

The Influence of the Effectiveness of Leadership Style on Performance of Employees

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Abstract—The effectiveness of leadership style is an important factor in influencing the performance of employees. This research aims to know the influence of the effectiveness of leadership style on performance of employees in the Directorate of human resources of PT Bio Farma (Persero). The population of the research was the entire Bio Farma employees, with a sample of as many as 116 employees who were the respondents. The methods used in the study and discussion of it is a descriptive method verifikatif. With the techniques of data collection using the questionnaire which is divided directly against the respondent. Technique of data analysis in this study using a simple linear regression with the help of SPSS 22. Based on the results of research partially or both simultaneously indicates that the effectiveness of the leadership style has a positive influence on performance of employees in the Directorate of human resources of PT Bio Farma (Persero).

Keywords—effectiveness of leaderships styles; employee performance

I. INTRODUCTION

In the current era of globalization, has become the industry's life cycle that is constantly changing and will continue to change [1]. Competition and the changes that occur are demanding the company to be able to adapt to the changes and developments that occur through the management of the company. Therefore, it is necessary to realize that in the face of challenges, the existence of human resources in the organization or company is an asset that must be managed properly so that people who are in it are able to compete, have knowledge and skills as well as supported by advances in technology that will provide the right wealth and excellence so as to achieve the desired objectives of the company. As expressed by Luthans that human resources management consider that the employees is wealth (assets) is the main organization that must be managed properly, so the MSDM nature more strategic for your organization in achieve the goals that have been set [2].

Human resource management is effective can be viewed from the condition of its human resources, such as the performance levels of employees. Performance can be defined as the accomplishment of work or work or the work of implementation. August W. Smith states that: "the Performance is output derives from processes, human otherwise" [1]. Performance is the result of a process that is done to man.

Maier states the assessment of the performance of work or achievements as a success resulting in the discharge of a person's job [1]. Performance is the quantity or quality of things produced or services rendered by a person how much they contribute to the company or organization [2,3]. If the employee's performance is increased then the success of achieving the objectives of the company are getting wide open, but if the performance of employees decreased then could result in a setback for the company. Therefore, the superior performance of a company largely depends on the work of their employees are highly committed to their organization [4].

Phenomena that occur at a Government-owned business organizations or State-owned enterprises in Indonesia namely PT Bio Farma (Persero) is the only manufacturer of the vaccine for humans in Indonesia and the largest in Southeast Asia that had been dedicate themselves in order to produce vaccines and anti-viral sera international quality. Gait Bio Farma has been recognized at the global level. Since the year 1997, Bio Farma is one of 29 vaccine manufacturers from about 22 countries in the world have earned World Health Organization Prequalification or WHO (World Health Organization) so that it is believed to meet the needs of the vaccine in more than 130 countries. Appreciation is given to directors and Employees over the acquisition of the governance assessment proves satisfactory improvement. The application of the principles of good corporate governance (Good Corporate Governance/ GCG) as the main runway in running the company that should be implemented consistently by all employees in the Bio Farma. the increased efforts of GCG conducted with the KPKU (Superior performance assessment Criteria). The Board of Directors sets the score KPKU as KPIS (Key Performance Indicators), which Score KPKU quality management system is a reflection of the expected performance on the Bio Farma. With the use of KPIS in determining KPKU, Bio Farma is expected to enhance the effectiveness of the control of its performance, was able to optimize the efforts of capitalization potential of facing, and can accelerate the growth performance of Bio Farma. However, as quoted in the statement the Board of Directors of PT. Bio Farma (Persero), that the achievement of Key Performance Indicators (KPI) Board of Directors revealed that overall KPI years 2015 to exceed the target that is specified primarily for financial aspects market aspects, effectiveness & products & processes, customer focus as well as leadership, governance & civic social responsibility, though on the other hand to focus labor does not entirely match the

specified target. This indicates that the KPKU labor focus of perspective not optimal in achieving the targets of the company. Therefore, in this study leadership is one of the factors that can affect the performance of employees in achieving the targets of the company. As for the results of the previous research Rusli Yasin stated that relations with the tops still feels less harmonious look with lack of communication with subordinates who cause a sense of sympathy and empathy that is still lacking. In addition, lack of supervision from superiors which led to indiscipline, still perceived job does not comply with the description and specifications of the position based on the educational background and experience, as well as the promotional process is applied at the Directorate of human resources of PT Bio Farma is still perceived unfair and open because there are some employees who are not promotion through a process that has been established so that the employee's job satisfaction has not been in accordance with the What to expect. This will affect the employee's organizational commitment decreasing.

