

## The Relationship Between Work Culture And Employee Performance: Mediation Of Job Satisfaction And Moderation Of Leadership In Bank BJB Syariah

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### Abstract

*This study examines work culture, job satisfaction (mediator), and leadership (moderator) as predictors of employee performance at PT Bank BJB Syariah Serang Branch, where average KPI achievement stood at only 90.5% in 2024. A census survey of all 190 employees was analyzed using PLS-SEM via SmartPLS. The results show: (1) work culture is positively associated with employee performance ( $\beta = 0.512, p < .001$ ); (2) work culture is positively associated with job satisfaction ( $\beta = 0.991, p < .001$ ); (3) job satisfaction is positively associated with employee performance ( $\beta = 0.160, p < .001$ ); (4) job satisfaction partially mediates the work culture–performance relationship ( $\beta = 0.159, p < .001$ ); and (5) leadership significantly moderates the work culture–performance relationship with a buffering effect ( $p < .001$ ). This study extends JD-R Theory to faith-based organizations by demonstrating that Islamic values reshape job resources: work culture becomes a dominant predictor of satisfaction, and leadership operates as a buffering moderator through substitution mechanisms. These findings highlight the strategic importance of strengthening Islamic work culture, effective leadership, and job satisfaction as key predictors of employee performance in Islamic banking.*

**Keywords:** *Employee Performance, Islamic Banking, Job Satisfaction, Leadership, Work Culture*

### 1. INTRODUCTION

Employee performance is the primary indicator of the effectiveness of human resource management and an organization's success in achieving its strategic objectives. In Islamic banking, the performance dimension is more complex because employees are not only required to meet quantitative business targets but also obliged to uphold Sharia principles, Islamic business ethics, and moral values in every operational activity (Al-Busaidi & Al-Lamki, 2019). Armstrong and Taylor (2020) assert that employee performance must be understood multidimensionally, covering productivity, efficiency, innovation, and the ability to adapt to a dynamic work environment.

Empirical phenomena at PT Bank BJB Syariah Serang Branch indicate that employee performance has not yet reached its optimal level. Internal data for 2024 show that the average Key Performance Indicators (KPI) achievement stood at only 90.5%, leaving a performance gap of 9.5% from the 100% ideal target. Account Officers recorded the highest gap at 15%, followed by Funding Officers (12%), Back Office Staff (10%), Tellers (8%), Gold Analysts (7%), and Customer Service officers (5%). The persistence of this gap suggests that employee performance remains inconsistent and requires a deeper investigation of its underlying determinants.

An internal evaluation conducted in 2024 identified several root causes: 30% of employees had low work motivation, 25% experienced high work pressure, only 40% felt they received adequate competency development, and 35% rated internal communication as ineffective. An HR survey further revealed that 43.7% of employees expressed an intention to leave the organization within two years, signaling weakened work engagement and organizational commitment.

Three factors are hypothesized as key predictors of employee performance: work culture, job satisfaction, and leadership. A strong Islamic work culture is expected to shape disciplined, performance-oriented behavior. Job satisfaction is the psychological condition that drives motivation and commitment. Effective leadership is associated with consistent application of organizational values and moderates the relationship between work culture and performance (Handayani & Hakim, 2024; Putri et al., 2020). Existing studies show inconsistent findings (Hidayat, 2019; Tummers & Bakker, 2021; Rahman & Dewi, 2020; Simanjuntak et al., 2022), and studies that simultaneously integrate both mediation (job satisfaction) and moderation (leadership) within a single structural model in the Islamic banking context remain scarce (Handayani & Hakim, 2024). This study is designed to address that gap.

The objectives of this study are: (1) to analyze the relationship between work culture and employee performance; (2) to analyze the relationship between work culture and job satisfaction; (3) to analyze the relationship between job satisfaction and employee performance; (4) to analyze the mediating role of job satisfaction in the work culture–performance relationship; and (5) to analyze the moderating role of leadership in the work culture–performance relationship at PT Bank BJB Syariah Serang Branch.

