



The Influence of Leadership Style and Organizational Culture on Employee Turnover

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Abstract

This study aims to investigate the influence of leadership style and organizational culture on employee turnover rates. An effective leadership style and supportive organizational culture can play a crucial role in improving employee job satisfaction, engagement, and loyalty, which in turn can reduce the tendency to leave the company. This study uses a quantitative approach with a survey method to employees in several companies, to measure their perception of the leadership style applied and the organizational culture that exists in their workplace. Data analysis on this study used Smart-PLS. The results of the analysis show that transformational leadership style is negatively related to employee turnover, while an inclusive and supportive organizational culture also plays a significant role in reducing the turnover rate. This research contributes to human resource managers in designing better policies related to leadership management and organizational culture that can reduce employee turnover and improve overall organizational performance.

Keywords: Leadership Style, Organizational Culture, Employee Turnover, Job Satisfaction, Loyalty.

Introduction

Leadership in an organization aims to ensure that the organization's vision and mission can be achieved. Leadership is the process of influencing the activities of an individual or group to achieve a goal in a given situation, Gibson (1997:47). Leadership is an effort to influence many people through communication to achieve goals. How to influence people with instructions or commands, actions that cause people to act or respond and bring about positive changes, dynamic forces that motivate and coordinate the organization in order to achieve goals, the ability to create confidence and support among subordinates so that organizational goals can be achieved (DuBrin, 2003:3). A recent study was conducted to identify the leadership style of top managers using a charismatic leadership approach. In this charismatic approach, leadership is conceptualized in behaviors ranging from laissez-faire (non-leadership) style to transactional leadership (reward and punishment system) to transformational leadership (inspirational and charisma-based). (Bass and Avolio, 1993).

Organizational culture is related to how employees embrace the values of organizational culture. According to Siagian (2002: 188), organizational culture is the willingness, ability, and willingness of individuals to adapt their behavior to organizational culture, and the willingness, ability, and ability of individuals to increase their work productivity, which is highly related to motivation. According to Fong & Kwok (2009), no matter what type of organization, culture determines the progress of the organization.



Generally, the community is satisfied because they are successful and receive a good assessment from their leaders. There are various definitions of organizational culture written by researchers in the literature on organizational behavior. However, everyone agrees that organizational culture can be described as a collection of values, beliefs, and patterns of employee behavior (Schein, 1992).

Values are standards that contain goodness and truth about the beliefs and actions of an organization that are most widely embraced and used as a work culture in carrying out the organization's vision and mission. Achieving employee job satisfaction is not easy. Because job satisfaction is only created if the variables that affect it include leadership and organizational culture.

Every company that wants to develop must pay attention to the resource factors it has, including the human resource factor because these human resources are system managers. Therefore, the use of human resources must be treated properly so that they can work properly, effectively and efficiently. The importance of human resources in a company requires every organization or company to obtain the best human resources possible. All of these human resource potentials affect the organization's efforts in achieving goals. Human resources as part of inputs and processes combined with other factors will affect each other. In the world of work, turnover intention is familiar, of course. Turnover is the tendency or intention of employees to voluntarily quit their jobs or move from one workplace to another according to their own choice (Belete, 2018). This means that turnover intention is one of the actions that can be seen, observed and possible for things that can happen in a company.

Table 1. Table of Number of Employees in 2022

Month	Number of Employees
April	121
May	100
June	92
July	95
August	80
September	80
October	84

Source : PT Wahana Prestasi Logistik, 2022

Based on the table above, it can be seen that there are still many employees who do not work permanently or go in and out. This phenomenon is based on the data above The number of employees continues to decline in one year Every company has its own organizational culture, organizational culture is created to distinguish one organization from another. Organizational culture is a shared system that includes group beliefs, values and behaviors that have differences with other organizations. This means that organizational culture is a system of shared meaning embraced by members that distinguishes an organization from other organizations. This opinion is supported by research conducted by Pathan (2022) which states that organizational culture has a positive and significant influence on Turnover Intention. It can be concluded that organizational culture is needed to distinguish an organization from another. This is different from the research conducted by Yuliana Ayu Wulansari, Friend of Koesmono, Marlina Junaedi (2017) which stated that organizational



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culture does not have a significant effect on Turnover Intention. Based on the above data, the researcher intends to research organizational culture because of differences of opinion from the journals.

