

THE INFLUENCE OF LEADERSHIP STYLE, WORK-LIFE BALANCE, AND ORGANIZATIONAL CLIMATE ON EMPLOYEE PERFORMANCE AT PT. MITRA SARANA PURNAMA

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Abstract – Human resources are one of the important parts of an organization. Leadership style, work-life balance, and organizational climate are needed to support employees to increase productivity and complete work in accordance with company procedures. With the implementation of an effective leadership style, a maintained work-life balance, and a conducive organizational climate, the quality of human resources will further improve and have a positive impact on employee performance. Basically, quality human resources will help PT. Mitra Sarana Purnama in achieving its strategic goals. This study aims to analyze the influence of leadership style, work-life balance, and organizational climate on employee performance at PT. Mitra Sarana Purnama. This study uses a quantitative descriptive approach with a population and sample of 95 permanent employees, because using a saturated sample technique. Data was collected through a questionnaire survey with a Likert scale of 1-5. Data analysis was carried out using the Structural Equation Model (SEM) approach with the SmartPLS analysis tool version 4.0. The results of the study show that leadership style has a positive and significant effect on employee performance. Work-life balance also has a positive and significant influence on employee performance. Similarly, the organizational climate exerts a positive and significant influence on employee performance.

Keywords: Employee Performance, Leadership Style, Work-Life Balance, Organizational Climate

INTRODUCTION

Human resources are one of the most critical assets of any organization, serving as the primary executors of policies and operational activities. The success and growth of a company are heavily dependent on the quality of its workforce, as employees act as planners and active contributors to organizational activities. To achieve optimal outcomes, management must prioritize employee performance and ensure a supportive work environment that fosters motivation and comfort. Employees with high morale and adequate resources are more likely to deliver results that align with the company's strategic goals, thus reinforcing the importance of maintaining a competent and effective workforce (Nafriana, 2022).

PT Mitra Sarana Purnama is a prominent distributor and a subsidiary of PT Lasallefood Indonesia, responsible for distributing well-known food and beverage brands such as Marjan, Sunquick, Del Monte, and Maestro. The company's success is intrinsically tied to the performance of its employees, who are integral to achieving organizational goals. With the increasing demand for food and beverage products, PT Mitra Sarana Purnama emphasizes improving the quality of its workforce to enhance the efficiency of product distribution, delivery, and customer service. This approach reflects the organization's commitment to meeting market demands while maintaining high operational standards.

Recent observations, however, reveal significant challenges faced by PT Mitra Sarana Purnama, including a decline in employee performance metrics and low attendance rates over the years. The company's Key Performance Indicators (KPI) data from 2021 to 2023 show declining scores in several departments, such as HRGA and Accounting. As shown in **Table 1**, the HRGA department's KPI dropped from 87.2 (B) in 2021 to 79.2 (C) in 2023, while Accounting also recorded a steady decline during the same period. In contrast, departments like Logistics and Warehouse exhibited stable or improved performance, suggesting that certain departments have effectively

addressed operational challenges. This variability highlights the need for targeted strategies to address declining performance in specific departments.

Table 1: Employee KPI Scores (2021–2023)

Department	2021	2022	2023
HRGA	87.2 B	83.2 B	79.2 C
Accounting	80.1 B	79.8 C	78.1 C
Logistics	83.3 B	84.2 B	86.0 B
Warehouse	87.7 B	86.0 B	89.3 B

In addition to performance metrics, employee attendance data reveals a concerning trend of increased absenteeism and tardiness. As shown in **Table 2**, the number of sick days and absences fluctuated, while leave days and late arrivals increased significantly from 2021 to 2023. For instance, the number of leave days rose from 98 in 2021 to 149 in 2023, accompanied by a noticeable increase in late arrivals. These patterns suggest potential dissatisfaction or challenges related to work-life balance and workplace policies. Addressing these issues is crucial to fostering a more productive and engaged workforce.

Table 2: Employee Attendance Data (2021–2023)

Year	Sick Days	Absences	Leaves	Early Departures	Late Arrivals
2021	82	14	98	53	82
2022	57	10	122	83	93
2023	76	8	149	90	113

A pre-survey involving 20 employees identified three primary factors contributing to declining employee performance: leadership style, work-life balance, and organizational climate. The survey revealed significant dissatisfaction in these areas, with 85% of respondents highlighting issues with leadership practices, 80% expressing inadequate support for work-life balance, and 75% reporting a lack of collaboration and positive relationships among colleagues. These findings underscore the importance of addressing these variables to improve overall employee satisfaction and performance within the organization.