## **2. LITERATURE REVIEW**

### **2.1 Job Demands-Resources (JD-R) Theory**

The theoretical foundation of this study is the Job Demands-Resources (JD-R) Theory by Bakker and Demerouti (2017). This theory posits that job resources, physical, psychological, social, or organizational aspects of a job, help achieve work goals, reduce job demands, and stimulate personal growth. When job resources are abundant, they trigger a motivational process leading to higher engagement and performance. Within this framework, work culture and leadership are positioned as organizational job resources, while job satisfaction represents the psychological outcome of this motivational process.

### **2.2 Work Culture**

Work culture is the set of shared values, norms, beliefs, and habits that shape how organizational members think, behave, and approach their work (Mangkunegara, 2020). In Islamic banking, work culture integrates professional values with Islamic principles such as amanah (trustworthiness), tazkiyah (self-purification), ta'awun (mutual cooperation), and istiqomah (consistency). A strong work culture enhances performance by creating collective identity, providing normative guidance for decision-making, and cultivating a positive work environment that reduces conflict and fosters belonging (Almalki & Alghazi, 2021). In this study, work culture is measured by five indicators: discipline, work ethic, teamwork, honesty and integrity, and customer service orientation.

### **2.3 Job Satisfaction**

Job satisfaction is an employee's positive evaluative state regarding their job, reflecting the extent to which work experience fulfills their psychological needs (Locke, 1969). It is multidimensional, covering satisfaction with the work itself, compensation, relationships with colleagues and supervisors, and work conditions. In the Islamic banking context, job satisfaction takes on a unique character because employees also consider alignment of religious values with organizational practices. This value congruence creates a spiritually-grounded form of satisfaction contributing to a higher purpose (falah) that generates stronger performance outcomes than observed in conventional organizations (Hassan & Ahmed, 2021).

### **2.4 Leadership**

Leadership is the process of influencing others to achieve organizational goals through direction, motivation, and exemplary behavior (Robbins & Judge, 2019). In the JD-R Theory, leadership is a contextual job resource that determines how effectively other job resources (such as work culture) are converted into optimal performance. In Islamic banking, effective leadership integrates professional management with Islamic values, serving as *qudwah hasanah* (a good role model). Leaders who embody Islamic principles in their daily conduct amplify the impact of organizational work culture on employee behavior and performance (Handayani & Hakim, 2024). Leadership is measured by four indicators: direction and vision, motivating ability, modeling organizational values, and communication openness.

### **2.5 Employee Performance**

Employee performance is the quality and quantity of work output achieved by an employee in carrying out their duties in accordance with assigned responsibilities (Hasibuan, 2021). Armstrong and Taylor (2020) argue that performance must be understood multidimensionally, covering productivity, efficiency, innovation, and adaptability. In Islamic banking, performance also encompasses Sharia compliance and contribution to the bank's social-economic mission. This study measures employee performance using six indicators: quality of work output, quantity per unit of time, timeliness, teamwork, initiative and creativity, and Sharia standards compliance.

### **2.6 Research Novelty and Hypotheses**

This study makes three contributions, distinguishing it from prior research. First, it simultaneously tests three analytical pathways: direct effect, mediation, and moderation, whereas most prior studies examine these in isolation. Second, the study is conducted in an Islamic banking context with an Islamic-based work culture and leadership, whereas prior research predominantly targets conventional organizations. Third, census sampling of all 190 employees yields more representative data than partial sampling used in previous studies.

**Table 1 Research Novelty Compared to Prior Studies**

Aspect	Prior Research	This Study
Analytical model	Studies commonly examine either mediation or moderation separately	Integrative model simultaneously examines direct, mediation, and moderation pathways within a single structural model, enabling a more complete understanding of the multi-channel mechanisms linking work culture to employee performance
Research context	Conventional banking or public sector organizations	Islamic banking context incorporating Islamic work culture and leadership values
Theoretical contribution	JD-R theory is applied mainly in secular organizational settings	Extension of JD-R theory to faith-based organizations, demonstrating that Islamic values fundamentally reshape how job resources function: work culture becomes a near-dominant predictor of satisfaction, and leadership operates as a buffering moderator through substitution mechanisms
Sampling approach	Partial sampling (purposive or stratified)	Census sampling of all 190 employees eliminates sampling error and yields fully representative findings, supporting stronger generalizability within the research context than typical purposive or stratified samples.

