

## STRATEGIC ORGANIZATIONAL PERFORMANCE IN ELECTRIC POWER COMPANY IN INDONESIA

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### **Abstract**

*The purpose of the research is to analyze the influence of transformational leadership and strategic organizational change management to organizational performance with organizational climate as mediating variable in the electricity state own Enterprises in Indonesia. This is a quantitative non-experiment research and using questionnaire with 1.429 respondents within divisions of PLN Head Quarter, and its subsidiaries and affiliates during October 2021 – January 2022. The analysis process is conducted by SPSS and LISREL. Research has found that transformational leadership style and strategic organizational change management, both separately and together have positive and significant influence to organizational climate with variable of strategic organizational change management has more dominant influence. Transformational leadership style, strategic organizational change management and organizational climate both separately and or together have a positive and significant influence to organizational performance, with variable organizational climate has more dominant influence. Leader should create an effective organizational climate to improve the influence of transformational leadership capability and change management to achieving excellent organizational performance. The mediating effect of organizational climate is the novelty/originality of research, which has an important and positive impact to enhance the impact of transformative leadership styles or strategic organizational change management on organizational performance. The study was conducted at a state-owned enterprise. Further research in various industries/enterprises by state-owned and private companies is expected.*  
keywords: Organizational Performance, Transformational Leadership Style, Strategic Organizational Change Management, Organizational Climate.

### **Abstrak**

*Penelitian ini bertujuan untuk menganalisis pengaruh kepemimpinan transformasional dan manajemen perubahan organisasi strategis terhadap kinerja organisasi dengan variabel mediasi iklim organisasi pada BUMN ketenagalistrikan di Indonesia. Penelitian ini merupakan penelitian non-eksperimental kuantitatif dan menggunakan kuesioner dengan 1.429 responden di divisi PLN Pusat, anak perusahaan dan afiliasinya selama Oktober 2021 – Januari 2022. Proses analisis dilakukan dengan SPSS dan LISREL. Penelitian telah menemukan bahwa gaya kepemimpinan transformasional dan manajemen perubahan organisasi strategis, baik secara terpisah maupun bersama-sama memiliki pengaruh positif dan signifikan terhadap iklim organisasi dengan variabel manajemen perubahan organisasi strategis memiliki pengaruh yang lebih*

*dominan. Gaya kepemimpinan transformasional, manajemen perubahan strategis organisasi dan iklim organisasi baik secara terpisah maupun bersama-sama memiliki pengaruh positif dan signifikan terhadap kinerja organisasi, dengan variabel iklim organisasi memiliki pengaruh yang lebih dominan. Pemimpin harus menciptakan iklim organisasi yang efektif untuk meningkatkan pengaruh kapabilitas kepemimpinan transformasional dan manajemen perubahan untuk mencapai kinerja organisasi yang unggul. Efek mediasi dari iklim organisasi adalah kebaruan / orisinalitas penelitian, yang memiliki dampak penting dan positif untuk meningkatkan dampak gaya kepemimpinan transformatif atau manajemen perubahan organisasi strategis terhadap kinerja organisasi. Penelitian dilakukan di sebuah perusahaan milik negara. Penelitian lebih lanjut di berbagai industri/perusahaan oleh perusahaan milik negara dan swasta diharapkan.*  
kata kunci: Kinerja Organisasi, Gaya Kepemimpinan Transformasional, Manajemen Perubahan Strategis Organisasi, Iklim Organisasi.

## INTRODUCTIONS

Corporate strategy plays an important role in how an organization functions. A blueprint that guides organizational direction, governance structures provide a framework for allocating responsibility and resources to achieve organizational performance.<sup>1</sup> In other words, organizational performance can be understood in terms of how well an organization achieves its goals. Organizational performance is the organization's actual performance and performance measured against predetermined goals.<sup>2</sup>

Organizational culture is a key variable for organizational success. Organizational culture is defined as employees' subjective perceptions of how their work environment affects them as individuals.<sup>3</sup>

Through appropriate leadership styles, change her leaders can influence and ultimately change the behavior of employees, teams and organizations in general.<sup>4</sup>

Kristianto, Rivai, and Suharto studied the influence of leadership style and organizational culture on employee performance, mediating organizational engagement, and found that organizational engagement was a variable of leadership style on employee performance.<sup>5</sup> is an intervening variable that can indirectly influence organizational climate variables on employee performance. Ayodotun, Maxwell, Oladele, Hezekiah, Taiye, and Olamide examined the effect of organizational climate in moderating the impact of leadership orientation and employee engagement on task characteristics, with managers paying attention to leadership quality and

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<sup>1</sup> Fatuma B. Omar and James M. Kilika, "Corporate Strategy, Governance Structure and Organization Performance: A Research Agenda," *Business and Management Research* 7, no. 2 (2018), <https://doi.org/10.5430/bmr.v7n2p49>.