Table 3: Pre-Survey Results

Aspect	Negative (%)	Positive (%)
Leadership	85	15
Work-Life Balance	80	20
Organizational Climate	75	25

Research on the impact of leadership style, work-life balance, and organizational climate on employee performance has produced inconsistent results. Some studies, such as Hasbi (2020), found a negative relationship between leadership style and performance, while others, like Jaya and Rahayu (2023), reported positive and significant effects. Similar discrepancies exist for work-life balance and organizational climate, indicating the need for further investigation into the factors influencing these relationships. These research gaps highlight the complexities of organizational dynamics and the need for a deeper understanding of how these variables interact.

Human resources remain a central component in organizational success, with employee performance heavily influencing overall outcomes. PT Mitra Sarana Purnama has faced declining performance in several departments, as evidenced by KPI scores and attendance data over the past three years. Despite efforts to address these issues, challenges related to leadership, work-life balance, and organizational climate persist. A pre-survey highlights dissatisfaction in these areas, which may contribute to the observed declines in productivity and engagement.

However, research on the relationship between these variables and employee performance reveals significant inconsistencies, pointing to notable research gaps. For instance, studies by Hasbi (2020) and Prastiyono et al. (2020) suggest that leadership style and organizational climate negatively affect performance, while contrasting findings by Jaya and Rahayu (2023) and Suntari (2023) show a positive impact. Similarly, while Rafsanjani and Pono (2019) found that work-life

balance had a negative effect on performance, Mutiara and Ulum (2024) reported significant positive effects. These discrepancies indicate that additional factors may mediate or moderate these relationships, requiring further exploration.

This study seeks to address these research gaps by investigating the specific impact of leadership style, work-life balance, and organizational climate on employee performance at PT Mitra Sarana Purnama. By doing so, the research aims to provide a more nuanced understanding of these dynamics, contributing to both theoretical advancements and practical solutions. This focus on filling gaps in the literature is essential to developing strategies that not only enhance organizational outcomes but also improve employee well-being

LITERATURE REVIEW

Employee Performance

Employee performance is the outcome achieved by an individual in fulfilling their job responsibilities within a specified timeframe. Kasmir (2019) describes performance as both the work results and behaviors displayed while completing tasks. Similarly, Adhari (2020) emphasizes that employee performance reflects the quality and quantity of output over a defined period. Rerung (2019) adds that employee performance is observable and contributes directly to achieving organizational goals. These definitions collectively highlight performance as an employee's ability to meet job requirements and align their efforts with organizational objectives, ensuring tasks are completed on time and effectively.

Performance is influenced by several factors. Hasibuan (2019) identifies three primary components: ability, role clarity, and motivation. Nitisemito (2019) expands on this by highlighting elements such as fair compensation, appropriate job placement, training opportunities, job security, and workplace relationships. Additionally, Mangkunegara (2015) categorizes factors into internal organizational aspects, external environmental influences, and intrinsic employee traits like knowledge, skills, and motivation. These diverse factors underline the need for a comprehensive approach to improving performance, integrating both organizational and individual-level strategies.

The dimensions and indicators of performance, as outlined by Mangkunegara (2015), include work quality, work quantity, teamwork, responsibility, and initiative. Work quality measures task accuracy and adherence to procedures, while work quantity evaluates task completion and exceeding output expectations. Teamwork emphasizes collaboration and communication, responsibility involves accountability and resource utilization, and initiative reflects creativity and independent problem-solving. Addressing these dimensions enables organizations to systematically evaluate and enhance employee contributions to overall success.

Leadership Style

Leadership is a critical factor in guiding employees and aligning their efforts with organizational goals. Hasibuan (2019) defines leadership as the process through which a leader influences team members to achieve objectives. Mangkunegara (2015) describes leadership style as the pattern of behaviors a leader adopts in interacting with their subordinates. Leadership shapes the dynamics within an organization, determining how effectively teams operate and respond to challenges. Sutrisno (2019) emphasizes that leadership style influences not only team productivity but also how employees perceive their roles and responsibilities.

