

The Influence of Transformational Leadership And Innovation on Performance of Bulog Aceh Regional Office with Organizational Culture and Intellectual Capital as Mediator

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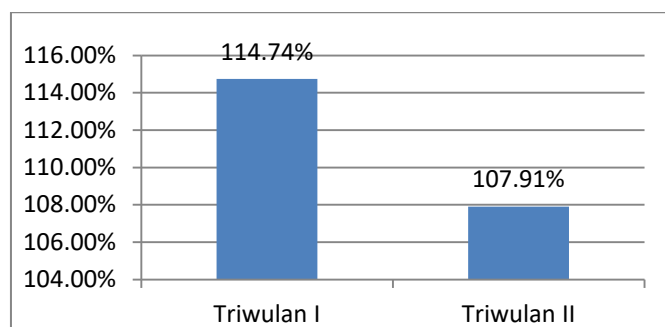
Abstract

This research aims to examine the impact of transformational leadership and innovation on the performance of the Bulog Aceh Regional Office (Bulog Aceh), with organizational culture and intellectual capital serving as mediators. The study population consists of all employees of Bulog Aceh, totaling 117 individuals. The sample size was determined using a census method, which involves utilizing the entire population as the sample. The analysis method employed is Partial Least Squares (PLS). The result shows that transformational leadership and innovation affect organizational culture, intellectual capital, and organizational performance; organizational culture and intellectual capital affect organizational performance, and; organizational culture and intellectual capital mediate transformational leadership and innovation affect organizational performance. These findings explain that the model for increasing organizational performance is a function of strengthening transformational leadership and innovation, conformity to organizational culture, and increasing intellectual capital.

Keywords: Organizational Performance, Organizational Culture, Intellectual Capital, Transformational Leadership, Innovation

1. Introduction

Bulog plays a crucial role in Indonesia, and it is essential that the organization operates at peak effectiveness to fulfill its duties. Consequently, it is imperative for the company to employ individuals who demonstrate high performance and a strong commitment to executing their responsibilities both effectively and efficiently. Bulog's recognition at the 2018 BUMN Branding & Marketing Award has positively influenced employee motivation, fostering a systematic approach to achieving the vision and mission of Perum Bulog. Below is an overview of the performance of the Bulog Aceh Regional Office (Bulog Aceh).



Source: Bulog Aceh (2024)

Figure 1. Performance of Bulog Aceh

Based on Figure 1, it is evident that the performance of Bulog Aceh experienced a decline in the second quarter, decreasing by 6.41 percent. This indicates that performance remains suboptimal. The downturn can be attributed to a lack of innovation in the adoption of modern technology, as Bulog has not fully leveraged the latest advancements, such as a digital-based logistics management system or big data technology, to enhance efficiency in storage, distribution, and monitoring of food stocks. Additionally, the leadership approaches at Bulog tend to be conservative, with several leaders still employing a traditional leadership style that emphasizes hierarchy and

procedural adherence, which stifles creativity and innovation among employees. Moreover, there is insufficient growth in Human Resource (HR) intellectual capital, encompassing employee knowledge, skills, and innovation, primarily due to a lack of comprehensive HR development programs. Our pre-survey, conducted with 30 respondents regarding performance variables, yielded an average score of 3.69. While this average exceeds 3.41, indicating that performance is generally good, certain indicators reflect lower average values. Notably, 13 respondents expressed disagreement regarding the organization's policies and activities being inconsistent in promoting community welfare.

One of the factors that influence performance is organizational culture. Organizational culture includes values, norms, and habits that exist in an organization that influence the way employees interact and work. An organizational culture that supports openness, collaboration, and learning can create an environment that is conducive to innovation and the implementation of transformational leadership. Therefore, organizational culture at Bulog Aceh is one of the important variables in this study. Organizational culture in Bulog Aceh has a significant influence on employee performance because the culture determines how values and norms are implemented in the organization's daily activities. When the organizational culture that is implemented encourages values such as teamwork, transparency, and commitment to community service, employees tend to feel motivated to give their best in their work. A culture that supports innovation, high work ethics, and openness to change can also increase productivity and effectiveness in achieving organizational goals, especially in managing food distribution which is the main focus of Perum Bulog. In addition, a strong organizational culture can also strengthen employees' sense of ownership of the company's goals and vision. In Bulog Aceh, if the culture that is formed emphasizes the importance of responsibility, professionalism, and community service, employees will be more committed to their duties and responsibilities. This has an impact on improving overall performance, both in terms of service quality, distribution speed, and operational efficiency. Therefore, it is important for Bulog Aceh to continue to strengthen the organizational culture that is in line with the mission and values to be achieved, in order to improve employee performance and achieve optimal results in their duties. Our pre-survey with 30 respondents on the organizational culture variable, shows the average value was 3.77. The average value > 3.41 which indicates that the organizational culture is good. However, there are still indicators that have a low average value where respondents feel less innovative and dare to take risks with 13 respondents answering that they disagreed.

