



The effect of leadership style and motivation on employee performance with job satisfaction as intervening variable at the Gici business school of economic sciences

Herman Susilo *, Iwan Kurniawan Subagja, Partogi Saoloan Samosir

Universitas Krisnadwipayana, Campus Unkris Jatiwaringin, Jakarta, Indonesia

* Corresponding Author: **Herman Susilo**

Article Info

ISSN (online): 2582-7138

Volume: 03

Issue: 01

January-February 2022

Received: 27-12-2021;

Accepted: 14-01-2022

Page No: 258-262

DOI:

<https://doi.org/10.54660/anfo.2021.3.1.13>

Abstract

This study aims to determine the effect of leadership style on employee performance, the effect of motivation on employee performance, the effect of job satisfaction on employee performance, the influence of leadership style on job satisfaction, the influence of motivation on job satisfaction, the influence of leadership style on employee performance through job satisfaction variables and to find out the effect of motivation on employee performance through job satisfaction variables. This research was conducted at STIE Gici Business School, involving 35 employees. Data analysis using path analysis.

The results showed that leadership style affected employee performance, motivation affected employee performance, job satisfaction affected employee performance, leadership style had an effect on job satisfaction, motivation had an effect on job satisfaction, and the direct influence of leadership style on employee performance was 0.690. The indirect effect of leadership style on performance through job satisfaction is 0.295. The direct effect of motivation on employee performance is 0.653. At the same time, the indirect effect of motivation on employee performance through job satisfaction is 0.493.

Keywords: leadership style, motivation, job satisfaction, employee performance

Introduction

Human Resources (HR) is one of the factors directly involved in the company's activities and plays an important role in increasing the company's productivity in achieving the company's goals or targets that have been set. Companies need potential human resources, both leaders and employees, in the pattern of tasks and supervision, which are the determinants of achieving company goals.

Achieving a vision and mission of a company requires good managerial management. This is needed to achieve the goals of a good organizational performance, especially the company's performance is the main thing to achieve an organizational goal. Likewise, at the Gici Business School high school of economics, the current performance of an organization at STIE Gici Business School is experiencing a decline, this is due to several factors, including poor communication between employees and leaders, lack of motivation from the leadership, the issuance of new policies where some divisions work with additional work but are not given additional incentives. This is the main trigger for employees not to be able to work following their main tasks so that the goals of each division are often not achieved properly or past the allotted time.

The organizational goals of the STIE Gici Business School are also inseparable from the leadership style factor because leadership is a behavioral norm used by a person when that person tries to influence the behavior of others. Leadership style influences the success of a leader in influencing the behavior of his subordinates. Leadership in an organization needs to develop staff and build a motivational climate that results in high-performance levels, so leaders need to think about their leadership style. The leadership style is expected to affect significantly working conditions, which will relate to how employees accept a leadership style, whether they like it or not, like it or not.

In addition to the leadership style, the motivation from the leadership to the employees is also considered to have changed. It is said to have changed because the STIE Gici Business School used to be very synonymous with the name cohesiveness between employees and other employees, between divisions and other divisions, and between employees and their leaders. Usually, once a year STIE Gici Business School holds a work evaluation for each of its employees and is usually done outside the office or what is commonly called an outing. On the occasion of the outing, there will be some motivation given by the leadership, and there is one employee who is given a reward because of his work performance, suitable for that one year. One of the goals of holding the outing is for each of its employees to have a new motivation when starting back at work. However, this is no longer the case in the last three years. It is not just about the outing, but the diminished motivation.

Giving motivation at STIE Gici Business School is also usually given every morning to do a briefing before starting work activities. Usually, during the briefing, all employees sing the mars GICI, which is usually led directly by the leadership or marketing manager. After singing mars GICI, all employees pray and sing a song of solidarity. This is intended to create new enthusiasm for the employees who are about to start their activities. However, this morning's briefing activity outing is rarely done because the STIE Gici Business School leadership rarely arrives in the morning. The leadership does not order the marketing manager to lead the morning briefing.