Hasibuan (2019) categorizes leadership styles into three types: authoritarian, participative, and delegative. Authoritarian leadership centralizes authority, with decisions made solely by the leader. Participative leadership fosters collaboration by involving employees in decision-making, while delegative leadership grants subordinates autonomy to make decisions independently. Each style is characterized by specific behaviors, such as centralized control, joint decision-making, or empowered task execution, reflecting the diverse ways leaders influence organizational outcomes.

Effective leadership requires adapting styles to suit organizational needs and employee capabilities. Authoritarian styles ensure control and consistency but may stifle innovation, whereas participative approaches promote engagement and loyalty. Delegative leadership empowers employees but demands high levels of trust and competence. By leveraging these styles

appropriately, leaders can foster a balanced and productive work environment that aligns with organizational objectives.

Work-Life Balance

Work-life balance refers to an individual's ability to allocate their time and energy effectively between work responsibilities and personal commitments. Pheng & Chua (2019) define it as the balance between professional demands and personal or family needs, while Meharunisa (2019) emphasizes achieving harmony between career ambitions and personal responsibilities. Sigar et al. (2018) describe it as prioritizing personal happiness, leisure, and spiritual well-being alongside professional goals. These perspectives highlight the importance of work-life balance in ensuring employee satisfaction and well-being.

Pratama & Setiadi (2021) outline four dimensions of work-life balance: work interference with personal life, personal life interference with work, work-life enhancement, and personal life enhancement. Work interference with personal life occurs when professional duties disrupt personal activities, while personal life interference with work involves personal challenges affecting job performance. Work-life enhancement refers to how work can improve personal satisfaction, whereas personal life enhancement highlights how personal experiences motivate professional growth.

Indicators of work-life balance include time management, stress handling, deriving happiness from work, and maintaining meaningful personal relationships. Organizations that support work-life balance enable employees to perform effectively in their professional roles without compromising personal well-being. This balance not only improves job satisfaction but also fosters a healthier and more engaged workforce, ultimately contributing to organizational success.

Organizational Climate

Organizational climate refers to the quality of the internal environment within an organization that shapes employee perceptions and behaviors. Pratama and Pasaribu (2020) define it as the relatively stable characteristics of the workplace experienced by employees, which influence their attitudes and actions. Raja, Madhavi, and Sankar (2019) describe it as a set of distinctive traits that differentiate an organization and affect employee behavior over time. Griffin & Neal (2021) emphasize that an employee's perception of their work environment significantly impacts their motivation, commitment, and performance.

Kusnan, as cited by Fakhry & Tien (2021), identifies key dimensions of organizational climate, including responsibility, individual identity within the organization, warmth among employees, support, and conflict management. Responsibility relates to task management and accountability, while individual identity involves adherence to organizational standards. Warmth reflects positive interpersonal interactions, support emphasizes mutual assistance among employees, and conflict management addresses resolving differences constructively.

A positive organizational climate enhances employee satisfaction, collaboration, and performance. For example, fostering warmth and support encourages teamwork, while effective conflict resolution ensures a harmonious workplace. Addressing these dimensions systematically enables organizations to create an environment that motivates employees and aligns their efforts with strategic goals, ensuring long-term success.

Hypothesis Development

Employee performance is significantly influenced by leadership style, as leaders play a critical role in guiding and motivating employees to achieve organizational goals. Effective leadership adapts to varying situations and conditions, inspiring employees to improve their performance. Prior research by Jaya et al. (2023), Hasbi (2020), Mutiara et al. (2024), Italiani et al. (2022), and Manuaba et al. (2020) found that leadership style positively and significantly impacts employee performance. Following the discussion, the hypothesis is presented as follows:

H1: Leadership style has a positive and significant influence on employee performance.

Work-life balance refers to the equilibrium between an employee's professional responsibilities and personal life. Employees with healthy work-life balance tend to exhibit better performance as they can concentrate more effectively on their tasks. Research by Shaari et al. (2022), Mutiara et al. (2024),

Rifai et al. (2024), Rizqi et al. (2022), and Rafsanjani et al. (2019) consistently shows a significant positive relationship between work-life balance and employee performance. Following the discussion, the hypothesis is presented as follows:

H2: Work-life balance has a positive and significant influence on employee performance.

