The Influence of Digital Culture and Transformational Leadership Style on Employee Performance: The Mediating Role of Work Motivation

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Abstract

The current investigation seeks to evaluate the consequence of digital culture and transformational leadership on employee performance at the PT Pos Indonesia Bandung's main branch office, with work motivation contributing as a mediator. The investigation utilizes a quantitative approach and causal research methods, data were assessed using SmartPLS version 4. The results show that employee performance is favorably and substantially influenced by digital culture, while transformational leadership style does not. Furthermore, work motivation is identified as a significant mediator in the link between digital culture, transformational leadership, and employee performance. This investigation enhanced to relevant published works by highlighting the interplay between those variables, suggesting that organizations should prioritize these elements to optimize performance. The findings offer practical implications for managers seeking to create a motivated workforce in a digitally evolving landscape

Keywords: performance, digital culture, leadership, motivation.

1. Introduction

The growth of the logistics services industry in Indonesia has accelerated due to the high public demand for goods delivery and the growth of e-commerce. During the period from 2021 to 2023, the transportation and warehousing sector contributed 4.24% in 2021, which rose to 5.02% in 2022. According to data from the Central Statistics Agency (BPS), Supply Chain Indonesia (SCI) forecasts that the sector's contribution will reach 5.82% in 2023 and 6.00% in 2024. The logistics industry is strongly connected to the efficiency and effectiveness of goods transportation. Various strategies are used so that companies provide quality service to consumers in shipping services. Employees serve an essential function in ensuring success or failure of the company. Therefore, Employee performance is a key factor that contributes to the logistics industry environment. Strong employee performance is directly linked to positive outcomes in the company's business growth. Key aspects used to assess employee performance include quality, quantity, working hours, and teamwork in achieving the company's goals. To ensure tasks and responsibilities are fulfilled as expected, it is essential for the company to maintain and support the performance of each employee (Bambang, 2021).

One of the companies known to be engaged in the field of logistics services is PT Pos Indonesia (Persero) which aims to generate profit and as a development agent. The performance of Pos Bandung's main branch

employees fluctuated between 2020 and 2022. The branch manager's performance showed a notable decrease from 81.06 in 2020 to 80.53 in 2021, followed by a rise to 84.6 in 2022, achieving a P3 performance level, indicating strong performance. Similarly, the manager's performance, also showed fluctuations, beginning at 80.97 in 2020, rising to 88.46 in 2021, and then dropping to 84.8 in 2022, still maintaining a P3 level, which signifies good performance with room for improvement. In contrast, the assistant manager saw a significant and consistent improvement, rising from an average of 77.09 in 2020 to 91.71 in 2022, reaching a P4 performance level, indicating that the assistant managers met their targets with commendable achievements. As for the staff, their performance saw a considerable increase from an average of 75.85 in 2020 to 83.71 in 2021, with a slight decrease to 83.42 in 2022, maintaining a P3 level, indicating well performed but have areas that could be further improved.

Zameer et al. (2014) argue that one of the tools for the best performance is motivation. Work motivation serves as a driving force or incentive that encourages employees to perform their tasks. Motivated employees will make the employees feel happy and enthusiastic in working so that the company or organization can develop and provide growth through the performance of these employees. Motivation plays an important role in increasing employee participation so that the company produces maximum output. Managers must understand the behavior of certain people to motivate them to work in alignment with the organization's needs. Without motivation, an employee or worker cannot fulfill his work according to standards or exceed standards because what motivates employee to work is not fulfilled.

Ibrahim et al. (2022) points out that organizational culture influences employee motivation and performance positively and significantly. According to Umam (2022) that culture is related to shared meanings, values, attitudes, and beliefs and the essence of an organization lies in the attitudes, beliefs, habits, and expectations of all its members, from top leadership to front-line employees, making it impossible for any management activity to operate independently of the organizational culture. The organizational culture of "AKHLAK" at the Pos Bandung's main branch office is established to support the vision, mission, and business strategy of POS Indonesia, as well as to encourage positive employee performance. Every employee at Pos Bandung works in a trustworthy and competent manner, by building harmonious relationships and loyal attitudes, running the business adaptively, and developing collaborative cooperation. The "AKHLAK" culture is the basis for the formation of human resource character at PT Pos Indonesia which has been integrated into the applicable systems and procedures and internalized and implemented by every Pos Indonesia employee resulting in a work culture.