Another factor that influences performance is the intellectual capital of human resources. To achieve development, companies must focus on improving performance. This performance improvement process aims to transform current performance conditions into better performance in the future. By making these improvements, it is hoped that the company can achieve its goals more effectively (Wibowo, 2017). On the other hand, intellectual capital also has a significant role in driving organizational performance. Intellectual capital includes knowledge, skills, experience, and critical thinking abilities possessed by individuals in the organization. This intellectual capital is one of the main assets that can increase the competitiveness of the organization, especially in facing increasingly complex global challenges. Therefore, intellectual capital is an important mediator in the relationship between transformational leadership, innovation, and organizational performance. This study aims to see how intellectual capital can strengthen the influence of transformational leadership and innovation on Bulog Aceh's performance. Intellectual capital at Bulog Aceh plays an important role in improving organizational performance, because it includes knowledge, skills, experience, and innovative abilities possessed by employees. Employees who have a high intellectual level tend to be more effective in completing tasks and facing existing challenges. Strong intellectual capital also allows employees to adapt quickly to change, implement more efficient solutions, and improve the quality of service in food distribution. Thus, increasing intellectual capital among employees can have a direct impact on optimal performance in Bulog Aceh's daily operations. In addition, well-managed intellectual capital can strengthen the competitiveness of Bulog Aceh in facing industry challenges and community needs. The knowledge possessed by employees allows them to design more appropriate strategies, such as more efficient distribution planning or the use of technology to facilitate the food distribution process. Thus, increasing the development of intellectual capital through training, education, and career development will create more competent employees, which in turn will boost organizational performance in achieving the main goal of Bulog Aceh, namely fair and equitable food distribution. Based on our pre-survey with 30 respondents on the intellectual capital variable, shows the average value was 3.72. The average value > 3.41 which indicates that intellectual capital is good. However, there are still indicators that have a low average value where respondents feel the company lacks a strong structure in sustainability with 16 respondents who answered that they disagreed.

Transformational leadership is a leadership style in which a leader is able to inspire, motivate, and drive positive change in an organization by building a clear vision, strengthening relationships with employees, and encouraging them to exceed expectations. Transformational leaders do not only focus on achieving short-term goals but also on the continuous development of individuals and organizations. According to this theory, leaders act as agents of change who create a work environment full of innovation, encourage creativity, and empower employees to take the initiative and contribute optimally. Thus, transformational leadership can create a significant impact on improving individual and organizational performance (McLaurin & Amri, 2008). Transformational leadership has been shown to have a significant impact on organizational performance. Transformational leaders not only act as

directors but also as motivators who are able to increase employee confidence and commitment. In this case, leaders not only focus on achieving short-term goals but also strive to build a sustainable culture for long-term success. In this study, researchers want to explore more deeply how transformational leadership applied in Bulog Aceh can affect employee performance and the organization as a whole. Transformational leadership at Bulog Aceh plays an important role in improving employee and organizational performance as a whole. Leaders with a transformational leadership style are able to inspire and motivate employees to work harder and innovate in facing challenges in the field. By providing a clear vision, moral support, and recognition of employee contributions, transformational leaders can build high work enthusiasm, which in turn improves individual and team performance. Leadership based on coaching, empowerment, and employee development encourages better performance in food distribution and other public services which are the main tasks of Bulog Aceh. In addition, transformational leadership also encourages positive changes in the work culture at Bulog Aceh. Transformational leaders do not only focus on short-term results but also on the long-term development of employees and the organization. This creates a work environment that is adaptive, collaborative, and enthusiastic about innovation. In the context of Bulog Aceh, transformational leadership helps employees to be more involved in the decision-making process, encourages them to think creatively in solving problems, and ultimately improves performance in achieving company goals, such as more efficient and targeted food distribution. In our pre-survey with 30 respondents on the transformational leadership variable, the average value was 3.77. The average value > 3.41 which shows that transformational leadership is good. However, there are still indicators that have a low average value where respondents feel that leaders are less enthusiastic in communicating the idealistic future of the organization with 15 respondents who answered that they disagreed.

Innovation is a company mechanism to adapt to a dynamic environment so as to create service performance that satisfies customers and improves organizational performance. The results of research by (Narastika & Yasa, 2017) show that innovation has a positive and significant effect on organizational performance. (Nduati, 2020) states that innovation has a positive effect on organizational performance. Innovation is also a factor that is no less important in improving organizational performance. Innovation in organizations can cover various things, from how to manage, the technology used, to how to interact with customers and other stakeholders. Organizations that are able to innovate will adapt faster to environmental changes, and be more competitive in the market. Therefore, this study also aims to analyze how innovation implemented in Bulog Aceh can contribute to improving organizational performance. Innovation at Bulog Aceh has a significant impact on improving organizational performance, especially in terms of operational efficiency and service quality. Innovation applied in the food distribution process, for example, can create new ways that are faster, more cost-effective, and more effective in reaching hard-to-reach areas. By introducing new technology, better management systems, or more efficient distribution methods, Bulog Aceh can increase productivity and reduce waste. This innovation that continues to be developed plays an important role in improving employee and organizational performance as a whole while providing added value to the community receiving food assistance. In addition, innovation also creates a more adaptive organizational culture that is ready to face challenges that continue to develop. With innovation, employees at Bulog Aceh are encouraged to think creatively provide solutions to overcoming emerging problems, and innovate to find new, better ways to work. This encourages increased employee motivation and performance because they feel involved in the change process that supports the achievement of organizational goals. Innovation that is implemented well will strengthen the competitiveness of Bulog Aceh and help this organization be more effective in carrying out food distribution tasks which are its main focus. Our the pre-survey with 30 respondents on the innovation variable, the average value was 3.67. The average value is > 3.41 which shows that the innovation is good. However, there are still indicators that have a low average value where respondents feel that Bulog Aceh is not investing enough in product and company development research with 16 respondents who answered that they disagreed.