Work stress is a form of physical or mental response or response of a person to his or her environment that is felt to disturb and threaten him and affect the process of thinking, emotions and a person's physical condition. According to Robbins and Judge (2015:232), work stress is a stressful feeling experienced by employees in dealing with work." This opinion is supported by research conducted by Muhammad Soelton (2018) which states that work stress has a significant effect on turnover intention, while research by Nurjaya et al. (2020) states that work stress does not have a significant effect on turnover intention. Based on the above data, the researcher intends to examine the effect of work stress on turnover.

Leadership style seems to have an impact on reducing turnover and organizations can benefit from development programs to instill a transformational leadership style among their managers (Ariyabuddhiphongs and Kahn, 2017). Leadership style has a profound impact on employee turnover in an organization. In this context, we can see how different leadership approaches affect employee job satisfaction and commitment. When a leader adopts a transformational leadership style, they tend to inspire and motivate their team. Leaders who are able to create a clear vision and involve employees in the process often succeed in increasing job satisfaction. Employees feel valued and motivated to give their best, which ultimately reduces their chances of leaving the company. In contrast, leaders who use authoritarian leadership styles tend to create a tense atmosphere. With a rigid approach and one-sided decision-making, employees feel pressured and have less room to contribute. This often leads to dissatisfaction and ultimately, increases turnover rates. On the other hand, participatory leadership shows power in building strong relationships between leaders and employees. By involving employees in decision-making, they feel they have a hand in the success of the team and the organization. This sense of belonging tends to create high loyalty, so employees are more reluctant to leave their positions. However, there is also a laissez-faire leadership style that can cause confusion among employees. The lack of guidance and direction makes them feel disoriented and undervalued.

In this situation, turnover can increase because employees feel dissatisfied and do not have clear motivation. Finally, a good interpersonal relationship between the leader and the team is essential. Leaders who show empathy and provide support to employees create a positive work environment. When employees feel supported and valued, they tend to feel more comfortable and loyal, which contributes to a decrease in turnover rates. Overall, leadership style plays a crucial role in creating a healthy work environment. Effective leaders can motivate teams and reduce turnover rates, while a poor approach can create dissatisfaction and increase the risk of employees leaving the company. Lin and Liu (2017) mentioned that ethical leadership plays an important role in influencing turnover intention through engagement and burnout mediation.

Organizational culture has a profound influence on employee turnover rates. Each company has unique characteristics that reflect the values and norms it adheres to, and this plays an important role in creating a work atmosphere. When an organization has a positive culture, one that emphasizes collaboration, innovation, and recognition, employees often feel more satisfied with their work. In this environment, employees feel valued and motivated, so their chances of staying in the company increase. They tend to see the workplace not only as



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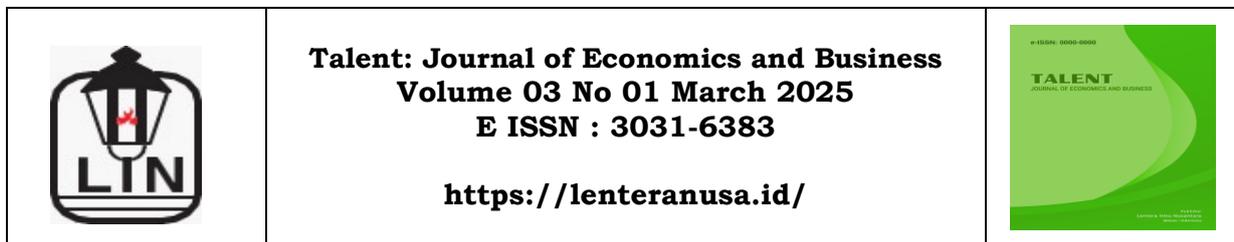


a source of income, but also as part of their identity. One of the key factors in organizational culture is the alignment between company values and employees' personal values. When employees feel that the organization's principles and mission align with their personal beliefs, the sense of attachment to the company will be stronger. Conversely, mismatches in these values often lead to dissatisfaction, prompting employees to look elsewhere for opportunities. Social support in the work environment is also very influential. A culture that fosters good relationships between employees and open communication creates stronger bonds. Employees who feel supported by their peers tend to be more loyal and attached, while those who feel alienated may leave the company more easily. In addition, the aspect of fairness and transparency in decision-making is no less important. An organization that upholds the principle of fairness builds trust among employees. Those who feel treated fairly are more likely to feel tied to the organization. Conversely, injustice can create significant dissatisfaction and encourage employees to look elsewhere. (James L. Heskett) In his book "The Culture Cycle," Heskett emphasizes that a strong organizational culture can have a positive impact on financial performance and, in this context, reduce turnover. He argues that companies that invest in a positive and supportive culture will see better employee retention rates.

