good relations with employees to improve performance for PT. Pos Indonesia Malang City. Based on the results of the questionnaire, it is known that the item regarding the organizational culture of PT Pos Indonesia Malang City has been well applied because of the direction of superiors or regulations on Islamic leadership that can improve employee performance, so it can be said that organizational culture is able to mediate the influence of Islamic leadership on improving the performance of the company's employees. Based on the conclusions above, the suggestions put forward are that further researchers are expected to be able to develop research results by adding other variables such as work motivation, job satisfaction or employee work discipline which can affect employee performance improvement and use better research analysis. Future researchers are expected to conduct further research because there are many things that can be explored in the variables studied, so that they will provide input for other interested parties and in particular can provide input for PT. Pos Indonesia Malang City.

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