Organizational culture itself can develop into a digital culture because it adapts to shifts in conditions of the market, the shifts in government regulations, emerging technologies, and other influences (Welch & Feeney, 2014; Elijah, 2016). Digital culture is interpreted through attitudes and utilization of Information and Communication Technology (ICT) which become habits that become whole values and beliefs (Navaridas-Nalda et al., 2020). According to Ferdian & Rahmawati (2019), digital culture is a key factor in supporting successful organizational transformation to meet the challenges of industry 4.0 because it is included in one part of digitalization. A strong digital culture will increase productivity and innovation to maintain the organization's competitive edge. In accordance with the organizational culture of PT Pos Indonesia, namely Adaptive, where the organization must continue to innovate and be enthusiastic in driving or facing change. Therefore, PT Pos is carrying out a number of digital transformations that are expected to be better in serving customers, developing much faster and improving performance.

According to Buvat et al. (2017) in implementing a corporate culture towards digitalization, a leader needs to articulate a cultural vision to provide standards for managers and employees in their work, adjust

cultural activities to align with the digital vision, act as a mentor and role model to achieve the overall cultural ambition, and adjust key performance indicator (KPI) or incentive structures to align with transformation goals, or incorporate desired behavioral changes into core value statements. Aligning the entire organization with a strong, clear vision is essential for achieving digital transformation objectives. However, many organizations struggle to engage their employees effectively. In research carried out by Buvat et al. (2017), it is founded that a notable gap exists between leadership and employees regarding a shared, actionable vision. This disconnect arises because leaders often fail to communicate a sufficiently tangible digital vision for employees to internalize.

Leadership, at its core, is the process of influencing others. It encompasses the capability to manage or influence the actions of individuals or groups toward a specific objective. Strong and convincing communication about the importance of the vision must be demonstrated by leaders to inspire the spirit and enthusiasm of the individuals they lead. According to Sugiarti (2023), leaders play a crucial role in inspiring and motivating others to reach shared visions and goals. Jufrizen et al. (2021) argue that Leaders need to inspire employees through support and encouragement to enhance their performance. They should also maintain alignment with their subordinates to foster an organizational culture and a comfortable work environment that promotes improved performance compared to previous levels. According to Bass (in Yu kl; Adamy, 2016) transformational leadership is a style where leaders inspire and encourage their followers, fostering trust, admiration, loyalty, and respect. Suriagiri (2020) states that transformational leadership essentially encourages subordinates to exceed their usual capabilities, boosting their confidence and trust, which in turn positively impacts their performance.

The findings from the pre-research questionnaire results on transformational leadership shows that 14 out of 15 employees at Pos Bandung have agreed with the statements in the pre-research questionnaire that have been distributed, this means that employees agree with the transformational leadership implemented in the company and is good but still not optimal. This can be seen from the responses given by employees to the statement "The leader gives me the opportunity to improve my abilities", getting a score of 78.67%. Likewise, with the statement "The leader motivates me to work better", getting a score of 78.67%. Furthermore, the statement "The leader gives me instructions on how to complete a job", also gets a score of 78.67%. Then in the statement "The leader encourages me to always be innovative in completing work", getting a score of 78.67%. The description above shows that the transformational leadership implemented at Pos Bandung's main branch office has been running well but there are still some shortcomings in its implementation.

Therefore, the researcher is motivated to conduct this topic further through a study regarding the connection between employee performance, work motivation, digital culture, transformational leadership.

2. Theoretical Review

2.1 Digital Culture

Digital culture can be defined as a collection of unified beliefs and awareness regarding the role of an organization within a digital environment (Martínez-Caro et al., 2020). It represents how people interact with each other, act, think and communicate with the influence of the internet and technology (Shin et al., 2022). According to Rudito & Sinaga (2017) Digital culture fosters the adoption and growth of technology to boost operational effectiveness and attain success in the corporate sphere. Based on the definitions, it can be inferred that digital culture is the values believed in an entity that become habits in their interactions and communications are supported by digital technology.

