The Influence of Leadership Style, Organizational Culture, Policy Implementation, and Community Participation on Public Service Efficiency and Employee Satisfaction in Indonesian Local Government

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ABSTRACT

This study examines the impact of leadership style, organizational culture, policy implementation, and community participation on the efficiency of public services and the happiness of employees in local government in Indonesia. The study involves a quantitative analysis with a sample size of 250 participants. It utilizes a Likert scale ranging from 1 to 5 and leverages Structural Equation Modeling-Partial Least Squares (SEM-PLS 3) for data analysis. The findings demonstrate that all connections are both positive and statistically significant, emphasizing the crucial functions these parameters fulfill in public administration. Leadership style, corporate culture, policy execution, and community participation have a major positive impact on both public service efficiency and employee happiness. The findings provide significant theoretical contributions to the comprehension of public sector management and present practical implications for policymakers and practitioners seeking to enhance public service performance and employee morale.

Keywords: Leadership Style, Organizational Culture, Policy Implementation, Community Participation, Public Service Efficiency

1. INTRODUCTION

Ensuring efficiency in the delivery of public services and maintaining employee satisfaction are crucial for efficient governance, particularly at the local level where relationships with the community hold great importance. Extensive research in Indonesia has thoroughly examined these factors, with a specific emphasis on improving the performance of the public sector during decentralization reforms. A study conducted in South Sulawesi Province revealed significant levels of employee engagement, suggesting a strong correlation between satisfaction and organizational objectives [1]. Furthermore, the application of artificial intelligence and data analytics has demonstrated its ability to improve the effectiveness of public services in local governments in Indonesia. This highlights the significance of integrating technology to boost service quality [2]. Moreover, the public
services in Bali Province have received favorable assessments, demonstrating the effective application of good governance principles through efficient service provision and a high degree of community satisfaction [3]. These findings emphasize the importance of public service efficiency and employee happiness in improving governance and service quality at the local level in Indonesia.

The leadership style of public organizations has a significant impact on their operational dynamics and overall performance. It affects the efficiency of service delivery and the satisfaction of employees [4]–[6]. Transformational leadership, characterized by its focus on vision, inspiration, and personal growth, is associated with increased employee motivation and enhanced organizational results [4], [5]. Transactional leadership, which emphasizes everyday chores and compliance, can have different impacts on the efficiency of public services and the pleasure of employees [4]. The selection of a leadership strategy in public organizations can have a substantial impact on service delivery, underscoring the necessity of choosing the best appropriate leadership style to improve operational performance and staff satisfaction.

The organizational culture, which includes commonly held values, beliefs, and customs, has a substantial impact on the implementation of policies and determines how employees perceive their work environment. An optimistic organizational culture that fosters creativity, cooperation, and responsibility has the potential to improve service delivery and elevate staff morale [7]–[9]. Understanding the complexities of organizational culture is crucial in Indonesian local governments to create an atmosphere that promotes high performance and work satisfaction [10]. Local governments can enhance service quality and overall organizational effectiveness by aligning values and practices with intended goals. This creates a conducive climate where people are motivated, engaged, and empowered to deliver their best.

The implementation of policies in public service outcomes is a critical feature that is influenced by multiple factors. The obstacles encountered by Indonesian local governments in policy execution, as emphasized in the settings, encompass constrained resources, bureaucratic lethargy, and diverse administrative capabilities. [11]–[15] These obstacles frequently impede the efficient conversion of governmental mandates into tangible measures that meet the requirements of the community. Issues such as ineffective bureaucratic procedures, political instability, and insufficient leadership can worsen the challenges in implementing and overseeing policies. Crucial for enhancing policy implementation are tactics such as enhancing communication lines, engaging stakeholders, and cultivating a culture of accountability and openness within the administrative system. Indonesian local governments can strive for improved policy implementation procedures by tackling these intricacies and adopting well-planned interventions.

Community participation is essential for improving government by engaging residents in decision-making and integrating their input, resulting in more responsive and accountable public services. The user's text is [16], [17] In Indonesia, the decentralization measures and empowerment of local communities are closely linked to the efforts aimed at enhancing community participation [16]. Research highlights the importance of active community engagement in aligning public services with local needs and goals, which ultimately leads to improved service efficiency and increased employee satisfaction [16]–[20]. Effective methods to enhance community participation in initiatives, such as waste management programs in places like Bandung, include collaborative governance, community development techniques, and digital-based governance [20].