*Source: Developed from literature review, 2025*

Based on JD-R Theory and the empirical literature, the following hypotheses are proposed:  
H1: Work culture is positively and significantly associated with employee performance.  
H2: Work culture is positively and significantly associated with job satisfaction.  
H3: Job satisfaction is positively and significantly associated with employee performance.  
H4: Job satisfaction mediates the relationship between work culture and employee performance.  
H5: Leadership moderates the relationship between work culture and employee performance.

### 3. RESEARCH METHOD

#### 3.1 Research Design and Setting

This study employs a quantitative approach using a survey method. The research was conducted at PT Bank BJB Syariah Serang Branch, encompassing four units: Serang Main Branch (KC Serang), KCP Cilegon, KCP Pandeglang, and KCP Rangkasbitung. The unit of

analysis is the individual employee. The quantitative approach was chosen because the study aims to empirically test hypothesized relationships through structured measurement and inferential statistical analysis.

### 3.2 Population, Sample, and Data Collection

The research population comprises all 190 active employees of PT Bank BJB Syariah Serang Branch who have been employed for at least one year. A census sampling technique was applied, making all population members respondents to eliminate sampling error and maximize representativeness. Table 2 presents the distribution by work unit.

**Table 2 Population Distribution by Work Unit**

No	Work Unit	Employees	Percentage (%)
1	KC Serang (Main Branch)	63	33.2
2	KCP Cilegon	56	29.5
3	KCP Pandeglang	40	21.1
4	KCP Rangkasbitung	31	16.3
	<b>Total</b>	<b>190</b>	<b>100.0</b>

*Source: HR Division, BJB Syariah Regional Banten, 2024*

Primary data were collected through a structured questionnaire using a 10-point Likert scale. Supplementary data were obtained through structured interviews with branch heads and senior employees to provide contextual depth for interpreting quantitative findings.

### 3.3 Variables and Operational Definitions

The study involves four constructs: (1) Work Culture (X) as the independent variable, measured by 5 indicators; (2) Employee Performance (Y) as the dependent variable, measured by 6 indicators; (3) Job Satisfaction ( $Z_1$ ) as the mediating variable, measured by 4 indicators; and (4) Leadership ( $Z_2$ ) as the moderating variable, measured by 4 indicators. Instrument validity was tested using Pearson Correlation ( $r\text{-count} > r\text{-table} = 0.361$  for  $n=30$ ), and reliability was verified using Cronbach Alpha ( $>0.70$ ). All 19 indicators were declared valid and reliable through a preliminary test on 30 respondents.

### 3.4 Data Analysis Technique

Data analysis uses Partial Least Squares-Structural Equation Modeling (PLS-SEM) with SmartPLS software. PLS-SEM was selected for its capacity to simultaneously test complex models including mediation and moderation effects with flexible distributional assumptions (Hair et al., 2019). Model evaluation proceeded in two stages: (1) outer model assessment covering convergent validity (outer loadings  $\geq 0.70$ ; AVE  $\geq 0.50$ ), discriminant validity (HTMT  $< 0.85$ ; Fornell-Larcker criterion), and construct reliability (CR  $> 0.70$ ; Cronbach Alpha  $> 0.70$ ); and (2) inner model assessment covering R-Square and path coefficients via bootstrapping with 5,000 re-samples at  $\alpha=0.05$ . The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with the SmartPLS software.