<sup>2</sup> Omar and Kilika.

<sup>3</sup> Charles Glisson, "Assessing and Changing Organizational Culture and Climate for Effective Services," *Research on Social Work Practice* 17 (2007), <https://doi.org/10.1177/1049731507301659>.

<sup>4</sup> Akintola Akinbode and Said Shuhumi, "Change Management Process and Leadership Styles," *People: International Journal of Social Sciences* 4, no. 2 (2018), <https://doi.org/10.20319/pijss.2018.42.609618>.

<sup>5</sup> Praditya Budi Kristianto, Abdul Rivai, and Suharto, "The Influence of Leadership Style and Organizational Climate on Employee Performance through Organizational Commitment on Perum Pegadaian Branch East Bekasi," *International Journal of Business and Applied Social Science* 4, no. 6 (2018).

organizational processes.<sup>6</sup> I found that I had to pay Factors are important for the relationship between leadership styles and improve employee engagement.

The study was conducted at a state-owned enterprise, one of the state-owned enterprises (BUMN). Electric Power Company (PLN) with the largest total assets i.e. Rp 1.402 trillion, total employment 63,376 and 273 trillion rupees in total agricultural income. Against the above background, the research question can be formulated as follows.

1. Is there a cultural impact of transformational leadership styles?
2. Is there an impact of strategic organizational change management on organizational culture?
3. Is there an impact of transformational leadership styles on organizational performance?
4. Is there an impact of strategic organizational change management on organizational performance?
5. Does organizational culture affect organizational performance? 6. Will there be an impact on transformational leadership styles and strategic organizational change management?
6. Organizational culture?
7. Transformational Leadership Styles, Strategic Organizational Change Management, and
8. Organizational culture regarding organizational performance?
9. Eighth. Do mediation effects of organizational culture increase the impact of transformational leadership on organizational performance?
10. 9. Does the mediating effect of organizational culture enhance the effectiveness of strategic organizational change?
11. Managing organizational performance?

## LITERATURE REVIEW

### Organizational Performance

Performance is a very complex concept that needs to be considered and evaluated in order to better and effectively achieve desired goals in the future by achieving actual results.<sup>7</sup> Improving an organization's performance is the focus of every manager, and successful improvement of the

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<sup>6</sup> Ibidunni S. Ayodotun et al., "Moderating Effect of Organizational Climate on a Task-Trait Leadership Orientation and Employee Commitment: The Nigerian Banking Experience," *Academy of Strategic Management Journal* 17, no. 2 (2018).

<sup>7</sup> Jeevan Jyoti and Manisha Dev, "The Impact of Transformational Leadership Nn Employee Creativity: The Role of Learning Orientation," *Journal of Asia Business Studies* 9, no. 1 (2015), <https://doi.org/10.1108/JABS-03-2014-0022>.

organization's performance is very important for the organization to establish a comprehensive set of metrics set by the company.<sup>8</sup>

Talented employee performance is a key component of organizational performance, as it is a key factor that drives the wheels of an organization to meet competitive challenges.<sup>9</sup> Organizational performance is an important aspect of many studies in the management literature because it plays a key role in developing, implementing, and monitoring strategic plans and setting future directions.<sup>10</sup> Organizational growth and progress can only be achieved through continuous performance improvement.<sup>11</sup>

### Strategic Organizational Change Management

Change management is one of the most important ways to deal with today's rapid change. It also refers to all activities related to the interaction of technology, processes and people.<sup>12</sup> Dawson identified aspects of organizational change in the following areas: The politics of change, the context of change, the nature of change. A change management strategy comes from the team through project and end-user training, new process understanding, workplace communication and redesign as a series of key activities.<sup>13</sup> He has five aspects to strategic management change: (1) characteristics of change leaders; and (2) a culture of change. (3) change policies and strategies; (4) Background of Change. (5) Technology and Content of Modifications.

### Organizational Climate

According to Henry climate organization is a holistic description of an organization that is determined by members' perceptions depending on the characteristics of the organization.<sup>14</sup>

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<sup>8</sup> Shu-Mei Tseng and Pei-Shan Lee, "The Effect of Knowledge Management Capability and Dynamic Capability on Organizational Performance," *Journal of Enterprise Information Management* 27, no. 2 (January 1, 2014), <https://doi.org/10.1108/JEIM-05-2012-0025>.

