THE EFFECT OF CORPORATE CULTURE, MANAGERIAL CAPABILITIES, AND DECISION MAKING ON LEADER PERFORMANCE IN MANAGING THE ENVIRONMENT

Ashar Pramono[1], Amos Neolaka[2], Rukaesih Achmad[3]
State University of Makassar
State University of Jakarta
Trisakti Insurrance Management College
ashar.pramono@unm.ac.id[1]
aneolaka@unj.ac.id[2]
rukaesih56@gmail.com[3]

Abstract

The purpose of this study was to determine the effect of corporate culture, managerial ability, and decision making on the performance of leaders in managing the environment. This research is a quantitative study. Survey data were analyzed by path analysis. The results showed as follows: (1) company culture has a positive direct effect on leadership performance (2) Managerial ability has a positive direct effect on leadership performance, (3) decision making has a positive direct effect on leadership performance, (4) corporate culture has positive direct influence on decision making, (5) managerial ability has a positive direct influence on decision making. Based on these findings, it can be concluded that any changes or variations that occur in the leader's performance have been influenced by company culture, managerial ability, and decision making.

Keywords: *corporate culture, managerial ability, decision making, leadership performance*

Environmental conditions are now at an alarming level. Natural disasters during the rainy season such as floods, landslides and during the dry season such as drought, fires have become a phenomenon that is always seen and heard. The phenomenon of climate change (climate change) is a global issue that causes various risks to the environmental system (natural system) and humans (social system). This will be exacerbated by the increase in human activity. (Zhang, Niu, Buyantuev, & Wu, 2014)

Although human activities are cited as the main causes of climate change and organizations / institutions also contribute significantly to climate change. Research that discusses human behavior and organizations / institutions in workplaces that care about the environment (workplace pro-environmental behaviors) is still lacking. (Robertson & Barling, 2013)

In the context of rational use of natural resources and ecosystems, human efforts are needed to conserve diversity and try to avoid damage by practicing environmentally friendly and sustainable regulations, laws and policies. This will be effective if done by institutions that care about the environment. (Putrawan, 2015)

The occurrence of an environmental crisis shows the disruption of ecosystems that will threaten the survival of plant, animal and human species. The environmental crisis is largely facilitated by inappropriate human activities that occur as a result of human attitudes towards the environment. The environmental crisis is largely determined by human activity, especially by humans who are frontier-minded. (Hosseinnezhad, 2017)

Climate change is happening and is largely caused by human activity. The impact is starting to feel and will worsen in the next few years unless we act. The increasing level of global warming from

carbon dioxide and greenhouse gas emissions has led to climate change and environmental degradation which eventually led to illness and health problems. Therefore it is important for stakeholders and decision makers at the industrial policy level and the government applies rigorous ways to reduce greenhouse gases to combat the spread of the effects of global warming and the resulting climate change. (Olufemi Adedeji, Okocha Reuben, 2014)

Basically, humans are part of the living environment and are an interdependent entity between one another. Whether it's humans who influence environmental factors or vice versa humans who are influenced by environmental factors. Humans through technology have the power that is not possessed by other creatures in influencing the surrounding environment, so that all forms of activities carried out can easily change the state of the surrounding environment. The decreasing of natural resources, the rise of industrial processes that are not friendly to the environment makes environmental sustainability a serious threat, such as releasing hazardous chemicals into nature which is a side effect of industrial products. Environmental paradigm to measure human concern and behavior towards the environment. (Dunlap, 2008)

Wise behavior in managing the environment is needed in order to improve employee behavior regarding environmental impacts that can contribute positively and negatively in achieving company goals. Behavior in managing the environment is based on responses to environmental problems for management, such as how management actions in the process of using natural resources efficiently and effectively. The company itself is often faced with many work priorities, including business competition and attention to the natural environment. So the behavior in managing the environment is the value of a set of behavior in managing the environment that positively contributes to the achievement of company goals, namely environmental performance.

The previous research as a reference from the research conducted by researchers is by Hirsh, that the good or bad of an environment, human behavior has a great influence on the ecological conditions globally, so we need a solution regarding behavior. Furthermore, it is said that environmental care can be seen with latent indicators such as the importance of protecting the environment. (Hirsh, 2010). Pro-environment behavior of employees is the key to employee behavior at work in the context of green organizational behavior. In general, there are many internal and external factors that promote employee pro-environment behavior. Relevant internal and external factors that can predict the pro-environment behavior of employees at work are identified. Internal factors include social norms, personal norms and attitudes towards pro-environment behavior and external factors consisting of situational factors, leadership behavior, and leadership support. (Vinojini & Arulrajah, 2017). Most companies are sensitive and responsive to the environment. The company emphasizes products that save energy and resources, and they explain the importance of green responsibilities and the availability of natural resources to ensure that current activities do not threaten the world in the future. Companies also support green activities that are specific to their sector. (Yozgat & Karataş, 2011).