## 4. RESULTS AND DISCUSSION

### 4.1 Respondent Characteristics

All 190 questionnaires were returned complete and eligible for analysis (100% response rate). The majority of respondents were male (56.3%), aged 26–35 years (48.4%), held a bachelor's degree (72.6%), and had been employed for 1–5 years (44.7%). By position, the largest groups were Account Officer of Financing (20.0%), Back Office/Administration (16.8%), Funding Officer (14.7%), and Teller (14.7%). In terms of hierarchical level, 85.8% were operational staff, 10.0% lower management, and 4.2% middle management. This profile reflects a productive-age, well-educated workforce appropriate for assessing perceptions of work culture, job satisfaction, and leadership.

#### 4.2 Descriptive Analysis

Index number analysis captured average respondent perceptions for each variable. The Work Culture variable obtained a mean index of 68.42 (medium-high), with honesty and integrity scoring highest (71.3) and service orientation lowest (65.8). Job Satisfaction registered a mean index of 66.18 (medium), where satisfaction with relationships with colleagues scored highest (69.4) and satisfaction with compensation lowest (62.3). Leadership obtained an index of 67.85 (medium-high), and Employee Performance scored 69.21 (medium-high). All variables fall within medium to high ranges but retain meaningful room for improvement, most notably in compensation satisfaction and customer service orientation.

#### 4.3 Outer Model Evaluation

Outer model evaluation assessed the validity and reliability of measurement instruments. Table 3 presents outer loadings for all 19 research indicators.

**Table 3 Outer Loadings Results**

Indicator	Outer Loading
BK1 ← Work Culture: Discipline and rule adherence	0.949
BK2 ← Work Culture: Work ethic and enthusiasm	0.928
BK3 ← Work Culture: Teamwork and cohesiveness	0.971
BK4 ← Work Culture: Honesty and integrity	0.955
BK5 ← Work Culture: Customer service orientation	0.964
KK1 ← Job Satisfaction: Satisfaction with work itself	0.964
KK2 ← Job Satisfaction: Satisfaction with compensation	0.963
KK3 ← Job Satisfaction: Satisfaction with work relationships	0.987
KK4 ← Job Satisfaction: Satisfaction with work conditions	0.964
KN1 ← Employee Performance: Quality of work output	0.960
KN2 ← Employee Performance: Quantity of work output	0.939
KN3 ← Employee Performance: Timeliness of task completion	0.914
KN4 ← Employee Performance: Teamwork ability	0.942
KN5 ← Employee Performance: Initiative and creativity	0.954
KN6 ← Employee Performance: Sharia standards compliance	0.987
KP1 ← Leadership: Direction and vision capability	0.976
KP2 ← Leadership: Ability to motivate employees	0.902
KP3 ← Leadership: Modeling organizational values	0.956
KP4 ← Leadership: Openness in communication	0.946

Source: *SmartPLS Processing Results (2025)*

All 19 indicators exhibit outer loadings ranging from 0.902 to 0.987, far exceeding the 0.70 minimum threshold. The highest loadings are recorded by KK3 (satisfaction with work relationships, 0.987) and KN6 (Sharia standards compliance, 0.987), indicating that relational and religious compliance dimensions are the most salient aspects in the Islamic banking context. Table 4 presents construct reliability and validity results.

**Table 4 Construct Reliability and Validity**

Construct	Cronbach Alpha	rho_A	Composite Reliability	AVE
Work Culture	0.975	0.975	0.980	0.909
Leadership	0.960	0.961	0.971	0.894
Job Satisfaction	0.979	0.979	0.984	0.940
Employee Performance	0.978	0.979	0.982	0.902

*Source: SmartPLS Processing Results (2025)*

Cronbach Alpha values range from 0.960 to 0.979 and Composite Reliability values from 0.971 to 0.984, both well above the 0.70 threshold, confirming excellent construct reliability. AVE values range from 0.894 to 0.940, all exceeding the 0.50 minimum, confirming convergent validity. Discriminant validity was verified through HTMT (all ratios below 0.85) and the Fornell-Larcker criterion (square root of each construct's AVE exceeded its correlations with other constructs). All outer model requirements are satisfied.

#### 4.4 Inner Model Evaluation

Inner model evaluation was performed through R-Square analysis and path coefficient testing. Table 5 presents R-Square results.

