

Millennial Leadership Style and Organisational Culture on Employee Performance with Job Satisfaction as a Mediating Variable (Research at Gammara Hotel)

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Abstract

The primary objective of this research is to examine how the leadership style of millennials and the culture within the organisation impact the performance of employees, with job satisfaction acting as a mediator at Gammara Hotel. The uniqueness of this study is in its investigation of how millennial leadership styles interact with various other organisational aspects within the Indonesian hospitality sector. A quantitative research approach was utilised, involving 157 participants who were chosen through non-probability accidental sampling. Data analysis was conducted using the Partial Least Squares Structural Equation Modelling (PLS-SEM) technique. The findings indicated that the leadership approach of millennials positively impacts employee performance, with no direct effect from organisational culture. Millennial leadership style was also found to influence job satisfaction positively, in contrast to an adverse impact from organisational culture. Despite this, job satisfaction was not found to be a mediator between the two variables and employee performance. These results emphasise the significance of adopting a cooperative and flexible millennial leadership style to enhance employee performance, while considering the presence of a supportive organisational culture.

Keywords: Employee Performance, Millennial Leadership Style, Organisational Culture, Job Satisfaction.

1. Introduction

The hospitality industry is one of the prominent sectors in the business world, so it also requires high-quality human resources to run operations for success. The success of a hotel is not only reflected in its physical infrastructure or ease of facilities, but is also strongly related to employee involvement in realising the company's vision, in line with adaptation to market demands, creating a solid foundation for the progress of the Hotel in the ever-evolving hospitality industry.

Employee performance in the hospitality industry is a clear indicator of effective human resource management. According to research by Ferreira and Otley (2009), performance is the outcome of a structured process that is assessed over a specific timeframe according to established criteria. Wahyuni and Karneli (2021) state that performance is the outcome of an individual's hard work, which is influenced by their skills and actions in specific circumstances, or it can be argued that performance is determined by the interplay between effort, capability, and task comprehension. A strong performance can assist businesses in reaching their targets and producing favourable outcomes consistently (Rangkuti et al., 2021).



Meanwhile, poor performance will make it difficult for companies to satisfy customers, which will certainly have a negative impact on profits, company reputation, and sales (Pradhan & Jena, 2017).

Reviews on various online hotel booking services including Google reviews and hotel occupancy data are part of the indicator in seeing the performance of hotel staff in providing services. Based on the results of observations, one of the 4-star hotels that received many negative reviews was Gammara Hotel. The majority of reviews that give one star are complaining about unprofessional employee performance, such as slow service, arrogance and floor cleaning problems. Based on these stars, it shows that Gammara Hotel's rating is relatively low when compared to other 4-star hotels which get an average of > 4.6. Negative reviews indicate the quality of Gammara Hotel employee performance. In addition, hotel occupancy data shows fluctuations, and is always highest in the Government and Corporate segments. While in other segments it is still fairly low. This means that the number of hotel guests has not reached the target expected by Gammara hotel management. The Occupancy Rate of Gammara hotel may be correlated with the existence of negative reviews on the internet regarding the quality of hotel employee performance or hotel services as a whole.

According to Rijal et al. (2019), the effectiveness of Gammara Hotel staff is impacted by a range of factors, one of which being the leadership style of millennials. They argue that leadership style plays a crucial role in how a leader motivates their team members, with the goal of boosting enthusiasm for work, satisfaction with their job, and overall productivity within the organisation to reach its objectives. . The leadership of Gammara Hotel belongs to the Millennial generation. The leadership style implemented by millennial leaders has a significant influence on employee performance in a contemporary work environment. Based on the results of observations of Gammara Hotel employees, it is suggested that the hotel leader has a lack of pressing employees by easily giving SPs, so that employees are less comfortable at work. This is in line with the statement that the Millennial Generation has a character in working following the call of the soul, has an open character, upholds freedom and is also brave, thus creating a critical and responsive person (Fuscaldo, 2023). This open and critical character does not give comfort to some employees who may expect a more humanist leadership style. Long (2017)'s research (2020) found that millennial leadership style has a significant effect on employee performance.

