

Research Article

Dinarta Tarigan^{1*}, Kiki Farida Ferine²

The Influence of Leadership Style on Work Performance with Motivation as an Intervening Variable in BPJS Medan City Branch and North Medan Branch

*Corresponding Author: **Dinarta Tarigan**: Universitas Pembangunan Panca Budi; Indonesia; didiertg@gmail.com
Kiki Farida Ferine: Universitas Pembangunan Panca Budi, Indonesia; kikifarida@dosen.pancabudi.ac.id

Received: July 8, 2024; Accepted: July 18, 2024; Online: July 26, 2024 | DOI: <https://doi.org/10.47353/ijema.v2i2.175>

Abstract: *Today, human resources are more important to the success of an organization than ever before. Many companies understand that having human capital can give them a competitive advantage. The phenomenon that occurs in the Medan City Branch of the Medan City Branch and the North Medan Branch is that the leader's way of managing is unsuitable with a leadership style that is not compatible with other employees so that the employee does not respect the leader; by leading employees by indifferently paying attention to his employees. Lack of achievement from employees is due to a lack of motivation given to employees so that employees only do their work without creating new innovations and good creativity, employees also do not want to give their all because they are afraid of being taken advantage of and not given more intensity. This often happens in where employees have more abilities will be utilized by the organization without any incentives and bonuses are given to someone who has more abilities, especially those who have good achievements in the company. The results of this research are as follows: Leadership Style has a positive and significant effect on Work Motivation with an original sample value of 0.766 and ap value of $0.000 < 0.05$. Leadership style has a positive and significant effect on work performance with an original sample value of 0.355 and ap value of $0.024 < 0.05$. Work Motivation has a positive and significant effect on Work Performance with an original sample value of 0.572 and ap value of $0.001 < 0.05$. Leadership style has a positive and significant indirect effect on work performance through work motivation with a value of 0.438 and a value of $0.000 < 0.05$.*

Keywords: *Leadership Style, Work Motivation, Work Performance.*

Introduction

An organization's human resources are its main operating factor. Likewise, the growth and decline of a company is determined by the quantity of its human resources. To achieve company goals, company personnel or human resources are the main concern. Today, human resources are more important to the success of an organization than ever before. Many companies understand that having human capital can give them a competitive advantage. They set goals, create action plans, make breakthroughs, and meet company goals. Therefore, human resources are one of the most important components needed by a company. This is caused by two factors. First, references. Human resources determine all organizational goals and plans, human resources for designing and producing goods and services, monitoring quality, promoting products, allocating financial resources, and influencing organizational efficiency and effectiveness. Second, references The main expenditure incurred by an organization in running its business is human resources.

One of the things that influences how well employees perform is their leadership style. Performance is the result of work carried out by a person or group of people in an organization, in accordance with their respective authority and responsibilities in order to achieve the goals of the organization concerned legally, without violating the law and in accordance with morals and ethics. Thus, both the company or organization and the employees themselves really value performance. A leader's style is very important in the operations

of any business. Because every human being has limitations and needs help in achieving tasks, leadership and guidance are very important in an organization. The definition of leadership is an individual's behavior, attitudes and ways of persuading other individuals through involvement. Leadership style has a significant influence on the goals, objectives and output of an organization because each leader in a company has unique methods and traits that they use in leading.

A person's motivation is what drives him to carry out a behavior to fulfill the need for self-satisfaction. Many people think that work motivation can be created if they receive good and fair compensation, but in reality, even though they receive great rewards, their work is not optimal. Every human being certainly has a basic motivation in carrying out a particular activity or job; for example, every human being has reasons why some people work hard while others are average. There must be an incentive for someone to work in this way, because everything has a basis and an explanation. Motivation is the internal drive a person has to achieve certain goals. One very vital component that every person must have is motivation.

A motivated person will feel satisfied and easily achieve all his goals. The same is true in the learning process in class. Every student who is internally motivated will be motivated to learn with enthusiasm, which of course will have an impact on the quality of the learning process. In order for a business or organization to achieve its goals, performance is very important. To achieve development work goals, a company's human resources are critical to the success of its business and personnel. Work performance is determined by an individual's drive and capacity to complete a task. One must have a certain level of talent and will. The willingness and ability of one individual is not enough to complete a task without a clear idea of what to do and how to carry it out. Job performance refers to the actual behavior shown by each individual as well as the achievements achieved by workers according to their position in the organization. Employee productivity is an important factor in an institution's efforts to achieve its goals.