A culture that supports innovation and gives employees the freedom to be creative also has a positive impact. When employees feel that their ideas are valued and can contribute creatively, their sense of attachment to the company increases. They will feel that the workplace is a space where they can grow and develop. Finally, an organization's ability to manage change is also influenced by the culture in place. Organizations that have an adaptive culture make employees feel more comfortable when facing challenges. Employees who feel engaged and ready for the change process tend to stay loyal, while uncertainty can spark a desire to look elsewhere. Overall, a positive and healthy organizational culture can increase employee satisfaction, loyalty, and commitment. Conversely, a negative or inappropriate culture can create dissatisfaction, encouraging employees to look for a way out. Thus, building and maintaining a good organizational culture is an important investment for companies to reduce turnover and retain top talent. Kang (2013) also explained that organizational culture also has an indirect influence on employee turnover.

The purpose of the research regarding the influence of leadership style and organizational culture on employee turnover is very important to understand the factors that influence employees' decisions to stay or leave the company. First, this study aims to explore how different leadership styles, such as transformational, transactional, or authoritarian leadership, can affect employee job satisfaction and motivation. By understanding these relationships, companies can develop more effective leadership strategies to improve employee retention. This study also aims to analyze the role of organizational culture in influencing employee turnover. A positive organizational culture, which includes values, norms, and practices that support engagement and collaboration, can create a conducive work environment for employees. This research will identify the elements of organizational culture that most influence employees' decisions to stay, as well as how they can be strengthened to reduce turnover.

The purpose of this research is to provide practical recommendations for companies in managing their leadership style and organizational culture. With the results of in-depth research, companies can formulate policies and programs that support better leadership



development and strengthen an inclusive and positive organizational culture. This is expected to not only lower turnover rates, but also increase job satisfaction, productivity, and employee loyalty, which ultimately has a positive impact on the overall performance of the organization.

The reason I took this study is because employee turnover is a crucial issue for many companies, as it can have a significant impact on organizational performance, hiring costs, and team morale. By analyzing factors such as leadership style and organizational culture, this research can provide in-depth insights into what drives employees to leave the company. This is important to help companies formulate more effective retention strategies.

Leadership style and organizational culture are two key elements that affect the work environment. A good leadership style can increase employee motivation and job satisfaction, while a positive organizational culture can create a sense of belonging and attachment. By examining the relationship between these two factors and turnover, this study can provide practical guidance for management in creating a work environment that supports employee sustainability.

However, existing research has not comprehensively addressed how leadership style and organizational culture interact in shaping turnover intention across different contexts, indicating a distinct gap that this study seeks to fill. The novelty of this research lies in its integrated examination of leadership style and organizational culture, offering new insights into the complex interplay between these variables and their cumulative effect on employee retention.

This topic is relevant in the context of today's organizational development, where many companies are trying to increase employee engagement and loyalty. Understanding how leadership style and organizational culture contribute to turnover not only contributes to the academic literature, but also makes a real contribution to managerial practice in the industrial world. This research has the potential to be a useful source of information for leaders and decision-makers to create a better work environment.

Method

This study aims to analyze the influence of leadership style and organizational culture on employee turnover rates in service companies operating in the Jababeka Industrial Estate, South Cikarang. The study population consisted of employees who had worked for at least six months, with a sampling technique using purposive sampling based on the sample formula from Hair et al. (2014) which resulted in a sample of 130 respondents. This approach was chosen to ensure that the selected respondents possessed sufficient practical experience and insight, thereby enhancing the relevance and depth of data regarding leadership style, organizational culture, and employee turnover. The research instrument is in the form of a questionnaire prepared based on the indicators of each variable: leadership style (decision-making, strong control, clear instructions, strict supervision, ability to influence, flexibility, and assessment of team members' needs), organizational culture (alignment of values, commitment to vision and mission, understanding of common goals, openness to feedback, employee empowerment, and involvement in decision-making), and turnover employees (working conditions, relationships with colleagues, awards and recognition, salary and compensation, duties and responsibilities, and mentoring and coaching). This study uses the

Likert scale to measure respondents, and data analysis is carried out using SmartPLS software to test the relationship between variables.