Apart from leadership style, organisational culture is also a factor that affects whether or not the goals of the organisation are achieved. Organisational culture is defined as values or norms of behaviour that are understood and accepted together by members of the organisation as rules of behaviour contained in the organisation (Fidyah & Setiawati, 2020). An organisational culture that promotes cooperation and collaboration can improve employee performance in teamwork. In a setting like this, staff collaborate towards shared objectives to enhance guest contentment. According to research by Tabuni (2022), the culture of an organisation and job fulfilment can boost employee effectiveness at Luxurya Residence Hotel..

Apart from millennial leadership and cultural factors, the aspect that often mediates these variables is job satisfaction. According to Febriandiny and Husniati (2022), job satisfaction is an overall feeling about one's work that reflects a comparison between the rewards received and the expectations of what should be received. Meanwhile, according to Mangindaan et al. (2020) the phrase 'Job Satisfaction' refers to how content a person feels about their job. An individual who is highly satisfied with their job tends to have a positive outlook on their work. The observation results show that the average employee is less satisfied with the hotel management policy that can provide SP for minor errors. So that there is a decrease in performance due to this satisfaction factor.

This study intends to investigate how Millennial Leadership Style and Organisational Culture impact Employee Performance at Gammara Hotel by using Job Satisfaction as a mediator. The research focus on how millennial leadership and organizational dynamics influence employee performance in the Indonesian hospitality sector, specifically at a 4-star hotel. The research aims to fill a gap in understanding how millennial leadership impacts the industry and provide insights for hotel management practices.

2. Literature Review

2.1. The link between millennial leadership style and employee performance

Millennial leadership styles, often characterised by a collaborative, flexible and technology-focused approach, have a significant impact on employee performance. Millennial leaders tend to encourage open communication, provide regular feedback, and create an inclusive work environment. This approach can increase employee engagement and motivation, as they feel more valued and listened to. In addition, millennial leaders' utilisation of technology helps improve operational efficiency and enables employees to work more productively (Leuwol et al., 2023). Thus, the millennial leadership style at Gammara Hotel can positively contribute to improving employee performance.

Suwarno's research (2019) aligns with the notion that this form of leadership can enhance results by enhancing professional skills, personal traits, and interpersonal abilities. Research conducted by Hafidzi et al. (2023), Modding and Kamase (2021) also states that employee performance can be influenced by the style of leadership in place.

H1: Millennial leadership style has a positive and significant effect on employee performance

2.2. The link between organisational culture and employee performance

A powerful and optimistic corporate culture is essential in shaping how employees perform. An organisational environment that emphasises collaboration, honesty, and a willingness to embrace new ideas can foster a happy workplace and inspire employees to excel. When employees sense that they belong to an empathetic and encouraging team, they are likely to show more dedication and enthusiasm for their tasks. In addition, a clear and consistent organisational culture helps in directing employee behaviour towards achieving organisational goals, thereby increasing work effectiveness and efficiency.

Research by Sulastrri et al. (2017) shows that organisational culture is proven to have a positive and significant contribution to employee performance variables. Mohamed and Abukar (2013) found a positive moderate correlation between organisational culture and employee performance. This is also reinforced by research by Bolung et al. (2021) which states that organisational culture affects employee performance.

H2: Organisational culture has a positive and significant effect on employee performance.

2.3. The link between millennial leadership style and job satisfaction

Millennial leadership styles, which tend to be more collaborative, innovative and adaptive to change, have a positive impact on employee job satisfaction. Millennial leaders often encourage a dynamic and inclusive work environment, and pay attention to work-life balance. The ability to adapt to new technologies and flexible working methods also gives employees a sense of ease and comfort in performing their duties. All of these factors contribute to increased employee job satisfaction, as they feel supported and have the opportunity to develop professionally and personally.

Ng and Salamzadeh research (2020) found that the findings indicated that leaders from the millennial generation had a substantial impact on increasing employee job satisfaction by 48.2%. In a similar study conducted by Djuraiddi and Laily (2020), it was found that transformational leadership among millennials led to a positive and significant improvement in job satisfaction. .

H3: Millennial leadership style affects job satisfaction.

2.4. Organisational culture's relationship to job satisfaction

A strong and positive organisational culture greatly influences employee job satisfaction. When an organisation's culture embodies principles like transparency, equality, recognition of individual efforts, and promotion of creativity, it usually results in greater job satisfaction among employees. A workplace culture that promotes a healthy work-life balance, and fosters strong teamwork and communication, can foster a positive and amicable work atmosphere. When staff members perceive a alignment between their own values and those of the organisation, and feel included in a community that respects and appreciates them, job satisfaction typically rises. This in turn can increase employee loyalty and commitment to the organisation.