This study also aims to identify how organizational culture and intellectual capital can be mediators in the relationship between transformational leadership, innovation, and performance. By understanding the role of organizational culture and intellectual capital, it is expected that organizations can be more effective in designing strategies to improve employee and organizational performance as a whole. In this case, understanding the factors that influence organizational performance is very important so that Bulog Aceh can continue to develop and adapt to changes in the food distribution sector. In addition, by using organizational culture and intellectual capital as mediators, this study attempts to provide a more comprehensive picture of the internal dynamics that affect organizational performance. A positive organizational culture can create a work atmosphere that supports collaboration, effective communication, and continuous innovation. Intellectual capital possessed by employees will increase the organization's ability to face challenges and take advantage of existing opportunities. Therefore, this study will explore how these two factors can strengthen or mediate the relationship between transformational leadership, innovation, and organizational performance. The challenges faced by Bulog Aceh are not only limited to external factors, but are also related to how the internal organization, such as culture and intellectual capital, can be utilized to achieve optimal performance. In facing these challenges, innovative leadership and a supportive organizational culture are needed. This study is expected to provide insight for management in designing policies that can improve organizational performance through the use of transformational leadership and innovation supported by a strong

organizational culture and qualified intellectual capital. Finally, this study is expected to contribute not only in the academic context, but also in managerial practice at Bulog Aceh. By analyzing the relationship between transformational leadership, innovation, organizational culture, intellectual capital, and organizational performance, this study can provide strategic recommendations that are useful for the development and improvement of the organization in the future. Through the findings produced, it is expected that Bulog Aceh can strengthen its performance and adapt better in facing challenges and utilizing opportunities in the food distribution market.

2. Literature

Organizational Performance

Organizational performance is the achievement of results or output produced by an organization in its efforts to achieve its stated goals. This performance reflects the extent to which the organization can carry out its functions effectively and efficiently, both in terms of resource utilization, strategy implementation, and achievement of targets relevant to the organization's vision and mission. According to experts, organizational performance is not only measured based on financial results or productivity, but also through aspects of service quality, stakeholder satisfaction, innovation, and sustainability. Thus, organizational performance is an important indicator that shows the success or failure of an organization in carrying out its duties and responsibilities in the internal and external environment (Sujardi, 2009). Organizational performance reflects the level of achievement of predetermined goals and is an indicator of the operational success of an organization. This performance involves the collective work results of all parts of the organization, including the contributions of individuals, teams, and work units as a whole. From a managerial perspective, organizational performance is not only measured by the achievement of quantitative targets such as profit or production, but also from qualitative aspects, such as service quality, customer satisfaction, and innovation. Factors such as leadership, organizational culture, and the ability to adapt to changes in the external environment also play an important role in determining the success of an organization in achieving its goals. In the context of organizational management, improving performance requires a planned strategy and continuous evaluation. This includes human resource development, effective work process management, and the application of relevant technology. In addition, organizational performance is often influenced by the organization's ability to face external challenges, such as market competition or regulatory changes, as well as internal ones, such as employee motivation or operational efficiency. By strengthening cooperation between departments and encouraging innovation, organizations can create sustainable added value and ensure that their work results are aligned with the vision and mission that have been set. The complete measurement of an organization's performance level according to (Indiahono, 2017) is Productivity, Quality of service, Responsiveness, and Accountability.

Organizational Culture

(Nelfianti et al., 2018) stated that organizational culture is a set of values, beliefs, norms, and behaviors that develop in an organization and become a guideline for members of the organization in carrying out tasks and interacting. This culture is created from shared experiences, organizational history, and the influence of leaders and members of the organization. Elements of organizational culture include ways of thinking, acting, and making decisions, which collectively shape the identity and character of the organization. A strong organizational culture can create a harmonious work environment, increase productivity, and provide clear direction for all its members. In addition, organizational culture plays a significant role in creating competitive advantage. An inclusive, innovative, and adaptive culture can help organizations respond more effectively to external changes. Culture also influences how employees understand their roles and how they engage in achieving organizational goals. When organizational cultural values are aligned with the vision and mission, this will strengthen employee commitment and create synergy in organizational operations. Conversely, if there is a mismatch between organizational culture and strategic goals, this can be an obstacle to achieving optimal results. According to (Robbins & Judge, 2017), the indicators of organizational culture are Innovation and risk-taking, Attention to Detail, Results Orientation, People Orientation, Team Orientation, Aggressiveness, and Stability.