Results and Discussion

Descriptive Analysis of Respondent Data

Table 1 Respondent Profile

Items	Type	Respondents	Percentage(%)
Gender	Man	37	37%
	Woman	69	69%
Age	<20 Years	23	23%
	20-30 Years	83	83%
	30-40 Years	0	0%
	> 40 Years	0	0%
Last Education	High School/Vocational School	92	92%
	DIPLOMA	4	4%
	S1	10	10%
	S2	0	0%
Length of Work	< 1 year	35	35%
	1-2 Years	37	37%
	> 2 Years	34	34%

Source : Smartpls Data Processing (2024)

Based on the data management in this study, the respondent profiles in table 1, This data shows that the majority of respondents in this study are women, with a much higher proportion than men (69% vs 37%). The majority of respondents are between the ages of 20 and 30 (83%). This shows that the respondent population is dominated by young age groups who may be in the early stages or development of their careers. None of the respondents were over 30 years old, indicating that the study involved more young employees. The majority of respondents had the last education at the high school/vocational level (92%), indicating that the study population mostly came from the workforce with a secondary education level. Only a small percentage have a diploma or bachelor's degree (4% and 10%), which could reflect that the company or organization studied may be hiring more employees with a secondary education background. This data shows that the majority of respondents have relatively short working periods, with 35% of them working less than 1 year, and 37% working between 1 to 2 years. This suggests that many respondents may be in the early stages of their careers in the organization, and may experience high employee turnover. Only 34% of respondents have more than 2 years of work experience, which indicates that few employees have a long tenure in the organization.

Validity Test

In this study, a validity test was carried out to evaluate the suitability between existing indicators and the concept to be measured. The following are the results of the validity test conducted for the research instrument.

Table 2. Validity Test

	Organizational Culture	Employee Turnover	Leadership Style	Information
SET 1	0,5			Valid
SET 2	0,608			Valid
SET 3	0,524			Valid
GROUP 4	0,348			Valid
GROUP 5	0,695			Valid
GROUP 6	0,695			Valid
GROUP 7	0,119			Valid
CHAPTE R 8	0,618			Valid
ET 1		0,317		Valid
ET 2		0,555		Valid
ET 3		0,718		Valid
ET 4		0,408		Valid
ET 5		0,601		Valid
ET 6		0,626		Valid
ET 7		0,687		Valid
ET 8		0,305		Valid
LS 1			0,16	Valid
LS 2			0,57	Valid
LS 3			0,692	Valid
LS 4			0,665	Valid
LS 5			0,196	Valid
LS 6			0,55	Valid
LS 7			0,692	Valid
LS 8			0,615	Valid

Source : SmartPLS data processing (2024)

Based on Table 2, the results of the analysis through the outer loading test, it can be concluded that the Organizational Culture (BO) value ranges from 0.119 to 0.695. These values indicate that there is variation in the level of cultural strength of the organization in different units or departments within the organization. For example, BO 7 has a low score (0.119), which indicates that the organizational culture in this section is relatively weak or less strong compared to other sections such as BO 5 and BO 6 which both have higher values (0.695). Data on Employee Turnover (ET) rates shows that employee turnover ranges from

0.305 to 0.718. ET 3, which has the highest score (0.718), shows a relatively high turnover rate, while ET 8, which has a low score (0.305), shows a lower turnover rate.

Correlation between Organizational Culture and Employee Turnover In general, we can see a potential relationship between organizational culture and turnover rates. In parts with higher Organizational Culture (BO), such as BO 5 and BO 6, Employee Turnover (ET) rates tend to be lower. This suggests that a stronger and well-defined organizational culture may be able to contribute to a decline in turnover rates. In contrast, in the section with a low BO of 7, the employee turnover rate tends to be higher (ET 1 = 0.317). This can be interpreted as a less strong or in-depth organizational culture that can contribute to increased turnover rates.