This study used a quantitative research approach to investigate the connections among leadership style, organizational culture, policy execution,
community participation, public service efficiency, and employee happiness.

2. LITERATURE REVIEW

2.1 Leadership Style

The leadership style has a significant impact on both the performance of the organization and the outcomes of its employees. Transformational leadership, as shown in multiple studies [4], [5], [21], is linked to the ability to inspire and motivate colleagues towards a shared vision, resulting in enhanced efficiency and happiness. Transactional leadership, which emphasizes oversight and rewards, can provide stability but has a variable effect on satisfaction [5]. Studies conducted in the setting of Indonesian local government indicate that a well-rounded approach that combines both transformational and transactional elements may be the most effective way to improve the delivery of public services [22]. These findings highlight the significance of leadership styles in promoting innovation, dedication, and effectiveness in businesses, especially in the public sector.

2.2 Organizational Culture

Organizational culture is a crucial factor in determining how members of an organization behave and operate, which in turn affects the overall effectiveness of the business and the level of engagement among employees [7]. A robust and favorable organizational culture in the public sector is associated with improved service performance and increased staff morale [8]. A study conducted in Indonesia has found that local governments that promote cultures of innovation, accountability, and transparency tend to achieve high levels of service efficiency and staff satisfaction [10]. In addition, Hofstede's cultural dimensions theory highlights the importance of cultural context in organizational behavior. It emphasizes that local government agencies that align their culture with these principles are more capable of efficiently implementing policies and meeting the requirements of the community [23]. Organizations, particularly in the public sector, can improve their overall performance and better serve their stakeholders by comprehending and fostering a culture that encourages these values.

2.3 Policy Implementation

Efficient execution of policies in public administration, particularly at the municipal level, is essential for attaining intended results. The studies conducted by [11], [24]–[26], and the collaborative research [13] highlight the importance of having well-defined goals, sufficient resources, and supporting organizational frameworks for effective policy implementation. Efficient implementation is hindered in Indonesian local governments due to challenges such as bureaucratic lethargy, resource limits, and varying administrative competencies. In order to surmount these challenges, it is imperative to have resolute leadership, a nurturing organizational culture, and engaged
community involvement. To improve policy implementation in Indonesian local governments, it is necessary to focus on capacity building, better resource allocation, and streamlined administrative processes. These measures will help ensure that policies are effectively and efficiently put into reality.

2.4 Community Participation

Community engagement is an essential component in the field of public administration and local governance, as emphasized in numerous research papers. Susi Apriliani’s research highlights the crucial function of the village government in enhancing community engagement in village development [19]. Furthermore, research conducted by Alex M. Alazada and Dina C. Magnaye highlights the importance of community participation in the management of solid waste. Their studies demonstrate that when community members are knowledgeable about regulations, willing to financially support waste management services, and when initiatives align with sustainable development objectives, the improvement of local waste management practices is strengthened [27]. Moreover, Muhammad Dhobit Azhary Lubis and Putri Ainun Azizah examine the correlation between public involvement in decision-making procedures and enhanced governance, refined policies, and heightened government responsibility [28]. Syamsu Rijal’s research corroborates this assertion by emphasizing that community participation in public decision-making processes improves the efficiency, efficacy, and equity of public service delivery [29]. Finally, Mangihut Siregar’s research highlights the significance of community engagement in sustaining a self-sufficient village. It demonstrates the relevance of involvement in decision-making, implementing activities, monitoring, and evaluating for achieving effective development results [30].

2.5 Public Service Efficiency

Efficiency in the delivery of public services is essential for achieving effective governance and cultivating public confidence. Research emphasizes several factors that impact the efficiency of public services. These include the use of Artificial Intelligence (AI) to improve services and municipal processes [31], the role of good governance practices like transparency and accountability in enhancing public service delivery and public trust [32], the importance of innovation, management support, and technological access in driving efficiency in the public sector [33], and the positive effects of electronic services on public administration efficiency, highlighting the value of e-government in improving management and societal value [34]. By implementing E-Government apps, public service efficiency can be enhanced by overcoming administrative limitations, promoting transparency, and streamlining processes. This eventually benefits the community and
improves decision-making processes [35].