In addition to motivation, another factor that triggers the failure of a company in achieving an organizational goal is the influence of job satisfaction. Job satisfaction is also a pleasant or unpleasant emotional state where employees view their work (Handoko, 2012) ^[6]. Job satisfaction is a positive feeling about job results based on its characteristics. For example, someone with high job satisfaction has positive feelings about his job, while someone with low job satisfaction has negative feelings (Robbins and Judge, 2008) ^[14].

Job satisfaction is a positive feeling about work, resulting from evaluating its characteristics. For example, someone with a high level of job satisfaction has a high level of job satisfaction having positive feelings towards his job. In contrast, low job satisfaction has negative feelings (Robbins and Judge, 2008) ^[14]. In addition to job satisfaction, leadership style also impacts employee performance. Sedarmayati (2011) states that "performance is a person's achievement/achievement concerning the task assigned to him."

Literature Review

1. Leadership Style

According to Hasibuan (2012), leadership style is a norm driven by a person when that person tries to influence the behavior of others as he sees it. Leaders need to think about the most appropriate leadership style, namely a leadership style that can maximize performance and quickly adapt to all situations in the organization. Kartono (2010) ^[7], in his book "Leader and Leadership," states that leadership is an activity to influence people so that they want to work together to achieve the desired goals.

According to Kartono (2010) ^[7], the indicators of leadership style state as follows:

a. Decision-Making Ability

Decision-making is a systematic approach to the nature of the alternatives faced and taking the action that is the most appropriate action according to calculations.

b. Motivating Ability

The ability to motivate is the driving force that causes a member of the organization to be willing and willing to move his abilities (in the form of expertise or skills) his energy and time to carry out various activities that are his responsibility and fulfill his obligations, in the context of achieving predetermined organizational goals and objectives.

c. Communication Ability

Communication ability is the skill or ability to convey messages, ideas, or thoughts to other people to understand what is meant well, directly, orally, or indirectly.

d. Ability to Control Subordinates

A leader must desire to make others follow his wishes by using personal power or position effectively and in a place.

e. Responsibility

A leader must have a responsibility to his subordinates. Responsibility can be interpreted as an obligation that must bear, assume responsibility, bear everything or give responsibility and bear the consequences.

f. Emotional Control Ability

The ability to control emotions is essential for the success of our lives. The better our ability to control our emotions, the easier it will be to achieve happiness.

2. Motivation

Eniola (2015) ^[5] states, "motivation is one of the greatest challenges facing managers across the globe because it influences workers' performance and thus the extent to which organizations can achieve their objectives and justify their existence." Robbins (2008) ^[14] states, "motivation as the processes that account for an individual's intensity, direction, and persistence of effort toward attaining a goal." motivation comes from the word "move" which means "push or driving force." Motivation is only given to humans, especially to subordinates or followers.

Motivation is a process that begins with a desire or drive that directs a person either physiologically or psychologically, or a need that drives a person's behavior, or a desire to achieve a goal, or in the form of certain rewards, according to Bana (2016). Motivation is the driving force that causes a person to behave, gives direction and regulates behavior, and determines behavior towards specific goals. If a person's behavior is accompanied by high motivation, it will produce satisfactory performance, according to Wardana (2017).

According to McClelland in Hasibuan (2012:95), the dimensions of motivation:

a. The need for achievement consists of

- Personal responsibility in making decisions

- High achievement enthusiasm
- Consistently carrying out tasks following the agreed decisions.

b. Need to affiliate

- Desire to work with other people
- Willing to take risks
- The desire to work better than others.

c. The need for power

- Communication with fellow employees.
- Leader over his subordinates.
- Cooperation between employees.

3. Job Satisfaction

Satisfaction is a function of perceived performance and expectations. If performance is below expectations, customers will be dissatisfied. However, if performance meets expectations, the customer is satisfied. So if the performance exceeds expectations, the customer will be very satisfied or happy. In addition, leading marketing companies will find their way to maintain customer satisfaction.

