

# The Effect of Leadership, Knowledge Management, and Organizational Culture on Business Effectiveness in Telecommunication Company.

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- **Abstract:** The purpose of this study is to analyze the influence of leadership, knowledge management, and organizational culture on business effectiveness. This study was carried out in telecommunication companies in Indonesia. Data were obtained by distributing questionnaires to 800 employees of the middle management level, Assistant Manager and Manager. However, only 340 valid questionnaires received were valid. Using the Structural Equation Modeling (SEM) method, the result showed that organizational culture had a positive and significant effect on business effectiveness, leadership had an indirect and significant effect on business effectiveness, and knowledge management had an indirect and significant effect on business strength. Furthermore, leadership and knowledge management positively and significantly influence organizational culture. This study showed that organizational culture is a full mediating variable. Therefore, for telecommunication companies to increase the effectiveness of its business, it has to increase the strengthening of the leadership and knowledge management indicators that affect the organizational culture.
- **Keywords:** Structural Equation Modeling, middle management level, telecommunication,