H1: Employee performance (Y) is favorably and substantially influenced by digital culture (X1)

H3: Work motivation (Z) is favorably and substantially influenced by digital culture (X1)

H6: Work motivation (Z) serves as a favorably and substantially mediator between digital culture (X1) and employee performance (Y)

2.2 Transformational Leadership

According to Budiyanto & Mochklas (2022) Leadership is a method of impacting others to work towards common aims. Leadership is the capacity and skills of an individual to sway others in their thoughts and actions, both for those in higher and lower positions so that behavior that was originally individualistic and egocentric can change into organizational behavior (Hutahean, 2021). According to Burns in Adamy (2016) Transformational leadership is a process where individuals connect with one another, fostering relationships that enhance motivation and ethics among both leaders and followers. According to Soelistya (2022) transformational leadership is leadership that involves change in the organization, and includes the development of closer relationships between leaders and employees, based on trust and shared commitment for the benefit of the organization. It is identified change as well as transforms resources optimally to achieve organizational goals.

H2: Employee performance (Y) is favorably and substantially influenced by transformational leadership style (X2)

H4: Work motivation (Z) is favorably and substantially influenced by transformational leadership style (X2)

H7: Work motivation (Z) serves as a favorable and substantial mediator between transformational leadership (X2) and employee performance (Y).

2.3 Work Motivation

According to Yuliani (2023: 53) that work motivation is a condition of a person who is driven to carry out tasks according to their function in the organization. Motivation is regarded as a means of fostering enthusiasm, leading individuals to desire to work towards organizational objectives by utilizing their skills and expertise. Work motivation according to Marsinah & Idrus (2021) is something that creates a drive or enthusiasm for work or it can be said as a motivator for the enthusiasm of work. Safrizal (2022) states that work motivation is a condition where to achieve the expected goals, there is a process of moving or encouraging someone to do the job. Based on the definition provided, work motivation is a state that arises in employees due to the drive to perform tasks in order to achieve company goals.

H5: Employee performance (Y) is favorably and substantially influenced by work motivation (Z)

2.4 Employee Performance

According to Budiyanto & Mochklas (2020) employee performance points to the outcomes of an individual's work, accomplished in accordance with specific criteria relevant to a particular role within an organization. Daryanto & Suryanto (2022) states that performance (work achievement) is the output produced by employees while fulfilling their roles, based on the responsibilities assigned to them, and can be assessed in terms of both quality and quantity. According to Huseno (2016) the outcome of an individual's efforts in a specific context, achieved through their abilities and actions can be called as performance. Based on this definition, performance pertains to the results of work or the level of success attained by an employee in fulfilling their duties and responsibilities, either meeting or surpassing the targets set by the company, which can be evaluated in terms of both quality and quantity.

2.5 Theoretical Framework

The following illustrates the theoretical framework for this study:

Figure 1: Theoretical Framework
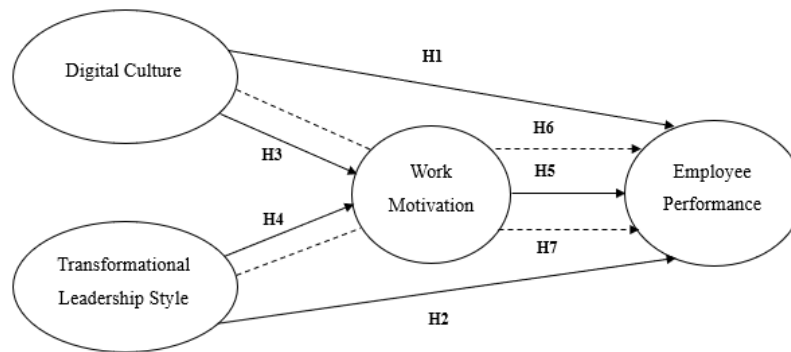
3. Methodology

3.1 The design of the research

This examination used a causal research type with a quantitative research method. As mentioned in Sahir (2021), the quantitative research method is research with tools for processing data using statistics, therefore the data obtained and the results obtained are in represented numerically. Quantitative research starts from a preliminary study of the object being studied (preliminary study) to get the real problem. Quantitative research is usually conducted on a specific sample or population. The process is deductive so that the formulation of the problem can be answered using theory so that it is formulated in the form of a hypothesis. Data is distributed to respondents through a survey, utilized a Likert scale. Survey has distributed by researchers to the 130 samples and the questionnaires that are returned to the researcher are 118 questionnaires. So, the percentage of questionnaires that have been filled out and returned is 90.76%.

