

ABSTRACT

Palm oil is one of the main commodities of plantations that has an important influence in driving economic growth in Indonesia. In the increasingly complex era of globalization, the skills of an employee become a crucial factor for companies in creating continuity and development. Employees who have good capabilities, skills, and skills are the main foundation for an organization. The study aims to analyze the effect of transformational leadership and organizational culture on employee performance with job satisfaction as a mediating variable. This study was conducted on employees of PT Asda Kebun Sawit Aek Buru Selatan with a quantitative approach involving 80 respondents from permanent employees, with a minimum service period of two years. Data analysis was conducted using the (SEM-PLS) technique through SmartPLS 3.0. The results showed that transformational leadership has a positive effect on employee performance, while organizational culture has no positive effect on employee performance. In addition, transformational leadership has a positive effect on job satisfaction, and organizational culture also has a positive impact on job satisfaction. However, job satisfaction does not have a positive influence on employee performance. The findings indicate that job satisfaction does not act as a mediating variable in the relationship between transformational leadership and organizational culture on employee performance. So, further research is recommended to add other variables related to employee performance. Such as, workload, motivation, work stress, emotional intelligence, work environment, employee welfare, and other factors.

Keywords: *Transformational Leadership, Organizational Culture, Job Satisfaction and Employee Performance*