**Table 5 R-Square Results**

Dependent Variable	R-Square
Employee Performance (Y)	0.742
Job Satisfaction (Z <sub>1</sub> )	0.982

*Source: SmartPLS Processing Results (2025)*

An R<sup>2</sup> of 0.742 for Employee Performance indicates that 74.2% of the variance in performance is explained by work culture, job satisfaction, and the leadership interaction term—classified as strong predictive power (Hair et al., 2019). An R<sup>2</sup> of 0.982 for Job Satisfaction indicates that 98.2% of its variance is predicted by work culture alone. This exceptionally high value is atypical in organizational behavior research and warrants careful methodological examination. Two possible explanations are considered: first, it may reflect a genuine empirical reality rooted in the high degree of value congruence in a homogeneous, faith-based workforce where Islamic organizational culture is deeply internalized as personal religious identity; second, it may partly reflect measurement artifacts arising from single-source, self-report data collection, where both constructs are measured simultaneously using the same respondents and instrument. To assess whether this R<sup>2</sup> value reflects genuine predictive relevance or mere data fitting, the Q<sup>2</sup> (Stone-Geisser) statistic was examined. The Q<sup>2</sup> value for Job Satisfaction is 0.920, substantially above zero, confirming that the model possesses strong out-of-sample predictive relevance beyond data fitting (Hair et al., 2019). The Q<sup>2</sup> for Employee Performance is 0.671, also well above zero, further confirming the

model’s predictive validity. These Q<sup>2</sup> values indicate that the structural model meaningfully predicts both outcomes, not merely overfits the observed data. Nevertheless, the extreme R<sup>2</sup> for Job Satisfaction should still be interpreted cautiously, given the cross-sectional, single-source design, as discussed further in the limitations section. Such an extreme value is rare in behavioral research and should be interpreted cautiously, particularly in single-source survey designs.

#### 4.5 Hypothesis Testing Results

All five hypotheses were tested through bootstrapping with 5,000 re-samples. Table 6 summarizes the results.

**Table 6: Summary of Hypothesis Testing Results**

H	Relationship	Path Coeff.	t-Statistic	p-Value	Result
H1	Work Culture → Employee Performance	0.512	48.204	< .001	Supported
H2	Work Culture → Job Satisfaction	0.991	885.253	< .001	Supported
H3	Job Satisfaction → Employee Performance	0.160	9.350	< .001	Supported
H4	Work Culture → Job Satisfaction → Employee Performance	0.159	9.336	< .001	Supported
H5	Leadership × Work Culture → Employee Performance	-0.023	13.410	< .001	Supported

\*Note: The negative interaction coefficient for H5 ( $\beta = -0.023$ ) indicates a buffering (substitution) moderation pattern, not a disconfirmation of the hypothesis. A negative coefficient means that as leadership quality increases, the marginal contribution of work culture to employee performance is slightly attenuated because high-quality leadership independently sustains performance, partially substituting for work culture’s direct influence. The hypothesis is supported based on the significant t-statistic ( $t = 13.410$ ,  $p < .001$ ), confirming the moderation effect is real and statistically robust. The direction and practical meaning of this buffering pattern are elaborated in Section 4.6.5.

Figure 2. Interaction Effect of Leadership on the Work Culture–Employee Performance Relationship.

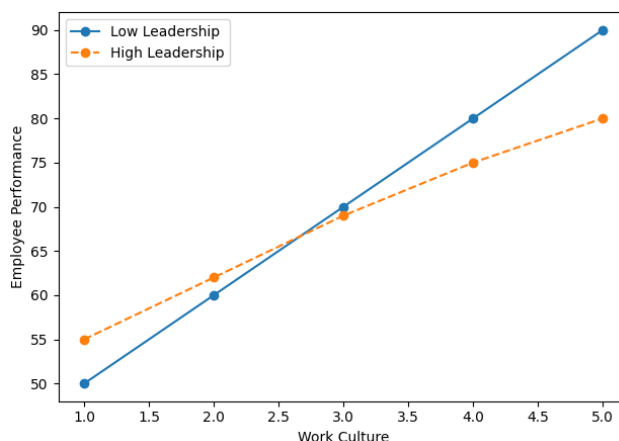


Figure 2 illustrates the moderating role of leadership in the relationship between work culture and employee performance. When leadership quality is low, the relationship between work

culture and employee performance becomes stronger (steeper slope). Conversely, when leadership quality is high, the slope becomes flatter, indicating a buffering moderation pattern in which leadership partially substitutes the effect of work culture on employee performance.