The phenomenon that occurs in the Medan City Branch of the Medan City Branch and the North Medan Branch is that the leader's way of managing is unsuitable with a leadership style that is not compatible with other employees so that the employee does not respect the leader, by leading employees by indifferently paying attention to his employees. Lack of achievement from employees is due to a lack of motivation given to employees so that employees only do their work without creating new innovations and good creativity, employees also do not want to give their all because they are afraid of being taken advantage of and not given more intensity. This often happens in where employees have more abilities will be utilized by the organization without any incentives and bonuses are given to someone who has more abilities, especially those who have good achievements in the company.

Literature Review

Leadership Style

According to Rivai (2018), leadership style is a set of characteristics used by leaders to influence their subordinates so that organizational goals are achieved or patterns of behavior and strategies that are preferred and often implemented by a leader. According to Sutrisno (2016) leadership style is a process of someone's activities to move other people by leading, influencing, guiding other people to do something in order to achieve the expected performance results.

Leadership Style Indicators

According to Rivai (2018), a leader in implementing his leadership must be able to maturely carry it out towards his agency or organization. Leadership is divided into five dimensions, namely:

1. Good cooperation and relationship skills
 - a. Fostering cooperation with subordinates
 - b. Establish good relationships with subordinates in carrying out tasks that are their respective responsibilities
2. Ability and effectiveness
 - a. Able to complete tasks beyond ability
 - b. Complete tasks on time
3. Participative leadership
 - a. Deliberative decision making
 - b. Able to research problems that occur at work
4. Ability to delegate tasks or time
 - a. Willing to bring personal and organizational interests to broader interests, namely the interests of the organization using the remaining time for personal needs
 - b. Able to complete tasks according to targets
5. Ability to delegate tasks or authority
 - a. A leader's responsibility in completing which tasks must be handled alone and which must be handled in a group
 - b. Provide guidance and training in decision making.

Motivation

Understanding Motivation

According to Robbins & Judge (2015) work motivation is a process that explains a person's strength, direction and perseverance in an effort to achieve goals. Work motivation is a gift that ignites a person's enthusiasm for work; This is what encourages them to collaborate, work efficiently, and be involved in every effort to achieve satisfaction (Hasibuan, 2016).

Motivational Indicator

According to Robbins and Judge (2015) the indicators used to measure work motivation are:

- 1) Award,
- 2) Social Relations,
- 3) Life necessities,
- 4) Success at Work.

Work performance

Understanding Job Performance

According to Sutrisno (2015) individual work performance is the result of their work behavior when completing tasks. On the other hand, work performance according to Hasibuan (2015) is the result achieved by an employee in carrying out the tasks assigned to him and is determined by ability, experience, seriousness and punctuality.

Work Performance Indicators

According to Sutrisno (2015) measurement of work performance is as follows:

- 1) The results of work are the level of quantity and quality that has been produced. Indicators for this dimension are the quantity of work completed within the specified time limits, working according to established procedures, and rarely making mistakes in work.
- 2) Job knowledge is the level of knowledge related to work tasks which will have a direct effect on the quantity and quality of work results. Indicators for this dimension are mastering work procedures and having general knowledge and concepts about work implementation.
- 3) Initiative is the level of initiative during carrying out work tasks, especially in terms of handling problems that arise.

Method

Types of research

This research uses quantitative associative research. According to Sugiyono (2019), quantitative research is defined as a research method based on the philosophy of positivism, used to research certain populations or samples, data collection using research instruments, quantitative/statistical data analysis, with the aim of testing predetermined hypotheses. According to Sugiyono (2019) associative research is a research problem formulation that asks about the relationship between two or more variables.

Research Population

The research population used was 68 employees of BPJS Employment, Medan City Branch, 43 employees and North Medan Branch, 25 employees. The population used is useful for finding respondents' answers when the questionnaire is given. According to Sugiyono (2019) population is a generalized area consisting of: objects/subjects that have certain quantities and characteristics determined by researchers to be studied and then conclusions drawn.

Research Sample

According to Sugiyono (2019) the sample is part of the number and characteristics of the population. After the population was known, the researcher took a sample from that population. The researcher took the sample for the research, namely the entire population in BPJS Employment, Medan City Branch and North Medan Branch, namely 68 employees. The sampling technique used is the saturated sampling technique, which is a technique where all the population in the organization is taken as a sample. According to Sugiyono (2019) saturated sampling is a sample selection technique if all members of the population are sampled. The sampling technique in this study used the Saturated Sampling Technique, where all the population in this study was sampled.