According to Kotler and Keller (2013:138) ^[8], satisfaction is a person's feeling of pleasure or disappointment arising from comparing the product's perceived performance (or result) to their expectations. If performance fails to meet expectations, customers will be dissatisfied. If performance matches expectations, customers will be satisfied. If performance exceeds expectations, the customer will be very satisfied or happy.

Satisfaction is a function of perceived performance and expectations. If performance exceeds expectations, the customer is very satisfied or happy. High satisfaction or pleasure creates an emotional attachment to the brand, not just a rational preference. The result is high customer loyalty. Satisfaction will never stop at one point. Instead, it moves dynamically following the level of quality of its products/services and services in the hope of developing in the minds of consumers.

Schermerhorn (2005) ^[11] states that there are five aspects of job satisfaction:

- a. The work itself. This aspect refers to how a job has an appeal to be done and completed. The job can also be used to learn and take responsibility.
- b. Supervisor. This aspect shows the extent of the supervisor's ability to show concern for employees, such as providing technical assistance and behavioral support.
- c. Work colleague. The most straightforward source of job satisfaction is having cooperative co-workers. Pleasant and supportive co-workers and work teams will make work effective.
- d. Promotion opportunity. Relates to employment opportunities to advance in the organization. Promotion based on seniority will provide different satisfaction compared to promotion based on performance.
- e. Salary is a reward obtained based on the results/effort work done. Employees use salaries to meet their daily needs, including clothing, food, and housing. Sufficient life needs will be able to provide satisfaction in employees.

4. Employee Performance

Performance is "the result of a job done during a certain period that can be measured through the quality and quantity produced." Performance is not an individual characteristic, such as talent or ability, but is the result of the manifestation of talent or ability itself. Performance is the embodiment of ability in the form of actual work.

According to Sinambela (2012) ^[13] suggests that employee performance is defined "as the ability of employees to do a certain skill," while according to Priansa (2014) suggests, performance is "the level of success of employees in completing their work," then according to Mangkunegara (2013). The notion of performance is "the quality and quantity of work achieved by an employee in carrying out his duties following the responsibilities assigned to him."

Robbins (2012) explains that there are six indicators to measure employee performance individually, namely:

- a. Quality. The quality of work is measured by employees' perceptions of the quality of the work produced and the perfection of tasks on the skills and abilities of employees.
- b. Quantity. Represents the resulting quantity expressed in terms of several units number of completed activity cycles.
- c. Punctuality. Is the level of activity completed at the beginning of the stated time, from the point of view of coordinating with the output results and maximizing the time available for other activities.
- d. Effectiveness. Is the level of use of organizational resources (workforce, money, technology, raw materials) maximized to increase each unit's results in the use of resources.
- e. Independence. This is the level of an employee who will carry out his work functions. Work commitment. It is a level where employees commit to work with the agency and employee responsibilities to the office.

Research Methods

Research Time and Location

The research will be conducted in October-December 2019 by taking the location at STIE Gici Business School.

Research Design

This study uses an explanatory analysis approach. This means that each variable presented in the hypothesis will be observed by testing the independent variable's causal relationship to the dependent variable. The relationship between variables can be described in a path analysis diagram.

Population and Sample

The population in this study are employees who work in the STIE GICI Business School office. At the same time, the sample used includes 35 employees and lecturers who work at the institution. This sampling uses the saturated sample method because it uses all employees.

Research Results and Discussion

1. Partial analysis of the influence of leadership style on employee performance

The results of the analysis of the influence of leadership style

on employee performance are partially known that the coefficient of leadership style is 0.690. The t value is 5.478. The significance value is 0.00. This significance value is smaller than 0.05. This means that the leadership style variable partially affects employee performance. The magnitude of the influence of leadership style on employee performance is known to have an r squared value of 0.476. This means that the influence of the leadership style variable on employee performance is 47.6%, and the rest is influenced by other variables not included in the equation model.