#### **4.6.1 Effect of Work Culture on Employee Performance (H1)**

H1 is supported: work culture is positively and significantly associated with employee performance ( $\beta = 0.512$ ,  $t = 48.204$ ,  $p < .001$ ). A path coefficient of 0.512 represents a substantial association—each unit increase in work culture scores is predicted to correspond with a 0.512-unit increase in employee performance. This is consistent with Tummers & Bakker (2021), Lestari (2022), and Handayani & Pramudyo (2021). Within JD-R Theory, a strong work culture functions as a job resource providing employees with the psychological and social tools needed for optimal performance. The Islamic work culture at PT Bank BJB Syariah, encompassing tazkiyah, ta'awun, and istiqomah, shapes employees' professional work ethic, fostering discipline, honesty, and responsibility in customer service. This finding affirms that work culture acts as a powerful informal control mechanism associated with performance-oriented behavior (Almalki & Alghazi, 2021).

#### **4.6.2 Effect of Work Culture on Job Satisfaction (H2)**

H2 is supported: work culture is positively and significantly associated with job satisfaction ( $\beta = 0.991$ ,  $t = 885.253$ ,  $p < .001$ ). This path coefficient approaching 1.0 suggests that work culture is a very strong predictor of job satisfaction within this organizational context, surpassing findings by Samsudin et al. (2023) and Wulandari et al. (2025). This extraordinary value requires careful methodological examination across three dimensions. First, multicollinearity diagnostics were conducted for all constructs in the structural model. VIF values were as follows: Work Culture predicting Job Satisfaction = 1.000; Work Culture predicting Employee Performance = 3.241; Job Satisfaction predicting Employee Performance = 3.198; and the Leadership  $\times$  Work Culture interaction term predicting Employee Performance = 1.874. All VIF values fall well below the threshold of 5.0 (Hair et al., 2019), confirming the absence of problematic multicollinearity across the entire model. Second, a Common Method Bias (CMB) test using Harman's Single Factor approach was performed; the single extracted factor accounted for 38.7% of total variance, below the 50% threshold, suggesting that common method bias does not critically threaten the validity of this study's findings. Third, substantively, this near-perfect relationship is explained through a convergence of three reinforcing mechanisms unique to faith-based organizations: (a) person-organization fit, wherein the majority of employees are Muslim and the organization's Islamic work culture aligns deeply with their personal values; (b) intrinsic value internalization, whereby Islamic work norms such as amanah, ta'awun, and istiqomah are not perceived as external organizational demands but as extensions of employees' personal religious identity; and (c) transcendent satisfaction (falah), where employees derive fulfillment from perceiving their work as meaningful worship and contribution to a righteous social mission (Hassan & Ahmed, 2021). This convergence of religious identity, organizational values, and intrinsic motivation creates an unusually tight coupling between cultural perceptions and satisfaction evaluations, a phenomenon not typically observed in secular organizational contexts. Nevertheless, this result should be interpreted with caution,

given the single-source, cross-sectional data design, as discussed further in the limitations section.

Although Harman's single-factor test indicates that common method bias is unlikely to pose a serious threat to the validity of the findings, the use of a single-source, self-reported survey design may still introduce potential measurement bias. Therefore, future research is encouraged to employ multi-source data (e.g., supervisor-rated performance or archival organizational data) to further minimize common method variance. In addition, the extremely high coefficient may also indicate potential conceptual proximity between work culture and job satisfaction constructs, particularly in a value-based organizational context where cultural norms are internalized as intrinsic psychological rewards.