A conducive organizational climate creates a supportive and comfortable work environment, fostering collaboration and positive interpersonal relationships. Employees who perceive their work environment as supportive are more likely to exhibit higher performance levels. Prior studies by Zamzam et al. (2021), Italiani et al. (2022), Rizqi et al. (2022), and Manuaba et al. (2020) demonstrate a significant positive relationship between organizational climate and employee performance. Following the discussion, the hypothesis is presented as follows:

H3: Organizational climate has a positive and significant influence on employee performance.

Drawing from then hypotheses development, the research framework is depicted on Figure 1

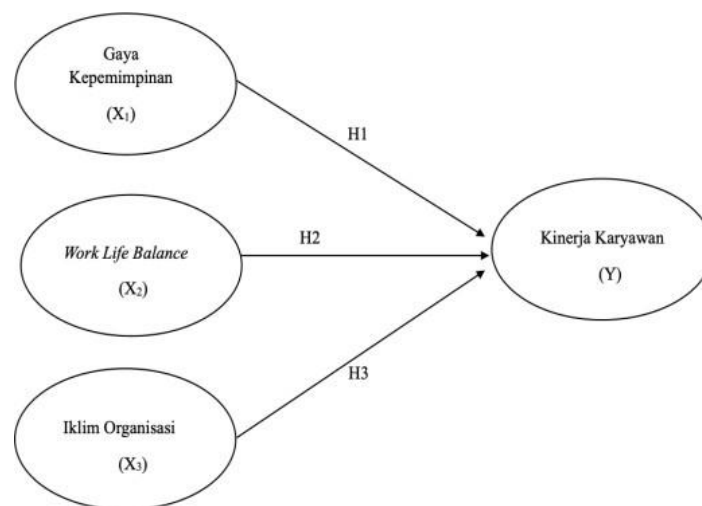


Figure 1. Research Framework

METHODS

Method

This study was conducted from April 2024 to December 2024 at PT Mitra Sarana Purnama's Cileungsi branch, located at Jl. Raya Narogong No.107, Limus Nunggal, Cileungsi, Bogor, West Java, Indonesia. The research process encompassed data collection, processing, analysis, and reporting, all structured to ensure a comprehensive understanding of the relationships between the variables under study. The research design adopted a causal approach, as described by Sugiyono (2019), to explore the cause-and-effect relationships among the independent variables—leadership style, work-life balance, and organizational climate—and the dependent variable, employee performance. The study employed a quantitative method with survey techniques using structured questionnaires, allowing the collection of measurable data to be analyzed statistically.

Measures and Sampling

The study variables were divided into independent (exogenous) and dependent (endogenous) categories. Leadership style, work-life balance, and organizational climate constituted the independent variables. Leadership style, defined by Mangkunegara (2015), refers to a leader's approach to interacting with subordinates to influence their behavior and productivity. Work-life balance, as defined by Pheng & Chua (2019), is the ability to balance professional demands with personal and family needs. Organizational climate, described by Pratama and Pasaribu (2020), encompasses the internal

environment's quality, which affects employee behaviors and organizational outcomes. Employee performance, the dependent variable, measures the ability to achieve organizational goals and tasks through productivity, quality, and creativity, as highlighted by Mangkunegara (2015).

The operationalization of these variables included dimensions and indicators derived from prior research. Leadership style was assessed across three dimensions—authoritarian, participative, and delegative leadership—each measured by specific indicators such as centralized authority and collaborative decision-making (Hasibuan, 2019). Work-life balance comprised four dimensions: work interference with personal life, personal life interference with work, work-life enhancement, and personal life enhancement (Pratama & Setiadi, 2021). Organizational climate included dimensions like responsibility, employee identity, warmth, support, and conflict management (Fakhry & Tien, 2021). Employee performance was measured through dimensions such as work quality, work quantity, teamwork, responsibility, and initiative (Mangkunegara, 2015). Each variable was quantified using a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), as suggested by Sugiyono (2019).

The study population comprised 95 permanent employees of PT Mitra Sarana Purnama's Cileungsi branch, excluding managerial-level staff to focus on operational-level employees. A saturated sampling technique, or census sampling, was employed, allowing all population members to participate as respondents (Sugiyono, 2019). This approach ensured comprehensive data representation, aligning the study's objectives with the operational realities of the organization.