Place and time

This research was conducted at the BPJS Employment Office, Medan City Branch, located at Jl. Captain Patimura No.334, Darat, Medan Baru District, Medan City, North Sumatra and North Medan Branch Office located at Jl. Marelan Raya No.108, Tanah Enam Hundred, Medan Marelan District, Medan City, North Sumatra. This research was conducted for 3 months.

Data collection technique

The data collection technique used in the research was using a questionnaire and distributed to respondents to fill in honestly in order to find the results of a study, and the data source used was a primary

data source. According to Sugiyono (2019) a questionnaire is a data collection technique by making statements related to the object being studied, given one by one to respondents. According to Sugiyono (2019) primary data is a data source that directly provides data to data collectors. The scoring for research in the questionnaire table is as follows:

Table 1. Scoring for questionnaire answers

Answer	Code	Score
Strongly agree	SS	5
Agree	S	4
Neutral	N	3
Don't agree	T.S	2
Strongly Disagree	STS	1

Data Analysis Method

SmartPLS (Partial Least Square - Structural Equation Modeling) software was used in processing the data for this research. PLS is competent in carrying out analysis in one test and is able to describe the relationship between variables. PLS is intended to help researchers verify hypotheses and explain whether there is a relationship between latent variables. According to Imam Ghozali (2016) the PLS method is able to describe latent variables (not directly measurable) and is measured using indicators. The author uses Partial Least Square because this research is a latent variable that can be measured based on the indicators so that the author can analyze it with clear and detailed calculations.

Statistical Analysis of Data

In statistical analysis of data using the SEM PLS method. The following is the PLS method analysis technique:

1. Outer model analysis

According to Husein (2015), outer model analysis is carried out to ensure that the measurements used are suitable for use as measurements (valid and reliable). There are several calculations in this analysis:

- a. Convergent validity is the factor loading value on the latent variable with its indicators. Expected value > 0.7 .
- b. Discriminant validity is a cross-loading value of factors that is useful for whether a construct has adequate discriminants. The way to do this is by comparing the value of the targeted construct which must be greater than the value of the other construct.
- c. Composite reliability is a measurement that if the reliability value is > 0.7 then the construct value has a high reliability value.
- d. Average Variance Extracted (AVE) is an average variance of at least 0.5. 30 e. Cronbach alpha is a calculation to prove composite reliability results where the minimum value is 0.6.

2. Inner model analysis

This model analysis is to test the relationship between latent constructs. There are several calculations in this analysis: Examining the R-square value for each dependent variable is the first step in testing using a structural model which is also called an inner model. The aim is to observe the size of the correlation

between constructs showing the level of influence of one variable on other variables in the model. One way to evaluate the influence of a particular independent latent variable on the dependent latent variable is to look at changes in the R-square value. have a significant impact. In this inner model analysis, there is no error in multicollinearity, where there are two or more variables that have high correlation, causing poor prediction ability of the model (Ghozali et al., 2015). Then the next step is to carry out bootstrapping, namely to find out the estimated value of the structural path relationship coefficient. If the t statistic is >1.96 , each path is related (Ghozali et al., 2015).

Hypothesis test

Hussein (2015) said in his book that hypothesis testing can be seen from t-statistic values and probability values. The criteria for hypothesis testing are:

1. By using statistical values, for alpha 5% the t-statistic value used is 1.96.
2. The criteria for accepting or rejecting a hypothesis can be described if the t-statistic has a result > 1.96 .
3. Meanwhile, to reject or accept a hypothesis using probability, it can be assumed that the hypothesis is accepted if the p value <0.05 .

Results and Discussion

Contents of Results and Discussion

Measurement model testing (outer model) is used to determine the specifications of the relationship between latent variables and manifest variables. This test includes convergent validity, discriminant validity and reliability.