According to a study by Modding in 2021, having a partially organisational culture can lead to increased job satisfaction among employees. This finding is further supported by research by Rachmadika and Saputro (2024), Fidyah and Setiawati (2020) which states that organisational culture has a positive influence on employee job satisfaction.

H4: Organisational Culture has a positive influence on Employee Job Satisfaction

2.5. Relationship between Job Satisfaction and Employee Performance

Employee performance is closely linked to job satisfaction. If employees are content in their roles, they are likely to demonstrate strong dedication, motivation, and engagement in their work. Satisfied employees feel valued, recognised and supported by the organisation, which encourages them to make their best contributions. Job satisfaction also improves employees' mental and emotional well-being, which in turn reduces stress and burnout, and increases energy and focus at work.

Research results from Pushpakumari (2016), Gibson et al. (1996), Suwedana et al. (2013), Funmilola et al. (2013) and Perera et al. (2014) which state that job satisfaction has a positive effect on employee performance.

H5: Job Satisfaction has a positive and significant effect on Employee Performance

2.6. The relationship between millennial leadership style and employee performance through job satisfaction as a mediating variable

The way millennials lead can enhance employees' job performance through fostering job satisfaction as a mediating factor. Millennial leaders who embrace a collaborative, adaptable, and technology-driven strategy cultivate a welcoming and diverse workplace atmosphere. This results in employees feeling appreciated, empowered, and backed, leading to a boost in their job satisfaction. High job satisfaction, in turn, encourages employees to work more productively, show greater dedication, and deliver better results. In other words, millennial leadership styles increase job satisfaction, which then contributes to improved employee performance.

Research conducted by Berliana et al. (2018) and Hutomo and Taufik (2015) state that job satisfaction affects employee performance. In addition, Lyubomirsky et al (2005) research (2019) states that there is a strong and beneficial connection between contentment and

productivity. Contentment acts as a moderating factor in the impact of leadership on staff effectiveness.

H6: The style of leadership that is characteristic of the millennial generation has a beneficial impact on employee performance by influencing job satisfaction as an intervening factor.

2.7. The relationship of organisational culture to employee performance through job satisfaction as a mediating variable

Enhanced employee performance can result from a positive and robust organisational culture that prioritises values such as teamwork, honesty, and creativity. Such a culture fosters a supportive and inspiring environment for employees, leading to increased job satisfaction. When employees feel a strong alignment between their personal values and the organisation's culture, they are more likely to be content in their roles. This contentment in turn boosts efficiency, dedication, and overall performance levels among employees. Thus, a good organisational culture increases job satisfaction, which in turn increases employee performance.

Research by Tsai (2011), Fidyah and Setiawati (2020) states that job satisfaction plays a crucial role in the correlation between organisational culture and employee productivity. This connection is further supported by Korda and Rachmawati's research (2022) that job satisfaction is able to mediate the effect of organisational culture on employee performance.

H7: the culture within a company can greatly impact how well employees perform by influencing their job satisfaction.

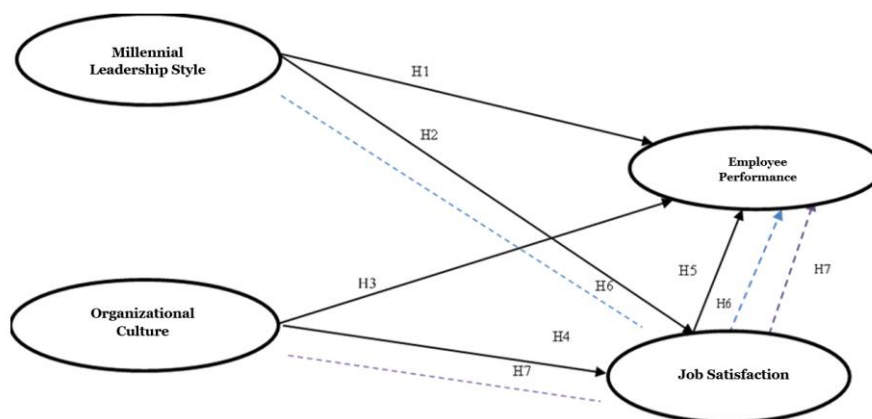


Figure 1. Conceptual framework

Source: Hafidzi et al. (2023), Bolung et al. (2021), Mardiana et al. (2020), Djuraiddi and Laily (2020), Fidyah dan Setiawati (2020).