Data Collection and Analysis

Data collection involved field research and library research. Field research methods included direct observation of employee behavior and workplace dynamics, interviews with supervisors and staff, and distribution of structured questionnaires to all 95 respondents. The questionnaires were designed to capture insights into the relationships between leadership style, work-life balance, organizational climate, and employee performance. Complementing this, library research provided theoretical support by reviewing academic journals, books, and other relevant literature to contextualize the findings within established frameworks.

The data were analyzed using descriptive statistics and Partial Least Squares (PLS)-based Structural Equation Modeling (SEM) through Smart-PLS software version 4.0. Descriptive analysis provided an overview of respondents' demographic profiles (e.g., gender, age, education, and tenure) and variable metrics, presenting trends in the data. The PLS approach, a variance-based SEM technique, was chosen for its ability to handle small sample sizes and non-normal data distributions, as noted by Ghazali (2020). The analysis included evaluating the measurement model (outer model) and the structural model (inner model).

The measurement model was tested for validity and reliability. Convergent validity was assessed through factor loadings, with acceptable thresholds set at >0.7 , while discriminant validity was examined using cross-loadings and the Average Variance Extracted (AVE), which needed to exceed 0.5. Composite reliability and Cronbach's alpha were also evaluated, with thresholds of ≥ 0.7 indicating reliability. The structural model was evaluated through R-square values, which measured the variance explained by the independent variables, and Q-square values, which assessed the model's predictive relevance. Hypothesis testing used bootstrapping to determine the significance of relationships between variables, with a t-statistic threshold of >1.96 considered significant (Ghozali, 2020).

RESULTS AND DISCUSSION

Respondent's Profile

This study classified respondents based on gender, age, education, and tenure to provide a clear overview of their backgrounds. This categorization aimed to enhance the understanding of demographic diversity among the employees of PT Mitra Sarana Purnama and their relevance to the study variables. The summarized characteristics of respondents are presented in the tables below.

Table 4: Respondent Characteristics

Category	Subcategory	Frequency	Percentage
Gender	Male	46	48.42%
	Female	49	51.58%
Age	19–25 years	34	35.79%
	26–30 years	48	50.53%
	31–40 years	7	7.37%
	>40 years	6	6.32%
Education	High School or Equivalent	31	32.63%
	Diploma (D1/D2/D3)	2	2.11%
	Bachelor's Degree (S1)	62	65.26%
Tenure	<6 years	59	62.11%
	6–10 years	28	29.47%
	>10 years	8	8.42%

From the summarized data, the majority of respondents are female (51.58%), aged between 26 and 30 years (50.53%), hold a Bachelor's degree (65.26%), and have worked at the company for less than six years (62.11%). These demographics provide essential context for analyzing the workforce dynamics at PT Mitra Sarana Purnama.

Measurement Model Assessment (Outer Model)

At this stage, the reliability and validity of the constructs were evaluated using the Partial Least Squares (PLS) algorithm with multiple iterations. The results indicated that the outer loading values for each construct exceeded the cut-off value of 0.7, except for certain items, which were subsequently removed from the model to ensure better validity. After modification, the outer loading values for the constructs ranged between 0.733 and 0.893 for Leadership Style (X1), 0.745 to 0.851 for Work-Life Balance (X2), 0.773 to 0.855 for Organizational Climate (X3), and 0.757 to 0.882 for Employee Performance (Y).

The reliability of the constructs was also tested, with Cronbach's Alpha (lower bound reliability) and Composite Reliability (upper bound reliability) exceeding the threshold of 0.7, as recommended by Hair et al. (2016). Specifically, the Cronbach's Alpha and Composite Reliability values for each construct demonstrated satisfactory results, confirming the internal consistency of the measurement items.

Convergent validity was further assessed using the Average Variance Extracted (AVE) for each construct. The AVE values were above the cut-off value of 0.5, which indicates that a substantial amount of variance in the observed variables is explained by the latent construct. These findings suggest that the constructs and their respective indicators meet the required standards for convergent validity.