2.6 Employee Satisfaction

Employee satisfaction is a vital factor in organizational performance, as research highlights its favorable influence on productivity and commitment [36]–[39]. The employee satisfaction in the public sector is influenced by various factors such as leadership style, organizational culture, job security, and professional growth possibilities [38]. In the Indonesian context, research emphasizes the significance of supportive leadership, positive organizational culture, and successful policy execution in improving employee satisfaction in local government settings [38], [39]. In order to enhance levels of happiness, businesses should prioritize the enhancement of working conditions, provision of career advancement prospects, and cultivation of a nurturing environment [37]–[39]. These endeavors have the potential to result in increased levels of employee involvement, dedication, and overall performance within the organization.

Theoretical Framework and Hypotheses

This study utilizes a theoretical framework that suggests leadership style, organizational culture, policy execution, and community participation as crucial factors influencing public service efficiency and employee satisfaction, based on the findings of the literature review. The subsequent conjectures are put forward:

H1: Leadership style positively influences public service efficiency.
H2: Organizational culture positively influences public service efficiency.
H3: Policy implementation positively influences public service efficiency.
H4: Community participation positively influences public service efficiency.
H5: Leadership style positively influences employee satisfaction.
H6: Organizational culture positively influences employee satisfaction.
H7: Policy implementation positively influences employee satisfaction.
H8: Community participation positively influences employee satisfaction.

3. METHODS

3.1 Research Design and Sample

This study used a quantitative research methodology to investigate the correlation between leadership style, organizational culture, policy implementation, community participation, public service efficiency, and employee happiness in local governments in Indonesia. The study relies on gathering and analyzing quantitative data to examine the proposed hypotheses and confirm the theoretical framework described in the literature review. The study’s population comprised employees employed in local government offices across various areas of Indonesia. A stratified random selection technique was employed to choose a sample of 250 participants, ensuring representation from all departments and administrative levels. This sample technique facilitated the acquisition of a thorough comprehension of the variables being investigated across various local government
contexts. Table 1 general description of the research respondents.

Table 1. Demographic Characteristics of the Sample

<table>
<thead>
<tr>
<th>Age (years)</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-29 years</td>
<td>85</td>
<td>34%</td>
</tr>
<tr>
<td>30-39 years</td>
<td>95</td>
<td>38%</td>
</tr>
<tr>
<td>40-49 years</td>
<td>45</td>
<td>18%</td>
</tr>
<tr>
<td>50 years and above</td>
<td>25</td>
<td>10%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>155</td>
<td>62%</td>
</tr>
<tr>
<td>Female</td>
<td>95</td>
<td>38%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Education</th>
<th>Frequency (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor's Degree</td>
<td>160</td>
<td>64%</td>
</tr>
<tr>
<td>Master's Degree</td>
<td>70</td>
<td>28%</td>
</tr>
<tr>
<td>Doctorate Degree</td>
<td>10</td>
<td>4%</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
<td>4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Frequency (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 years</td>
<td>120</td>
<td>48%</td>
</tr>
<tr>
<td>5-10 years</td>
<td>85</td>
<td>34%</td>
</tr>
<tr>
<td>11-15 years</td>
<td>30</td>
<td>12%</td>
</tr>
<tr>
<td>More than 15 years</td>
<td>15</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: Results of Data Analysis (2024)

The sample’s age distribution indicates that the majority consists of persons between the ages of 30 and 39 (38.0%), with the second largest group being individuals aged 20 to 29 (34.0%). A smaller percentage of individuals fall into the age categories of 40-49 years (18.0%) and 50 years and above (10.0%), suggesting that the demographic of the organization is relatively youthful and consists mostly of individuals in the middle of their careers, which is common for public sector enterprises. The gender distribution data reveals that there is a higher percentage of male respondents (62.0%) compared to female respondents (38.0%). This indicates a potential gender imbalance that could potentially impact views of public service efficiency and employee satisfaction. The survey results indicate that the majority of respondents possess a Bachelor’s degree (64.0%), followed by those with a Master’s degree (28.0%). A small percentage of respondents hold a Doctorate degree (4.0%) or other qualifications (4.0%). These findings suggest that the sample is highly educated, which is likely to influence their perceptions and experiences. Regarding the duration of their employment, approximately 48.0% of the participants have served in their organization for less than 5 years. The next largest groups consist of individuals with 5-10 years of service (34.0%), 11-15 years of service (12.0%), and more than 15 years of service (6.0%). This distribution indicates a combination of both recently hired and more seasoned employees.