3.2 Sample and collection of the data

This investigation consists of 130 employees at the PT Pos Indonesia's Main Branch in Bandung as the population. Nonprobability sampling was used. Nonprobability sampling is a sampling method that is selected without probability. According to Sahir (2021), nonprobability sampling is a method in which not every individual has the same opportunity to be chosen. In this research, a method of saturated sampling was employed, meaning that the whole population were included as samples (Masita, 2022). This study took a sample of 130 people.

	Demographic Characteristics	Respondent	Percentage
A	Gender		
	Male	60	50.8%
	Female	58	49.2%
B	Age		
	≤ 30 years old	37	31.4%
	31 – 40 years old	63	53.4%
	41 – 50 years old	17	14.4%
	> 50 years old	1	0.8%
C	Period of Work		
	< 1 year	5	4.1%
	1 – 5 years	44	37.3%
	6 – 10 years	42	35.6%

	> 10 years	27	22.9%
D	Education Level		
	High school	1	0.8%
	Diploma	8	6.8%
	Bachelor degree (S1)	107	90.7%
	S2/S3	2	1.7%

Male respondents made up 50.8%, or 60 individuals, while female respondents accounted for 49.2%, or 58 individuals. This indicates that the dominant respondents at Pos Bandung were male, with 60 out of a total of 118 respondents. The dominant respondents were aged 31 to 40 years, comprised 53.4% respondents, totaling 63 out of 118 respondents. Based on their length of employment, it showed that 4.1% respondents had been in their roles for under 1 year. Those employed for 1 to 5 years comprised 37.3% respondents, while 35.6% respondents had worked for 6 to 10 years. Finally, 22.9% respondents had been employed for more than 10 years. Additionally, the majority of employees have an S1 educational background.

3.3 Data analysis

SEM is implemented for data examination in this investigation. Widodo & Yusiana (2021) state that SEM is a technique that provides researchers with the opportunity to include unobservable variables that are determined indirectly through the indicators. Partial Least Squares-SEM is used as a tool for theory development in exploratory analyses. This approach is beneficial for research aiming to test causal relationships among more complex variables.

4. Results and Discussions

4.1 Outer Model

Hair et al. (2022) reported that for analyzing the tests of validity together with reliability, the outer or structural model illustrates the connection within latent variables and the indicators are used. The criteria used for validity and reliability tests are convergent validity and reliability. Figure 2 shows the research measurement model involving the four variables in this evaluation.

Figure 2: Outer Model
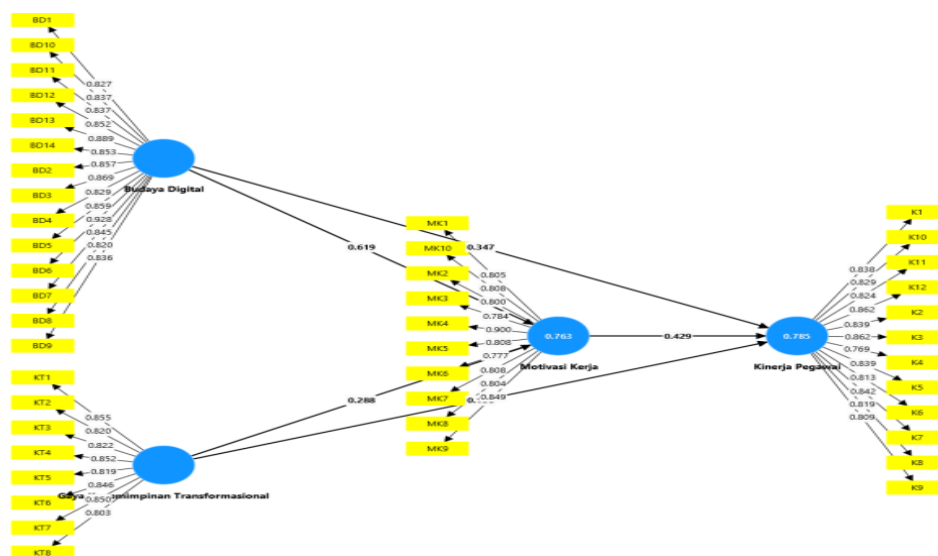
A construct measured formatively with a single-item construct that assesses the same concept, a correlation of ≥ 0.7 is required to be considered valid (Hair et al., 2019). The results are revealed below.