<sup>9</sup> Bashaer Almatrooshi, Sanjay Kumar Singh, and Sherine Farouk, "Determinants of Organizational Performance: A Proposed Framework," ed. Thomas F. Burgess and John Heap Sanjay Kumar Singh, *International Journal of Productivity and Performance Management* 65, no. 6 (2016): 844–59, <https://doi.org/10.1108/IJPPM-02-2016-0038>.

<sup>10</sup> Luliya Teeratansirikool et al., "Competitive Strategies and Firm Performance: The Mediating Role of Performance Measurement," *International Journal of Productivity and Performance Management* 62, no. 2 (2013), <https://doi.org/10.1108/17410401311295722>.

<sup>11</sup> Gholamhossein Mehralian et al., "The Effects of Corporate Social Responsibility on Organizational Performance in The Iranian Pharmaceutical Industry: The Mediating Role of TQM," *Journal of Cleaner Production* 135 (2016), <https://doi.org/10.1016/j.jclepro.2016.06.116>.

<sup>12</sup> Hala M Al-Shamlan and Abdullah S Al-Mudimigh, "The Chang Management Strategies and Processes for Successful ERP Implementation: A Case Study of MADAR" 8, no. 2 (2011).

<sup>13</sup> Seyed Habib Maktabi and Ariba Hanifi, "The Study of the Dimensions and Components of Change Management among the Managers in Azad Islamic Universities (8th District Branches) and Presenting an Appropriate Conceptual Framework," *European Online Journal of Natural and Social Sciences* 2, no. 3 (2013).

<sup>14</sup> Igoni Manuel Henry, "Organizational Climate and Organizational Commiment Of Deposit Money Banks in Rivers State," *International Journal of Advanced Academic Research* 3, no. 4 (2017).

Schneider B. Ehrhart explains that the organizational climate as a meaning with members of the organization attached to events, policies, practices, procedures that they experience and the behaviors they see are valued, supported, and expected. The company's image, leadership style, management responsibilities, the atmosphere of the work environment, relationships and treating each other will affect the future fate of employees.<sup>15</sup> Organizational climate is a relatively stable characteristic in the organization's internal environment, experienced by members, influences behavior, and can be explained in terms of certain group values in the organization.<sup>16</sup>

### **Hypothesis Formulation**

A study by Patiar and Mia found that common management practices demonstrate this.<sup>17</sup> A transformative leadership style creates a work environment that shares the organization's vision, inspires and inspires intellectuals, and instills high ideals and values in subordinates. In addition, a transformative leadership style demonstrates consistent behavior across situations and conditions, reduces subordinate perceptions of company policies and procedures, and creates a strong organizational culture. Innovative leadership styles create a climate that supports and encourages subordinates to come up with new ideas to solve problems, which leads to empowerment and enthusiasm in the workplace. Based on some explanations above, the hypothesis can be formulated as follows.

**H1: Transformational leadership style has a significant influence on organizational climate.**

Effective strategic organizational change management is very important in organizational culture. Environmental protection and the ability to embrace change are very important. These factors are part of culture, as some researchers have found culture to be one of the key factors in understanding and successfully implementing change.<sup>18</sup> Based on the above description, the research hypothesis can be formulated as follows.

**H2: Strategic organizational change management has a significant influence on organizational climate.**

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<sup>15</sup> Le Hung, Y.-S Lee, and D.-C Lee, "The Moderating Effects of Salary Satisfaction and Working Pressure on The Organizational Climate, Organizational Commitment to Turnover Intention," *International Journal of Business and Society* 19, no. 1 (2018).

<sup>16</sup> Milena Margarita Villamizar Reyes and Delio Ignacio Castañeda Zapata, "Relation Between Organizational Climate and Its Dimensions and Knowledge-Sharing Behavior Among Knowledge Workers," *International Journal of Psychological Research* 7, no. 2 (2014).

<sup>17</sup> Anoop Patiar and Lokman Mia, "Transformational Leadership Style, Market Competition and Departmental Performance: Evidence From Luxury Hotels in Australia," *International Journal of Hospitality Management* 28, no. 2 (2009), <https://doi.org/10.1016/j.ijhm.2008.09.003>.

<sup>18</sup> Al-Shamlan and Al-Mudimigh, "The Chang Management Strategies and Processes for Successful ERP Implementation: A Case Study of MADAR."