Reliability Test

Reliability test is a test conducted to measure the consistency and reliability of a research instrument. The test involves reliability in this study using the Composite reliability value and Cronbach's Alpha value. The following are the results of the reliability test of the research instrument:

Table 3. Reliability Test

	Cronbach's Alpha	Rho_A	Composite Reliability	Average Extracted Variance (AVE)
Organizational Culture	0,659	0,707	0,750	0,297
Employee Turnover	0,689	0,709	0,761	0,301
Leadership Style	0,632	0,694	0,756	0,309

Source : SmartPLS data processing (2024)

Based on Table 3, the results of the reliability tests that have been conducted, Organizational Culture, Employee Turnover, and Leadership Style all have fairly good reliability, although there are some aspects that indicate room for improvement, especially in the case of Cronbach's Alpha and AVE. Composite reliability for all three variables shows a high level of reliability, with values above 0.70, which indicates that the model as a whole is able to measure these variables with good. The AVE for all three variables is slightly lower than the desired standard (usually more than 0.50), which indicates that despite the high reliability, there is an opportunity to improve the quality of the indicator in explaining the variables. Overall, the instruments used can be considered reliable for measuring Organizational Culture, Employee Turnover, and Leadership Style, but there may be further improvements needed to achieve higher standards in terms of AVE values and internal consistency.

Square Test

R Square or determination coefficient is a statistical measure that shows how much an independent variable is capable of explaining variations in dependent variables. The value of the determination coefficient ranges from 0 to 1, where the closer to 1, the stronger the

prediction ability. The following are the results of the determination coefficient test as follows:

Table 4. R Test Results

	R-Square	Adjusted R Square
Employee Turnover	0,451	0,441

Source : SmartPLS data processing (2024)

The value of $R^2 = 0.451$ and $Adjusted R^2 = 0.441$ indicates that the model used to predict Employee Turnover has moderate explanatory power. This model is able to account for about 45% of the turnover variance, but there are about 55% that are influenced by other factors that are not included in the model. While these numbers show pretty good results in some cases, there is still potential to improve the model by including additional variables or identifying other factors that may more strongly influence employee turnover. With these results, we can conclude that although the model is quite good, there is potential to further improve the understanding of Employee Turnover by adding more variables or improving the existing model.

Path Coefficients

These path coefficients are obtained through path analysis and provide information about the direct influence between independent variables on dependent variables in the research model. The following are the results of the calculation of path coefficients that show the relationship between the variables in the tested model:

Table 5. Path Coefficients Results

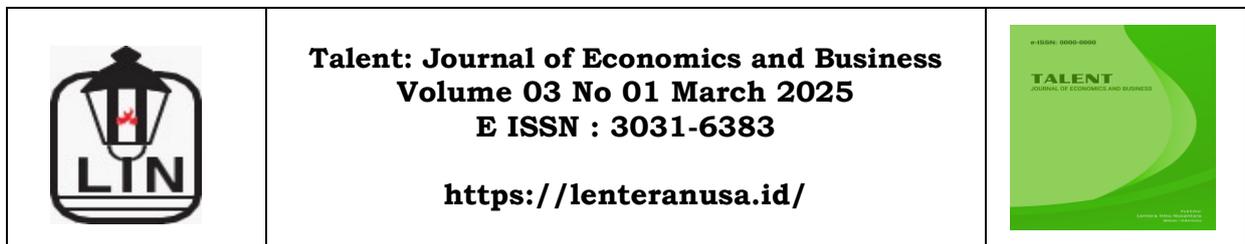
	Original Sample (O)	Average Sample (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Organizational Culture -> Employee Turnover	0,278	0,303	0,103	2,697	0,007
Leadership Style -> Employee Turnover	0,478	0,496	0,093	5,147	0,000

Source : SmartPLS data processing (2024)

Based on Table 5, the results show that the two variables tested (Organizational Culture and Leadership Style) have a significant influence on employee turnover rates, with leadership style having a stronger influence based on a higher statistical T value and a smaller P value.

Relationship Leadership Style on Employee Turnover

Leadership style has a significant influence on the level of employee turnover in an organization. Leaders who implement transformational or participatory leadership styles tend to reduce employee turnover, as they are able to motivate, inspire, and involve employees in decision-making. Employees who feel valued and empowered by their leaders will have a



high level of job satisfaction and are more likely to stay in the company. Conversely, an autocratic or uncontrolled laissez-faire leadership style can increase employee turnover. When leaders don't provide clear direction or ignore employee development needs, employees will feel less valued and more likely to look for other opportunities outside the organization.