3. Methods

This study utilises associative research as its research design, which is determined by the characteristics of the main research issue. The research approach employed is quantitative in nature, specifically utilising survey research methods. The study involved a population of 260 employees from Gammara Hotel, with a sample size of 157 employees. Non Probability Sampling (NPS) was utilised as the sampling technique, whereby equal opportunities for selection among elements of the population were not guaranteed. The specific type of NPS used in this study was Accidental Sampling, where subjects are selected based on availability or accessibility, often by chance.

The data source used in this research is primary data, where the data obtained is the result of direct observation by distributing questionnaires to 100 respondents / employees of

Gammara Hotel. Secondary data for this study were obtained from various sources, namely Gammara Hotel data such as company history, organisational structure, and vision and mission, journals related to research, reading books related to research methods, research related to research titles and articles. The data collection methods used by the authors in this study are observation, interview, questionnaire, and literature study. This study consists of 5 variables studied, namely Millennial Leadership Style and Organisational Culture, Employee Performance and Job Satisfaction.

In this study, analysis of the data was conducted using SmartPLS software, as the research follows a reflective approach. The reflective model employed demonstrates the link between latent variables and their corresponding indicators (Ghozali & Latan, 2015). According to Sofyan et al. (2024), Partial Least Squares (PLS) is a common term for structural equation modelling. SmartPLS is a tool used to conduct data analysis and model relationships involving hidden variables. Ghozali and Latan (2015) explain that PLS-SEM analysis typically includes two sections: the outer model, which deals with measurement, and the inner model, which focuses on structural relationships. The outer model demonstrates how observed variables reflect underlying latent variables. Conversely, the inner model illustrates the connections between latent variables or constructs.

4. Results and Discussion

4.1. Respondent Profile

The gender of the respondents was mostly male with 113 people or 72% and female as many as 44 people or 28%. The highest age of respondents was 22-30 years old with 82 people or 52.2%, followed by 30-35 years old with 37 people or 23.6%, > 35 years old with 25 people or 15.9% and < 22 years old with 13 people or 8.3%. This shows that most of the respondents are teenagers and adults. The most length of work is employees who work for < 3 years, namely 57 people or 36.3%, followed by employees who work for 5-10 years, namely 56 people or 35.7% and employees who work for 3-5 years, as many as 44 people or 28%.

This shows that most employees who work at Gammara Hotel are less than 3 years old, indicating the dominance of a relatively new workforce in the company. However, the number of employees with 5-10 years of service is almost as many as employees with less than 3 years of service, indicating that Gammara Hotel employees are loyal to the company. The highest employment status is contract employees with 126 people or 80.3%, followed by employees with daily worker status as many as 30 people or 19.1% and employees with permanent status as many as 1 person or 0.6%. This shows that the company is dominated by employees with contract status, with a far greater number than those with daily worker or permanent status. This shows the company's dependence on contract employees in running operations.

4.2. Outer Model Results

1) Convergent Validity

Table 1. Average Variance Extrcted (AVE) Value

Variables	Average variance extracted (AVE)	Criteria	Results
Organisational Culture	0.703	> 0,50	Valid
Millennial Leadership Style	0.593	> 0,50	Valid
Job Satisfaction	0.555	> 0,50	Valid
Employee Performance	0.575	> 0,50	Valid

Source: PLS-SEM data processing results (2024)

According to the information presented in table 1, it is evident that the average variance extracted (AVE) value for each variable exceeds the 0.50 threshold. This suggests that all indicators within the variables are deemed reliable for assessing their respective constructs.

2) Discriminant Validity

Table 2. Heterotrait-Monotrait Ratio Value

Variables	Organisational Culture	Millennial Leadership Style	Job Satisfaction	Employee Performance
Organisational Culture				
Millennial Leadership Style	0.465			
Job Satisfaction	0.361	0.761		
Employee Performance	0.616	0.739	0.695	

Source: PLS-SEM data processing results (2024)

Table 2 demonstrates that the HT / MT ratio value for the discriminant validity test on each variable is less than 0.90. These findings suggest that all indicators in the research model have effectively distinguished between different variables. These indicators are most suitable for measuring their respective constructs, so it can be stated that each indicator in this model is able to specifically represent its construct.