According to research conducted by Rejas in Chile, results were obtained that transformational leadership style had a positive impact on performance.<sup>19</sup> In another study Obiwuru conducted a survey of small scale companies in Nigeria regarding the effect of transformational leadership style on organizational performance and found that transformational leadership styles had a positive but not significant effect on organizational performance<sup>20</sup>. Pradeep & Prabhu in their research examined the relationship between effective transformational leadership style and employee performance in India.<sup>21</sup> Their study revealed that leadership is positively related to employee performance both for transformational leadership behavior and transactional leadership behavior. Based on some of the above studies, the research hypothesis can be formulated as follows:

**H3: Transformational leadership style has a significant influence on organizational performance.**

According to Al-Shamlan and Al-Mudimigh in his research that is taking an ERP system as a case study to see what are the factors of strategic organizational change management that have been used in implementation and what influence on employees in organizational performance.<sup>22</sup> In addition, the research conducted by Ebongkeng, et al. at the sugar factory in Sofina Cameroon shows the need for good management of changes so that the company can survive, compete and achieve goals. Based on the explanation above, the research hypothesis can be formulated as follows:

**H4: Strategic organizational change has a significant influence on organizational performance.**

The results of the study by Berberoglu from 4 large general hospitals in northern Cyprus showed that organizational climate had a significant influence on organizational commitment and organizational performance. This can be interpreted that employees in public hospitals feel effective organizational climate and have higher organizational commitment

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<sup>19</sup> Liliana Pedraja-Rejas et al., "Transformational and Transactional Leadership: A Study Of Their Influence in Small Companies," *Ingeniare. Revista Chilena de Ingeniería* 14, no. 2 (2006), <https://doi.org/10.4067/S0718-33052006000100010>.

<sup>20</sup> T.C. Obiwuru et al., "Effects of Leadership Style on Organizational Performance: A Survey of Selected Small Scale Enterprises in IKOSIKETU Council Development Area of Lagos State, Nigeria," *Australian Journal of Business and Management Research* 1, no. 7 (2011), <https://doi.org/10.52283/NSWRCA.AJBMR.20110107A11>.

<sup>21</sup> Suresh Mallya L and Prabhu N.R.V, "The Relationship Between Effective Leadership and Employee Performance," *International Journal on Information Sciences and Computing* 6, no. 1 (2012), <https://doi.org/10.18000/ijisac.50113>.

<sup>22</sup> Al-Shamlan and Al-Mudimigh, "The Change Management Strategies and Processes for Successful ERP Implementation: A Case Study of MADAR."

automatically Organizational performance increases dramatically. Based on the above research, the research hypothesis can be formulated as follows:

**H5: Organizational climate has a significant influence on organizational performance.**

Alqawenth study describes strong influence among transformational leadership

Management of organizational change. In other words, we need to pay attention to factors that support effectiveness and encourage employees to manage change effectively. A study by Akinbode and Shuhumi on Malaysian higher education institutions shows that successful change adaptation is highly dependent on the ability of leaders to prepare for the best possible change.<sup>23</sup>

Based on the above research, the research hypothesis can be formulated as follows.

**H6: Transformational leadership style and strategic organizational change management has an influence on organizational climate.**

Recommendations from the results of Strukan Research is critical for leaders to initiate and execute change, have vision, and focus on long-term and future planning and impact.<sup>24</sup> Zeb, et al., state that there are complex relationships between various aspects and dimensions, making it difficult to draw concrete conclusions about the impact of leadership effectiveness and organizational performance. I'm here. Therefore, we add the hypothesis that transformational leadership style, strategic organizational change management, and organizational climate simultaneously affect organizational performance to ascertain the complexity of the relationships between variables, as follows is needed.

**H7: Transformational leadership style, strategic organizational change management and organizational climate have an influence on organizational performance.**

The research conducted by Ayodotun measures the influence of organizational climate as a mediating variable that includes leadership quality, interpersonal relations, organizational processes and the clarity of roles and sharing of information that influence employee commitment.<sup>25</sup> Shao's research shows that the development culture provides a positive and significant influence for the transformation leader in the success of ERP implementation in industrial companies in China.<sup>26</sup> Gonzales study in 200 industrial companies in Spanish

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<sup>23</sup> Akinbode and Shuhumi, "Change Management Process and Leadership Styles."

<sup>24</sup> Edin Strukan, Milan Nikolic, and Senad Sefic, "Impact of Transformational Leadership on Business Performance," *Tehnicki Vjesnik - Technical Gazette* 24, no. 2 (2017), <https://doi.org/10.17559/TV-20150624082830>.

<sup>25</sup> Ayodotun et al., "Moderating Effect of Organizational Climate on a Task-Trait Leadership Orientation and Employee Commitment: The Nigerian Banking Experience."