Table 1: Outer Loading

Variables	Dimension	Indicators	Outer Loading	Conclusion
Employee Performance	Quality	Finish the job well	0.838	Valid
		Minimize error rate	0.839	Valid
	Quantity	Complete the amount/results of work according to target	0.862	Valid
		Able to complete large amounts of work	0.769	Valid
	Punctuality	Able to complete tasks on time according to target	0.839	Valid
		Able to manage time by prioritizing work	0.813	Valid
	Cost Effectiveness	The level of employee ability in using company facilities	0.842	Valid
		The level of employee capability in accordance with the facilities provided by the company	0.819	Valid
	Need for Supervision	The level of employee ability in finding information to carry out tasks	0.809	Valid
		The level of employee ability in solving work-related problems	0.829	Valid
	Interpersonal Impact	Level of ability to communicate well with coworkers	0.824	Valid
		Degree of capability to adjust to the work environment	0.862	Valid
Work Motivation	Physiological Needs	Salary is sufficient for employee needs	0.805	Valid
		There are other financial benefits	0.800	Valid
	Security Needs	Feeling safe at work	0.784	Valid
		There are health benefits	0.900	Valid
	Social Needs	Able to mingle with coworkers	0.808	Valid
		Willingness to take part in every group event at the office	0.777	Valid
	The Need to Be Valued (Esteem)	Supervisors offer praise when subordinates perform well	0.808	Valid
		There are awards for the best performing employees	0.804	Valid

	The Need for Actualization	Opportunity to participate in determining company goals	0.849	Valid
		Opportunity to develop skills and abilities	0.808	Valid
Digital Culture	Innovation	Digitalization enables the presence of new ideas in companies	0.827	Valid
		Digitalization helps generate new products and services	0.857	Valid
	Data-Driven Decision Making	Leveraging data for informed decision-making	0.869	Valid
		Utilization of data as material for job analysis	0.829	Valid
	Collaboration	Inter-functional collaboration is actively encouraged to achieve effective solutions.	0.859	Valid
		Cooperation to achieve company goals	0.928	Valid
	Open Culture	Open to partnering with external parties	0.845	Valid
		Discuss openly with all team members	0.820	Valid
	Digital First Mindset	Have a strong awareness of the importance of digital technology	0.836	Valid
		Finding solutions by utilizing digital technology	0.837	Valid
	Agility and Flexibility	Quick in decision making	0.837	Valid
		Adapting to technological developments	0.852	Valid
	Customer Centricity	Increasing employee engagement	0.889	Valid
		Using digital solutions to expand customer base	0.853	Valid
Transformational Leadership Style	Ideal Influence	Employees respect their superiors	0.855	Valid
		Leaders have a positive influence on employees	0.820	Valid
	Motivation Inspiration	Leaders provide encouragement to employees	0.822	Valid
		Leaders inspire employees	0.852	Valid
	Intellectual Stimulation	Leaders support employee skill development	0.819	Valid
		Leaders give tasks and challenges	0.846	Valid
	Individual Considerations	Leaders pay attention to potential employees	0.850	Valid

		Leaders listen to employee needs	0.803	Valid

The values are summarized in Table 1, the results of outer loading are > 0.7. These findings indicate that all variables have passed the validity test.

According to Hair et al. (2022) that to assess a construct's convergent validity of across all its indicators are utilizing Average Variance Extracted (AVE). Therefore, the outcome is equivalent to similarity (communality) of a construct. AVE can be accepted if the value is > 0.5.

Table 2: The model of metric

Variables	Cronbach's Alpha	Composite Reliability	AVE Value
Budaya Digital	0.971	0.972	0.728
Kepemimpinan Transformasional	0.937	0.939	0.695
Kinerja Pegawai	0.959	0.960	0.687
Work Motivation	0.944	0.947	0.664

In light of the information in Table 2, the AVE value of the tested variables has a value of > 0.5. This signifies that the variables are considered to fulfill the acceptance criteria for the AVE test.