Intellectual Capital

Intellectual capital is defined as a resource consisting of intellectual material, knowledge, and information available within a company, which can produce high-value assets and future economic benefits for the company (Suhendah, 2011). Intellectual capital is becoming increasingly important in the knowledge-based economy, where an organization's ability to manage and leverage intellectual assets determines its competitiveness. Organizations that are able to develop their intellectual capital will have a greater opportunity to innovate, improve operational efficiency, and create sustainable value. By investing in human resource development, establishing an organizational culture that supports learning, and strategically managing external relationships, organizations can maximize the potential of their intellectual capital to achieve long-term success. In general, researchers divide Intellectual Capital into three indicators, namely: Human Capital (HC), Structural Capital (SC), and Relational Capital (RC) (Suhendah, 2011).

Transformational Leadership

(Kartono, 2019) explains that leadership style involves habits, character, traits, personality, and temperament that distinguish a leader in interacting with others. (Zainal et al., 2019) argues that leadership style is a collection of strategies used by a leader to influence employees so that organizational goals are achieved, or it can also be interpreted as a pattern of strategies or behaviors that are often used and preferred by a leader. Meanwhile, (Hasibuan, 2016) states that leadership style is an approach used by a leader to influence employees so that they are willing to work together and contribute productively to achieve organizational goals. Leaders with this style build strong relationships with followers through a clear vision, strong values, and a commitment to positive change. By leading by example, transformational leaders encourage their followers to grow personally and professionally. They provide intellectual encouragement, open up space for creativity, and help team members overcome limitations to reach their full potential. The main characteristics of transformational leadership include four aspects, namely idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Transformational leaders not only increase organizational productivity but also create a more innovative and collaborative work environment. In an organizational context, this leadership style is able to bring about major changes that have an impact on organizational performance, work culture, and overall team member satisfaction and engagement. There are several indicators of transformational leadership style according to (Kharis, 2015): Charisma, Inspirational Motivation, Intellectual Stimulation, and Individual Attention.

Innovation

(Hittmár et al., 2014) explained that innovation refers to the process of introducing and implementing new ideas, products, processes, or methods that bring significant changes to an organization or sector. Innovation can come in various forms, such as the discovery of new technologies, the development of more efficient products, or the implementation of more effective business methods. The main purpose of innovation is to improve competitiveness, efficiency, and operational effectiveness, which can ultimately provide long-term benefits for a company or organization. Innovation plays an important role in driving progress and development, as well as helping organizations adapt to market changes and dynamic consumer needs. Innovation also serves as a tool to create new value, both for the organization itself and for its consumers. In the context of an organization, innovation is not only related to products or services, but also includes innovation in business strategy, management, and organizational culture. Organizations that continue to innovate tend to be more able to survive in the face of tough competition challenges. Therefore, building a culture that supports innovation—such as empowering employees to be creative, and creating an environment that is open to change—is a key factor in achieving sustainability and long-term success. According to (Saleksa & Firmansyah, 2016), product innovation consists of 4 indicators, namely: Invention, Development, Duplication, and Synthesis.

3. Method

In this research, the target population comprises all employees working at Bulog Aceh, which consists of a total of 117 individuals. Given the manageable size of this population, the study employed a census method, allowing for the inclusion of every employee as a respondent. This approach was chosen because it facilitates direct engagement with each member of the workforce, ensuring comprehensive data collection. Furthermore, utilizing a census aligns with the statistical requirements needed for the analysis method adopted in this study, specifically Partial Least Square (PLS) analysis, as outlined by (Hair et al., 2019). To analyze the collected data effectively, the research employed SmartPLS software, which is instrumental in performing sophisticated data assessments. The research hypotheses tested are:

H1: transformational leadership affects organizational culture,

H2: innovation affects organizational culture,

H3: transformational leadership affects intellectual capital,

H4: innovation affects intellectual capital,

H5: transformational leadership affects organizational performance,

H6: innovation affects organizational performance,

H7: organizational culture affects organizational performance,

H8: intellectual capital affects organizational performance,

H9: organizational culture mediates transformational leadership affects organizational performance,

H10: organizational culture mediates innovation affects organizational performance,

H11: intellectual capital mediates transformational leadership affects organizational performance,

H12: Intellectual capital mediates innovation affects organizational performance.

4. Result

Following a thorough analysis using SmartPLS for our research model, we have successfully derived impactful final results that are worth noting.

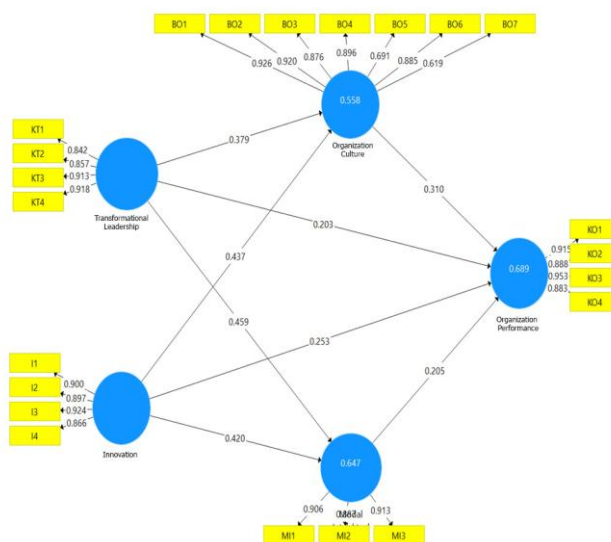


Figure 2. PLS Test Results

From the test results, both hypothesis testing with direct influence and mediating influence, we can analyze with the following conditions.