3.2 Data Collection

The data were gathered through the use of a well-designed questionnaire that aimed to assess many aspects such as leadership style, organizational culture, policy implementation, community participation, public service efficiency, and employee happiness. The survey consisted of demographic inquiries aimed at gathering data on participants’ gender, age, educational attainment, and length of service. The primary constructs were assessed using pre-established scales that were modified to suit the Indonesian setting.

Each concept was assessed using multiple items on a Likert scale that ranged from 1 (indicating severe disagreement) to 5 (indicating strong agreement). The individual components for each build are delineated below:
1. Leadership Style: This scale assesses transformational and transactional leadership traits, and it is based on the Multifactor Leadership Questionnaire (MLQ) created by [40], [41].

2. Organizational Culture: The assessment was conducted using items derived from Denison's Organizational Culture Survey [42]–[44], which specifically examined factors such as involvement, consistency, adaptability, and mission.

3. Policy Implementation: Assessed using a scale derived from the framework developed by [45], [46], which evaluates the level of clarity in objectives, availability of resources, and administrative capability.

4. Community Participation: Derived from Arnstein's ladder of public participation [47]–[49], this scale assesses the degree and caliber of community engagement in decision-making procedures.

5. Public Service Efficiency: The perceived effectiveness of service delivery was measured using items borrowed from public administration literature [50]–[52].

6. Employee Satisfaction: Assessed using a scale modified from the Job Satisfaction Survey [53], [54], specifically targeting aspects such as job satisfaction, working environment, and possibilities for professional growth.

The descriptive statistics offer a comprehensive summary of the responses for each concept that was assessed in the study. The statistics provided encompass the average, variability, and span of responses on the Likert scale. Respondents' general answers are shown in table 2 below.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Style</td>
<td>3.92</td>
<td>0.68</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>3.87</td>
<td>0.72</td>
</tr>
<tr>
<td>Policy Implementation</td>
<td>3.84</td>
<td>0.70</td>
</tr>
<tr>
<td>Community Participation</td>
<td>3.80</td>
<td>0.71</td>
</tr>
<tr>
<td>Public Service Efficiency</td>
<td>3.89</td>
<td>0.69</td>
</tr>
<tr>
<td>Employee Satisfaction</td>
<td>3.85</td>
<td>0.74</td>
</tr>
</tbody>
</table>

Source: Results of Data Analysis (2024)

The analysis presents the mean scores and standard deviations for several organizational characteristics. The Leadership Style had a mean score of 3.92 and a standard deviation of 0.68. This suggests that the respondents generally felt that their leaders demonstrate successful behaviors, with most replies falling close to this average score. The mean score for Organizational Culture was 3.87, with a standard deviation of 0.72. This indicates that employees generally have a good opinion of aspects such as involvement, consistency, adaptability, and mission. The mean score for Policy Implementation was 3.84, with a standard deviation of 0.70. This indicates a generally positive perception of the clarity, availability of resources, and administrative capabilities associated with policy implementation. The mean score for Community Participation was 3.80, with a standard deviation of 0.71. This suggests that there is a somewhat good perception of the quality and amount of community involvement in decision-making. The Public Service Efficiency has a mean score of 3.89 with a standard deviation of 0.69. This indicates that employees usually consider the efficiency of service delivery as good. Employee Satisfaction had a mean score of 3.85 and a standard deviation of 0.74.
indicating a high level of satisfaction with job conditions and professional development chances.

### 3.3 Data Analysis

The data analysis was performed using Structural Equation Modeling - Partial Least Squares (SEM-PLS) with SmartPLS version 3 software. SEM-PLS is a resilient statistical method that enables the concurrent estimate of several connections between observable and latent variables. It is especially well-suited for conducting exploratory investigations and evaluating intricate models that involve numerous components and indicators.

The measuring model evaluation entailed the assessment of the reliability and validity of the constructs. The dependability of the internal consistency was assessed by employing Cronbach's alpha and composite reliability (CR), where values over 0.7 indicate satisfactory reliability. Convergent validity was evaluated using Average Variance Extracted (AVE), where values greater than 0.5 indicate that the constructs account for more than half of the variance in their indicators. The discriminant validity was assessed by applying the Fornell-Larcker criterion and cross-loadings to ensure that each construct is clearly distinguishable from the others.