3) Construct Reliability

Table 3. Construct Reliability Value

Variables	Cronbach's Alpha	Composite Reliability	Criteria	Results
Organisational Culture	0.940	0.941	> 0,70	Reliable
Millennial Leadership Style	0.924	0.925	> 0,70	Reliable
Job Satisfaction	0.799	0.803	> 0,70	Reliable
Employee Performance	0.814	0.815	> 0,70	Reliable

Source: PLS-SEM data processing results (2024)

According to the data in table 3, it can be observed that the Cronbach's alpha value of all variables meets the necessary criteria, as it exceeds 0.7. Furthermore, the composite reliability value of each variable falls within the recommended range recommended by Hair et al. (2011), which is between 0.70 and 0.95, and there is no overlap in indicators in this assessment. Overall, the results of the reliability test suggest that all indicators demonstrate strong internal consistency, making them dependable for measuring their respective constructs.

The examination of the external model has been conducted through three phases of statistical assessments, consisting of investigating the loading factor and average variance extracted (AVE) to determine convergent validity, assessing cross loading and heterotrait-monotrait ratio (HTMT ratio) for discriminant validity, and evaluating construct reliability using Cronbach's alpha and composite reliability values. As per the findings from the analysis of the external model using the PLS-SEM technique, it can be deduced that all the indicators in the research model are reliable and valid for accurately measuring their respective constructs. Consequently, it is affirmed that this model is suitable for progressing to the subsequent stage of examination, which involves testing the internal model or structural model.

4) Inner Model Results

a) Multicollinearity

Table 4. Inner VIF Value

Variables	Job Satisfaction	Employee Performance
Organisational Culture	2.769	3.226
Millennial Leadership Style	1.271	2.475
Job Satisfaction		2.365
Employee Performance		

Source: PLS-SEM data processing results (2024)

Table 4 displays the Variance Inflation Factor (VIF) figures for various variables in the study framework, assessing the existence of multicollinearity among independent variables. The figures reveal that the majority of values are under the threshold of 5, indicating no significant multicollinearity issue. In general, the VIF values suggest that multicollinearity is not a major concern in the research model, making it acceptable.

b) Coefficient of Determination (R-Squared)

Table 5. R-Squared Value

Variables	R-square
Job Satisfaction	0.577
Employee Performance	0.536

Source: PLS-SEM data processing results (2024)

In Table 5, the R^2 values are displayed for the dependent variables Job Satisfaction and Employee Performance. The results suggest that the model being examined effectively captures the connections between the study's variables.

c) Effect Size (f-Squared)

Table 6. F-Squared Value

Variables	Job Satisfaction	Employee Performance
Organisational Culture	0.165	0.025
Millennial Leadership Style	0.947	0.151
Job Satisfaction		0.025
Employee Performance		

Source: PLS-SEM data processing results (2024)

Based on the f-squared measurement guidelines according to Ghazali and Latan (2015) if the value is less than 0.02, the influence is considered small; between 0.02 to 0.15 indicates a moderate influence; and more than 0.15 is considered to have a large influence. In general, the findings suggest that the leadership approach of millennials significantly impacts job contentment, whereas the company culture has a substantial impact on job satisfaction but only a moderate impact on employee productivity. Additionally, factors like job satisfaction also play a moderate role in determining employee performance.

d) Predictive Relevance Value (Q2 and Q2 Prediction)

In analysing the quality of the model in PLS-SEM, the next stage is through the Q-squared test, which is used to assess the predictive ability of the proposed model. According to Hair et al. (2011), Q-squared measures how well the model can predict out-of-sample data.