1. The magnitude of influence can be observed in the Original Sample column, with the direction indicated accordingly; a positive number suggests influence in the same direction, while a negative number indicates an opposing influence.
2. To establish a significant impact, we can examine the p-value that must be less than 0.05.

So, the test results are described as follows.

Direct Effect Test Result

Table 1. Direct Effect Test

Variables	Original Sample	Sample Mean	Standard Deviation	T- statistics	P-values
X1→Y1	0.379	0.370	0.112	3.378	0.001
X2→Y1	0.437	0.448	0.114	3,844	0.000
X1→Y2	0.459	0.456	0.088	5.236	0.000
X2→Y2	0.420	0.427	0.093	4,513	0.000
X1→Z	0.203	0.207	0.147	3,857	0.000
X2→Z	0.253	0.216	0.216	2.173	0.031
Y1→Z	0.310	0.344	0.149	2,073	0.039
Y2→Z	0.205	0.250	0.161	2,040	0.041

H1 : Transformational Leadership on Organizational Culture

Transformational Leadership is proven to have a positive and significant influence on organizational culture. Transformational leadership at Perum Bulog Aceh has a significant impact on shaping and changing organizational culture. Leaders who apply transformational leadership styles at Bulog Aceh can encourage a bigger vision, such as increasing efficiency and transparency in the distribution of goods, while building a culture based on collaboration and innovation. By focusing on empowering employees and encouraging them to see their contributions as an integral part of achieving company goals, transformational leaders are able to change the way of working that was previously rigid to be more adaptive to change. Employees who are inspired by leaders like this tend to be more open to change, dare to innovate, and actively participate in decision-making that impacts the organization. Organizational cultures shaped by transformational leadership tend to focus on collective achievement, rather than simply meeting individual targets. Transformational leaders promote values such as integrity, fairness, and social responsibility, which are reflected in the attitudes and behaviors of employees at all levels of the organization. By building a culture that values collaboration and mutual respect, transformational leaders foster a work environment that supports innovation and change, which are critical to the organization’s survival in an increasingly competitive marketplace. In addition, transformational leadership at Perum Bulog Aceh plays an important role in creating a strong organizational culture and has positive values that reflect the company's goals. By prioritizing values such as integrity, cooperation, and the

best service to the community, transformational leaders at Bulog Aceh can strengthen employee commitment to the organization's vision and mission. Transformational leaders also act as role models in practicing these values, which are then followed by employees in their daily lives. This not only improves morale and job satisfaction, but also creates a productive and results-oriented work environment, and improves the organization's ability to face challenges in the world of food distribution. Thus, transformational leadership contributes to building an organizational culture that is more innovative, competitive, and able to adapt to changes that occur.

H2 : Innovation in Organizational Culture

Innovation is proven to have a positive and significant impact on organizational culture. Innovation plays an important role in shaping the organizational culture at Bulog Aceh, especially in improving operational efficiency and responsiveness to market changes. In a competitive and ever-evolving environment, innovation is the key to creating more effective processes, both in terms of goods distribution, information technology, and customer service. The implementation of innovation at Bulog Aceh encourages the formation of an organizational culture that is more open to change, where employees are encouraged to think creatively, share ideas, and collaborate in finding the best solutions to the challenges faced. By emphasizing the importance of innovation, Bulog Aceh strengthens a culture that prioritizes continuous improvement, facilitates the development of new products and services, and fosters a sense of ownership and responsibility for organizational performance. In addition, innovation at Bulog Aceh also influences the ways in which members of the organization interact and communicate. Innovation in technology and information systems, for example, enables more transparent and well-coordinated work processes, which in turn strengthens a more collaborative and efficient organizational culture. The use of new technology facilitates faster and more accurate decision-making processes and increases the organization's ability to adapt to changing market needs and dynamics. Therefore, the organizational culture at Bulog Aceh is increasingly focused on achieving more optimal results by introducing new, more innovative methods, allowing the organization to remain relevant and competitive in the food distribution industry. The implementation of innovation can also change the culture of the organization in terms of communication and decision-making. Organizations that prioritize innovation will usually adapt more quickly to technological developments and market changes. They will create an environment that supports the diversity of ideas and opinions, which in turn strengthens the culture of openness. Thus, innovation is not only focused on new products or services but also on changes in the structure and work patterns that lead to the formation of a more responsive organizational culture that is ready to face future challenges.