Green Industry promotes sustainable production and consumption patterns, which are patterns that save resources and energy, are low in carbon and low in waste, are not polluted and safe, and that produce products that are managed responsibly throughout their life cycle. The Green Industry Agenda includes greening the industry, where all industries continue to improve their resource productivity and environmental performance. It also aims to create a green industry, which delivers environmental goods and services in an industrial way, including, for example, waste management and recycling services, renewable energy technologies, and environmental consultancy and analysis services. (UNIDO Green Industry, 2011)

The need for environmental performance in raising awareness for each company to contribute significantly in minimizing environmental damage that occurs. Especially those at risk to the environmental system and human behavior who care about the environment. Environmental performance is needed in order to improve employee behavior regarding environmental impacts that can contribute positively and negatively to the achievement of company goals. The company's environmental performance is based on responses to environmental problems for management, such as how management actions in the process of using natural resources efficiently and effectively. Companies are often faced with many priorities that must be done, on the one hand for business competition and on the other hand for attention to the natural environment. The environmental performance itself can be evaluated by setting indicators such as pollution prevention, waste minimization, recycling activities, and so on. Facing the situation of product / service demand and competition in gaining customer trust, environment-based companies must be able to overcome these environmental issues so as to produce a positive ability to influence employee performance which results in environmental performance in the company. (Paillé, Chen, Boiral, & Jin, 2014)

Research carried out by Muhammad at al. Discusses the negative impact of technology on the environment, highlights the place of responsibility in the system, and facilitates an urgent search for solutions to environmental problems. It is recognized that environmental policies do not always achieve the expected results and consider the role of individuals, governments and other institutions in achieving the right results. Next also discusses the challenges of responsibility for technology by examining performance measures used by managers, markets, and regulators in evaluating corporate responsibility. Analyze the relationship between the various steps used to assess company performance. The results of company behavior are given the company's legal requirements for reporting emissions. Provides a basis for examining the behavior of certain companies or industries and evaluating the results of policies. (Muhammad, Scrimgeour, Reddy, & Abidin, 2015).

Leaders in the public sector have an important role in formulating and implementing environmental policies, where environmental leaders are motivated by two extrinsic instrumentals for personal gain and normative intrinsic reasons for engaging in broad issues in sustainability, even though the formers are clearly more influential. In addition, environmental leadership is strengthened in friendly institutional conditions for environmental protection. Environmental leadership has a large role in determining environmental policy and management, where aspects of situational leadership are increasingly important in determining public management in every decision making. (Niu, Wang, & Xiao, 2018).

Indicators that also reflect a leader to be perceived as a pro-environment leader are breakthrough policies on environmental protection and management programs, and the proportion of the budget for the benefit of environmental protection and management. Factors affecting pro-environment behavior include childhood experiences, knowledge and education, personality, social control, norms, politics, sense of responsibility, age, gender, lifestyle, religion, culture, place of residence as well as environmental problems. (Gifford & Nilsson, 2014)

Decision-making regimes dominated by bureaucrats in many regions, especially in Asia where the public sector plays a primordial role in environmental policy making, initiating pro-environment policies and disclosing environmental information. Leaders in the public sector are very important to develop and implement an environmental policy process for a long time and public sector environmental performance can significantly influence each other's pro-environmental behavior. (Wang & Bryer, 2013).

An institution that cares about the surrounding environment is very dependent on the extent to which leaders have commitment and leadership in positioning themselves as the highest manager in the

implementation of management functions, so as to improve environmental performance in the institution. Although environmental leadership is generally regarded as a prerequisite for environmental improvement at institutions, only a few studies focus on management systems and the ability to influence sustainable commitment. (Boiral, Baron, & Gunnlaugson, 2014).

There is a direct relationship between organizational culture and company performance. First, from the perspective of the direct relationship between organizational leadership and company performance. Second, from the perspective of the dependent variable, there is more research that focuses on the study of non-financial variables, such as job satisfaction, fairness, turnover rates, organizational citizenship behavior, motivation and so on. And third, the mechanism between the moderators or mediators. Thus the higher the organizational culture, the higher the company's performance. (Xiaoming & Junchen, 2012). The research, conducted by Nikpour, aims to find out the mediating role of employee organizational commitment in the relationship between organizational culture and organizational performance. The research findings show that there is a direct and indirect influence between organizational culture and organizational performance, which is mediated by employee organizational commitment. Where the indirect impact is far higher than the direct impact. (Nikpour, 2019)

Individual characteristics affect the strategy in decision making by leaders. Where strategic decision making is strongly influenced by various factors including age, position, cultural background, experience and references. The portrayal of positive self-concept is related to creating opportunities and motivating others, so that a picture is seen where an organizational situation is influenced by positive and negative personalities that will have both positive and negative impacts on the company's performance. (Sputtek, 2012). Based on the view as above, companies that care about the environment should be able to minimize the negative impacts around their environment. The positive influence of leadership and personality can lead to positive environmental performance, by working with all internal and external parties, because it is the key to becoming a leader in the environmental field. (Barrow, 2006).

