

# The Influence Of Ex-Officio Leadership, Organizational Culture, Loyalty, And Organizational Commitment On Job Satisfaction With Career Path Mediation Among Bp Batam Employees

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## Abstract

**Purpose:** This study aims to analyze the influence of ex-officio leadership, organizational culture, loyalty, and organizational commitment on job satisfaction, with career path serving as a mediating variable among employees of the Batam Indonesia Free Zone Authority (BP Batam).

**Methodology/approach:** A mixed-method design was adopted, combining quantitative analysis through Structural Equation Modeling–Partial Least Squares (SEM-PLS) with qualitative in-depth interviews. A total of 211 employees were selected as respondents using Slovin’s formula, ensuring representativeness of the study population.

**Results/findings:** Career path positively affects job satisfaction, while ex-officio leadership, organizational culture, and loyalty show no direct impact. Conversely, organizational commitment significantly influences both career path and job satisfaction, underscoring its vital role in employee satisfaction and development.

**Conclusions:** The study concludes that strengthening career path opportunities and reinforcing organizational commitment are key strategies to enhance job satisfaction in public sector organizations like BP Batam. Meanwhile, leadership and cultural factors need further alignment with employee expectations to generate a stronger impact.

**Limitations:** This research is limited to employees of BP Batam and may not fully represent other public sector institutions. Additionally, cross-sectional data restricts the ability to capture long-term effects.

**Contribution:** The study provides empirical evidence on the ex-officio leadership model in Indonesia’s public sector and enriches the understanding of career path and organizational commitment as mediating and direct drivers of job satisfaction, offering valuable insights for human resource management in similar organizations worldwide.

**Keywords:** *Career Path, Ex-Officio Leadership, Job Satisfaction, Loyalty, Organizational Commitment, Organizational Culture*

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## 1. Introduction

The Batam Indonesia Free Zone Authority (BP Batam) is a government body established under Government Regulation No. 46 of 2007, responsible for managing and developing the Batam Free Trade Zone and Free Port. In 2019, Government Regulation No. 62 designated the Mayor of Batam as the ex-officio Head of BP Batam. This dual-role policy aims to synchronize local government policies with national strategic zone management (Handayani, Affandi, & Susanto, 2024). Batam's economic growth reached 7.04% in 2023, higher than the Riau Islands Province average (5.20%) and the national rate (5.05%). Despite the positive economic trend, organizational changes have created challenges in human resource management, including career development, employee loyalty, and cultural adaptation (Peryuda & Khoiri, 2023; Susanti, Reniati, & Warlina, 2024). Previous studies on public sector job satisfaction have highlighted leadership, culture, and commitment as critical drivers, yet few have examined these factors under an ex-officio leadership structure. This research addresses this gap, offering empirical evidence and practical implications for similar public organizations (Jin, McDonald, & Park, 2016).

Batam has held a strategic position since it was first developed as an industrial and international trade zone. Its proximity to Singapore and location along international shipping lanes make it an important point in the national economy. Since being designated as a Free Trade Zone and Free Port, Batam has become a magnet for investment, particularly in manufacturing, logistics, and services (Aritenang, 2017). The establishment of BP Batam through Government Regulation No. 46 of 2007 was the central government's effort to strengthen Batam's competitiveness in the global arena. However, political and administrative dynamics have made the management of this area subject to criticism (Iskhan & Rh, 2025). One of the issues was the overlapping authority between BP Batam and the Batam City Government, which the government sought to resolve through the ex-officio leadership policy in 2019. By appointing the Mayor of Batam as Head of BP Batam, the policy was expected to synchronize development strategies and ensure a more integrated direction (Respationo, 2024a).

Batam's economic growth, which reached 7.04% in 2023, represents a significant achievement, especially compared to the Riau Islands Province average and the national level. This growth was driven by the manufacturing sector, logistics services, and tourism (Wahyuni, Siregar, Rustiadi, & Pravitasari, 2024). However, behind these figures lie structural challenges such as dependence on foreign investment, global price fluctuations, and the need to improve the quality of the local workforce to compete with foreign workers (Pramesti et al., 2026). The organizational governance change brought by the ex-officio policy has also created new dynamics in human resource management. BP Batam employees face uncertainties regarding career paths, loyalty to the institution, and adaptation to an evolving organizational culture (Muzwardi, 2021; Syukur, Wibisono, Indrayani, Satriawan, & Dewi, 2024). This is crucial because the success of macroeconomic policy largely depends on the readiness of the organization at the micro level (Weiner, 2020).