The assessment criteria for both Cronbach's alpha along with Composite reliability are declared reliable if the results are > 0.7. According to the data on Table 2, both values are > 0.7. This shows that this examination model has met the criteria of the reliability test which indicates the consistency, accuracy, and precision of the model.

4.2 Inner Model

R^2 statistic indicates the extent of variability among the variables in the model. The assessment of R^2 is if R^2 is 0.75 then it is said to be strong (substantial), if it is 0.50 then it is said to be moderate, and it is said to be weak if R2 is 0.25. The R^2 results is in the table below.

Table 3: R^2

	R^2
Kinerja Pegawai	0.785
Work Motivation	0.763

Table 3 shows that digital culture, transformational leadership style, as well as work motivation can explain employee performance by 0.785 or 78.5%. Hence, it is categorized as strong. Furthermore, digital culture and transformational leadership style can explain work motivation by 0.763 or 76.3% and it is categorized as strong It can be inferred that this research model is good at explaining the connection between variables.

4.3 Hypothesis Test Results

If the P value of this analysis ≤ 0.05, hypothesis can be accepted. In addition, it is considered to have a significant effect by observing the t statistic value > 1.96. The following presents are the data revealed of the hypothesis tests conducted in this study.

Table 4: Path Coefficients & Specific Indirect Effects Results

	Hypothesis	T-statistics	P-values	Result
H1	BD -> K	3.355	**0.001**	**Accepted**
H2	KT -> K	1.682	**0.093**	**Rejected**
H3	BD -> MK	8.090	**0.000**	**Accepted**
H4	KT -> MK	3.470	**0.001**	**Accepted**
H5	MK -> K	3.827	**0.000**	**Accepted**
H6	BD -> MK -> K	3.323	**0.001**	**Accepted**
H7	KT -> MK -> K	2.497	**0.013**	**Accepted**

Referring to table 4.35, the following insights about the hypothesis can be derived:

a. Hypothesis 1 – Employee performance is favorably and substantially influenced by digital culture

From the research evidence in Table 4, the t- value 3.355 > 1.96, as well as the p-value output 0.001 < 0.05, indicating that H1 is approved. The insights obtained from this study are support Pangarso, et al. (2022) and Siregar & Hendarman (2023). Therefore, it is essential for organizations to make certain that employees possess the necessary skills and knowledge to utilize digital tools effectively because the success of implementing a digital culture depends on human resources within the organization. Shin (2022) also stated that organizations should prioritize employees with digital skills to enhance performance. Involvement within an organization can be encouraged by the presence of a digital culture, which fosters familiarity, transparency, and the development of networks among employees. This environment builds the trust essential for a positive employee experience, promoting resource efficiency and supporting enhanced employee performance.

b. Hypothesis 2 – Employee performance is favorably and substantially influenced by transformational leadership style

From the research evidence presented in Table 4, the t- value 1.682 < 1.96, as well as the p-value output 0.093 > 0.05, revealing that H2 is rejected. Transformational leadership style fails to exert a positive influence or significant contribution to employee performance. The discoveries made in this research are support Novitasari & Asbari (2020) and Meiryani et al. (2022). The evidence gathered in this research do not align with Qalati et al. (2022), Hariadi & Muafi (2022), and Deddy (2022) which claim that performance of the employee is favorably contributed by transformational leadership. Evidence from this research reveal that participants perceived a lack of influence from transformational leadership approach on employee performance levels. Different outcomes can be caused by different contexts between public and private organizations, as well as differences between service and industrial organizations. Wuryaningrat et al. (2024) stated that although the influence is not significant, transformational leadership can still help improve employee performance if used together with other leadership style approaches. Leaders need to comprehend and articulate culture in terms of values and workflows that guide companies in the digital age towards embracing a digital culture.

c. Hypothesis 3 – Work motivation is favorably and substantially influenced by digital culture