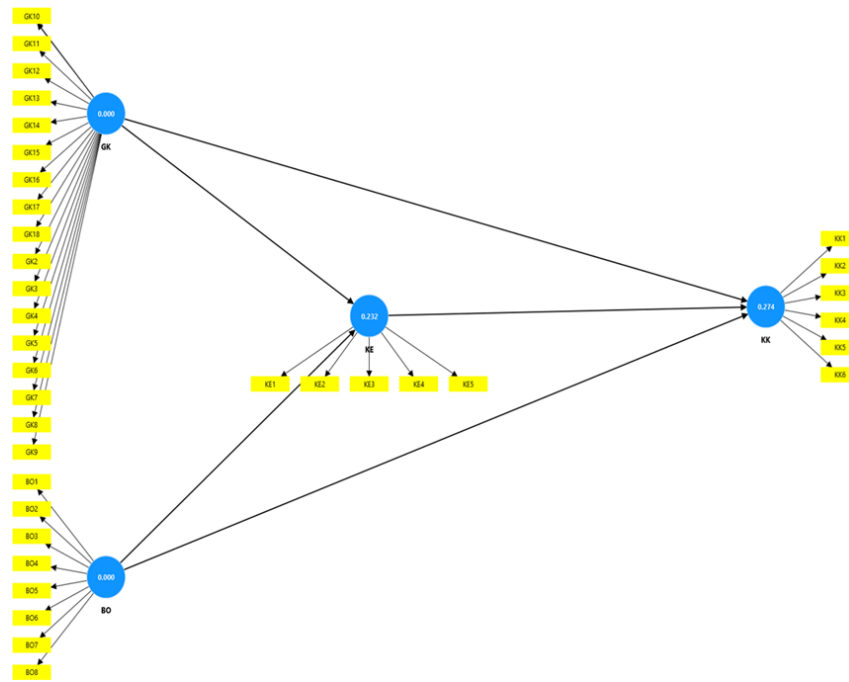


Figure 2. Q-Squared Results

Source: PLS-SEM data processing results (2024)

Based on Figure 2, the results of the Q-squared calculation in the PLS-SEM model, the Q-squared value for employee performance is 0.298 and for job satisfaction is 0.314. According to Hair et al. (2011), the Q-squared value between 0.25 and 0.5 indicates that the model's predictive ability is in the medium predictive relevance category. This means that the model is good enough at predicting outcomes for employee performance and job satisfaction variables, although there is potential for further improvement in terms of prediction accuracy. Q-squared values close to 0.50 indicate that the model is able to provide relevant predictions and can be used to generalise the findings to future data, although there is room for improvement in predictive accuracy.

A more sophisticated statistical method for testing Q-squared values has been applied in PLS-SEM analyses through the PLS predict calculation. This method, developed and published by Shmueli et al. (2019), is considered more accurate than the blindfolding method presented (Hair et al., 2011).

Table 7. Comparison of Q-Squared Value with Q-Square Predict

Variables	Q-Squared	Q-Square Predict
Job Satisfaction	0.314	0.544
Employee Performance	0.298	0.439

Source: PLS-SEM data processing results (2024)

Based on table 7, the output of the PLS predict analysis results shows that the comparison between the Q-squared and Q-square predict values is used to evaluate the model's ability to explain the variables studied and predict new data. In the job satisfaction variable, the Q-squared value of 0.314 indicates the prediction of the model's ability to be in the medium predictive relevance category in explaining the data, while the Q-square predict value of 0.544 indicates better predictive ability on new data and is in the large predictive relevance category. Furthermore, in the employee performance variable, where the Q-squared

of 0.298 also shows the model's ability in the medium predictive relevance category in explaining the data, while the Q-square predict of 0.439 shows better predictive power, although not as good as in job satisfaction. Based on these results, the Q-square predict model is superior in predicting job satisfaction than employee performance. Thus, overall, the model is more reliable for predicting the job satisfaction variable, making it better than employee performance in terms of predictive power.

In this study, the error value used is the Root Mean Square Error (RMSE) which is compared between PLS and LM. RMSE is a measure that describes the average level of prediction error made by the model, the smaller the RMSE value, the better the model's predictive ability. In this context, if the RMSE value in the PLS model is smaller than the RMSE value in the linear model, the PLS model is considered to have better predictive power (Shmueli et al., 2019).

Table 8. Q-Square Value of Predict Indicator

Indicator	PLS-SEM_RMSE	LM_RMSE	PLS vs LM
KE1	0.740	0.729	Bigger
KE2	0.675	0.704	Smaller
KE3	0.599	0.589	Bigger
KE4	0.782	0.838	Smaller
KE5	0.842	0.897	Smaller
KK1	0.683	0.743	Smaller
KK2	0.760	0.815	Smaller
KK4	0.717	0.823	Smaller
KK5	0.722	0.755	Smaller
KK6	0.891	0.978	Smaller

Source: PLS-SEM data processing results (2024)

The results of evaluating the predictive ability of the PLS-SEM model compared to the linear model (LM) based on the Root Mean Square Error (RMSE) value show that the PLS-SEM model has advantages in many indicators, although not for all of them. In the job satisfaction (KE) construct, the PLS-SEM model produces smaller RMSE values than the LM for KE2 indicators 0.675 with 0.704, KE4 0.782 with 0.838), and KE5 0.842 with 0.897, which indicates better predictive ability on these indicators. However, for KE1 indicators 0.740 with 0.729 and KE3 0.599 with 0.589, the RMSE value of the PLS-SEM model is greater than the LM, so the linear model has better prediction on these two indicators.