Employee job satisfaction and commitment are greatly influenced by the leadership style applied. Leaders who care about employee well-being and provide career development opportunities will create a positive work environment and higher employee loyalty. In this environment, employees feel they have a greater shared purpose and are more motivated to contribute. Conversely, leaders who neglect open communication, don't provide enough support, or don't develop good relationships with employees will lead to dissatisfaction that ultimately drives employees to leave the company.

Based on the data provided, most of the respondents in this study are women, with a percentage of 69%, while men are only 37%. This shows that in this sample, women's participation is more dominant, which can reflect the sector or organization that is being studied more followed by women. In terms of age, the majority of respondents were between 20 and 30 years old, reaching 83%, while none of the respondents were over 40 years old or under 20 years old. This condition suggests that younger age groups dominate, which are most likely still in the early or middle of their careers. With the majority in this age range, it can be assumed that respondents have the potential for greater career development, but it can also indicate that they are still in the process of adapting in the world of work.

In terms of education, almost all respondents (92%) have a high school/vocational education background, while only a few have a diploma education (4%) or bachelor's degree (10%). This indicates that higher levels of education are less dominant among respondents, which may reflect a sector that is more in need of a workforce with secondary education qualifications or because of the large number of workers who are still in the process of upgrading their education. In terms of work experience, the majority of respondents have between 1 to 2 years of work experience (37%), followed by those who have worked less than 1 year (35%), and few have more than 2 years of experience (34%). This profile shows that many respondents are relatively new to the workforce, which could indicate sectors with a fairly high turnover rate or organizations that often recruit new employees. Overall, this data illustrates the characteristics of a workforce dominated by young women with secondary education backgrounds and is relatively new to the workforce, which of course requires special attention in terms of career development and employee retention.

This study compared the results with previous research to understand the relationship between leadership style and employee turnover. In a study of leadership styles in Kenya, it was found that previous studies have shown a significant relationship between certain leadership styles, such as transformational and transactional, with employee turnover. However, the results are still varied and sometimes contradictory, depending on the context of the organization being studied. Meanwhile, research in the Terengganu hospitality industry highlights the importance of stress as a mediator that strengthens the relationship between leadership style and intention to quit work. The study supports previous findings suggesting that an effective leadership style can reduce stress levels and, ultimately, turnover. However, in a study that addressed customer satisfaction in the automotive sector, the results were different from previous findings. Some demographic factors such as age, income, and gender,

which were considered significant in previous studies, did not have a statistically significant relationship to customer satisfaction in this context. This difference in results shows the importance of considering specific factors within each industry and organization.

Theoretically, the findings of this study enrich the literature regarding the relationship between leadership style, stress, and employee turnover, as well as the factors that affect customer satisfaction. This study confirms that the role of leadership styles, such as transformational and transactional, as well as mediating factors such as stress, is critical in understanding employee behavior, specifically the intention to leave the job. In addition, different results on the automotive sector highlight that the industry context can influence the relevance of demographic factors to customer satisfaction. These findings contribute to the development of new conceptual models that are more contextual and specific to the industry. In practical terms, this study provides guidance for managers and organizational leaders to implement effective leadership styles, such as transformational, that not only increase employee engagement but also reduce stress and turnover levels. On the other hand, for the automotive sector, companies can focus on non-demographic aspects, such as service quality and customer experience, which are more relevant to improve customer satisfaction. By understanding these implications, organizations can take strategic steps to improve employee retention and customer satisfaction simultaneously.

Relationship of Organizational Culture on Turnover Employee

A positive organizational culture plays an important role in reducing employee turnover because it creates a work environment that supports employee well-being and satisfaction. Values such as transparency, respect for employees, and open communication can increase employee engagement with the company. Employees who feel valued and engaged in a healthy organizational culture will be more likely to stay around and commit in the long run, as they feel they have a strong emotional and professional connection with the company. A positive culture also encourages loyalty and a sense of responsibility towards the company's goals.