Table 5: Measurement Model Evaluation for First-Order Model

Construct	Items	Loadings	Cronbach's Alpha	CR	AVE
Leadership Style (X1)	X1.1	0.733	0.905	0.937	0.674
	X1.2	0.855			
	X1.3	0.796			
	X1.4	0.808			
	X1.5	0.893			

	X1.6	0.830			—
Work-Life Balance (X2)	X2.1	0.793	0.858	0.860	0.634
	X2.2	0.805			
	X2.4	0.851			
	X2.6	0.796			
	X2.7	0.745			
Organizational Climate (X3)	X3.1	0.799	0.877	0.880	0.671
	X3.2	0.819			
	X3.3	0.773			
	X3.4	0.855			
	X3.5	0.848			
Employee Performance (Y)	Y1	0.757	0.947	0.948	0.680
	Y2	0.886			
	Y3	0.848			
	Y4	0.801			
	Y5	0.791			
	Y6	0.831			
	Y7	0.882			
	Y8	0.840			
	Y9	0.784			
	Y10	0.818			

Sources: Processed using SmartPLS 4, 2024

Discriminant Validity

Discriminant validity is essential to ensure that each construct in the model represents unique concepts and does not overlap with other constructs (Hair et al., 2016). Establishing discriminant validity prevents redundancy and enhances the clarity of the measurement model. This study evaluates discriminant validity using two methods: the Fornell-Larcker Criterion and the Heterotrait-Monotrait (HTMT) Ratio.

The Fornell-Larcker Criterion assesses discriminant validity by comparing the square root of the Average Variance Extracted (AVE) of each construct with its correlations with other constructs. For a model to meet this criterion, the square root of the AVE for a construct must be greater than its correlations with other constructs. The results presented in Table 2 confirm that all constructs meet this requirement, as the square root of each construct's AVE is higher than the corresponding correlation values

Table 6: Discriminant Validity: Fornell-Larcker Criterion

Constructs	Leadership Style (X1)	Work-Life Balance (X2)	Organizational Climate (X3)	Employee Performance (Y)
Leadership Style (X1)	0.821	0.173	0.103	0.306
Work-Life Balance (X2)	0.173	0.899	0.644	0.588
Organizational Climate (X3)	0.103	0.644	0.858	0.551
Employee Performance (Y)	0.306	0.588	0.551	0.825

Second, the HTMT Ratio evaluates discriminant validity by calculating the ratio of correlations between indicators of different constructs to correlations between indicators of the same construct. A value below 0.90 indicates sufficient discriminant validity (Henseler et al., 2015). The results in Table 3 demonstrate that all HTMT values are below the threshold, confirming the constructs' distinctiveness.

Table 7: Discriminant Validity: HTMT Ratio

Constructs	Leadership Style (X1)	Work-Life Balance (X2)	Organizational Climate (X3)	Employee Performance (Y)
Leadership Style (X1)	-	0.182	0.131	0.309
Work-Life Balance (X2)	0.182	-	0.175	0.283
Organizational Climate (X3)	0.131	0.175	-	0.329
Employee Performance (Y)	0.309	0.283	0.329	-

Based on the results of both the Fornell-Larcker Criterion and HTMT Ratio, the discriminant validity for all constructs has been established. Each construct represents its unique conceptual domain without redundancy. Consequently, no items need to be removed from the model, and the analysis can proceed to the next stage, focusing on the structural model.