The structural model underwent analysis to evaluate the proposed theories. Path coefficients were calculated to assess the magnitude and direction of the connections between components. The statistical significance of the path coefficients was assessed by bootstrapping, which involved generating 5,000 resamples. The R-squared ($R^2$) values were computed to evaluate the explanatory capacity of the independent variables on the dependent variables, with larger values suggesting a stronger explanatory ability.

### 4. RESULTS AND DISCUSSION

#### 4.1 Inner Model

The evaluation of the measurement model centers around the assessment of the constructs' reliability and validity. This includes examining factor loadings, Cronbach's alpha, composite reliability (CR), and average variance extracted (AVE) for each construct. Ideal factor loadings should exceed 0.7, suggesting a strong association between observable variables and their underlying latent constructs, thereby adequately representing the concept. Variance Inflation Factors (VIF) <3.000. Reliability is assessed by use Cronbach's alpha and composite reliability (CR), where values greater than 0.7 are considered satisfactory, indicating strong internal consistency. Convergent validity is assessed by calculating the average variance extracted (AVE). A result greater than 0.5 indicates that the construct explains more than half of the variance of its elements.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>Loading Factor</th>
<th>VIF</th>
<th>Alpha</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Style</td>
<td>LS.1</td>
<td>0.764</td>
<td>2.105</td>
<td>0.884</td>
<td>0.903</td>
<td>0.612</td>
</tr>
<tr>
<td></td>
<td>LS.2</td>
<td>0.792</td>
<td>2.233</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LS.3</td>
<td>0.826</td>
<td>2.456</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LS.4</td>
<td>0.802</td>
<td>2.362</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>LS.5</td>
<td>0.775</td>
<td>2.196</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>OC.1</td>
<td>0.782</td>
<td>2.052</td>
<td>0.855</td>
<td>0.883</td>
<td>0.588</td>
</tr>
<tr>
<td></td>
<td>OC.2</td>
<td>0.808</td>
<td>2.145</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC.3</td>
<td>0.815</td>
<td>2.188</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC.4</td>
<td>0.776</td>
<td>2.012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OC.5</td>
<td>0.743</td>
<td>1.925</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy Implementation</td>
<td>PL1</td>
<td>0.826</td>
<td>2.322</td>
<td>0.877</td>
<td>0.893</td>
<td>0.603</td>
</tr>
<tr>
<td></td>
<td>PL2</td>
<td>0.792</td>
<td>2.154</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PL3</td>
<td>0.806</td>
<td>2.226</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PL4</td>
<td>0.772</td>
<td>2.052</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The assessment of reliability and convergent validity indicates that Cronbach's alpha values for all constructs varied between 0.85 and 0.90, indicating a strong level of internal consistency. Similarly, the composite reliability (CR) scores varied between 0.88 and 0.92, providing additional confirmation of the reliability of the constructs. Furthermore, VIF <3.000, and the average variance extracted (AVE) values for all constructs surpassed the criterion of 0.5, demonstrating robust convergent validity. This suggests that each construct effectively accounts for a substantial percentage of the variability in its components.

The assessment of discriminant validity is done by employing the Heterotrait-Monotrait Ratio (HTMT) criterion. HTMT scores less than 0.85 imply strong discriminant validity between constructs. This section provides the HTMT values for the constructs examined in the study.

Table 4. HTMT Ratios for Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>LS</th>
<th>OC</th>
<th>PI</th>
<th>CP</th>
<th>PSE</th>
<th>ES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Style</td>
<td>0.725</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>0.70</td>
<td>0.744</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy Implementation</td>
<td>0.68</td>
<td>0.71</td>
<td>0.73</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Participation</td>
<td>0.65</td>
<td>0.69</td>
<td>0.71</td>
<td>0.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Service Efficiency</td>
<td>0.63</td>
<td>0.67</td>
<td>0.69</td>
<td>0.70</td>
<td>0.75</td>
<td></td>
</tr>
</tbody>
</table>

All construct pairs in this study had HTMT values below the threshold of 0.85, which indicates that discriminant validity has been established for the constructs. These findings indicate that the constructs are separate from one another and assess various components of the study model.

4.2 Outer Model

Evaluating the fit of the model is essential in determining the degree to which the proposed model accurately represents the data. Several fit indices are employed to assess the model fit, such as the Standardized Root Mean Square Residual (SRMR), Normed Fit Index (NFI), and Chi-Square ($\chi^2$).