Human resource management in public organizations faces complex challenges. At BP Batam, these challenges can be grouped into three key aspects. First, career development: employees require clear career paths to motivate performance, but leadership changes often influence career policy directions (Sihombing, Ngaliman, & Luthfi, 2022). Second, employee loyalty: organizational dynamics test employee loyalty, as they must balance their commitment to the central government, local government, and BP Batam itself. Third, cultural adaptation: the existing organizational culture often clashes with the new values introduced by ex-officio leadership, resulting in resistance or confusion (Abdi & Hashi, 2024). These three challenges are interconnected and can significantly

affect job satisfaction. If not properly managed, they may undermine overall organizational performance (Danti & Elmi, 2023).

Job satisfaction has long been recognized as an important indicator of public sector organizational performance. Satisfied employees tend to demonstrate higher commitment, stronger loyalty, and greater productivity. Previous studies (Dimitrios, Kastanioti, Maria, and Dimitris (2014)) emphasize that leadership, organizational culture, and commitment are key determinants of job satisfaction. However, studies on job satisfaction under an ex-officio leadership structure remain very limited. This model is unique because it combines political and technocratic dimensions, creating dynamics that may differ from other public organizations. This makes the present research highly relevant and necessary (Jin et al., 2016).

Several studies have examined the influence of leadership, culture, and commitment on job satisfaction. However, most of these studies focus on organizations with singular or formal leadership structures, rather than ex-officio models (Putra & Putra, 2024; Tsai, 2011). In fact, ex-officio leadership is increasingly adopted in public organizations that require cross-sectoral coordination. This gap highlights the urgent need for empirical research assessing how ex-officio leadership affects career paths, loyalty, organizational culture, and ultimately job satisfaction. Such research would provide both theoretical and practical contributions for the development of public management literature and governance practices (Syukur et al., 2024).

This study not only provides academic contributions but also practical implications. Academically, it enriches the literature on ex-officio leadership, which has rarely been explored in the Indonesian context. Practically, its findings may serve as input for policymakers in designing more effective human resource management strategies, particularly in public institutions with similar leadership structures (Achmad, Syafri, Achmad, & Amalia, 2024). Furthermore, this study can serve as a reference for other public organizations facing similar challenges in policy synchronization, employee loyalty, and organizational culture adaptation. Therefore, the research holds strategic value not only for BP Batam but also for other public organizations in Indonesia and globally (Respationo, 2024b).

In addition to leadership and organizational culture factors, BP Batam also faces major challenges related to bureaucratic transformation toward the digital era. The Indonesian government is currently accelerating the implementation of e-government and the digitalization of public services (Aminah & Saksono, 2021; Birowo & Istanti, 2023). BP Batam, as an institution oriented toward investment and international trade services, is required to provide services that are fast, transparent, and adaptive to investor needs. However, digital transformation is not merely about adopting technology—it also concerns human resource readiness. Employees accustomed to conventional work practices need to adjust to new systems based on information technology (Wahyudin, Devi, & Sensuse, 2024). This adaptation often creates resistance, especially among employees who lack sufficient digital skills. The situation becomes even more complex due to ex-officio leadership changes, which can affect the consistency of organizational digitalization policies (Cordella, Gualdi, & van de Laar, 2024).

In the context of globalization, Batam plays a strategic role as a gateway for international trade. Therefore, the quality of BP Batam's governance is under scrutiny not only nationally but also internationally. Many foreign investors consider Batam a production base or logistics hub. If employee job satisfaction is low, public service performance will decline, ultimately reducing Batam's competitiveness as a free trade zone. This study is relevant because it examines the relationship between internal organizational factors (leadership, culture, loyalty, and commitment)

and tangible outcomes such as employee job satisfaction. By understanding the determinants of job satisfaction, BP Batam can design more effective human resource management strategies, thereby supporting investment targets and sustainable economic growth.