Effective leaders can influence his followers to have greater optimism, confidence and commitment to the goals and mission of the Organization [5]. According to Wahyudi to achieve the objectives of the Organization are effectively needed for effective leadership [6]. Leadership effectiveness can be in the know of the ability of a leader in behaving in directing any member of the group to achieve the goals that have been set. Leadership effectiveness depends on the match between leadership style and situation [7]. Therefore, leaders must identify the best leadership style to manage its employees. All that is needed is the right leadership style as one of the solutions to overcome various problems in the organization. Error in determining the style of leadership will have an impact on the drop in performance, the high level of attendance and turnover according to Bangun [8]. Thus, each of the leaders has a different leadership style in a move and redirect per employee. The suitability of the leadership style used in an organization based on the business sector in which they operate. So any reverse, the extent to which the situation control and influence to his subordinates. Based on explanation above, the authors are interested in examining these problems with the title of the research "the influence the effectiveness of leadership style on performance of employees in the Directorate of human resources of PT Bio Farma (Persero). So the issue will be discussed, namely "Whether the effectiveness of leadership style affects the performance of employees in the Directorate of human resources of PT Bio Farma (Persero)?"

II. LITERATURE REVIEW

A. Effectiveness

Effectiveness according to sense Liang are: "The occurrence of an effect or the desired result in a deed. Any work that efficiently are also effective, as seen in terms of results, the purpose or consequence of which is desired by deed that has been reached even to the maximum (quality or number)" [9]. Thus, effectiveness is something the right way and in accordance with what was planned.

B. Leadership Style

Leadership holds a very important role in the management of the organization. Where a group of men with any limitations of certain so that it takes the figure of a leader who was able to direct and influence the activities related to the tasks of the members of the group. Leader behavior approach towards his subordinates to focus on the effectiveness of his leadership style [10].

Leadership style, i.e. various patterns of behavior in the process of directing and influencing followers [1]. The term style is the way that used lead in influencing followers Miftah, 2001 [11]. Then, the effectiveness of leadership style is the way leaders appropriately and in accordance in directing and influencing his subordinates.

According to House theory of the destination path (Path Goal Theory) of leader effectiveness is developed to adjust the previous findings and irregularities resulting from empirical research orientation effects on the task leader and orientation relationship the leader in customer satisfaction and performance of subordinates [12]. This goal-line model focuses on how leaders influence the perceptions of subordinates about their goals and the paths they follow towards the achievement of the purpose [13]. The leader can indicate more than one style of leadership effectiveness and identify effectiveness of the four leadership styles, namely:

- The directive, check out the leadership of the directive and is described as a situation in which the leader gives a complete and important directives regarding a certain topic [14].
- Supportive, a supportive Leadership characterized by leaders who are friendly and easily approachable which shows concern for the status, welfare and the needs of his subordinates [13].
- Participatory, these leaders encourage employees to actively participate in the decision-making process that determines how the group will achieve its goals [15].
- Achievement-oriented leadership, leaders like this always stressed excellence in performance and at the same time demonstrates the confidence that subordinates will meet the high standards of excellence that [13].

C. Performance

The performance is the result of work that reached a person based on the specific requirements to be able to do in achieving the objectives of the standard, also known as jobs [8]. Employee performance is good or not, depending on the results of the comparison with the standard of work. Performance standards is the level expected of a particular job to be completed and was benchmark goals or targets to be achieved.

Performance is not free variables that can be influenced by many factors which have meaning in the delivery of organizational goals. This means that errors in the management of free variables will result in performance. Both negative and positive [8]. Gibson states there are three factors that affect performance [16], namely (a) the individual factors such as

abilities, skills, family background, work experience, social levels and demographics of a person; (b) psychological factors such as perception, roles, attitudes, personality, motivation and job satisfaction; (c) organizational factors such as organizational structure, job design, leadership and recognition system (reward system).

In addition, the assessment and performance measurement is an important part in determining a person's productivity levels. Performance assessment is the process by which organizations to evaluate or assess the success of employees in carrying out its work [8]. Assessment can be done by comparing the results of the work accomplished the employee with the standard of work. When the work is obtained up to or exceed the standards of the job performance of an employee can be included in the categories either. So instead, an employee of the results of his work does not reach the standard of work including on performance is not good or low-performing.

Standard jobs can be determined from the contents of a job, can serve as the basis of the assessment of each job. To facilitate the assessment of the performance of employees, employment standards must be measurable and clearly understood. A job can be measured through:

- The amount of work
- Quality of the work
- Timeliness
- The presence of
- The ability of teamwork

III. THEORETICAL FRAMEWORK

The success of a company or organization to achieve goals is inseparable from the abilities and skills of leaders to influence, control and direct an action on a person or group to achieve a particular goal at certain situations. There are several factors that can affect the performance of human resources including internal factors namely consisting of commitment, loyalty, motivation, discipline, leadership, work, communications and culture factors external consisting of the culture environment, Government policy, the impact of globalization, partnerships [17].

Fit the concept of Path Goal Theory, leadership style as a leader depends on the effectiveness of how the leader gives direction, motivation, and achievement of goals to help his followers [14]. This theory illustrates how perception is influenced by the expectations of the relationship contingency between the four leadership styles and a variety of attitudes and behavior of employees [18]. The expectations of employees between the enterprise that they do with company goals, can be influenced by the style of leadership in motivating employees to achieve his expectations. House believes that the four leadership styles, namely directive, supportive, participative and achievement orientation will be successful if employees are able to adjust their behavior to the situation they face. The leader encourages higher performance by way of providing

activities that affect his subordinates to believe that valuable results can be achieved with serious business [13].