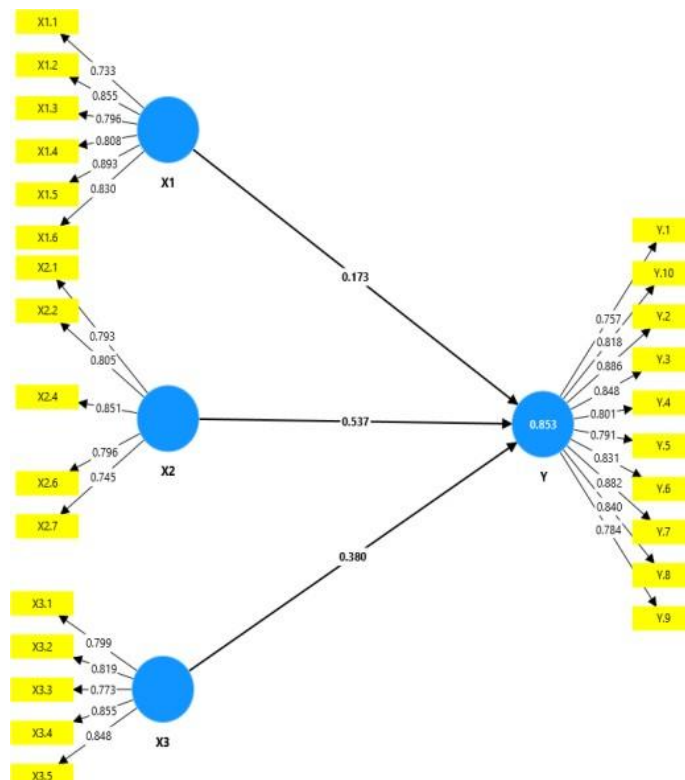


Figure 2. Research Framework

Structural Model Assessment (Inner Model)

To assess the structural model, several indicators such as R^2 , f^2 , and Q^2 are evaluated to measure the model's predictive accuracy. Subsequently, hypothesis testing is conducted to verify the direct and indirect relationships between constructs (Hair et al., 2016). The structural model is analyzed using the bootstrapping procedure with 5000 iterations to obtain the results.

Predictive Model Assessment

The predictive accuracy of the model begins with evaluating R^2 , which indicates the proportion of variance in the dependent variable explained by the independent variables. According to Hair et al. (2016), values of R^2 between 0.19, 0.33, and 0.67 represent weak, moderate, and strong predictive power, respectively. The study showed $R^2 = 0.853$ for the dependent variable, indicating strong explanatory power as 85.3% of the variation in employee performance is explained by the independent variables. The remaining 14.7% is attributed to other factors not included in the model. The f^2 effect size, which indicates the contribution of a specific variable to the dependent variable, was also evaluated. f^2 values of 0.02, 0.15, and 0.35 represent small, medium, and large effects, respectively (Hair et al., 2016). Table 2 summarizes the predictive model assessment results, showing that the model demonstrates strong predictive relevance ($Q^2 = 0.554$), further confirmed by the blindfolding procedure.

Table 8: Predictive Model Assessment

Relationships	R^2	Q^2	f^2	Effect Size
Leadership Style → Employee Performance	0.173	0.554	0.173	Medium
Work-Life Balance → Employee Performance	0.537	0.554	0.537	Large
Organizational Climate → Employee Performance	0.380	0.554	0.380	Medium-Large

Hypotheses Testing

Hypothesis testing was performed to analyze the significance of both direct and indirect relationships. Significance is determined using p-values (threshold: $p < 0.05$) and t-statistics (threshold: $t > 1.96$). Table 3 provides a summary of the hypothesis testing results. All three hypotheses related to direct relationships were supported, as the t-statistics were greater than 1.96, and p-values were below 0.05

CONCLUSION

This study confirms that leadership style, work-life balance, and organizational climate significantly and positively influence employee performance at PT Mitra Sarana Purnama. Effective leadership that fosters open discussions between leaders and employees is shown to enhance productivity and support a collaborative work environment. Similarly, employees with better work-life balance demonstrate improved performance, largely due to the company's consistent support in facilitating this balance. Lastly, a conducive organizational climate significantly motivates employees, with harmonious relationships and mutual assistance among colleagues playing a critical role in creating a productive workplace.

To further enhance leadership effectiveness, it is recommended that the company increase employee participation in decision-making processes by fostering open communication and providing training to improve decision-making skills. For work-life balance, programs like flexible working hours and hybrid work arrangements should be implemented to support employee well-being. Additionally, to strengthen the organizational climate, the company should promote team-building activities and provide incentives to encourage collaboration and positive interactions among employees.

Future studies should consider incorporating additional variables, such as employee motivation and job satisfaction, to provide a more comprehensive understanding of the factors influencing employee performance. This suggestion is based on the current study's R^2 value of 0.853, indicating that 14.7% of employee performance variations remain unexplained by the studied variables.

Expanding the research scope with different samples and larger respondent numbers is also recommended to enhance the representativeness and generalizability of the findings.

By addressing the recommendations provided, PT Mitra Sarana Purnama can build a more supportive and productive work environment. At the same time, future research exploring additional factors will offer deeper insights into strategies for optimizing employee performance, ultimately benefiting both academia and industry.

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