Based on some of the International Journal mentioned above, the novelty of this study on the performance of leaders in managing the environment associated with company culture, managerial ability, and decision making. Although environmental leadership is generally regarded as a prerequisite for environmental improvement (environmental improvement) in green organizations (greening institutions), only a few studies focus on management systems and the ability to influence sustainability commitments. (Robertson & Barling, 2013). So in improving behavior in managing the environment needed a leader who is oriented to environmental awareness that is sustainable. Based on the theory of organizational behavior models Colquitt, et al., Many variables affect the performance of leaders. From the group of individual mechanisms, decision-making variables are important to study because the success of a company is determined by the exact decision making. While from the organizational mechanism group, company culture variables are important to be examined. The corporate culture that is inherent in the values and personality of the company is a pride for leaders and employees. Finally, from the group of individual characteristics, the managerial ability variable also determines the sustainability of a company in carrying out management functions because good managerial ability will make the company more developed. (Colquitt, Lepine, & Wesson, 2013).

From the explanation above, a study was conducted with the problem of leadership performance which will be explained using variables of corporate culture, managerial ability, and decision making. The research focuses on the variables that will be explained, namely the leadership performance variable in managing the environment (X4), while the variables that explain it consist of corporate culture (X1), managerial ability (X2), and decision making (X3). With the objectives analyzed, namely: Direct influence of corporate culture on leadership performance., Direct influence of managerial ability on

leadership performance., Direct influence of decision making on leadership performance., Direct influence of corporate culture on decision making., Direct influence of managerial ability on decision making.

METODE

This research is a quantitative research with survey method. The analysis used is path analysis. The population in this study is the leadership at PT Timah Tbk, the target population is 101 managers. The sampling technique used was random sampling. The hypothetical model of research is described as follows:
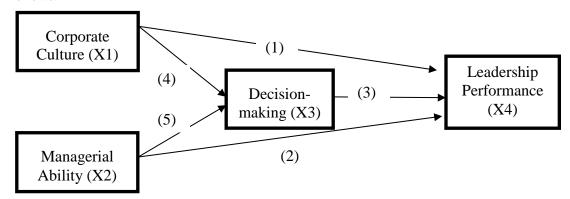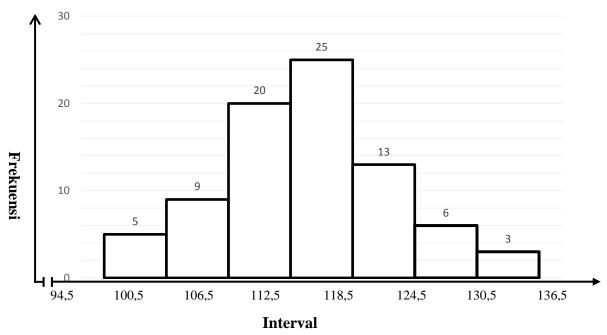
Figure 1 Research Constellation Model

RESULTS

Leadership Performance (X4)

Based on data obtained from 81 research respondents obtained the lowest score of 95; highest score of 136; an average value of 113.98; median value of 114.45; mode value 114.26, standard deviation 9.0097 and a range of scores of 40. Summary descriptions can be seen in the frequency distribution table as follows:

Table 1 Frequency Distribution of Leadership Performance Scores (X4)

No	Interval Class			Frequency	Cumulative Frequency	Relative Frequency (%)
1	95	-	100	5	5	6,2
2	101	-	106	9	14	11,1
3	107	-	112	20	34	24,7
4	113	-	118	25	59	30,9
5	119	-	124	13	72	16,0
6	125	-	130	6	78	7,4
7	131	-	136	3	81	3,7
	Amount			81		100

From the table it can be seen that the most scores were in the score group 113 - 118 (30.9%), followed by the score group 107 - 112 (24.7%), 119 - 124 (16.0%), 101 - 106 (11, 1%), 125-130 (7.4%), 95-100 (6.2%), and the smallest scores in the score group 131-1 136 (3.7%). The average value is in class 4, about 42% of the respondents 'answers are below the average value and about 58% of the respondents' answers are at an average value and above the average value. The distribution of the Leadership Performance score distribution (X4) is depicted in graphical form in the following histogram:

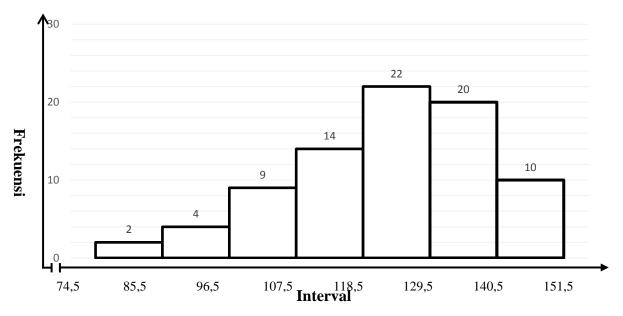**Gambar 4.1** Histogram Leadership Performance Variables (X_4)

Corporate Culture (X1)

Based on data obtained from 81 research respondents obtained the lowest score of 75; highest score of 151; an average value of 122.42; median value of 124.25; mode value 127.30, Standard Deviation 16.245 and a range of scores of 76. Summary descriptions can be seen in the frequency distribution table as follows:

Table 4.2 Frequency Distribution of Corporate Culture Scores (X1)