The assessment of model fit indices indicates that the proposed model aligns well with the data. The SRMR value of 0.045 is below the required threshold of 0.08, showing a strong correspondence between the model and the data. Lower values suggest a more accurate match. The Normed Fit Index (NFI) value of 0.92 surpasses the recommended threshold of 0.90, indicating that the model demonstrates a substantial enhancement in fit compared to a null model. Higher values...
closer to 1 indicate a superior fit. The Chi-Square ($\chi^2$) value of 345.87 with 274 degrees of freedom results in a $\chi^2$/df ratio of 1.26, which is below the permissible threshold of 3.00. This indicates that the fit is satisfactory. While the $\chi^2$/df ratio may be influenced by sample size, it remains a dependable indicator of fit. Overall, these indices validate the suitability of the structural model for the investigation, as the SRMR, NFI, and $\chi^2$/df values all satisfy the suggested thresholds for a satisfactory model fit.

The R² values indicate the amount of variation in the dependent variables that can be accounted for by the independent variables. The coefficient of determination (R²) for public service efficiency is 0.68, suggesting that 68% of the variability in public service efficiency can be accounted for by factors such as leadership style, organizational culture, policy implementation, and community participation. The coefficient of determination (R²) for employee satisfaction is 0.64, meaning that 64% of the variability in employee happiness can be accounted for by these same factors.

### 4.3 Structural Model Evaluation

The evaluation of the structural model entails the examination of the connections between the constructs in the proposed model. This section provides the path coefficients, t-values, p-values, and R² values for the constructs examined in the study.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β</th>
<th>t</th>
<th>Significance</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Style $\rightarrow$ Public Service Efficiency</td>
<td>0.354</td>
<td>5.213</td>
<td>Significant</td>
<td>Accepted</td>
</tr>
<tr>
<td>Leadership Style $\rightarrow$ Employee Satisfaction</td>
<td>0.286</td>
<td>4.356</td>
<td>Significant</td>
<td>Accepted</td>
</tr>
<tr>
<td>Organizational Culture $\rightarrow$ Public Service Efficiency</td>
<td>0.328</td>
<td>4.872</td>
<td>Significant</td>
<td>Accepted</td>
</tr>
<tr>
<td>Organizational Culture $\rightarrow$ Employee Satisfaction</td>
<td>0.303</td>
<td>4.567</td>
<td>Significant</td>
<td>Accepted</td>
</tr>
<tr>
<td>Policy Implementation $\rightarrow$ Public Service Efficiency</td>
<td>0.295</td>
<td>4.125</td>
<td>Significant</td>
<td>Accepted</td>
</tr>
<tr>
<td>Policy Implementation $\rightarrow$ Employee Satisfaction</td>
<td>0.262</td>
<td>3.892</td>
<td>Significant</td>
<td>Accepted</td>
</tr>
<tr>
<td>Community Participation $\rightarrow$ Public Service Efficiency</td>
<td>0.317</td>
<td>4.767</td>
<td>Significant</td>
<td>Accepted</td>
</tr>
<tr>
<td>Community Participation $\rightarrow$ Employee Satisfaction</td>
<td>0.272</td>
<td>4.014</td>
<td>Significant</td>
<td>Accepted</td>
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</table>

Path coefficients (β) represent the magnitude and direction of the connections between constructs. The study found that all route coefficients are positive, indicating that increased levels of leadership style, organizational culture, policy implementation, and community participation are linked to higher levels of public service efficiency and employee satisfaction.

T-values and p-values are utilized to ascertain the statistical significance of the path coefficients. All t-values exceed 1.96, and all p-values are below 0.001, indicating that all correlations are statistically significant at the 0.001 level.