H3 : Transformational Leadership on Intellectual Capital

Transformational Leadership is proven to have a positive and significant effect on intellectual capital. In Bulog Aceh, it creates an environment that supports human resource development, which in turn increases the intellectual capital of the organization. Through an inspiring vision, open communication, and employee empowerment, transformational leaders encourage individuals to continue developing their skills and knowledge. Leaders who practice transformational leadership can increase the spirit of learning, collaboration, and innovation among employees, which leads to an increase in collective knowledge and the intellectual capability of the organization as a whole. This is important to maintain Bulog Aceh's competitiveness in facing increasingly dynamic market challenges. In addition, transformational leadership also helps facilitate the management of intellectual capital in Perum Bulog Aceh by creating a culture that encourages the sharing of knowledge and information among employees. Leaders who encourage involvement and communication between departments and teams can maximize the potential of intellectual capital within the organization. Intellectual capital, such as technical knowledge, experience, and creativity, are very valuable resources for Bulog Aceh to achieve its goals. With strong and transformational leadership, the organization can optimize the use of this intellectual capital to drive operational efficiency, product innovation, and better service to customers, which ultimately improves organizational performance. Furthermore, transformational leadership strengthens intellectual capital through the creation of a clear vision and long-term goals. Transformational leaders have the ability to motivate employees to feel involved in the process of achieving organizational goals, which in turn encourages them to focus more on developing relevant knowledge. This kind of leadership leads to the creation of an atmosphere that values the intellectual contribution of each individual, allowing for the exchange of knowledge that enriches the intellectual capital of the organization. This growing intellectual capital, such as skilled human resources, knowledge, and efficient information management systems, will be important assets for sustainability and innovation in the organization.

H4 : Innovation on Intellectual Capital

Innovation is proven to have a positive and significant effect on intellectual capital. Innovation has a significant influence on the development of intellectual capital at Bulog Aceh. As an organization engaged in the logistics and food distribution sector, Bulog Aceh is faced with the challenge of continuously adapting to changes in the market, technology, and customer needs. Innovation, whether in the form of adopting new technology, more efficient operational processes, or product development, can improve employee knowledge and skills. Through innovation,

Bulog Aceh encourages continuous learning, which in turn improves the intellectual capital of the organization. By integrating innovation into the work culture, employees are encouraged to continue to broaden their horizons, improve their competencies, and share knowledge that is useful for the progress of the organization. In addition, innovations implemented in Perum Bulog Aceh also play a role in better management and utilization of intellectual capital. The implementation of new technologies, more sophisticated information management systems, and updates in business processes allow Bulog Aceh to collect and utilize richer data and knowledge. These innovations improve the organization's ability to manage knowledge more effectively, so that intellectual capital such as data, ideas, and experiences can be accessed and utilized by all elements of the organization. With continuous innovation, Bulog Aceh not only increases its intellectual capacity but also strengthens its competitiveness and ability to provide better services to the community. Innovation also plays a role in creating an organizational culture that supports knowledge exchange and continuous learning. When an organization continuously innovates, it creates an atmosphere that encourages individuals to collaborate, share ideas, and create new knowledge. This culture becomes the basis for strengthening intellectual capital, which involves the integration of diverse skills, experiences, and knowledge resources. Through continuous innovation, organizations can build a stronger knowledge base, which in turn enriches intellectual capital and supports the achievement of the company's long-term strategic goals.

H5 : Transformational Leadership on Organizational Performance

Transformational Leadership is proven to have a positive and significant influence on organizational performance. Transformational leadership in Bulog Aceh has a very important influence on organizational performance. Transformational leaders are able to inspire and motivate employees to achieve organizational goals in a more creative and enthusiastic way. Transformational leaders have a clear vision and can convey that vision in a way that moves all members of the organization to work toward positive change. In Bulog Aceh, this leadership style motivates employees to not only meet the targets set, but also to innovate in the way they work, increase productivity, and provide more optimal results. By providing support, encouragement, and appreciation for the efforts made by employees, transformational leaders can create an environment that supports high performance and the achievement of greater goals. In addition, transformational leadership also influences the work culture at Bulog Aceh which ultimately contributes to the overall performance of the organization. Leaders who drive positive change through an inclusive and vision-based approach will build confidence, pride, and loyalty among employees. This will improve teamwork, strengthen collaboration between departments, and improve communication within the organization. Bulog Aceh's organizational performance is increasing because transformational leaders do not only focus on achieving short-term results but also pay attention to individual and team development on an ongoing basis. By optimizing employee potential, providing constructive challenges, and creating an attractive and clear vision, transformational leadership plays an important role in creating superior organizational performance. Furthermore, transformational leadership can improve organizational performance by providing challenges that motivate employees to work harder to achieve higher goals. Transformational leaders change the way employees view their work, emphasizing the importance of individual contributions to the organization's vision and mission. Leaders who are able to provide encouragement and appropriate guidance will strengthen employees' self-confidence in facing challenges, which leads to increased productivity and overall organizational performance. With this approach, organizations are better able to face dynamic changes and remain competitive in an increasingly complex market.