No	Interval Class			Frequency	Cumulative Frequency	Relative Frequency (%)
1	75	-	85	2	2	2,5
2	86	-	96	4	6	4,9
3	97	-	107	9	15	11,1
4	108	-	118	14	29	17,3
5	119	-	129	22	51	27,2
6	130	-	140	20	71	24,7
7	141	-	151	10	81	12,3
	Amount			81		100

From the table it can be seen that the most scores were in the score group 119 - 129 (27.2%), followed by the score group 130 - 140 (24.7%), 108 - 118 (17.3%), 141 - 151 (12, 3%), 97 - 107 (11.1%), 86 - 96 (4.9%), and the smallest scores were in the score group 75-85 (2.5%). The average value is in class 5, around 35.8% of the respondents 'answers are below the average value and about 64.2% of the respondents' answers are in the average value and above the average value. The distribution of the Corporate Culture score distribution (X1) is depicted in graphical form in the following histogram:

Gambar 4.2 Histogram Variabel Budaya Perusahaan (X₁)

Managerial Ability (X2)

Based on data obtained from 81 research respondents obtained the lowest score of 75; highest score 116; an average value of 98.06; median value of 98.14; mode value 96.61, Standard Deviation 7.9472 and a range of scores of 40. A summary of the description can be seen in the frequency distribution table as follows:

Tabel 4.3. Distribusi Frekuensi Skor Kemampuan Manajerial (X₂)

No	Interval Class	Frequency	Cumulative Frequency	Relative Frequency (%)
1	75 - 80	2	2	2,5
2	81- 86	3	5	3,7
3	87 - 92	12	17	14,8
4	93 - 98	25	42	30,9
5	99 - 104	19	61	23,5
6	105 - 110	15	76	18,5
7	111 - 116	5	81	6,2
	Amount	81		100

From the table it can be seen that the most scores were in the score group 93 - 98 (30.9%), followed by the score group 99 - 104 (23.5%), 105-110 (18.5%), 87 - 92 (14, 8%), 111 - 116 (6.2%), 81-86 (3.7%), and the smallest score is in the score group 75-80 (2.5%). The average value is in class 4, about 21% of respondents 'answers are below the average value and about 79% of the respondents' answers are in the average value and above the average value. The distribution of the Managerial Ability score distribution (X2) is depicted in graphical form in the following histogram:
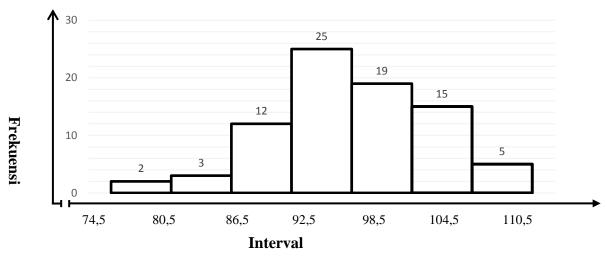
Figure 4.3 Histogram of Managerial Ability Variables (X2)

Decision Making (X3)

Based on data obtained from 81 research respondents obtained the lowest score of 99; highest score of 154; an average value of 123.37; median value of 122.69; mode values 121.27, Standard Deviation 11.171 and a range of scores of 50. Summary descriptions can be seen in the frequency distribution table as follows:

Table 4 Frequency Distribution of Decision-Making Scores (X₃)

No	Interval Class			Frequency	Cumulative Frequency	Relative Frequency (%)
1	99	-	106	5	5	6,2
2	107	-	114	12	17	14,8
3	115	-	122	23	40	28,4
4	123	-	130	21	61	25,9
5	131	-	138	12	73	14,8
6	139	-	146	5	78	6,2
7	147	-	154	3	81	3,7
	amount			81		100

From the table it can be seen that the most scores were in the score group 115 - 122 (28.4%), followed by the score group 123-130 (25.9%), 131-138 (14.8%), 107-114 (14, 8%), 139 - 146 (6.2%), 99 - 106 (6.2%), and the smallest score is in the score group 147 - 154 (3.75%). The average value is in class 4, about 49.4% of the respondents 'answers are below the average value and about 50.6% of the respondents' answers are in the average value and above the average value. The distribution of the Decision Making score distribution (X3) is depicted in graphical form in the following histogram::
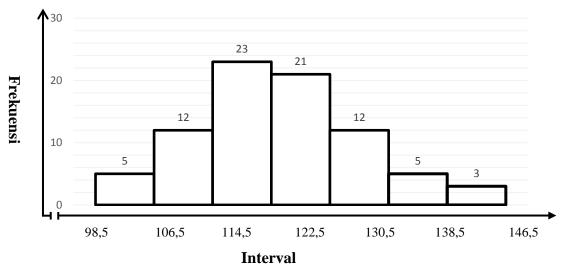
Interval

Figure 4 Histogram of Decision Making Variables (X_3)

The results of the calculation of path analysis using SPSS are seen in the following table:

Summary Table of Calculation Results and Path Coefficient Testing

Correlation coefficient	Path coefficient	t_{count}	$t_{table\ (\alpha=0,05)}$	Information
$r_{14} = 0,611$	$p_{41} = 0,389$	4,887	1,980	Significant
$r_{24} = 0,592$	$p_{42} = 0,367$	4,646	1,980	Significant
$r_{34} = 0,324$	$p_{43} = 0,278$	3,541	1,980	Significant
$r_{13} = 0,334$	$p_{31} = 0,254$	2,288	1,980	Significant
$r_{23} = 0,316$	$p_{32} = 0,227$	2,038	1,980	Significant

The structural model of the path by calculating the path coefficient and the complete correlation coefficient value can be seen in the following figure:
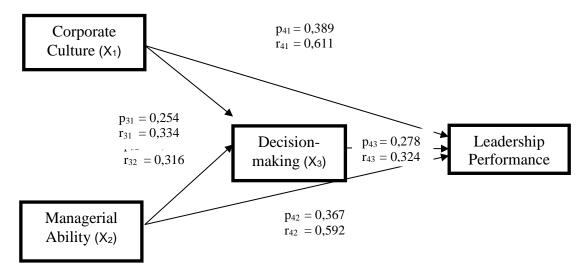

Figure 6 Path diagram with path coefficient and correlation coefficient

132

A summary of the conclusions of the results of testing the five proposed hypotheses can be seen in the following table:

Table 10 Summary of Hypothesis Testing Results

No.	Hypothesis		Statistic test	Decision	Conclusion
1	Corporate Culture (X_1) to Leadership Performance (X_4)		$H_0 : \beta_{41} \leq 0$ $H_1 : \beta_{41} > 0$	H0 is rejected	Significant, positive direct effect
2	Managerial Ability (X_2) to Leadership Performance (X_4)		$H_0 : \beta_{42} \leq 0$ $H_1 : \beta_{42} > 0$	H_0 is rejected	Significant, positive direct effect
3	Decision-making (X_3) to Leadership Performance (X_4)		$H_0 : \beta_{43} \leq 0$ $H_1 : \beta_{43} > 0$	H_0 is rejected	Significant, positive direct effect
4	Corporate Culture (X_1) to Decision-making (X_3)		$H_0 : \beta_{31} \leq 0$ $H_1 : \beta_{31} > 0$	H_0 is rejected	Significant, positive direct effect
5	Managerial Ability (X_2) to Decision-making (X_3)		$H_0 : \beta_{32} \leq 0$ $H_1 : \beta_{32} > 0$	H_0 is rejected	Significant, positive direct effect

DISCUSSION

Direct Effect of Corporate Culture on Leadership Performance

Alharbi and Alyahya…… stated that different values and beliefs based on employee performance help in organizational associations. Organizational culture helps in internalizing joint relationships that lead to managing organizational processes effectively. Productivity and organizational culture help in improving performance. The positive relationship between culture and performance helps in increasing organizational results. Organizational work performance has a strong impact on a strong organizational culture because it leads to increased productivity. Organizational norms and values based on different cultures affect workforce management. In a strong cultural organization enables effective and efficient employee management. Net profit in an organization helps in improving employee performance. The general path to making full use of resources in the same cultural associations helps in positive organizational development. On the basis of certain conditions organizational culture is very helpful in improving and providing competitive advantage. Employee commitment and group efficiency helps in improving performance based on organizational sustainability. The nature and strength of an organization's culture affects the sustainability and effectiveness of the organization.

This is consistent with the theory of (Maseko, 2017) that it is interesting to advocate a strong company culture compared to a weak company culture because it quickly indirectly influences intrinsic motivation allowing employees to embrace and identify with organizational values and norms. Faster than weak company culture.

The success of a company's performance is determined by the culture of a company in the form of values and norms that bind members of the company. The corporate culture in this study includes an atmosphere of togetherness, sportsmanship in high competitiveness, the spirit of achieving profit, a strong motto, the same perception of the company's vision and mission, and anticipation of competitors' threats. This corporate culture indicator has a relationship with environmental performance indicators. Corporate

culture will affect environmental performance in various indicators, namely performance appraisal and good behavior. Environmental performance is a series of employee behaviors related to how they perceive in making a positive contribution to their desire to preserve the environment. The theoretical reference base used in explaining variables that affect performance such as corporate culture uses the umbrella theory of the Integrative Model of Organizational Behavior. (Jason A. Colquitt; Jeffery A. Lepine; Micheal J. Wesson., 2011)

These corporate culture indicators have an influence on performance indicators. Corporate culture will affect environmental performance in various indicators, namely task performance (performance appraisal) and citizen behavior (good behavior). Performance consists of routine performance (solving environmental problems and generating new policies in the environmental field) and adaptability performance (responsive and flexible in the face of environmental changes). This good behavior can be seen from the indicators: voice (talking about improving the company), civic virtue (willingness to do more than specified), helping (willingness to help), courtesy (willingness to inform relevant things), sportmanship (ability maintaining good behavior), and boosterism (willingness to give a positive image of the company).

Performance appraisal is a process carried out systematically on the performance of employees or human resources based on the work assigned or charged to them. Performance evaluation according to Ivancevich is an activity used to determine at what level a worker completes his work effectively. Performance appraisal has two important objectives, namely: (1) increasing employee motivation and performance; and (2) provide accurate information for further use in a decision making. A good performance appraisal makes employees understand that their level of motivation and performance will be judged adequate and heeded. In turn, this understanding makes employees feel valued and also capable of carrying out tasks, so they will be motivated to maintain their motivation and performance. (Ivancevich, 2007).