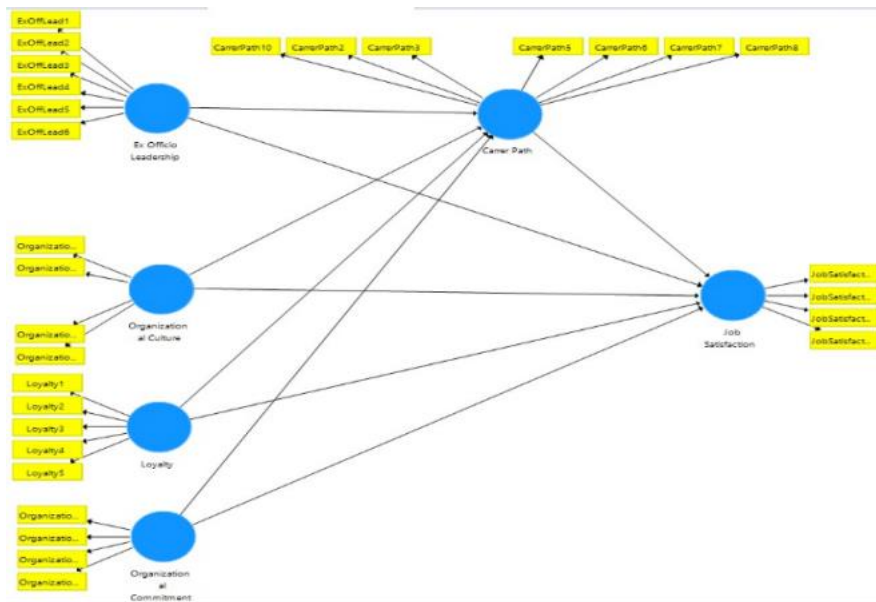
This research is also important from a public policy perspective. The ex-officio leadership model is not only applied in BP Batam but could also be replicated in other public institutions requiring cross-sectoral integration. Therefore, the findings may serve as an evaluation tool for the government in assessing the effectiveness of such leadership models. If the study reveals that ex-officio leadership does not significantly affect job satisfaction, the government may need to consider supporting mechanisms, such as strengthening organizational culture or granting greater autonomy to professional bureaucrats. Conversely, if ex-officio leadership proves beneficial, the model could be replicated in other public institutions. Furthermore, the study may provide input for policy development regarding civil service career management in special agencies. Clear and structured career paths not only enhance employee satisfaction but also foster a more professional and competitive bureaucracy.

This background also opens avenues for further research. For example, comparative studies between BP Batam and other public institutions with non-ex-officio leadership could provide broader insights into the strengths and weaknesses of each model. Longitudinal research would also be important to observe the long-term impacts of ex-officio leadership on job satisfaction and organizational performance. In conclusion, this study emerges from the complex realities faced by BP Batam in organizational change, digital transformation, and globalization. The challenges of career development, employee loyalty, organizational culture, and the dynamics of ex-officio leadership make this study highly significant. It is expected to address academic gaps while providing meaningful practical contributions for BP Batam as well as for other public institutions adopting similar models.

## **2. Literature Review**

This section reviews relevant theories and prior research on ex-officio leadership, organizational culture, loyalty, organizational commitment, career path, and job satisfaction. Theoretical foundations are drawn from leadership theory, organizational behavior, and human resource management literature.

### **1) Conceptual Framework**



Picture.1. Conceptual Framework

## 2) Hypotheses:

- |     |   |            |            |        |              |
|-----|---|------------|------------|--------|--------------|
| H1: | Ex-Officio                              | Leadership | influences | Career | Path         |
| H2: | Organizational                          | Culture    | influences | Career | Path         |
| H3: | Loyalty                                 |            | influences | Career | Path         |
| H4: | Organizational                          | Commitment | influences | Career | Path         |
| H5: | Ex-Officio                              | Leadership | influences | Job    | Satisfaction |
| H6: | Organizational                          | Commitment | influences | Job    | Satisfaction |
| H7: | Loyalty                                 |            | influences | Job    | Satisfaction |
| H8: | Organizational                          | Culture    | influences | Job    | Satisfaction |
| H9: | Career Path influences Job Satisfaction |            |            |        |              |

## 3) Conceptual Framework Explanation

The conceptual framework illustrates the relationships between independent variables, mediating variables, and dependent variables. In this study, the independent variables include *Ex-Officio Leadership*, *Organizational Culture*, *Loyalty*, and *Organizational Commitment*. The mediating variable is *Career Path*, while the dependent variable is *Job Satisfaction*.

### 1. Ex-Officio Leadership → Career Path and Job Satisfaction (H1, H5)

Ex-officio leadership is a unique leadership model, as the head of the organization does not emerge from an internal mechanism but from a political position in local government. In the case of BP Batam, the Mayor of Batam concurrently serves as the Head of BP Batam. Theoretically, ex-officio leadership is expected to provide strategic direction, synchronize central and local policies, and ensure integrated governance.

- **On Career Path (H1):** Ex-officio leadership may influence employee career paths because strategic decisions on HR development, promotion, and job rotation are under the influence of the organizational head. Yukl (2013) argues that leaders play a role in creating role clarity and providing career development opportunities.
- **On Job Satisfaction (H5):** Ex-officio leadership is also assumed to be related to job satisfaction. Leaders who communicate vision, ensure fairness, and safeguard employee welfare are likely to increase satisfaction. Robbins & Coulter (2016) highlight that leadership style is directly linked to motivation and satisfaction.