H6 : Innovation on Organizational Performance

Innovation is proven to have a positive and significant impact on organizational performance. Innovation plays a very important role in improving organizational performance at Bulog Aceh. By continuing to innovate, Bulog Aceh can optimize business processes, improve operational efficiency, and adapt to changing market needs and challenges faced in the food distribution industry. Innovation, whether in terms of technology, products, or processes, allows Bulog Aceh to improve service quality, accelerate distribution, and minimize operational costs. Therefore, the culture of innovation implemented within the organization has a direct impact on improving organizational performance in facing existing challenges and maximizing market opportunities. In addition, innovation also contributes to the achievement of Perum Bulog Aceh's long-term goals, which are not only focused on achieving daily or annual targets but also building sustainable competitiveness in the market. In this context, Perum Bulog Aceh continues to develop technology-based systems and services, as well as introducing new methods that can increase the speed and accuracy of food distribution to the community. This innovation also strengthens the company's reputation as a service provider that is responsive to the needs of the community and is able to adapt to the times. Thus, innovation at Perum Bulog Aceh plays an important role in increasing efficiency, productivity, and quality of service which ultimately improves the overall performance of the organization. Innovation can also strengthen an organizational culture that supports creativity and collaboration. When organizations encourage employees to innovate, it creates a mindset that is open to change and increases employee involvement in the decision-making process. An innovative environment motivates employees to be more proactive in finding solutions and improving their performance. As a result, not only the products or services offered by the organization will improve, but also the internal effectiveness and efficiency that are

essential in supporting the achievement of organizational goals. Thus, continuous innovation is a key element in driving superior organizational performance.

H7 : Organizational Culture on Organizational Performance

Organizational Culture is proven to have a positive and significant influence on organizational performance. A strong organizational culture at Bulog Aceh plays a very important role in supporting the overall performance of the organization. A culture that supports collaboration, commitment to quality, and solid values of cooperation can increase employee motivation in working. When employees feel connected to the values and goals of the organization, they tend to be more productive, innovative, and committed to achieving organizational goals. At Bulog Aceh, a positive organizational culture not only creates a harmonious work environment but also increases team spirit to give their best in their tasks, resulting in more optimal and effective performance. In addition, the organizational culture at Perum Bulog Aceh that emphasizes professionalism, reliability, and transparency will create a work environment that prioritizes high-quality results. With a culture like this, employees are encouraged to work harder, improve their skills, and comply with operational standards set by the organization. This culture also helps create a sense of shared responsibility to achieve organizational goals, which in turn contributes directly to achieving better performance. Therefore, a strong and focused organizational culture is an important driver in improving the performance of the Perum Bulog Aceh organization in serving the community and achieving long-term business goals. On the other hand, organizational culture can also affect the organization's ability to adapt to change. Organizations with flexible and innovative cultures will be better able to respond to challenges and changes that come, which can improve organizational performance in the long term. A culture that supports continuous learning, creativity, and acceptance of new ideas allows organizations to innovate and maintain competitiveness. Thus, a healthy and productive organizational culture plays an important role in improving organizational performance, both in terms of operational efficiency and achieving strategic goals.

H8 : Intellectual Capital on Organizational Performance

Intellectual Capital is proven to have a positive and significant effect on organizational performance. Intellectual capital in Bulog Aceh plays a very important role in improving organizational performance. Intellectual capital includes intangible resources such as knowledge, skills, and experience possessed by employees as well as the ability to manage information efficiently. By utilizing the intellectual capital possessed by employees, Perum Bulog Aceh can be more innovative in facing market challenges and managing its operations. Effective knowledge management allows companies to increase efficiency, accelerate decision-making, and optimize overall performance, which ultimately has a positive impact on achieving organizational goals. In addition, strong intellectual capital within the organization also encourages the formation of a more productive work culture at Perum Bulog Aceh. Employees who continuously improve their skills and knowledge will be able to adapt to changes that occur and provide more effective solutions to problems faced by the company. By managing intellectual capital well, companies can optimize the potential of their human resources to achieve better performance. The implementation of innovation based on the right intellectual capital will create a competitive advantage that allows Perum Bulog Aceh to continue to grow and maintain its superior performance in the market. Intellectual capital also plays a major role in an organization's competitiveness. In an increasingly complex and competitive business world, the ability to innovate and adapt quickly is highly dependent on the quality of its intellectual capital. Organizations that are able to optimize the knowledge and skills of their employees can create new, superior products or services, and improve the organization's overall performance. By leveraging intellectual capital, organizations can better respond to market changes, accelerate decision-making, and improve customer satisfaction, all of which contribute to better long-term performance.

Mediation Effect Test

Table 2. Mediation Effect Test

Variables	Original Sample	Standard Deviation	T- statistics	P-values
X1→Y1→Z	0.217	0.076	3,535	0.000
X2→Y1→Z	0.335	0.082	3,654	0.000
X1→Y2→Z	0.248	0.078	3,617	0.000
X2→Y2→Z	0.344	0.074	3,599	0.000

H9 : Organizational Culture on Transformational Leadership Effect on Organizational Performance

From the bootstrapping calculation, organizational culture was found to act as a mediating variable between transformational leadership and organizational performance. Transformational leadership implemented by leaders can influence organizational culture by providing an inspiring vision, open communication, and empowering team members. This creates an environment that supports collaboration, innovation, and high motivation among employees.