In the employee performance construct (KK), the PLS-SEM model shows consistent superiority with smaller RMSE values for all measured indicators, namely KK1 0.683 with 0.743, KK2 0.760 with 0.815, KK4 0.717 with 0.823, KK5 0.722 with 0.755, and KK6 0.891 with 0.978. This shows that the PLS-SEM model has better predictive power than the linear model for the employee performance construct.

5) Research Hypothesis Test Results

Table 9. Direct Effect Results

Hypothesis	Variable	Coefficient	T Statistics	P Values
H1	Millennial Leadership Style ->	0.416	3.269	0.001
H2	Employee Performance	0.192	1.103	0.270
H3	Organisational Culture -> Employee Performance	0.713	15.505	0.000
H4	Millennial Leadership Style ->	-0.440	3.808	0.000
H5	Job Satisfaction	0.165	1.610	0.107

Source: PLS-SEM data processing results (2024)

Based on the table 9 above, we can explain that:

1) The Effect of Millennial Leadership Style on Employee Performance

According to the data provided in the table, it is apparent that the leadership style of millennials has a strong positive impact on the performance of employees. The statistical analysis reveals a coefficient value of 0.416, T-statistics of 3.269, and P-values of 0.001. As the T-statistics exceed the critical value of 1.96 and the P-values are below 0.05, the hypothesis is deemed to be well supported by the data. This means that millennial leadership style, which tends to be more open, technology-based, and supportive of work-life balance, contributes significantly to improved employee performance. This positive influence can be explained because this leadership style often creates a more collaborative and supportive environment, which allows employees to work more efficiently and innovatively.

2) Effect of Organisational Culture on Employee Performance

The examination outcomes display a coefficient of 0.192, T-statistics of 1.103, and P-values of 0.270, indicating that organisational culture does not have a notable impact on employee performance. Since the T-statistics value is below the T-table value of 1.96 and the P-values are above 0.05, it can be deduced that organisational culture does not significantly affect employee performance in this analysis. The positive coefficient value suggests a link between organisational culture and employee performance, however, due to the lack of statistical significance, it implies that the data is not substantial enough to confirm that altering organisational culture will lead to a significant change in employee performance. Essentially, although there is a connection between the two variables, it cannot be seen as a true influencing factor on employee performance within the scope of this research.

3) The Effect of Millennial Leadership Style on Job Satisfaction

According to the test findings, it is evident that the leadership approach of millennials plays a crucial role in enhancing job satisfaction. The high coefficient of 0.713, T-statistics of 15.505, and P-values of 0.000 provide strong support for this theory. This suggests that millennial leadership methods, including adaptability, teamwork, and empowerment, have a pronounced effect on boosting employee job satisfaction. When leaders focus on promoting a healthy work-life balance and opportunities for career growth, it makes employees feel appreciated and content in their roles, leading to improved productivity and loyalty towards the organisation.

4) Effect of Organisational Culture on Job Satisfaction

After conducting tests to examine how organisational culture impacts job satisfaction, it was found that the coefficient was -0.440, with T-statistics of 3.808 and P-values of 0.000. Although the effect is significant, the direction of the effect is negative. This means that certain aspects of organisational culture can actually decrease employee job satisfaction. For example,

a culture that is too rigid, does not support innovation, or is overly bureaucratic can make employees feel limited and dissatisfied. Therefore, it is important for management to ensure that the existing culture supports positive and progressive values, leading to increased job satisfaction.

5) The Effect of Job Satisfaction on Employee Performance

According to the examination findings on the correlation between job satisfaction and employee performance, the data reveals a coefficient of 0.165, T-statistics of 1.610, and P-values of 0.107. This suggests that job satisfaction does not have a substantial impact on employee performance. Despite the positive coefficient value suggesting a connection between job satisfaction and employee performance, this association is not deemed strong enough or statistically significant. In other words, while job satisfaction may contribute to improved employee performance, the effect is not large or clear enough to be considered a significant performance influencing factor in the context of this study. This study did not investigate other potential factors that may have a greater impact on employees' performance, therefore, it cannot be certain that job satisfaction has a significant influence on employee performance.