However, in practice, previous research shows that the direct impact of ex-officio leadership on job satisfaction may be weak, as this role is often more focused on macro-policy integration than on micro-level employee management.

### 2. Organizational Culture → Career Path and Job Satisfaction (H2, H8)

Organizational culture reflects the values, norms, and work patterns adopted by organizational members. Schein (2010) emphasizes that culture guides behavior, fosters loyalty, and affects satisfaction.

- **On Career Path (H2):** A culture that supports innovation, transparency, and a merit-based system will strengthen employee perceptions of clear career paths. Hofstede (2010) notes that achievement-oriented cultures reinforce the belief that careers are determined by performance, not by non-merit factors.
- **On Job Satisfaction (H8):** A conducive organizational culture enhances security, involvement, and pride among employees. Dimitrios et al. (2014) found that positive organizational culture in public hospitals significantly increased employee job satisfaction.

In BP Batam's context, cultural transformation is a major challenge, as legacy bureaucratic values interact with new values introduced by ex-officio leadership, creating inconsistency and uncertainty.

### 3. Loyalty → Career Path and Job Satisfaction (H3, H7)

Employee loyalty reflects the extent to which individuals are willing to remain, contribute, and support their organization. Loyalty may stem from satisfying work experiences, clear career paths, and a sense of belonging.

- **On Career Path (H3):** Loyal employees tend to persist in developing themselves and pursuing long-term career trajectories. Tan (2008) shows that loyalty is linked to retention, thereby influencing perceptions of career progression.
- **On Job Satisfaction (H7):** Higher loyalty often correlates with greater job satisfaction, as employees feel valued and engaged. Angela et al. (2023) confirm that loyalty can be reinforced through positive work experiences, generating reciprocal satisfaction.

Nonetheless, normative loyalty (staying merely out of obligation) may not strongly enhance satisfaction unless it is accompanied by emotional commitment.

### 4. Organizational Commitment → Career Path and Job Satisfaction (H4, H6)

Organizational commitment is the psychological bond employees have with their organization, encompassing affective, normative, and continuance dimensions. Mowday, Porter, and Steers (2013) argue that high commitment drives employees to work harder and remain longer.

- **On Career Path (H4):** Highly committed employees are more focused on self-development and optimistic about their career prospects. Chelangat and Gachunga (2016) highlights that organizational commitment fosters successful career advancement.
- **On Job Satisfaction (H6):** Strong commitment fosters pride and intrinsic satisfaction at work. Luthans (2011) demonstrates that organizational commitment is a significant predictor of job satisfaction.

In this study, organizational commitment is expected to be the dominant factor, as it not only affects career path perceptions but also directly impacts job satisfaction.

### 4) Relevance of the Conceptual Framework to BP Batam

This framework is relevant for analyzing HR dynamics in BP Batam, which is adapting to ex-officio leadership. The diagram shows that career path is not merely an independent factor but also a crucial *mediator*. This reflects organizational reality: clarity of career paths can strengthen or weaken the impact of other factors on job satisfaction.

- If ex-officio leadership clarifies career paths, job satisfaction improves.
- If organizational culture supports merit-based systems, career structures become stronger and satisfaction increases.
- If loyalty is complemented by career opportunities, it leads to satisfaction.
- If organizational commitment is strong, career perceptions are more positive and satisfaction grows.

Thus, the framework logically mirrors the complexity of modern public organizations, particularly BP Batam.

The conceptual framework presented in this study is strongly anchored in both theoretical perspectives and empirical findings. From a theoretical standpoint, leadership theory emphasizes that

leaders play a decisive role in shaping organizational direction, influencing employee motivation, and providing opportunities for professional growth (Yukl, 2013). Organizational behavior literature also underlines that factors such as organizational culture, loyalty, and commitment are crucial antecedents of employee satisfaction and performance (Robbins & Coulter, 2016; Luthans, 2011). Human resource management theory further explains that career development is not only an individual aspiration but also an organizational responsibility to ensure employee retention and long-term competitiveness. Empirical studies conducted across various contexts reinforce the relevance of the proposed framework. For instance, Dimitrios et al. (2014) demonstrated that organizational culture directly influences job satisfaction among public hospital staff, while (Chelangat & Gachunga, 2016) highlighted the role of commitment in strengthening career development practices within state organizations. Similarly, Tan (2008) found that clear and transparent career development pathways reduce turnover intentions, with job satisfaction acting as a mediating factor. These findings collectively justify the inclusion of career path as a central mediator in the proposed framework for BP Batam.