As a result, a positive organizational culture will encourage increased organizational performance, because employees who are inspired by the organization's values and vision will work more effectively, more productively, and be committed to achieving common goals, which in turn contributes to achieving optimal results.

H10 : Organizational Culture on Innovation Effect on Organizational Performance

From the bootstrapping calculation, it was found that organizational culture acts as a mediating variable between innovation and organizational performance. It happens by creating an environment that supports the acceptance and implementation of new ideas. Innovation implemented in an organization, whether in products, processes, or ways of working, will be more effective if supported by a culture that encourages creativity, collaboration, and the courage to take risks. A culture that is open to change and development will facilitate the adoption of innovation by employees, thereby increasing productivity and efficiency. When innovation is well received and implemented in a supportive cultural context, it will have a direct impact on improving organizational performance, both in terms of goal achievement, customer satisfaction, and competitiveness in the market.

H11 : Intellectual Capital on Transformational Leadership Effect on Organizational Performance

From the bootstrapping calculation, it was found that Intellectual capital acts as a mediating variable between transformational leadership and organizational performance. It happens by utilizing the knowledge, skills, and human resources possessed to achieve organizational goals. Transformational leadership that inspires and motivates employees to innovate and achieve their best potential can encourage increased intellectual capital capacity in the organization, such as competency and knowledge development. Good intellectual capital will increase employee productivity and effectiveness in carrying out their duties, which in turn will improve organizational performance. Thus, transformational leadership serves to strengthen and manage intellectual capital, which is the key to achieving optimal organizational performance.

H12 : Intellectual Capital acts as a mediating variable between Innovation and Organizational Performance

From the bootstrapping calculation, it was found that intellectual capital acts as a mediating variable between innovation and organizational performance. It happens by optimizing the application of knowledge, skills, and creative abilities possessed by employees in creating new solutions and improving business processes. Innovation carried out by organizations, whether in terms of products, services, or work methods, requires strong intellectual capital, such as the knowledge and expertise possessed by individuals in the organization. With well-managed intellectual capital, the resulting innovation can be translated into improved organizational performance, in terms of efficiency, productivity, and competitiveness in the market. Therefore, intellectual capital functions as a bridge connecting innovation with optimal performance results in the organization.

5. Conclusion

The result shows that transformational leadership affects organizational culture, innovation affects organizational culture, transformational leadership affects intellectual capital, innovation affects intellectual capital, transformational leadership affects organizational performance, innovation affects organizational performance, organizational culture affects organizational performance, intellectual capital affects organizational performance, organizational culture mediates transformational leadership affects organizational performance, organizational culture mediates innovation affects organizational performance, intellectual capital mediates transformational leadership affects organizational performance, intellectual capital mediates innovation affects organizational performance. These findings explain that the model for increasing organizational performance is a function of strengthening transformational leadership and innovation, conformity to organizational culture, and increasing intellectual capital. The limitations are in the variables and subjects. Academically, these results contribute to strengthening previous theories and can be a basis for developing further research. These findings produce several recommendations.

1. Based on the findings showing the significant influence of transformational leadership on organizational performance, Bulog Aceh is advised to provide transformational leadership training to managers and leaders, especially in the aspects of visionary leadership, inspirational motivation, and intellectual stimulation, and increase the involvement of leaders in encouraging creativity and innovation among employees, as well as paying greater attention to individual development.
2. Given the importance of innovation in supporting organizational performance, Bulog Aceh needs to focus on developing systems and policies that support innovation, including providing space for experimentation and tolerance for risk within measurable limits and increasing internal and external collaboration to create innovative solutions in the supply chain, distribution, and customer service.
3. Bulog Aceh continues to strengthen transformational leadership in its organizational structure. Inspirational leaders who are oriented towards employee development can significantly improve performance. Therefore, it is recommended that Bulog Aceh provide transformational leadership training to managers and supervisors,

and emphasize the importance of leadership that supports innovation and employee empowerment. Thus, leaders can direct the organization towards better goals and inspire employees to improve their performance.

4. Improving the implementation of an organizational culture that supports creativity and innovation. An organizational culture that is open to new ideas and provides space for employees to innovate can improve the performance of Bulog Aceh. Therefore, there needs to be programs that motivate employees to innovate, such as awards for the best ideas or the formation of innovation teams that focus on developing new solutions in food distribution and community services. An inclusive and supportive organizational culture will strengthen the competitiveness and overall performance of the organization.
5. Improving employee intellectual capital through education and training that is relevant to the tasks and current technological developments. High intellectual capital among employees will accelerate the innovation process and improve work quality. Bulog Aceh should invest in employee training and capacity development, especially in the areas of management, technology, and logistics that will support smooth food distribution. By improving employee knowledge and skills, organizations can face challenges better and significantly increase productivity.
6. Encourage synergy between transformational leadership, organizational culture, and intellectual capital in supporting innovation and performance. Bulog Aceh needs to create an environment that integrates these three factors in order to encourage sustainable innovation and improve employee performance. This can be done by formulating policies and programs that effectively connect these three elements, such as innovation-based leadership development programs and organizational culture that encourage collaboration between employees.

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