The Influence of Core Values and Leadership Style on Employee Performance in Hospital Business

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ABSTRACT: Human resources are one of the main drivers in the success of an organization, even whether an organization is successful or not is determined by the existence of human resources. This research aims to determine the influence of core values and leadership style on employee performance at RSD dr. Soebandi Jember. The population in this study were all employees of RSD dr. Soebandi Jember, totaling 1,123 employees. By using the Slovin formula, it is known that the sample size is 100 respondents. The data analysis method used in this research is Structural Equation Modeling (SEM). The research results show that the core values applied at RSD dr. Soebandi can improve employee performance. The leadership style applied by RSD dr. Soebandi has a positive impact on improving employee performance.

KEYWORDS: core value; leadership style; employee performance; Regional Hospital.

INTRODUCTION

A government organization must be able to optimize existing human resources. Human Resource Management (HRM) is a part of organizational management that focuses on human resource elements. Human resources are one of the main drivers in the success of an organization. The success or failure of an organization is determined by the existence of human resources, whether it is a government-owned or private organization.

RSD dr. Soebandi Jember Regency is a hospital owned by the Regional Government of Jember Regency which is currently also facing competition in the hospital business. The development of the number of hospitals in Jember Regency has increased significantly along with the growth of the community and the need for health services. Based on data from RSD dr. Soebandi in 2022, shows that employee performance assessments are still less able to complete their tasks optimally. This indicates the performance of RSD dr. Soebandi, Jember Regency in 2022 is classified as less than optimal. RSD employee dr. Soebandi Jember Regency employees often complain that they are very tired physically and psychologically. The demand to provide good quality service to every patient and the demands from hospital management often become a psychological burden on employees due to feelings of pressure. This can trigger risks experienced by employees so that it can have an impact on decreasing employee performance. On the other hand, RSD dr. Soebandi is required to provide maximum service to every patient considering that currently competition in the health service sector is also increasing, even though RSD dr. Soebandi is a Type B Hospital so it is a referral hospital. The best service from an organization can be seen from the performance provided by its employees. Thus, it is important for an organization to continue to provide the best service by improving employee performance.

Performance is a process where work takes place to achieve the work results of an employee in a company (Handoko, 2011). Performance is the result of work in terms of quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him by company leaders (Azhad et al., 2015). An employee's ability can be seen through the work or tasks assigned to him (Tanady, 2017). If human resource performance is high, organizational performance will automatically be high (Edison, 2010). On the other hand, if the performance of human resources is low, it can cause a decline in organizational performance. Performance is the result of work in terms of quality and quantity achieved by employees in carrying out their duties in accordance with the responsibilities given (Mangkunegara, 2017). Performance can be viewed as a process or result of an employee's work (Qomariah, 2020). Therefore, benchmarks or determinants are needed that can be used as a reference in assessing an employee's performance. According to (Yuniarsih & Suwatno, 2014), performance is the result or overall level of success of a person during a certain period in carrying out tasks compared to various possibilities, such as standard work results, targets or goals or predetermined criteria that have been mutually agreed upon. In improving employee
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performance, many efforts must be made by an organization. Several factors that are thought to be able to improve employee performance are the existence of core values that are adhered to and implemented in a company or organizational culture. The next factor which is no less important which can also provide an increase in performance is the leadership style in a company.

Core values are basic values in an organization that have been embedded and practiced in carrying out tasks in an organization. These basic values can also be called culture in the organization which is the basis for carrying out employee duties. According to (Robbins & Judge, 2011), organizational culture is a principle, value, tradition or attitude which can influence organizational members in their actions. In this way, an organization moves and works on the basis of values that are embedded in the company which can be good for the company and the groups within it. Schein, (2010) states that organizational culture is the basis accepted by the organization that acts and solves problems, forms employees who are able to adapt to the environment and unites organizational members. If an organizational culture is good and then implemented in an organization, it will bring goodness and can provide benefits which will have an impact on employee performance. Research (Rizky et al., 2020), (Sitio, 2021), (Rina & Perdana, 2017), (Safitri, 2022), (Manggis et al., 2018), (Adha et al., 2019), (Ikhsan, 2016), (Rizky et al., 2020), (Putri et al., 2023), (Hutajulu et al., 2020), (Yuliiani & Saputra, 2020), (Moron & Rangga, 2023), (Sembiring & Winarto, 2020), (Hayaman & Jumalia, 2018), (Siregar et al., 2020), (Fatimah & Frinaldi, 2020), (Rizqina et al., 2020), (Jamaludin & Subiyanto, 2022), (Setywati et al., 2021), (Qomariah, Janah, et al., 2023), (Qomariah, et al., 2023), (Setywati et al., 2023), (Nursaid et al., 2023), (Qomariah, 2012 ), (Diah et al., 2024), (Senjaya & Anindita, 2020) state that an organizational culture based on core values in the company provides increased employee performance. Meanwhile, research conducted by (Radyasasmita & Suryaningsih, 2022), (Atikah & Qomariah, 2020), (Qomariah et al., 2020), (Fathurahman & Ahman, 2020) stated that an organizational culture based on the company's core values cannot provide improvements which is significant for employee performance.