2. Partial analysis of the effect of work motivation on employee performance

The results of the analysis of the influence of leadership style on employee performance are partially known that the motivation coefficient is 0.742. The t value is 6.354. The significance value is 0.00. This significance value is smaller than 0.05. This means that the motivation variable affects the employee's performance partially. The magnitude of the influence of motivation on employee performance is known to have an r-squared value of 0.550. This means that the influence of the motivation variable on employee performance is 55.0%, and the rest is influenced by other variables not included in the equation model.

3. Partial analysis of the effect of job satisfaction on employee performance

The analysis of the effect of job satisfaction on employee performance is partially known that the coefficient of job satisfaction is 0.635. The t value is 4.723. The significance value is 0.00. This significance value is smaller than 0.05. This means that the variable job satisfaction affects employee performance partially. For example, the magnitude of the effect of job satisfaction on employee performance can be seen that the value of r squared is 0.403. This means that job satisfaction on employee performance is 40.3%, and the rest is influenced by other variables not included in the equation model.

4. Analysis of the influence of leadership style on job satisfaction partially

The results of the analysis of the influence of leadership style on job satisfaction are partially known that the coefficient of leadership style is 0.465. The t value is 3.020. The significance value is 0.00. This significance value is smaller than 0.05. This means that the leadership style variable affects job satisfaction partially. The magnitude of the influence of leadership style on job satisfaction is known to have an r-squared value of 0.217. This means that job satisfaction on employee performance is 21.7%, and the rest is influenced by other variables not included in the equation model.

5. Analysis of the influence of motivation on job satisfaction partially

The analysis results of the influence of motivation on job satisfaction are partially known that the motivation coefficient is 0.776. The t value is 7.067. The significance value is 0.00. This significance value is smaller than 0.05. This means that the motivation variable affects job satisfaction partially. The magnitude of the influence of motivation on job satisfaction is known that the value of r squared is 0.602. This means that the influence of the motivational variable on job satisfaction is 60.2% and the rest is influenced by other variables not included in the equation

model.

6. Analysis of the influence of leadership style on employee performance through job satisfaction variables

Based on the analysis results above, it can be seen that the influence of leadership style on employee performance is 0.690. The influence of leadership style on employee performance through job satisfaction is $0.465 \times 0.635 = 0.295$. In this case, the indirect effect is smaller than the direct effect, so it can be said that the job satisfaction variable is not intervening.

7. Analysis of the influence of work leadership style on employee performance through job satisfaction variables

Based on the analysis results, it is known that the direct effect of motivation on employee performance is 0.653. Meanwhile, the effect of motivational style on employee performance through job satisfaction is $0.776 \times 0.635 = 0.493$. In this case, the indirect effect is greater than the direct effect, so it can be said that the job satisfaction variable is the intervening variable.

Discussion

In previous research, leadership style affects employee performance. The higher the leadership style, the greater the employee's performance. In other words, this influence is positive or unidirectional. This research was conducted on several companies as stated by Latif (2019). The results of this study are the same as the results of his research, the higher the leadership style, the greater the employee's performance.

In this study, motivation affects employee performance. Several researchers also carried out the influence of leadership style on employee performance. Based on the research, it is known that motivation affects employee performance, resulting from Handoko's (2015) research.

In previous research, job satisfaction affects employee performance. Job satisfaction was also carried out in several studies. The higher the employees' job satisfaction, the greater the employee's performance. This influence is also positive, as stated by the research results from Djastuti (2015). The results of this study are the same as those of previous studies.

Conclusions and Suggestions

Conclusion

The leadership style variable partially affects employee performance. The t value is 5.478. The significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.476. This means that the influence of the leadership style variable on performance is 47.6% and the rest is influenced by other variables not included in the equation model.

The motivation variable partially affects employee performance. The t value is 6.354. The significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.550. This means that the influence of the motivation variable on employee performance is 55.0%, and the rest is influenced by other variables not included in the equation model.

The job satisfaction variable affects employee performance partially. The t value is 4.723. The significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.403. This means that job satisfaction on employee performance is 40.3%, and the rest is influenced by

other variables not included in the equation model.