The study uncovers multiple significant correlations among crucial variables. The study found that Leadership Style has a significant positive impact on Public Service Efficiency. The path coefficient (β) was calculated to be 0.354, with a t-value of 5.213. The p-value was found to be less than 0.001, indicating strong evidence that effective leadership promotes service efficiency. Similarly, there is a strong correlation between Leadership Style and Employee happiness (β = 0.286, t = 4.356, p < 0.001), suggesting that supportive leadership enhances job happiness. The study found that Organizational Culture has a significant and beneficial impact on Public Service Efficiency (β = 0.328, t = 4.872, p < 0.001), emphasizing the significance of fostering a culture that promotes collaboration and accountability. The association between organizational culture and employee happiness is significant (β = 0.303, t = 4.567, p < 0.001), indicating that a positive organizational culture has a beneficial impact on work satisfaction. The implementation of policies has a significant impact on the efficiency of public services (β =
0.295, t = 4.125, p < 0.001) and the contentment of employees (β = 0.262, t = 3.892, p < 0.001), indicating that well-executed policies enhance both the delivery of services and job satisfaction. Community Participation had a significant positive impact on Public Service Efficiency (β = 0.317, t = 4.767, p < 0.001) and Employee Satisfaction (β = 0.272, t = 4.014, p < 0.001). This suggests that including the community improves the effectiveness of services and boosts employee morale.

Discussion
The study investigated the impact of leadership style, organizational culture, policy implementation, and community participation on the efficiency of public services and the happiness of employees in local government in Indonesia. The findings indicated that all proposed connections were both positive and statistically significant, highlighting the crucial functions these concepts have in public administration.

Leadership Style
The correlation between leadership style and public service efficiency, as well as staff happiness, highlights the crucial role of good leadership in local government. Leaders that demonstrate transformational and participative behaviors have the ability to inspire and encourage people, resulting in increased levels of service efficiency and job satisfaction. This discovery is consistent with other research that emphasizes the influence of leadership on the performance of a business and the morale of its employees [55], [56].

Research has consistently demonstrated that leaders who exhibit transformational leadership styles have a significant positive impact on staff performance and motivation [55], [57], [58]. Transformational leadership has a direct impact on staff performance and also indirectly improves job motivation [55]. Research has emphasized the importance of involving employees in performance measures to improve work efficiency. It has also highlighted the mediating role of employee participation and public service motivation in the relationship between transformational leadership and job performance [56]. The cumulative data emphasizes the crucial impact of transformational leadership in inspiring and motivating employees, ultimately resulting in enhanced service efficiency and job satisfaction within firms.

Organizational Culture
The study revealed a strong correlation between organizational culture and both public service efficiency and employee satisfaction. An affirmative organizational culture that prioritizes values such as cooperation, originality, and responsibility can augment the overall efficacy of public services and boost job contentment. This finding aligns with research that has demonstrated the pivotal significance of a supportive and flexible organizational culture in promoting exceptional performance and the well-being of employees [59]–[63]. An organizational culture that promotes collaboration, innovation, and accountability is essential for improving the effectiveness of public services and increasing job satisfaction. This aligns with previous research that emphasizes the importance of a supportive and adaptable organizational culture in driving high performance and employee well-being [59]–[61]. Studies suggest that promoting integrity, professionalism, teamwork, and customer-oriented approaches can enhance public service indices, efficiency, and effectiveness. Additionally, factors such as leadership commitment, employee engagement, effective communication, and appropriate reward systems contribute to successful organizational cultural innovation [60]. Furthermore, the way faculty and staff members perceive the level of positivity inside an organization has been found to be associated with higher levels of organizational creativity. This highlights the significance of a positive organizational climate in promoting innovation within university settings [62]. Positive organizational behavior (POB) is emphasized
as a crucial element in improving organizational performance by inspiring and empowering people to make positive contributions towards organizational objectives [63].

**Policy Implementation**

The results suggest that the successful execution of policies has a favorable influence on the efficiency of public services and the satisfaction of employees. Clear, well-communicated, and sufficiently resourced policies can enhance operational efficiency and boost staff morale. This is consistent with studies that highlights the importance of cohesive policy frameworks and efficient administrative processes in improving the performance of the public sector [11], [64]–[66].

Well-defined and effectively articulated policies, supported with sufficient resources, are essential for improving the performance of the public sector and increasing staff morale [11], [64]. Studies indicate that efficient administrative procedures, encompassing aspects such as leadership, organizational framework, and communication channels, have a substantial impact on the results of policy implementation [11]. Furthermore, research highlights the beneficial influence of employee morale on the financial success, efficiency, and creativity of a business, highlighting the significance of efforts such as training programs and recognition schemes in sustaining high levels of morale [2]. Additionally, research has shown that task complexity, social cohesion, and perceived justice significantly impact employee morale and well-being. This highlights the importance of creating a supportive work environment and fostering an innovative climate in firms [65]. A study conducted in Pakistan’s education sector found that administrative practices have a significant positive impact on employees’ job performance. The study highlights the importance of factors such as compensation, training, and career planning in improving job satisfaction and performance [64].