<sup>26</sup> Zhen Shao, Yuqiang Feng, and Luning Liu, "The Mediating Effect of Organizational Culture and Knowledge Sharing on Transformational Leadership and Enterprise Resource Planning Systems

explores the mediating variable, namely Learning Human Resource Management (LHRM) on the transformational leadership influence on organizational performance.<sup>27</sup> From the research of Kristianto at the Perum Pegadaian Bekasi, it shows that organizational commitment as a mediating variable increases the positive and significant influence on leadership style on employee performance.<sup>28</sup> Therefore it is necessary to add a hypothesis to see the effect of organizational climate as a mediating variable in increasing the effect of the transformational leadership style on organizational performance, as follows:

**H8: The mediating effect of organizational climate increases the influence of transformational leadership style on organizational performance.**

A study by Makina and Keng'ara at the Nzoia sugar mill in Kenya found that Involve all directors, managers, and employees in the process of strategy development, implementation, and management to ensure that the organizational culture supports the successful management of change to improve organizational performance.<sup>29</sup>, it is important to increase ownership of change and minimize rejection. Gudeta's research found a positive and significant association between his four aspects of organizational culture in terms of organizational member loyalty and greater influence on management style and leadership factors.<sup>30</sup> I understand. Therefore, additional hypotheses should be added to confirm the effects of strategic organizational change management on organizational performance mediated by organizational climate variables, such as the following hypothesis:

**H9: The mediating effect of organizational climate increases the influence of strategic organizational change management on organizational performance.**

## RESEARCH METHODS

The method of this study is quantitative, non-experimental, and uses investigation to explain causality Between variables to test hypotheses. The survey will be conducted once in a certain period of time. The unit of analysis in this study is a corporate entity representing a group

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Success: An Empirical Study in China,” *Computers in Human Behavior* 28, no. 6 (2012), <https://doi.org/10.1016/j.chb.2012.07.011>.

<sup>27</sup> Lorena Para-González, Daniel Jiménez-Jiménez, and Angel Rafael Martínez-Lorente, “Exploring the Mediating Effects between Transformational Leadership and Organizational Performance,” *Employee Relations* 40, no. 2 (2018), <https://doi.org/10.1108/ER-10-2016-0190>.

<sup>28</sup> Kristianto, Rivai, and Suharto, “The Influence of Leadership Style and Organizational Climate on Employee Performance through Organizational Commitment on Perum Pegadaian Branch East Bekasi.”

<sup>29</sup> Ibrahim Makina and Robert Kengara, “Managing Strategic Change of an Organization’s Performance: A Case Study of Nzoia Sugar Company, Kenya,” *Universal Journal of Management* 6, no. 6 (2018): 198–212, <https://doi.org/10.13189/ujm.2018.060603>.

<sup>30</sup> Tadesse Gezahegn Gudeta, “The Role of Organisational Climate in Determining Academicians’ Organisational Loyalty,” *Journal of Economics, Management and Trade* 21, no. 11 (2018), <https://doi.org/10.9734/JEMT/2018/44593>.



of power BUMN in Indonesia, i.e. a company that is a subsidiary or a grandchild of a state-owned company. Sampling using non-probability sampling methods uses directed sampling.