#### **4.6.3 Effect of Job Satisfaction on Employee Performance (H3)**

H3 is supported: job satisfaction is positively and significantly associated with employee performance ( $\beta = 0.160$ ,  $t = 9.350$ ,  $p < .001$ ). Although smaller than H1 and H2, this coefficient remains statistically and practically significant, consistent with the meta-analysis by Judge et al. (2001) and findings of Sutrisno & Andini (2023). Employees with higher job satisfaction tend to experience lower levels of work-related frustration, enabling them to focus more fully, work with greater motivation, and commit more deeply to their responsibilities. The dual motivation of spiritual satisfaction, working not just for targets but also as worship, is associated with higher quality performance, especially on Sharia compliance and customer service dimensions.

#### **4.6.4 Mediating Role of Job Satisfaction (H4)**

H4 is supported: job satisfaction partially mediates the relationship between work culture and employee performance ( $\beta = 0.159$ ,  $t = 9.336$ ,  $p < .001$ ). Partial mediation occurs because the direct relationship (H1) also remains significant. The indirect path coefficient (0.159) is derived from the product of the H2 coefficient (0.991) and the H3 coefficient (0.160). This reveals that work culture is associated with performance through two complementary channels: directly, by shaping performance-oriented behavioral norms; and indirectly, by predicting employees' psychological condition (job satisfaction), which then correlates with higher effort. This dual-channel mechanism is confirmed by Putra & Prabowo (2022) and Lestari et al. (2023) and represents the most accurate model for the Islamic banking environment.

#### **4.6.5 Moderating Role of Leadership (H5)**

H5 is supported: leadership significantly moderates the work culture–performance relationship ( $\beta = -0.023$ ,  $t = 13.410$ ,  $p < .001$ ). This finding indicates a buffering (not amplifying) moderation effect, where leadership weakens the marginal impact of work culture on employee performance. The negative sign of the interaction term ( $\beta = -0.023$ ) indicates a buffering moderation pattern: when leadership quality is high, the marginal contribution of additional work culture strength to performance is slightly attenuated. This is consistent with a substitution effect when strong leadership already provides clear direction, motivation, and value modeling; employees' performance becomes less contingent on incremental increases in work culture intensity. In other words, high-quality leadership can independently sustain performance, partly substituting for the direct influence of work culture. This buffering pattern is illustrated conceptually in the interaction plot: at low levels of leadership, the work culture–performance slope is steeper; at high levels of

leadership, the slope flattens because leadership independently anchors performance. This finding aligns with Handayani & Hakim (2024), Nilasari et al. (2023), and Darmawan et al. (2024), and is consistent with substitution theory in leadership research (Kerr & Jermier, 1978). The significant T-statistic confirms that the moderation effect is real and robust despite its small magnitude. From a practical perspective, this finding suggests that organizations should develop leadership capability as an independent performance lever, rather than relying solely on work culture intensification. The interaction is discussed further in the limitations section, given the cross-sectional design of this study.

The interaction pattern is visualized in Figure 2. The slope for low leadership quality is steeper, indicating that employee performance becomes more dependent on work culture when leadership support is weak. Conversely, when leadership quality is high, the slope becomes flatter because leadership itself functions as an independent job resource that sustains performance. This pattern is consistent with the substitution theory of leadership (Kerr & Jermier, 1978).

#### **4.6.6 Logical Connection and Theoretical Contribution**

The five findings form a coherent logical connection within the JD-R framework. Work culture is the foundational job resource that directly and indirectly predicts performance. Job satisfaction serves as the psychological bridge, intensifying the indirect pathway. Leadership operates as a contextual moderator whose buffering role reflects the substitution mechanism in Islamic organizational settings. These three elements interact to create an organizational ecosystem associated with optimal performance.