From the research evidence presented in Table 4, the t- value 8.090 > 1.96, as well as p-value output 0.000 < 0.05, indicating that H3 is approved. Work motivation is favorably and significantly

influenced by digital culture. Therefore, the implementation of culture in digital ecosystem accompanied by the right environment and technology can make employees feel more involved and motivated to achieve organizational goals. Employees who are supported by a strong digital culture tend to be more prepared to face new challenges and innovate in their work. Organizations that promote innovation, autonomy, agility, transparency, and other aspects of a digital culture during transformation initiatives will enhance the employee experience. This encompasses how employees perceive the digital organization, engage in advanced problem-solving, participate in creative learning, explore new ways to reach objectives, and stay connected with their colleagues.

d. Hypothesis 4 – Work motivation is favorably and substantially influenced by transformational leadership style

From the research evidence presented in Table 4, the t- value 3.470 > 1.96, as well as the p-value output 0.001 < 0.05, indicates that H4 is approved. The outcomes of this investigation are in line with Hariadi & Muafi (2022) and Ibrahim et al. (2022). Therefore, effective transformational leaders are able to provide a concise viewpoint and motivate employees to obtain common goals. Each employee may have different needs, abilities, and aspirations. Transformational leaders must offer support and encouragement to help motivate employees to complete their tasks.

e. Hypothesis 5 – Employee performance is favorably and substantially influenced by work motivation

From the research evidence presented in Table 4, the t-value 3.827 > 1.96. as well as p-value output 0.000 < 0.05, revealing that H5 is approved. These evidences are matches with the research of Amri & Mz (2023), which also highlights the meaningful and substantial effect from employee performance by work motivation. Similar conclusions were drawn by Virgiawan et al. (2021) and Riyanto et al. (2021). Thus, to achieve organizational goals, enhancing employee motivation is essential for improving performance. When employees are motivated, time seems to pass quickly n their work surroundings as employees appreciate the journey of completing their tasks, fostering a strong desire to engage in their work.

f. Hypothesis 6 – Work motivation serves as a favorable and substantial mediator between digital culture and employee performance

From the evidence presented in Table 4, the t-value 3.323 > 1.96, as well as p-value output 0.001 < 0.05, indicating that H6 is approved. This demonstrates that through work motivation, employee performance is substantially and positively determined by digital culture. Therefore, organizations should focus on fostering and implementing a supportive digital culture while creating a work environment that motivates employees. This can be achieved by providing training, developing digital competencies, and offering incentives to promote the effective use of technology. When a person is motivated, will aim to deliver their highest quality of work in order to achieve their goals. Therefore, as employee motivation increases within a company, their performance will improve as well.

g. Hypothesis 7 – Work motivation serves as a favorable and substantial mediator between transformational leadership and employee performance

Taking the insight outlined in Table 4, the t- value 2.497 > 1.96, as well as the p-value output 0.013 < 0.05, indicating that H7 is approved. These conclusions are in accordance with Yanto & Irfan (2021), who stated that the effectiveness of transformational leadership is notably enhanced the performance of employee by work motivation as a mediator. Similar conclusions were also drawn by Ekhsan & Setiawan (2021) and Amin et al. (2023). Therefore, leaders who embrace transformational principles can inspire and motivate personnel in accomplishing company objectives. The element of

transformational leadership such as inspirational motivation contributes to fostering employees who are more driven to attain the desired level of performance.

5. Conclusions

Study discoveries by the researcher confirms that determinants such as digital culture and significantly impact employee work motivation and performance. Conversely, Employee performance style does not notably influence by transformational leadership. These findings demonstrate the key contribution of digital culture and leadership to enhancing employee performance within modern organizations. Innovation and facilitate alteration to rapid changes in the organizational surroundings can be fostered by digital culture's adoption, thereby supporting the transformation of the organization. Digital culture is crucial for enhancing employee performance through collaboration, a culture of openness, and data-driven decision-making. Transformational leaders who effectively optimize organizational resources to meet established goals can promote innovation and adaptation within the organization. It is crucial for leaders to encourage and energize employees to achieve these objectives, as this enables them to positively influence improvements in employee performance. Future research could expand the model by incorporating additional variables, including other mediating and moderating factors that may influence the relationships among the variables that have been investigated by the researchers. Researchers are also encouraged to explore these topics in different sectors or industries.

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