### **Population and Sample**

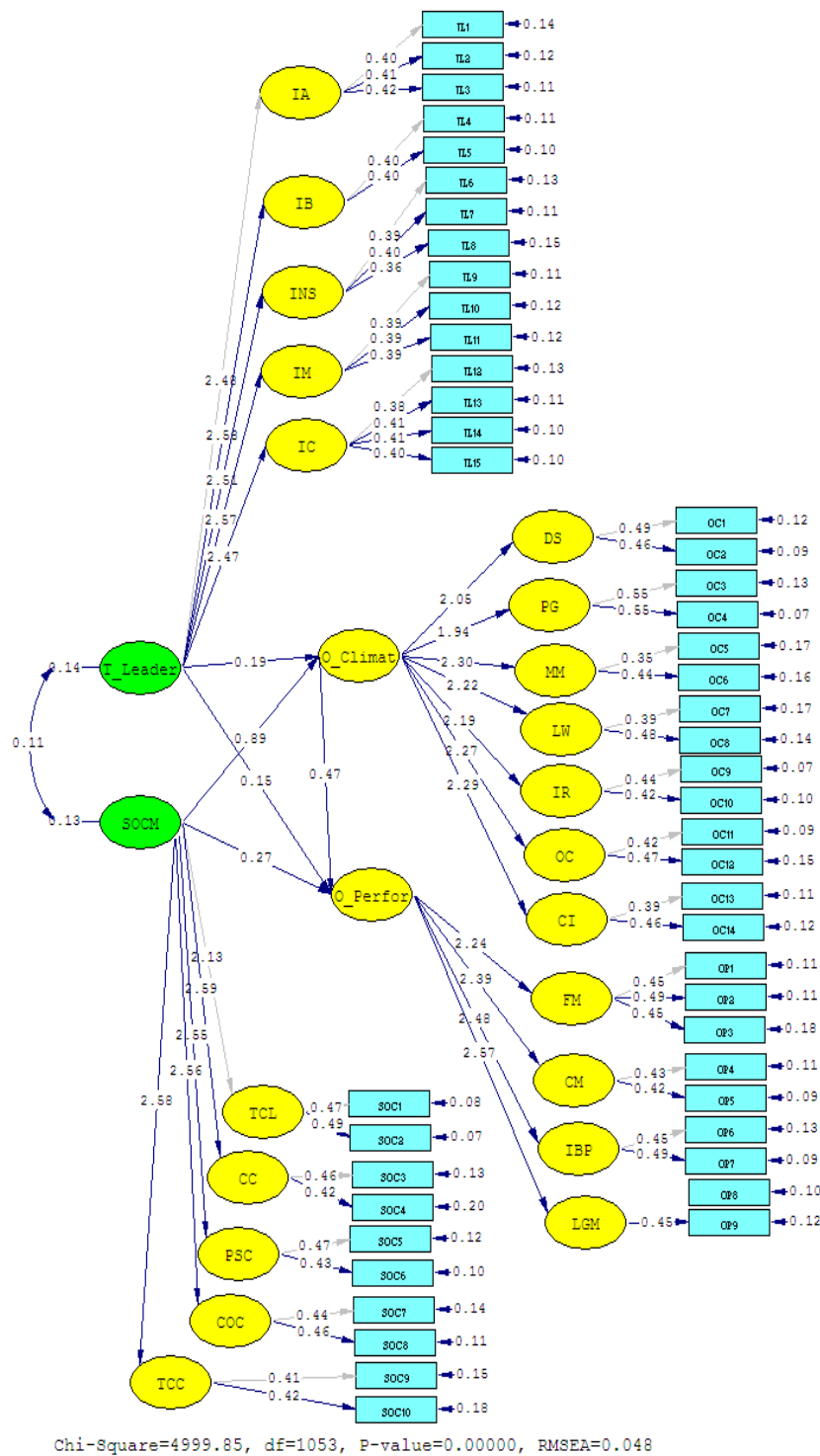
In this study two groups of sampling were carried out, namely trial samples and samples for testing research data. The trial sample is used to ensure the validity and reliability of the questionnaire that will be used for the study. The trial sample of 460 respondents was obtained during October - November 2018 and the results showed that all indicators were valid and reliable, so that they could be continued for research. Furthermore, the research sample is expanded by adding respondents from the basic management category in October 2021 to January 2022.