What makes this study distinct is its focus on ex-officio leadership, a model that is rarely explored in academic literature. Unlike traditional leadership structures, ex-officio leadership positions are occupied by individuals due to their concurrent political or administrative roles. This dual mandate brings both opportunities and challenges. On one hand, it can synchronize national and local policies, aligning organizational goals with broader socio-economic strategies. On the other hand, it can create tension, as the leader may prioritize political agendas over internal organizational needs. The impact of this leadership model on employees' career perceptions and satisfaction remains underexplored, which underscores the novelty and importance of the present research. The conceptual framework also has significant practical implications. For organizations like BP Batam, where employee satisfaction is vital to ensure efficient public service delivery and maintain investor confidence, the framework provides a roadmap for policy interventions. If organizational commitment and culture are proven to be strong predictors of job satisfaction, management can focus on strengthening these aspects through targeted training programs, transparent career policies, and consistent organizational values. Similarly, if loyalty alone does not translate into higher satisfaction, strategies must be developed to transform normative loyalty into affective and continuance commitment by fostering genuine engagement and recognition.

From a methodological perspective, the framework guides the hypothesis-testing process. Each proposed relationship (H1–H6) is not only theoretically grounded but also testable using advanced statistical tools such as SEM-PLS. By empirically examining the direct and indirect effects of ex-officio leadership, culture, loyalty, and commitment on career paths and job satisfaction, the study will provide robust evidence to validate or challenge existing theories. The use of career path as a mediating variable is particularly crucial, as it highlights the mechanism through which organizational factors translate into employee outcomes. In a broader sense, this conceptual framework contributes to the discourse on public sector reform and governance in Indonesia. As public institutions face increasing pressure to deliver high-quality services while adapting to globalization and digitalization, understanding the human resource dimension becomes indispensable. The framework illustrates that beyond macroeconomic policies and structural reforms, the micro-level experiences of employees—such as their perception of career opportunities, cultural alignment, and commitment—are decisive in determining organizational success.

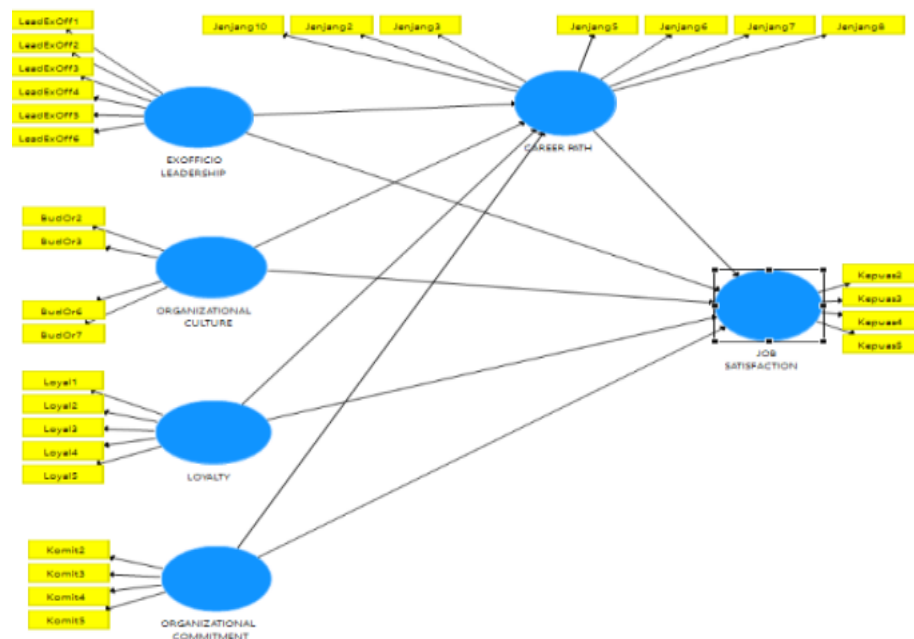
Finally, the framework underscores the potential for comparative and longitudinal research. By applying similar models in different institutional contexts, researchers can assess whether ex-officio leadership produces consistent outcomes or whether its effects vary depending on organizational culture and governance systems. Long-term studies could also reveal whether the impact of ex-officio leadership evolves over time, especially as employees adjust to new cultural norms and career structures.