Conversely, a negative organizational culture, such as poor communication, lack of support from management, or unclear roles, can increase levels of dissatisfaction and stress among employees. This makes employees more vulnerable to looking for other job opportunities that better match their expectations. When an organization's culture doesn't support collaboration, recognition of employee contributions, or work-life balance, turnover tends to increase because employees feel undervalued and don't have clear prospects within the company. Therefore, companies need to build and maintain a positive culture to reduce turnover and create a stable and productive work environment.

Based on the profiles of the respondents presented, most of them came from the female group (69%) with the majority aged between 20 and 30 years old (83%). This reflects that the majority of respondents are young individuals who are likely to be in the early stages of their careers. This age group tends to look for opportunities to develop and gain more professional experience. With these characteristics, companies with a majority of young employees need to offer training opportunities, skills development, and clear career paths to retain employees and reduce employee turnover rates. In addition, companies also need to create a work culture that supports life balance, considering that the younger generation often prioritizes this aspect in choosing a job.



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On the other hand, most respondents had a last high school/vocational education (92%), which indicates that the majority of employees may work in positions that do not require higher education. While this does not diminish their potential contribution, employees with this kind of educational background may be more vulnerable to finding new jobs if there are not enough development opportunities. In addition, with the majority of employees working for less than 2 years (72%), employees in this time range tend to be more easily influenced by external factors, such as more attractive job offers from outside the company. Therefore, companies need to pay attention to factors such as rewards for performance, ongoing training, and an inclusive work environment to increase employee retention among them.

Previous research by Ariani (2023) evaluated the relationship between job satisfaction (JS), organizational culture (OC), and employee performance (IRP and ERP) in small and medium-sized manufacturing companies. The results show that OC significantly affects JS, but JS does not directly affect IRP or ERP, in contrast to previous studies that often state that JS is a precursor to performance. In contrast, Sheridan's (1992) research focuses on the impact of organizational culture values on employee retention. He found that work cultures that emphasize teamwork and respect for individuals increase retention rates, while cultures that encourage individual initiative result in lower retention rates in low-performing employees. Meanwhile, Nzuva & Kimanzi (2022) assert that a strong organizational culture not only increases employee productivity through motivation and commitment, but also allows the adaptation of organizational culture to accommodate the needs of the company and employees. This comparison shows that while organizational culture has consistently been shown to influence performance and retention, its influencing mechanisms can vary depending on the context and approach used.

Research on organizational culture, job satisfaction, and employee performance strengthens several organizational theories such as Social Exchange Theory and Structural-Functionalist Theory. This theory emphasizes that a strong organizational culture creates a work environment that is conducive to employee satisfaction, which ultimately affects their performance. In a practical context, this theory can be translated into managing organizational culture that emphasizes values such as collaboration, respect for the individual, and innovation to increase productivity (Nzuva & Kimanzi, 2022). In addition, Sheridan's (1992) research shows the importance of person-organization fit in employee retention, highlighting that a culture that matches the individual values of employees will increase long-term commitment.

The results of this research can be applied by integrating organizational culture into human resource management strategies. Companies can strengthen a supportive work culture, for example by creating training programs that introduce organizational values to new employees. In addition, regular evaluation of organizational culture is also important to ensure that it is appropriate for employee needs and organizational goals. The results of Ariani's (2023) research can also be used to develop policies to strengthen work culture, such as encouraging team collaboration to improve IRP and ERP. On the other hand, Sheridan's research shows that companies need to focus on retaining high-performing employees by creating a work culture that supports individual growth while rewarding their contributions.



Conclusion

The conclusion of this study shows that leadership style and organizational culture have a significant influence on employee turnover rates. Transformational leadership styles, which emphasize motivation, personal development, and inspiration to employees, have been shown to reduce turnover rates by increasing employee engagement and job satisfaction. In addition, an inclusive, supportive, and focused organizational culture on employee well-being also contributes to decreased turnover, as it creates an environment that supports employees to thrive and feel valued. Therefore, companies that adopt an effective leadership style and build a positive organizational culture tend to be better able to retain their employees, reduce turnover rates, and improve overall organizational performance.

Nevertheless, this research is limited by its focus on a single industrial context, potentially affecting the generalizability of the findings to other sectors or regions. Future studies could expand the sampling scope to different industries, incorporate more diverse demographic factors, or utilize mixed-method designs to explore deeper nuances of how leadership styles and organizational cultures shape employee turnover.

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