### **Data Analysis Method**

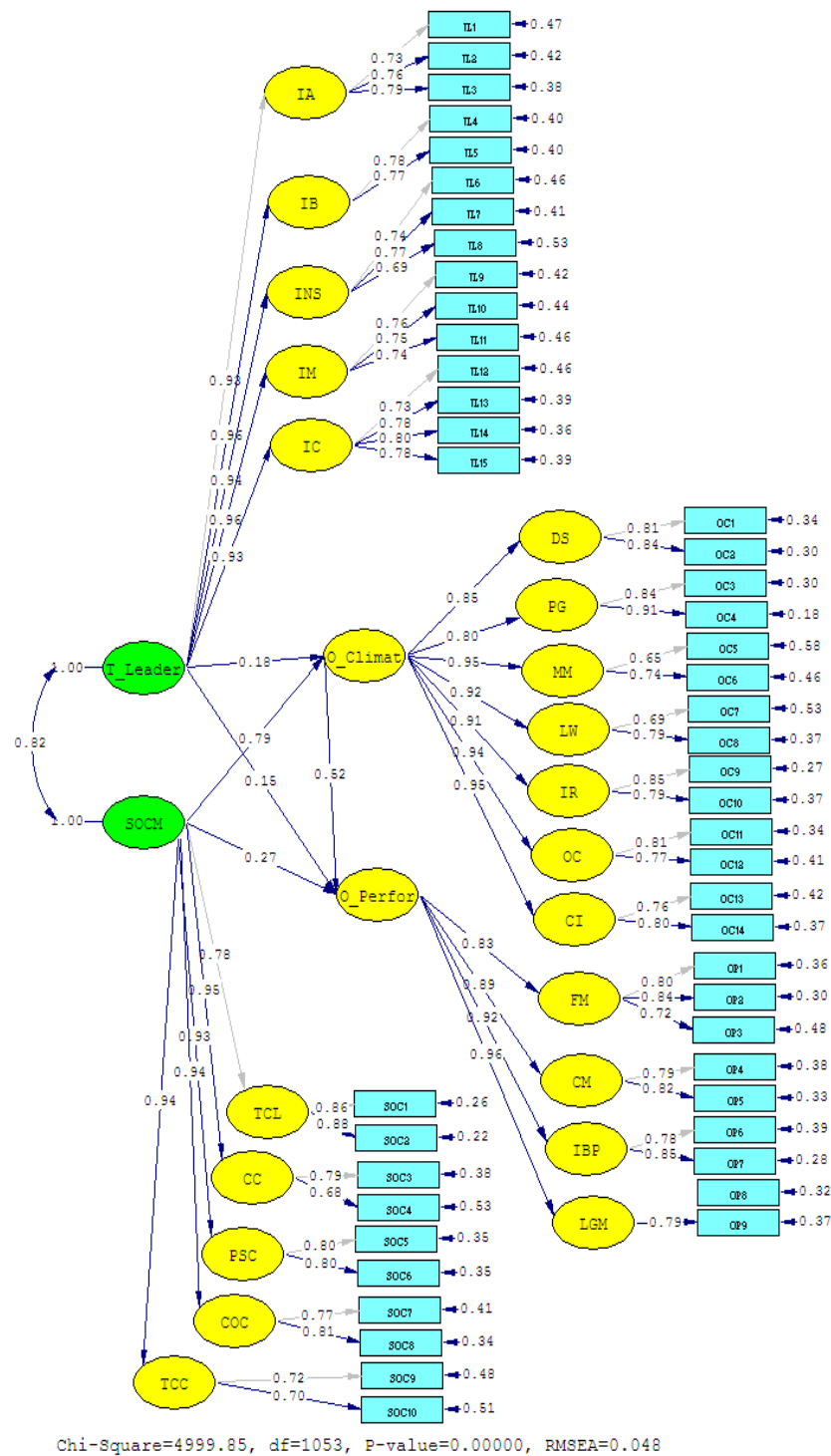
After the data received has been declared valid and reliable, data processing techniques are carried out. Use SEM (structural model). Use of LISREL as software with confirmatory factor analysis (CFA) method.

In the full SEM model, the parameter  $\lambda$  (loading factor/indicator factor) is tested on the extrinsic and intrinsic models to determine the indicator strength for each latent variable (configuration). Test if the t value is greater than 1.96.

## RESULT AND DISCUSSION



Source: Results of processing with LISREL 8.80



Source: Results of processing with LISREL 8.80

From the calculation results, the model suitability index is obtained.

**Table 4.10 Model Suitability Index**

Goodness of fit index	Criteria (cut-off value)	Result	Information
X <sup>2</sup> - Chi-square	Expected to be small	4999.85	
Significance probability	< 0.05	0.000	Model not fit
RMSEA	≤ 0.1	0.048	Model fit
GFI	≥ 0.90	0.93	Model fit
IFI	≥ 0.90	0.99	Model fit
RFI	≥ 0.90	0.99	Model fit
NFI	≥ 0.90	0.99	Model fit
CFI	≥ 0.90	0.99	Model fit
AGFI	≥ 0.90	0.92	Model fit

Source : Data Processed

Seven model fit indices with good fit indices are obtained. That is: RMSEA, GFI, IFI, RFI, NFI, CFI, AGFI. This can be continued in the next analysis.

Next, based on Figures 4.10, 4.11, and 4.12, the results of estimating the structural equations or equations of the structural model associated with the evaluation of coefficients or parameters that indicate the influence or causal relationship of one latent variable on another. there is. The resulting structural model equation is:

$$\begin{aligned}
 O\_Climat &= 0.19 * T\_Leader + 0.89 * SOCM, \text{Errorvar.} = 0.021, \\
 R^2 &= 0.88 \quad (0.035) \quad (0.050) \\
 (0.0022) \\
 5.64 \quad 17.76 \quad 9.82 \\
 O\_Perfor &= 0.47 * O\_Climat + 0.15 * T\_Leader + 0.27 * SOCM, \text{Errorvar.} = 0.026, \\
 R^2 &= 0.81 \quad (0.063) \quad (0.034) \quad (0.070) \\
 (0.0024) \\
 7.42 \quad 4.36 \quad 3.86 \quad 11.04
 \end{aligned}$$

Indirect Effects of X  
on ETA T\_Leader  
SOCM

$$\begin{aligned}
 &----- \quad --- \\
 &---- O\_Climat \\
 &-- \quad -- \\
 O\_Perfor & \quad 0.09 \\
 0.41 & \\
 & \quad (0.02) \quad (0.06) \\
 & \quad 4.50 \quad 7.18
 \end{aligned}$$

The coefficient or parameter value is the value that was previously estimated which is used as a comparison of the t-value to test the hypothesis of the study. The results are summarized in table 4.11.