In accordance with the results of research according to Paile who defines environmental performance as the effectiveness of the company in meeting and exceeding community expectations of concerns for the natural environment. The environmental performance itself can be evaluated by setting indicators such as pollution prevention, waste minimization, recycling activities and so on. Thus the environmental performance is the company's effectiveness on environmental concerns that can be evaluated through pollution, waste and recycling prevention measures that are expected so that the company can meet the expectations of the community towards environmental concerns. (Paillé et al., 2014). Kandula (2006) in Ehtesham's research, Muhammad and Muhammad showed that the key to good performance is a strong culture. He further stated that due to differences in organizational culture, the same strategy did not produce the same results for two organizations in the same industry and in the same location. A positive and strong culture can make an average individual perform and achieve brilliantly while a negative and weak culture can reduce the motivation of employees who excel to perform poorly and end without achievement. Therefore organizational culture has an active and direct role in performance management. (Ehtesham et al., 2011

Corporate culture with the company's slogan, the same perception of the company's vision and mission will show good behavior in indicators of helpful, courtesy and sportmanship. The Chairperson will also openly inform environmental policies and will prioritize environmental concepts despite obstacles or difficulties.

Direct Effect of Managerial Ability on Leadership Performance

Hypothesis testing results indicate that managerial ability has a direct positive effect on environmental performance. This means that the success of the environmental performance of a company is determined by the managerial capabilities of the leaders at PT Timah Tbk. Managerial ability in this study includes indicators: planning, organizing, implementing, and controlling. Managerial ability is the ability possessed by a leader in the form of cognitive abilities, connecting the application of knowledge in carrying out management processes efficiently and effectively. Therefore managerial ability includes the ability to coordinate and integrate all elements in the company. (Paillé et al., 2014). Research conducted by Bakker, Tims, and Derks states that positive personality on employees shows good job performance as well. Because the positive environmental impact on the company facilitates work involvement from the results of these personalities. Management can influence the work of employees and the resulting resources. It's important for employees to show proactive behavior and optimize their own work environment. (Bakker et al., 2012). Hoffman and Shipper, managerial abilities affect the results achieved by individuals, one of which is manifested in the form of attitude. Attitude or behavior is a representation of individual performance, because many concepts state that performance is the behavior or performance displayed by individuals in carrying out their duties. (Hoffman & Shipper, 2012)

Basanova, Caganova and Cambal revealed manager's competence as a key factor in increasing organizational competitiveness. Managerial ability with regard to the ability to apply knowledge, skills, attitudes and personal characteristics in realizing the desired performance goals. Competence is directly a factor that influences performance, both managers and companies. (Banasová et al., 2010)

This good behavior can be seen from the indicators: voice (voice truth and change), civic virtue (full involvement), helpful (helping other companies with environmental problems), courtesy (informing new environmental policies openly), sportmanship (maintaining action good ones even in difficult conditions), and boosterism (defending the good name of the company).

Direct Effect of Decision Making on Leadership Performance

Based on hypothesis testing, decision making has a positive influence on environmental performance. This shows that the decision making variable is an important variable in environmental performance. Indicators of decision making are: identifying problems, alternative solutions to problems, making decisions, consistency, choice of alternatives, desired goals.

Decision making that is taken is based on problems or cases including environmental issues that arise globally such as global warming, environmental degradation problems, population, and clean water supply. These problems are very important to consider in making decisions as an effort to manage the environment at PT Timah Tbk. In making decisions, the leader arranges several alternative solutions to problems including alternatives related to environmental concepts, as well as company profits. Therefore the differences in alternative solutions to this problem allow for differences of opinion among employees. Decision making is also based on a desired goal. These objectives include the need for environmentally friendly company concepts, the need for internationally recognized company standards and the motives for competition from similar companies or the presence of competitors.

Colquit et al., 2013, in the integration model of organizational behavior states that leaders and employees as individuals can be assessed from individual achievements, namely job performance or behavior that contributes good or bad and organizational commitment, namely strong or weak individual desires in the organization.

Decision-making that is done carefully will affect the performance (task performance) to the maximum in aspects of routine and adaptability, namely in the aspects of: (1) solving various

environmental problems, (2) producing new policies in the environmental field. Decision making for such performance must be precisely based on identifying the problem, the desired goal. To solve a problem must be based on alternative problem solving, making decisions, and consistent in carrying out the results of decision making. The leadership influences the achievement of various organizational traditions, such as employee attitudes, commitment and organization, financial performance and results as diverse as safety performance and environmental performance. So that decision making can be improved through the influence of descriptive norms of environmental leaders. (Robertson & Barling, 2013)

According to Redekop, when individuals accept and are supported by organizations, they tend to reciprocate by increasing commitment and diversity and performance by enhancing ideas that are applied to the leadership process, so decision making plays an important role. Activities will relate to the level of sincere commitment and will be shown to employees, by minimizing negative impacts and facilitating effective collaboration in order to improve environmental performance.