The leadership style variable partially affects job satisfaction. The t value is 3.020. The significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.217. This means that the effect of job satisfaction on employee performance is 21.7% and the rest is influenced by other variables not included in the equation model.

The motivation variable affects job satisfaction partially. The t value is 7.067. The significance value is 0.00. This significance value is smaller than 0.05. The value of r squared is 0.602. This means that the effect of the integration variable on job satisfaction is 60.2%, and the rest is influenced by other variables not included in the equation model.

The influence of leadership style on employee performance is 0.690. The influence of leadership style on employee performance through job satisfaction is $0.465 \times 0.635 = 0.295$. In this case, the indirect effect is smaller than the direct effect, so it can be said that the job satisfaction variable is not intervening.

The direct effect of leadership style on employee performance is 0.653. At the same time, the influence of work leadership style on employee performance through job satisfaction is $0.776 \times 0.635 = 0.493$. In this case, the indirect effect is greater than the direct effect, so it can be said that the job satisfaction variable is the intervening variable.

Suggestion

In improving employee performance, it is necessary to develop leadership styles, motivation and job satisfaction. The leadership style applied by the organization, which tends to be more centralized, needs to be developed by considering the principle of decentralization so that all resources in the organization are within the company.

Motivation also needs to be developed by paying attention to employees or lecturers in this organization. For example, the organization needs employees with a hefty salary received additional income and old-age benefits.

Job satisfaction also needs to be considered by paying attention to voices from employees such as complaints, shortcomings that employees and so on discuss because the organization needs to hold activities that can collect problems from employees.

References

1. Abdul Latif, Wandil Wilanda. Analysis of Factors Affecting Employee Work Productivity at the Service Procurement Bureau of PT. Padang Cement. *Journal of Science and Technology*. 2019; 19(1):56-60.
2. Abdurrahmat Fathoni. *Human Resource Management*. Bandung: Rineka Cipta, 2006.
3. Abryant NR, Wardana A. The Effect of Training on Employee Performance at the Yogya Department Store, Sunda Branch, Bandung. *E-Proceedings of Management*. 2018; 5(3):39-58.
4. Alwan HI, Djastuti I. The Effect of Compensation on Employee Performance with Job Satisfaction as an Intervening Variable (Study on CV. Benefits in Ambarawa). *Journal of Management*. 2018; 7(4):1-14.
5. Eniola A, Entebang H. Financial Literacy and SME Firm Performance, *International Journal of Research Studies in Management*. 2015; 5(1):31-43.
6. Handoko T Hani. *Personnel Management & Human Resources*. BPFE-Yogyakarta, 2012.
7. Kartono Kartini. *Leaders and Leadership*. Rajawali:

Jakarta, 2010.

8. Kotler Philip, Keller Kevin L. *Marketing Management, Second Volume*. Jakarta: Erlangga, 2013.
9. Mangkunegara AAAP. *Human Resource Management*. Bandung: PT, Youth Rosdakarya, 2009.
10. Samo Damianus, D Darhim, Kartasasmita Bana. Developing Contextual Mathematical Thinking Learning Model to Enhance Higher-Order Thinking Ability for Middle School Students, *International Education Studies*. 2017; 10(12):17-29.
11. Schermerhorn. *Management 8th ed.*, John Wiley & Sons, Inc., USA, 2005.
12. Sedarmayanti. *Human Resource Management. Bureaucratic Reform and Civil Service Management, Fifth Edition*, PT Refika Aditama, Bandung, 2011.
13. Sinambela Lijan Poltak. *Employee Performance*. Graha Ilmu: Yogyakarta, 2012.
14. Stephen P Robbins, Timothy A Judge. *Organizational Behavior Edition 12 Book 1*. Translation: Diana Angelica, Ria Cahyani and Abdul Rosyid. Jakarta: Salemba Empat, 2008.
15. Suwatno, Priansa D. *HR Management in Public and Business organizations*. Bandung: Alfabeta, 2011.