Furthermore, the thinking framework described in the figure 1.

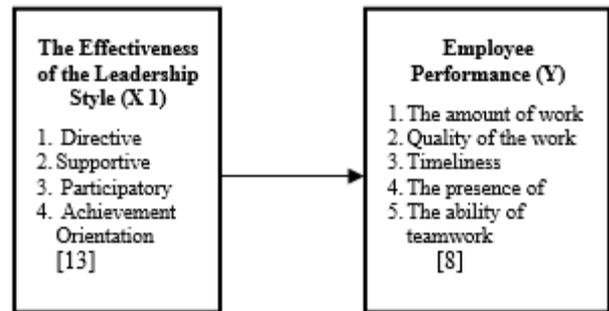


Fig. 1. Framework of thought.

IV. HYPOTHESIS

The hypothesis can be defined as a temporary answer against the problems of research, until proven through data collected [19]. For that hypothesis from research and deliberations on this issue the author decided: "there is the influence the effectiveness of leadership style on performance of employees".

V. METHODOLOGY

The population in this research is the employee remains at the Directorate of human resources of PT Bio Farma (Persero) which amounted to 163 people. The sample is part of the number and characteristics of which are owned by the population [20]. Based on the data of the number of employees in the Directorate of human resources of PT Bio Farma (Persero) as much as 163 people, then that will be used as the sample is as much as 116 people. According to Umar to calculate the magnitude of sample size can be done by using the technique of Slovin [21]. Technique of data analysis in this study by using simple linear regression analysis. The process of data analysis in this research aided by computer program Statistical Package for Science (SPSS) 22 for Windows.

VI. RESULT AND DISCUSSION

Where all free variables entered into SPSS 22, then it can be noted that the correlation or relationship between the variable effectiveness of leadership style with performance results of 0.932, this means in accordance with the guidelines for provide interpretation of the correlation coefficient against [22], the correlation between the variable effectiveness of leadership style and employee performance categories include very strong (0.80 – 1.000). Then from the table above the correlation obtained numbers R Square of 0.868, this indicates that the magnitude of the KD (coefficient of determination) was 86.8% which means that changes to the variable Y of 86.8% influenced by changes in X, in other words 86.8% of the employee's performance is influenced by the effectiveness of your leadership style and 13.2% are influenced by other factors.

From the table that is processed in SPSS 22, note also the coefficients a and b so that a simple linear regression equation is obtained, namely as follows:

$$\text{Employee performance} = -0.346 + 1.014x + e$$

Where the constants of employee performance are -0.346 without being influenced by the effectiveness of leadership style, negative value indicates a negative influence. 1.014 constants indicate that when an increment 1 per cent of the effectiveness of the leadership style packed performance will rise of 1.014 .

To know the influence of the effectiveness of leadership style on performance of employees can be seen with test f . From a processed in SPSS 22, $F_{hitung} = 750.590$ $F_{tabel} = 3.92$ ($F_{hitung} > F_{tabel}$) thus the results of the hypothesis stating that H_0 was rejected and accepted Meaning, that is, the H_a the effectiveness of leadership style has the level of keberartian on performance of employees with significant value of $0.05 < 0.00$ or less than 5 percent. In other words, the hypothesis which States "the effectiveness of the leadership style affects the performance of the employee" is acceptable.

Decision-making criteria to find out how big an influence subsection variable effectiveness of the directive, namely leadership style supportive, participatory, orientation, achievements against the performance of employees, i.e. the amount of work, quality of work, Punctuality, attendance, Teamwork Ability, can be seen with the test t . where Test t of 27.397 whereas t table 0.67665 .

Conclusion: from a processed in SPSS 22, $T_{hitung} = 27.397$ and $T_{tabel} = 0.67665$ ($T_{hitung} > T_{tabel}$) thus the results of the hypothesis stating that H_0 was rejected and H_a received, meaning that the effectiveness of positively influential leadership style on performance of employees with significant value of $0.05 < 0.00$ or less than 5 percent.

VII. CONCLUSION

The effectiveness of the leadership style of significant effect simultaneously on performance of employees. The test results obtained the $F_{hitung} 750.590 > F_{tabel} 3.92$.

The effectiveness of the leadership style of the directive, Supportive, Participative, Achievement orientation, partially significant effect on performance of employees. The test results obtained the $T_{hitung} 27.397 > T_{tabel} 0.67665$.

ACKNOWLEDGMENT

An initial version of this paper was presented at the International Conference on Economics, Business, Entrepreneurship and Finance held in Bandung Indonesia in 2018. The authors would like to thank the reviewers and fellow

participants of the conference for their helpful comments and suggestions.

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