Appropriate decision making also improves environmental performance in good behavior (citizen behavior). The leadership of PT Timah Tbk in making decisions will show performance by discussing the improvement of the company in the field of environment (voice), the leader will be willing to perform more tasks than specified in all environmental management (civic virtue). Decisions that have been determined are also a form of leadership responsibility in showing performance in aspects (1) helpful: Willingness to help other companies in environmental matters, (2) courtesy: willingness to inform relevant matters about new environmental policies openly

Direct influence of corporate culture on decision making

The results of testing the fourth hypothesis, show that company culture has a direct positive effect on decision making. This shows that corporate culture is an important variable in improving the accuracy of decision making. The corporate culture consists of indicators: togetherness, sportsmanship, the spirit of achieving results, the presence of company slogans, the same perception of the company's vision and mission, anticipation of competitors' threats. These indicators interact with each other so as to create a strong corporate culture and bind the leadership of the company with its employees. Corporate culture that is formed with these indicators will influence the leadership in decision making with indicators: identify problems, alternative solutions to problems, make decisions, consistency, choices of alternatives, desired goals.

Grodnitzky xplained that corporate culture is weak when beliefs, rules of conduct, traditions, and rituals are not clear to members of the organization or there are discrepancies between statements of values and behavior, whereas corporate culture is considered strong when there is cohesion between beliefs, codes of conduct, traditions, and ritual. Strong corporate culture usually members of the organization have beliefs, rules of behavior, traditions, and rituals in general appearance so that employees can use cultural elements in decision making throughout the organization. A weak company culture often results in low performance. Weak corporate culture also has some unhealthy characteristics that can serve as obstacles to the organization's ability to meet goals and achieve success. These characteristics are narrow thinking, resistance to change, internal political environment, and unhealthy promotional practices. (Grodnitzky, 2015)

A strong corporate culture at PT Timah Tbk with an atmosphere of togetherness, company slogan, strong vision and mission will create a corporate environment that supports the right decision making process and decisions can be implemented consistently. With a strong corporate culture, leaders can also make choices about alternatives and make more appropriate decisions. A strong corporate culture will influence the leadership to know the company's needs so that decision making can be determined

more precisely. Based on the description above, it appears that the corporate culture at PT Timah Tbk will influence the decision making factor.

Direct Effect of Managerial Ability on Decision Making

Managerial ability in this study includes indicators: planning, organizing, implementing, and controlling. Managerial ability is the ability possessed by a leader in the form of cognitive abilities, connecting the application of knowledge in carrying out management processes efficiently and effectively. Therefore managerial ability includes the ability to coordinate and integrate all elements in the company. Thus managerial skills also simultaneously build networks inside and outside the company so that it is in line with the company's goals in making the right decision. Boiral, et.al. 2014. Environmental leadership and environmentally friendly organizations are the ability to influence people and mobilize the ability of organizations to realize long-term goals that are ecologically sustainable. Leadership has encouraged the greening movement in the organization and the highest leadership plays an important role in greening involvement in four areas, namely (1) Application of the environment and responsibility, for example the adoption of sustainable policies, pollution reduction measures. (2) Motivation includes social legitimacy and response to stakeholders. (3) Economic impacts include controlling pollution reduction, increasing company image, and employee motivation. (4) Values which include placing the values of environmental leadership and sustainability strategies. The most basic management skills a manager must have are technical, interpersonal, conceptual, diagnostic, communication, decision making, and time management skills. The similarity of skills needed between leaders and managers, such as communication and decision making, so if a leader has the required skills, of course it will also have an impact on his managerial ability. (Nieuwenhuizen & Rossouw, 2008).

Mintzberg, one of the managerial roles is the role of decision making (the role of entrepreneurs, managers of disturbances, allocation of resources, and negotiators. (Yulk, 2006). All of these management functions can contribute to the change of a company. Planning is a process to determine goals to be achieved as well as the steps that must be taken to achieve it Organizing is the process of assigning tasks, allocating resources and organizing activities in a coordinated manner to each employee to implement planning.

CONCLUSION

Corporate culture has a direct positive effect on the performance of leaders. This means that the stronger corporate culture at PT Timah Tbk will lead to an increase in leadership performance in managing the environment. Managerial ability has a direct positive effect on leadership performance. This means that the better managerial skills at PT Timah Tbk will lead to an increase in leadership performance in managing the environment. Decision making has a direct positive effect on the performance of leaders. This means that the accuracy of decision making at PT Timah Tbk will lead to an increase in leadership performance in managing the environment. Corporate culture has a direct positive effect on decision making. This means that the stronger the corporate culture at PT Timah Tbk will lead to the accuracy of decision making in managing the environment. Managerial ability has a direct positive effect on decision making. This means that the better managerial ability at PT Timah Tbk will lead to the accuracy of leadership decisions in managing the environment, then it can be stated that the performance of leaders in managing the environment can be influenced by corporate culture variables, managerial ability, and decision making. In other words, the performance of leaders in managing a good environment is caused by a strong corporate culture, good managerial skills, and the right decision making.