**Table 4.11** Evaluation of the Structural Model Coefficient

Path	Estimation	t-value	Conclusion
Transformational Leadership Style → Organizational Climate	0.19	5.64	Accepted
Strategic Organizational Change Management → Organizational Climate	0.89	17.76	Accepted
Transformational Leadership Style → Organizational Performance	0.15	4.36	Accepted
Strategic Organizational Change Management → Organizational Performance	0.27	3.86	Accepted
Organizational Climate → Organizational Performance	0.47	7.42	Accepted
Transformational Leadership Style → Organizational Performance with Organizational Climate as a mediating variable	0.09	4.50	Accepted
Strategic Organizational Change Management → Organizational Performance with Organizational Climate as a mediating variable	0.41	7.18	Accepted
Transformational Leadership Style and Strategic Organizational Change Management → Organizational Climate	$F_{count} = 5500$	$R^2 = 0.88$	Accepted
Transformational Leadership Style, Strategic Organizational Change Management and Organizational Climate → Organizational Performance	$F_{count} = 2077$	$R^2 = 0.81$	Accepted

Source: Results of processing with LISREL 8.80

## CONCLUSION

A new finding in the research shows that organizational climate, as a mediating variable, has a greater impact on strategic organizational change management than innovative leadership style. To achieve organizational performance. This conclusion is explained as follows.

1. Transformational leadership style has a significant positive impact on organizational culture, so improving transformational leadership style increases organizational culture effectiveness.
2. Strategic organizational change management has a positive and significant impact on organizational culture, so improved strategic organizational change management promotes increased effectiveness of organizational culture.
3. Transformational leadership styles have a positive and significant impact on organizational performance, so improving transformational leadership styles will improve organizational performance.
4. Strategic organizational change management has a positive and significant impact on organizational performance, so improving strategic organizational change management improves organizational performance.
5. The organizational culture has a significant positive impact on the performance of the organization, so improving the organizational culture improves the performance of the organization.
6. Innovative leadership styles and strategic organizational change management both have a significant positive impact on the organizational environment. Organizational change management strategy variables have a greater impact on the organizational environment. This

shows the need for admin Focus on strategy and change management, and encourage participation of all members of the organization from the planning stage to the implementation of company-required changes. Organization members change according to company goals. Leaders must engage members of the organization with similarities of beliefs, values, and behaviors that can be measured to determine their effectiveness in achieving organizational goals.

7. Transformational leadership style, strategic organizational change management, and organizational culture all have a positive and significant impact on organizational performance. Organizational climate variables have the strongest impact on organizational performance. This shows that innovative leadership styles, strategic organizational change management, and proactively improving the effectiveness of organizational culture lead to improved organizational performance.
8. The mediating effect of organizational climate is novel in this study compared to previous studies and may augment the impact of transformative leadership styles on organizational performance. This indicates that the impact of transformational leadership styles on organizational performance increases as organizational culture effectiveness increases.
9. Mediating effects of organizational culture. This is new in this study compared to previous studies. Research can enhance the impact of strategic organizational change management on organizational performance. This shows that positively improving the effectiveness of organizational climate will lead to increased influence of strategic organizational change management on organizational performance.
10. The importance of leaders focus on improving organizational climate especially in the area of management model, interpersonal relationship and corporate image so that transformational leadership is more powerful and effective management of change so that it can increase employee attachment to the company to make maximum contributions to achieve the company's targets.
11. The importance of leaders to improve leadership skills in building role models (idealized attributes), giving motivation logically to subordinates (intellectual motivation) and caring / empathy to their needs (individual consideration) and focus on efforts to achieve successful management of change, among others in the selection of leaders / champions / agents of change are well based on the personal character and character of the leader / agent of change (traits of change leader) who are able to maintain the spirit to continue to innovate and change in a better direction, and prepare the direction of strategy, policy and readiness Change management programs (dimension policies and strategies of change) are systematic and communicated and can be understood by members of the company properly.
12. The results of this study are strongly influenced by the research theme carried out at PLN as Power BUMN in Indonesia. Role in promoting the country's economy. PLN's organizational

culture is characterized by mechanical rather than organic, relatively high need for growth, static rather than dynamic perception of environmental change, well-regulated and detailed management, employee An established organization with an employee compensation and benefits system. This has a strong impact on respondents' perceptions.

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