6) Path Analysis Test Results

Upon completion of the direct effect assessment, a subsequent examination of the indirect effect was conducted through path analysis in the current study. Ghazali and Latan (2015) suggest that when a model involves mediating variables, a multiple regression model will not suffice. Path analysis is the appropriate method for such situations, as it enables researchers to investigate both the direct and indirect connections between variables within the model.

Table 10. Path Analysis Test Results

Hypothesis	Variable	Coefficient	T statistics	P values
H6	Millennial Leadership Style -> Job Satisfaction -> Employee Performance	0.118	1.605	0.109
H7	Organisational Culture -> Job Satisfaction -> Employee Performance	-0.073	1.558	0.119

Source: PLS-SEM data processing results (2024)

Likewise, based on the table 10 above, we can explain that:

1) The Effect of Millennial Leadership Style on Employee Performance Through Job Satisfaction

The analysis of the test results reveals a coefficient of 0.118 for millennial leadership style, suggesting a slight correlation with employee performance via job satisfaction. However, the T-statistics value of 1.605 falls short of the required 1.96 from the T-table, indicating that this correlation is not statistically significant. Furthermore, the P-values of 0.109 exceed the 0.05 threshold, undermining the validity of the hypothesis. Essentially, while there appears to be a positive link suggesting that millennial leadership style could impact employee performance through job satisfaction, the data is insufficiently robust to confirm this influence as significant. Thus, despite the presence of a relationship, the indirect impact of millennial leadership style on employee performance through job satisfaction lacks the strength to be deemed significant in this particular study.

2) The Effect of Organisational Culture on Employee Performance Through Job Satisfaction

The study found that there is a weak negative relationship between organisational culture and employee performance through job satisfaction, as indicated by the coefficient of

-0.073. However, the T-statistics value of 1.558 is lower than the T-table of 1.96, suggesting that this relationship is not statistically significant. Moreover, the P-values of 0.119, exceeding the 0.05 threshold, also indicate that the hypothesis is not supported by the data. Despite the negative coefficient suggesting a potential influence of organisational culture on employee performance through job satisfaction, this influence is minimal and not statistically significant. Therefore, the results imply that organisational culture does not significantly impact employee performance through job satisfaction in this particular study.

5. Conclusion

The research is centred on examining the correlation between job satisfaction and employee performance at Gammara Hotel. This study has been adapted from previous research, focusing on employee performance, job satisfaction, and three independent variables: millennial leadership style, organisational culture, and job satisfaction. Through empirical testing of 10 hypotheses, using survey data from Gammara Hotel employees as respondents, this study has drawn several conclusions. It has been established that millennial leadership style positively impacts employee performance, with the implementation of an open, collaborative, and technology-driven leadership approach leading to increased efficiency and productivity. Secondly, while organisational culture may not have a strong impact on employee performance, a positive culture can promote a favourable work environment. In addition, the leadership approach of millennials has been found to enhance job satisfaction by offering flexibility and empowerment, thus boosting employee contentment. Conversely, the influence of organisational culture on job satisfaction is negative, revealing certain cultural aspects that lead to dissatisfaction. Furthermore, although job satisfaction is commonly linked to better performance, this study found no significant correlation between job satisfaction and employee performance. Moreover, job satisfaction does not serve as a mediator in the connection between millennial leadership style and employee performance. Similarly, job satisfaction does not act as a mediator in the relationship between organisational culture and employee performance.

From the results of model fit, this research model has a good ability to explain the relationship between variables, especially in predicting job satisfaction and employee performance. Based on the analysis results, the model belongs to the moderate to strong category, indicating that independent variables such as millennial leadership style and organisational culture can significantly explain variability in the dependent variable.

In terms of predictive ability, the Q-squared test shows that the model has medium predictive relevance. This indicates that the model is quite reliable in predicting changes in the dependent variable, especially in job satisfaction, although there is still room for improvement in the accuracy of predicting employee performance. Indicator validity and reliability have also proven to be good, ensuring that the constructs are measured appropriately. Overall, the model can be used as a reasonably effective tool for understanding and predicting job satisfaction and employee performance, with further development opportunities to improve the predictive ability and generalisability of the results.

6. References

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