REFERENCES

Bakker, A. B., Tims, M., & Derks, D. (2012). Proactive personality and job performance: The role of job crafting and work engagement. Human Relations. https://doi.org/10.1177/0018726712453471

Barrow, C. J. (2006). Environmental management for sustainable development: Second edition. In Environmental Management for Sustainable Development: Second Edition. https://doi.org/10.4324/9780203016671

Boiral, O., Baron, C., & Gunnlaugson, O. (2014). Environmental Leadership and Consciousness Development: A Case Study Among Canadian SMEs. Journal of Business Ethics. https://doi.org/10.1007/s10551-013-1845-5

Colquitt, J. A., Lepine, J. A., & Wesson, M. J.. (2013). Organizational Behavior: Improving Performance and Commitment in the Workplace. New York: McGraw-Hill Education.

Dunlap, R. (2008). The new environmental paradigm scale: From marginality to worldwide use. Journal of Environmental Education. https://doi.org/10.3200/JOEE.40.1.3-18

Gifford, R., & Nilsson, A. (2014). Personal and social factors that influence pro-environmental concern and behavior: A review. International Journal of Psychology. https://doi.org/10.1002/ijop.12034

Ivancevich, J. M. (2007). Human Recources Management. New York: McGraw-Hill.

Jason A. Colquitt; Jeffery A. Lepine; Micheal J. Wesson. (2011). What Is Organizational Behavior? Organizational Behavior: Improving Performance and Commitment in the Workplace.\

Honey, B. C. (2011). Organization culture as a driver of competitive advantage. Journal of Academic and Business Ethics.

Honey, C. N. (1999). A decision support framework for environmental planning in developing countries. Journal of Environmental Planning and Management. https://doi.org/10.1080/09640569911109

Honey, C. N. (2007). Environmental Planning and Management. London: Imperial College Press.

Maseko, T. S. B. (2017). Strong vs. Weak Organizational Culture: Assessing the Impact on Employee Motivation. Arabian Journal of Business and Management Review.

Muhammad, N., Scrimgeour, F., Reddy, K., & Abidin, S. (2015). The Impact of Corporate Environmental Performance on Market Risk: The Australian Industry Case. Journal of Business Ethics. https://doi.org/10.1007/s10551-014-2324-3

Nikpour, A. (2019). The impact of organizational culture on organizational performance: The mediating role of employee's organizational commitment. International Journal of Organizational Leadership. https://doi.org/10.33844/ijol.2017.60432

Niu, X., Wang, X., & Xiao, H. (2018). What motivates environmental leadership behavior - an empirical analysis in Taiwan. Journal of Asian Public Policy. https://doi.org/10.1080/17516234.2017.1353940

Olufemi Adedeji, Okocha Reuben, O. O. (2014). Global Climate Change. Journal of Geoscience and Environment Protection, 114–122.

Paillé, P., Chen, Y., Boiral, O., & Jin, J. (2014). The Impact of Human Resource Management on Environmental Performance: An Employee-Level Study. Journal of Business Ethics. https://doi.org/10.1007/s10551-013-1732-0

Putrawan, I. M. (2015). Measuring new environmental paradigm based on students' knowledge about ecosystems and locus of control. Eurasia Journal of Mathematics, Science and Technology Education. https://doi.org/10.12973/eurasia.2015.1336a

Robertson, J. L., & Barling, J. (2013). Greening organizations through leaders 'influence on employees' pro-environmental behaviors. Journal of Organizational Behavior. https://doi.org/10.1002/job.1820

Robinson, J., Sinclair, M., Tobias, J., & Choi, E. (2017). More Dynamic Than You Think: Hidden Aspects of Decision-Making. Administrative Sciences. https://doi.org/10.3390/admsci7030023

Sputtek, R. (2012). Opening the Black Box: The role of Personality and Anger in Executives' Decision Making and Leadership. In Opening the Black Box: The Role of Personality and Anger in Executives' Decision Making and Leadership. https://doi.org/10.1007/978-3-8349-3925-8

UNIDO Green Industry. (2011). Policies for supporting Green Industry. Vienna: United Nations Industrial Development Organization.

Vinojini, M., & Arulrajah, A. A. (2017). The Pro-Environmental Behavior of Employees in an Apparel Manufacturing Organization in the Nuwara-Eliya District of Sri Lanka. Sri Lankan Journal of Human Resource Management. https://doi.org/10.4038/sljhrm.v7i1.5634

Wang, X., & Bryer, T. A. (2013). Assessing the Costs of Public Participation. The American Review of Public Administration. https://doi.org/10.1177/0275074012438727

Yozgat, U., & Karataş, N. (2011). Going green of mission and vision statements: Ethical, social, and environmental concerns across organizations. Procedia - Social and Behavioral Sciences. https://doi.org/10.1016/j.sbspro.2011.09.110

Yulk, G. (2006). Leadership in Organizations. New Jersey: Pearson Education, Inc. Zhang, J., Niu, J., Buyantuev, A., & Wu, J. (2014). A multilevel analysis of the effects of land use policy on land-cover change and local land use decisions. Journal of Arid Environments. https://doi.org/10.1016/j.jaridenv.2014.04.006