### 3. Methodology

This research applies a mixed-method design, employing a sequential explanatory approach. Quantitative data were collected via a structured Likert-scale questionnaire distributed to 211 employees, determined using Slovin's formula with a margin of error of 6.6%. Data were analyzed using SEM-PLS to test the proposed hypotheses. Qualitative data were gathered through in-depth interviews to validate and enrich the quantitative findings.

### 4. Result

SEM-PLS analysis revealed that career path significantly affects job satisfaction ( $\beta=0.454$ ,  $p<0.001$ ). Organizational commitment significantly affects both career path ( $\beta=0.780$ ,  $p<0.001$ ) and job satisfaction ( $\beta=0.522$ ,  $p<0.001$ ). Ex-officio leadership, organizational culture, and loyalty were found to have no significant direct effects on career path or job satisfaction. Indirect effect analysis showed that career path mediates the relationship between organizational commitment and job satisfaction.



**Picture.2. Full Model**

The significant role of career path in influencing job satisfaction aligns with previous research emphasizing career development as a determinant of employee motivation. The strong impact of organizational commitment supports theories by Luthans (2011) and Mowday et al. (2013), which posit that committed employees are more engaged and satisfied. The lack of direct influence from ex-officio leadership, culture, and loyalty may reflect transitional organizational structures and evolving cultural norms within BP Batam.

The full model presented in Figure 2 provides a comprehensive overview of how ex-officio leadership, organizational culture, loyalty, and organizational commitment interact to shape employees' perceptions of career path and, ultimately, job satisfaction within BP Batam. This model builds upon both theoretical assumptions and empirical findings, illustrating not only the direct effects but also the indirect pathways that explain why some variables exert stronger influence compared to others.

#### 4.1 The Central Role of Career Path as a Mediator

One of the most significant findings highlighted by the full model is the mediating role of career path. The results indicate that career development opportunities strongly determine whether organizational inputs translate into higher levels of employee satisfaction. This aligns with the career development literature, which posits that employees derive motivation and engagement when they perceive that



their work efforts will lead to future opportunities for advancement (Tan, 2008). In the context of BP Batam, this means that regardless of leadership style or cultural setting, employees primarily evaluate their work environment based on how it affects their long-term professional trajectory. By positioning career path at the center of the model, the research underscores the importance of transparent promotion systems, training opportunities, and merit-based recognition. Without clear career pathways, even strong organizational commitment or supportive culture may not translate into satisfaction, as employees may feel stagnant or undervalued.

#### ***4.2 Organizational Commitment as the Strongest Predictor***

Another important insight from the model is the consistently strong effect of organizational commitment on both career path and job satisfaction. This finding supports the works of Luthans (2011) and Mowday et al. (2013), which emphasize that committed employees demonstrate higher engagement, resilience, and satisfaction. Organizational commitment functions as an intrinsic motivator, binding employees to the mission and goals of the organization even in times of uncertainty. In BP Batam, commitment appears to play a compensatory role. Even when leadership is transitional or when cultural norms are in flux, employees with strong affective and normative commitment remain satisfied, primarily because they identify with the organization itself rather than its temporary structures. This indicates that policies aimed at strengthening commitment—such as recognition programs, inclusive decision-making, and alignment between individual and organizational values—will be critical for long-term stability.

#### ***4.3 Weak Direct Influence of Ex-Officio Leadership, Culture, and Loyalty***

Interestingly, the model shows that ex-officio leadership, organizational culture, and loyalty have limited direct effects on either career path or job satisfaction. This does not imply that these factors are irrelevant, but rather that their impact is indirect and mediated by other variables. **Ex-Officio Leadership:** While theoretically important for policy integration, the ex-officio role may not directly affect employees' perceptions of their own careers or satisfaction. Employees may see leadership as distant, focusing more on external political or administrative goals than on internal HR development. **Organizational Culture:** Culture often requires long-term evolution. The transitional nature of BP Batam's culture, influenced by structural changes and shifting norms, may weaken its immediate impact on satisfaction. Employees may not yet fully internalize the new cultural values, creating a lag between cultural change and behavioral outcomes. **Loyalty:** Loyalty alone, particularly if normative (driven by obligation rather than genuine attachment), is insufficient to raise satisfaction levels. Loyalty becomes meaningful when paired with opportunities for career advancement or when reinforced by strong organizational commitment. These findings highlight the complexity of public organizations undergoing transformation. The absence of direct effects should be interpreted as a signal that deeper mechanisms, such as career development and commitment, must be strengthened to harness the benefits of leadership and culture.