The next factor that can also improve employee performance is the leadership style in an organization. Leadership style is one of the important dimensions of effective leadership which is also the strongest predictor of leadership outcomes, such as the extra effort of subordinates towards leadership skills (Rivai & Mulyadi, 2012). The leadership model displayed by a transformational leader is expected to increase subordinates' efforts to achieve optimal work results (Qomariah, 2020). This leadership model is one of the leadership models that is starting to take into account its usefulness in dealing with organizational change (Handoko, 2015). Several studies discussing the issue of leadership style which is associated with employee performance have been carried out on various different objects and also with different results. Research (Priyono et al., 2018), (Kurniawati & Tobing, 2019), (Majali et al., 2022), (Khan et al., 2021), (Fikri & Setiawati, 2021), (Bakker et al., 2022), (Andrian et al., 2018), (Lapatta & Temaluru, 2023), (Mohammad et al., 2022), (Hadiana & Sari, 2019), (Udin et al., 2022), (Haflifi et al., 2018), (Listiani et al., 2020), (Chandra et al., 2020), (Riyadi, 2020), (Ayuningtyas & Utami, 2019), (Ishak et al., 2019), (Priyono et al., 2019), (Abbas et al., 2020), (Arijanto et al., 2022), (Atikah & Qomariah, 2020), (Qomariah, Hermawan, et al., 2020), (Mulyadi et al., 2023 ), (Qomariah et al., 2022), (Kurniawan et al., 2021), (Triasmawan et al., 2023), (Nursaid et al., 2022), (Qomariah et al., 2020), (Setiawan et al., 2022), (Qomariah et al., 2021), (Qomariah, et al., 2020), (Chandra et al., 2020), (Senjaya & Anindita, 2020), (Diah et al., 2024 ), (Qomariah, et al., 2023), (Qomariah, et al., 2023), (Atikah & Qomariah, 2020), (Qomariah, et al., 2020), (Puspitasari et al., 2024), which states that good leadership in an organization can provide improved performance for employees. Meanwhile, research conducted by (Qomariah, 2012) states that leadership has no impact on employee performance.

Research Hypothesis

1. Core values have a positive impact on employee performance.
2. Leadership style has a positive impact on employee performance.

Research Conceptual Framework

![Figure 1: Conceptual Framework](image-url)
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RESEARCH METHODS

This research uses explanatory research, namely a type of research that aims to analyze the relationship or influence between variables through hypothesis testing (Sugiyono, 2017). This research aims to analyze the influence of core values and leadership style on employee performance at RSD dr. Soebandi, Jember Regency. The population in this study were all employees of RSD dr. Soebandi Jember Regency has 1,123 employees. Using the Slovin formula, it is known that the number of respondents was 100 respondents, with an error rate of 10%. Descriptive analysis was carried out to determine the description of respondents and also research variables consisting of core values, leadership style and employee performance. Validity tests and reliability tests were also carried out to test research measuring instruments. Hypothesis testing to determine whether or not the hypothesis developed is accepted.

RESULTS AND DISCUSSION

Variable Validity Test

Validity tests are used to describe the correlation of constructs with their indicators. Individual indicators are considered valid if they have a correlation above 0.70. The results of testing the validity of research variables are presented in the model as seen in Table 1.