**Community Participation**

Furthermore, there was a favorable correlation between community involvement and both the effectiveness of public services and the level of employee contentment. Involving the community in decision-making processes can result in governance that is more responsive and accountable, therefore enhancing the effectiveness of public services and boosting employee happiness via the cultivation of a sense of purpose and connection with the community. This discovery provides evidence that aligns with the existing body of research on participatory governance and its advantages for public administration [28], [29], [67]–[69].

It is essential to involve the community in decision-making processes to achieve governance that is more responsive and accountable. This eventually improves the efficiency of public services and increases employee satisfaction by generating a feeling of purpose and connection with the community. Research highlights that the active involvement of the community in making public decisions results in enhanced governance, heightened openness, and improved policy outcomes [28], [29], [67]–[69]. By engaging the public in the process of developing policies and managing resources, governments can establish policies that are more efficient and enduring, enhance their credibility, and better meet the requirements of society. Moreover, the engagement of the community in the process of choosing public officials by means of participatory assessments and track record checks can improve the responsiveness and accountability of the bureaucracy, so promoting a more transparent and inclusive decision-making process [68]. Participatory governance is crucial for achieving positive policy outcomes, fostering growth, and enhancing social well-being. It emphasizes the significance of citizen involvement in local governance to ensure efficient public administration.
Theoretical Contributions

This study enhances the theoretical comprehension of public administration by combining leadership, organizational culture, policy implementation, and community participation into a comprehensive model of public service efficiency and employee satisfaction. This study expands upon current ideas by illustrating the interplay between these elements and their impact on public sector results within the framework of local government in Indonesia.

Practical Implications

The findings have numerous practical implications for policymakers and practitioners in the local government of Indonesia. Leadership development programs have the potential to enhance the performance of leaders, resulting in enhanced efficiency in public service and increased employee satisfaction. It is crucial to prioritize the development of a positive corporate culture, as it has a substantial impact on both the efficiency of services and the morale of employees. Enhancing the overall effectiveness of public services can be achieved by ensuring that policies are unambiguous, well communicated, and sufficiently backed by resources. In addition, fostering community engagement in governance processes can result in enhanced efficiency and responsiveness of public services, as well as increased employee contentment.

Comparison with Existing Literature

The study’s findings align with the wider body of research on public administration, underscoring the significance of leadership, organizational culture, policy implementation, and community involvement in attaining successful outcomes in the public sector. The findings are consistent with previous theories and empirical studies, offering more proof of the significance and influence of these constructs in many situations.

Limitations and Future Research

Although the study offers useful insights, it is also subject to several limitations. The use of a cross-sectional design restricts the ability to establish causality. In order to gain a deeper understanding of the causal links between the constructs, future research could utilize longitudinal designs. Furthermore, the study relies on data obtained from Indonesian local government, and as a result, the conclusions drawn may not be applicable to other situations. Subsequent investigations could examine these associations in many nations and areas to improve the applicability of the findings.

5. CONCLUSION

This study thoroughly investigates the influence of leadership style, organizational culture, policy implementation, and community participation on the effectiveness of public services and the happiness of employees in local government in Indonesia. The results emphasize the significance of these aspects in improving the performance of the public sector and boosting employee morale. Efficient public services and contented personnel can be achieved through effective leadership, a healthy corporate culture, coherent policy implementation, and active community participation. These findings are consistent with previous research and enhance our comprehension of public administration by emphasizing the interaction between these concepts within the framework of local government in Indonesia.

The study indicates that investing in leadership development, cultivating a supportive corporate culture, implementing policies effectively, and encouraging community participation can greatly enhance public service outcomes and employee happiness. These insights provide a clear plan for policymakers and practitioners to build and implement policies that will improve the effectiveness of public sector organizations.

Subsequent investigations should aim to overcome the constraints of this study, including its cross-sectional design and...
narrow focus on certain contexts, by utilizing longitudinal designs and examining similar associations in diverse situations. Future studies can enhance the comprehension of these crucial aspects in public administration by expanding on the current findings. This will contribute to the creation of more efficient and adaptable management techniques in the public sector worldwide.

REFERENCES


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