#### ***4.4 Theoretical Implications***

The full model offers several contributions to theory: **Extension of Leadership Theory:** By showing the limited direct effect of ex-officio leadership, the study challenges traditional leadership theories that assume leaders always have a direct influence on employee outcomes. In this context, leadership matters primarily through strategic decisions that shape systems, rather than through daily interpersonal interactions. **Validation of Career Path as a Mediator:** The model reinforces the role of career development as a mediating mechanism that translates organizational factors into satisfaction. This aligns with HRM theories that emphasize the centrality of employee growth and development. **Complex Role of Commitment:** Organizational commitment emerges not only as a predictor of satisfaction but also as a stabilizing factor in transitional organizations. This suggests that commitment can act as a buffer against structural or cultural instability.

#### ***4.5 Practical Implications***

For BP Batam and similar organizations, the model suggests several practical strategies: **Focus on Career Development Programs:** Establishing transparent promotion criteria, offering structured

training programs, and implementing mentorship systems will ensure that employees perceive their career paths as attainable and merit-based. Strengthening Organizational Commitment: Initiatives that foster a sense of belonging and pride—such as inclusive communication, recognition of achievements, and employee involvement in policy decisions—will directly enhance satisfaction and indirectly support career optimism. Aligning Leadership with HR Priorities: While ex-officio leadership may not directly affect satisfaction, leaders can influence systems that determine career development. Policy integration should therefore include HR strategies that prioritize employee growth. Cultural Consistency: To maximize the influence of organizational culture, efforts must be made to stabilize cultural norms, reduce contradictions, and ensure alignment between formal values and actual practices.

#### ***4.6 Comparative Insights and Future Research***

The full model also opens avenues for comparative research. Future studies could examine whether similar patterns occur in other ex-officio organizations or whether outcomes differ in institutions with more stable leadership structures. Longitudinal studies could further explore whether cultural evolution eventually strengthens the impact of organizational culture on satisfaction. In addition, examining moderating variables—such as employee demographics, job tenure, or external policy shifts—could reveal under what conditions ex-officio leadership becomes more influential. This would provide a more nuanced understanding of the interplay between political leadership and employee experiences in hybrid governance models.

The full model clearly demonstrates that career path and organizational commitment are the most critical drivers of job satisfaction among BP Batam employees. While ex-officio leadership, organizational culture, and loyalty play important roles, their effects are largely indirect and mediated. These findings suggest that improving career development opportunities and fostering strong commitment will be the most effective strategies for enhancing job satisfaction in transitional public organizations.

### **5. Conclusion**

#### **5.1 Conclusion**

The findings of this study provide important insights into how internal organizational dynamics interact with structural and leadership models within a transitional public institution. By emphasizing organizational commitment and career path as the most influential factors, the study demonstrates that employee satisfaction is largely rooted in the internal bonds employees establish with their organization and their perception of professional growth opportunities. These two variables act as stabilizing forces in times of organizational change, ensuring that employees remain engaged and motivated even when external pressures and leadership transitions introduce uncertainty. From a theoretical perspective, the results strengthen the view that commitment and career development stand at the center of job satisfaction. Intrinsic motivation and emotional attachment to the organization emerge as enduring predictors of satisfaction compared to structural or leadership-related variables. Furthermore, by incorporating the concept of ex-officio leadership, the study extends the understanding of leadership models, showing that non-traditional leadership arrangements may not directly shape job satisfaction but can influence it indirectly through systemic decisions related to human resource policies and organizational alignment.

In terms of practical implications, the study highlights several strategic directions for BP Batam and similar organizations. First, strengthening career development systems is essential. Clear, transparent, and merit-based pathways for advancement can enhance employee perceptions of fairness and long-term prospects. Training programs, rotations, and mentorship schemes can help operationalize this. Second, organizational commitment must be nurtured through inclusive practices. When employees feel valued, recognized, and aligned with organizational goals, their satisfaction and loyalty are strengthened. Recognition programs, open communication, and participatory decision-making processes will be vital in this regard. Third, while ex-officio leadership may not directly affect individual job satisfaction, its role in harmonizing national and local policies should not be

underestimated. To maximize its potential, ex-officio leaders must integrate human resource considerations into their broader strategic agenda. The study also carries broader policy implications. Ex-officio leadership models are increasingly employed in organizations that require cross-sectoral coordination, particularly in emerging economies. This research suggests that while such models may succeed in aligning policies, they must be complemented by robust internal HR systems to ensure employee well-being. Policymakers should therefore view leadership structures as only one part of a larger ecosystem. Effective governance depends not only on who leads but also on how career systems and organizational cultures are managed. For Indonesia, this insight is valuable as similar arrangements may be applied in other special economic zones or semi-autonomous agencies.