Table 1. Validity Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>Validity Test Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Value (X1)</td>
<td>X1.1</td>
<td>0.776</td>
</tr>
<tr>
<td></td>
<td>X1.2</td>
<td>0.777</td>
</tr>
<tr>
<td></td>
<td>X1.3</td>
<td>0.794</td>
</tr>
<tr>
<td></td>
<td>X1.4</td>
<td>0.702</td>
</tr>
<tr>
<td></td>
<td>X1.5</td>
<td>0.760</td>
</tr>
<tr>
<td></td>
<td>X1.6</td>
<td>0.737</td>
</tr>
<tr>
<td></td>
<td>X1.7</td>
<td>0.794</td>
</tr>
<tr>
<td>Leadership Style (X2)</td>
<td>X2.1</td>
<td>0.708</td>
</tr>
<tr>
<td></td>
<td>X2.2</td>
<td>0.737</td>
</tr>
<tr>
<td></td>
<td>X2.3</td>
<td>0.703</td>
</tr>
<tr>
<td></td>
<td>X2.4</td>
<td>0.771</td>
</tr>
<tr>
<td></td>
<td>X2.5</td>
<td>0.763</td>
</tr>
<tr>
<td>Employee Performance (Y)</td>
<td>Y.1</td>
<td>0.849</td>
</tr>
<tr>
<td></td>
<td>Y.2</td>
<td>0.729</td>
</tr>
<tr>
<td></td>
<td>Y.3</td>
<td>0.747</td>
</tr>
<tr>
<td></td>
<td>Y.4</td>
<td>0.842</td>
</tr>
<tr>
<td></td>
<td>Y.5</td>
<td>0.786</td>
</tr>
</tbody>
</table>

Based on the research results presented in Table 3, the validity values of the research variables show that all indicators have values above 0.70, thus it can be concluded that all dimensions and indicators used in this research are declared valid.

Reliability Test Results

The criteria used in this test are the Cronbach's alpha values of the research variable indicators. A reliable variable is a variable that has a Cronbach's alpha value > 0.60. The results of the Cronbach's alpha test are presented in Table 2.

Table 2. Reliability Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Value (X1)</td>
<td>0.775</td>
<td>Reliable</td>
</tr>
<tr>
<td>Leadership Style (X2)</td>
<td>0.795</td>
<td>Reliable</td>
</tr>
<tr>
<td>Employee Performance (Y)</td>
<td>0.786</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Based on the research results in Table 2, it shows that the value of Cronbach's alpha for all constructs has a value of more than 0.7, thus in this research model each research construct has reliable criteria.
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Hypothesis Test Results

Hypothesis testing aims to find out how much influence the independent variable has on the dependent variable. The statistical test used to test the hypothesis is the t test on each path of influence between variables. The results of direct influence testing can be seen in Table 3.

Table 3. Hypothesis Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient Value</th>
<th>P-Values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1 → Y</td>
<td>0.327</td>
<td>0.001</td>
<td>Significant</td>
</tr>
<tr>
<td>X2 → Y</td>
<td>0.506</td>
<td>0.001</td>
<td>Significant</td>
</tr>
</tbody>
</table>

DISCUSSION

The Influence of Core Values on Performance

The results of path analysis in the t test on the first hypothesis (H1) show that the core value has an effect on performance by looking at the significance level, which is 0.001. The relationship shown by the regression coefficient is positive, meaning that the better the core value, the better the employee's performance. The results of this research are in line with previous research conducted by research (Rizky et al., 2020), (Sitio, 2021), (Rina & Perdana, 2017), (Safitri, 2022), (Manggis et al., 2018) which stated that core values which are the basis of organizational culture can improve employee performance in a company.

The Influence of Leadership Style on Performance

The results of path analysis in the t test on the second hypothesis (H2) show that leadership style influences employee performance by looking at the significance level, which is 0.001. The relationship shown by the regression coefficient is positive, meaning that the higher the leadership style, the more employee performance will increase (H2 is accepted). According to (Robbins & Judge, 2011) stated that leadership is a person's ability to influence other people (subordinates) in such a way that other people are willing to carry out the leader's wishes even though they personally may not like it. The results of this research are in line with previous research conducted by research (Priyono et al., 2018), (Kurniawati & Tobing, 2019), (Majali et al., 2022), (Khan et al., 2021), which states that leadership style has a significant influence on employee performance.

CONCLUSION

1. The results of the path coefficient test on the influence of core values on performance show a significant positive influence. This proves that the higher the core values which are the basis of organizational culture, the higher the employee performance at RSD Dr. Soebandi Jember.
2. The results of the path coefficient test on the influence of leadership style on employee performance show a significant positive influence. This proves that the better the leadership style will improve employee performance at RSD dr. Soebandi Jember.

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