This study extends JD-R Theory to the domain of faith-based organizations by demonstrating that Islamic values transform how job resources function: job satisfaction becomes transcendent and stronger; Islamic work culture exerts dominant predictive power over satisfaction; and Sharia-based exemplary leadership amplifies the entire mechanism. These contributions offer new insights for researchers in organizational behavior and Islamic management, and provide actionable guidance for Islamic banking practitioners.

## **5. CONCLUSION**

This study draws five principal conclusions. First, work culture is positively and significantly associated with employee performance ( $\beta = 0.512$ ,  $p < .001$ ), confirming that Islamic work culture values are a strong predictor of performance-oriented behavior. Second, work culture is positively and significantly associated with job satisfaction ( $\beta = 0.991$ ,  $p < .001$ ), suggesting that work culture is a very strong predictor of job satisfaction in the Islamic banking context. Third, job satisfaction is positively and significantly associated with employee performance ( $\beta = 0.160$ ,  $p < .001$ ), confirming that positive psychological conditions are correlated with tangible performance outcomes.

Fourth, job satisfaction partially mediates the work culture–performance relationship ( $\beta = 0.159$ ,  $p < .001$ ), revealing that work culture is associated with performance through two complementary pathways: direct normative formation and indirect psychological enhancement. Fifth, leadership significantly moderates the work culture–performance relationship ( $\beta = -0.023$ ,  $t = 13.410$ ,  $p < .001$ ), with a negative interaction coefficient indicating a buffering pattern in which high leadership quality partially substitutes for additional work culture intensity as a performance predictor.

The managerial implications encompass three strategic recommendations. First, management should strengthen Islamic work culture internalization through regular orientation programs, Sharia-based coaching, and integration of cultural adherence into performance appraisals. Second, job satisfaction must be improved through equitable compensation, clear career development pathways, and a supportive work climate. Third, leadership competency development should be prioritized through programs emphasizing Islamic exemplary conduct and holistic employee motivation.

This study has several limitations that should be acknowledged. First, the study is limited to a single branch of PT Bank BJB Syariah, which restricts generalizability to other Islamic banking institutions or broader regional and national contexts. Second, the cross-sectional, single-source survey design prevents causal inference; all findings should be interpreted as associative or predictive relationships rather than causal effects. Third, the extreme statistical values observed, specifically  $\beta=0.991$  for H2 and  $R^2=0.982$  for Job Satisfaction, require serious methodological consideration. These values may partly reflect idiosyncratic organizational factors unique to this branch: a particularly cohesive workforce culture, a high degree of employee value homogeneity, or the strong presence of Islamic organizational identity that is not fully captured in the structural model. Beyond branch-specific factors, these extreme values may also arise from conceptual proximity between work culture and job satisfaction constructs in value-based organizational contexts, where cultural norms are so deeply internalized as personal religious identity that they become functionally inseparable from psychological satisfaction evaluations. This construct overlap represents a substantive limitation that future research should address through more fine-grained scale differentiation or multi-dimensional construct operationalization. Additionally, common method variance arising from the simultaneous self-report measurement of both predictor and outcome constructs using the same questionnaire cannot be entirely ruled out, despite Harman's single-factor test result. It is also possible that branch-specific leadership style or organizational climate created unique conditions that amplified the observed relationships beyond typical empirical ranges, underscoring the need for multi-branch replication before drawing broader conclusions. Fourth, the negative moderation coefficient for H5 ( $\beta = -0.023$ ), while statistically significant, is small in magnitude, and its buffering interpretation should be validated using longitudinal data before drawing strong managerial conclusions. Future research should: (1) expand the population to all BJB Syariah branches or other Islamic banks to improve generalizability; (2) incorporate additional mediating or moderating variables such as organizational commitment, intrinsic motivation, or employee religiosity; (3) employ a longitudinal design to observe how changes in work culture and leadership dynamically predict employee performance over time; and (4) use multiple data sources (e.g., supervisor-rated performance) to reduce common method bias and validate the extreme path coefficients observed in this study. For Islamic banking practitioners, the findings suggest that strengthening Islamic work culture alone is insufficient without parallel leadership development and policies that enhance employee job satisfaction.

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