Despite its contributions, the study acknowledges certain limitations. The cross-sectional design restricts the ability to capture long-term dynamics of leadership transitions. The reliance on self-reported survey data may also introduce subjective biases. Additionally, the research is limited to a single organizational context, which may reduce the generalizability of findings. To address these limitations, future research should consider longitudinal designs that track changes in employee perceptions over time. Such studies would clarify whether ex-officio leadership exerts delayed effects as cultural norms and policies gradually stabilize. Comparative studies between public and private sector organizations could also enrich understanding by highlighting contextual differences in how leadership, culture, and commitment influence job satisfaction. Finally, the study contributes to the growing discourse on public sector reform in Indonesia. In an era of globalization and digital transformation, public institutions are under immense pressure to deliver efficient, high-quality services while maintaining internal harmony and stability. The findings underscore that reform efforts must not only focus on structural and policy innovations but also prioritize the human resource dimension. Satisfied, committed employees with clear career prospects are the foundation upon which successful policy execution and economic growth rest. In conclusion, while ex-officio leadership introduces a novel structural dynamic, its effectiveness ultimately depends on how well it is supported by robust HRM practices, strong organizational commitment, and transparent career development systems. Strengthening these areas will not only enhance job satisfaction but also ensure the sustainability and competitiveness of BP Batam as a leading free trade and free port authority.

## **5.2 Suggestion**

Based on the findings and conclusions of this study, several recommendations can be proposed to strengthen human resource management practices, improve job satisfaction, and enhance organizational effectiveness at BP Batam as well as other public institutions with similar structural arrangements.

### ***5.2.1 Strengthening Career Development Systems***

One of the most significant findings of this research is the central role of career path as a mediator of employee satisfaction. To address this, BP Batam should develop a transparent and structured career development framework. This includes establishing clear criteria for promotion, designing competency-based assessments, and providing equal opportunities for advancement. In addition, training and development programs should be offered regularly to ensure employees are equipped with the necessary skills to pursue higher positions. Mentorship and coaching systems can also be introduced to guide employees in planning their long-term careers. By doing so, the organization not only motivates employees but also secures a sustainable talent pipeline.

### ***5.2.2 Enhancing Organizational Commitment***

Organizational commitment emerged as a critical determinant of job satisfaction. Therefore, it is important for management to foster an environment where employees feel valued and recognized. Strategies such as performance-based rewards, open communication channels, and employee participation in decision-making can enhance commitment levels. Furthermore, aligning organizational values with employees' personal goals and aspirations can create a deeper sense of belonging. This will ultimately improve retention rates and reduce turnover.

### *5.2.3 Optimizing Ex-Officio Leadership*

Although ex-officio leadership did not show a direct effect on job satisfaction, it remains a crucial element for policy integration between the central and local government. To maximize its potential, ex-officio leaders should adopt a participative leadership style, ensuring that decisions at the policy level are translated into employee-centered practices. By delegating daily operational tasks to professional managers while maintaining a strategic oversight role, ex-officio leadership can ensure that macro-level objectives are achieved without neglecting micro-level employee needs.

### *5.2.4 Stabilizing Organizational Culture*

A consistent and positive organizational culture is essential to support both career development and commitment. BP Batam should work to unify values across different units, reducing contradictions between old and new cultural norms. This can be achieved through organizational socialization programs, workshops, and team-building activities that reinforce desired behaviors and values. Leaders and managers must also serve as role models, consistently demonstrating the culture the organization aims to embed.

### *5.2.5 Policy-Level Recommendations*

At the policy level, the central government should ensure that structural models like ex-officio leadership are supported by strong HR frameworks. Establishing standardized guidelines for career management and employee welfare in semi-autonomous agencies will reduce uncertainty and increase organizational effectiveness. This is especially relevant for other special economic zones in Indonesia, where similar governance structures may be applied.

### *5.2.6 Directions for Future Research*

Future studies should adopt longitudinal approaches to better capture the long-term effects of leadership transitions and organizational reforms. Comparative research between public and private organizations will also provide deeper insights into contextual differences. Moreover, exploring additional variables such as employee engagement, psychological safety, and digital readiness may enrich the understanding of factors influencing job satisfaction in modern organizations.

In conclusion, these recommendations emphasize the need for a balanced approach that combines structural reforms with strong human resource practices. By focusing on career development, organizational commitment, cultural stability, and leadership optimization, BP Batam can build a more resilient and satisfied workforce, ensuring its continued competitiveness as a free trade and free port authority.

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