1. Convergent Validity

Convergent validity of the measurement model with reflexive indicators can be seen from the correlation between the item/indicator scores and the construct scores. Indicators that have an individual correlation value greater than 0.7 are considered valid but are at the research development stage. Indicator values of 0.5 and 0.6 are still acceptable. Based on the results for outer loading, it shows that the indicator has a loading below 0.60 and is not significant. The structural model in this research is shown in the following figure:

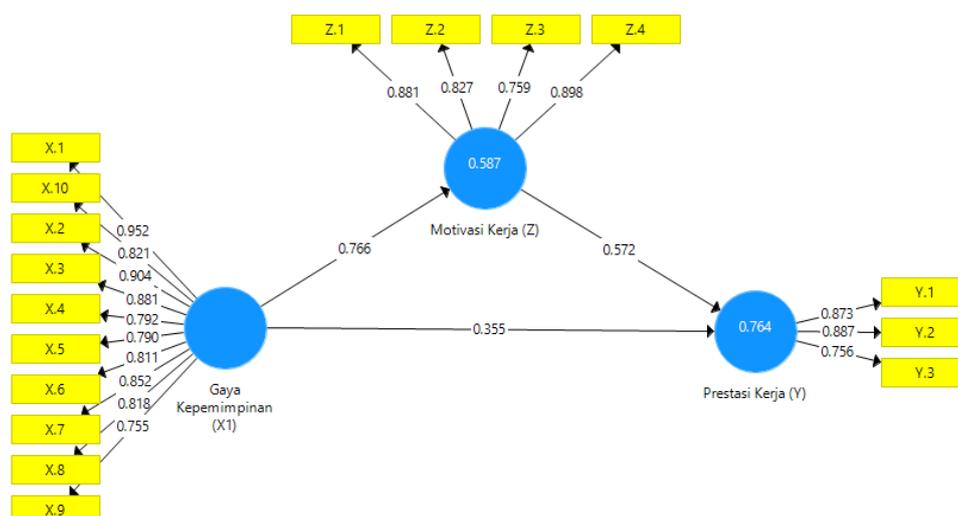


Figure 1. Outer Model
Source: Smart PLS 3.3.3

The Smart PLS output for loading factors gives the results in the following table: Outer Loadings
In this research there is an equation and the equation consists of two substructures.

Substructure 1

$$Z = b1X1 + e1$$

$$Z = 0.766 X1 + e1$$

Substructure 2

$$Y = b2X1 + b3Z + e2$$

$$Y = 0.355X1 + 0.572 X2 + e2$$

Table 2. Outer Loadings

	Leadership Style (X1)	Work Motivation (Z)	Work Performance (Y)
X.1	0.952		
X.10	0.821		
X.2	0.904		
X.3	0.881		
X.4	0.792		
X.5	0.790		
X.6	0.811		
X.7	0.852		
X.8	0.818		
X.9	0.755		
Y.1			0.873
Y.2			0.887
Y.3			0.756
Z.1		0.881	
Z.2		0.827	
Z.3		0.759	
Z.4		0.898	

Source: Smart PLS 3.3.3

Based on table 2 above, it can be seen that the outer loading of each variable and indicator has an outer loading value greater than 0.7, so it can be explained that every indicator whose outer loading value is greater than 0.7 will be considered valid because all outer loadings are greater than 0.7 then all variables and indicators are considered valid and further research can be carried out.

2. Discriminate Validity

The next test is to test discriminant validity. This test aims to determine whether a reflective indicator is a good measurement for the construct based on the principle that the indicator is highly correlated with the construct. The table shows the cross loading results from discriminant validity testing as follows:

Table 3. Discriminant Validity

	Leadership Style (X1)	Work Motivation (Z)	Work Performance (Y)
X.1	0.952	0.722	0.762
X.10	0.821	0.520	0.541
X.2	0.904	0.704	0.636
X.3	0.881	0.643	0.646
X.4	0.792	0.770	0.676
X.5	0.790	0.570	0.548
X.6	0.811	0.776	0.778
X.7	0.852	0.620	0.757
X.8	0.818	0.568	0.669
X.9	0.755	0.406	0.550
Y.1	0.744	0.851	0.873
Y.2	0.651	0.695	0.887
Y.3	0.589	0.538	0.756
Z.1	0.715	0.881	0.749
Z.2	0.610	0.827	0.647
Z.3	0.591	0.759	0.702
Z.4	0.660	0.898	0.741

Source: Smart PLS 3.3.3

Based on table 3 above, it can be seen that the cross loading for each indicator and variable is greater than other variables and indicators, the cross loading of the Leadership Style variable is greater than the cross loading of other variables, the cross loading of the Work Motivation variable is greater than the cross loading of other variables, cross loading Work Performance is greater than the cross loading of other variables, which means that all variables and indicators are considered discriminantly valid.

3. Composite reliability

The next test determines the reliability value with the composite reliability of the indicator block that measures the construct. A construct value is said to be reliable if the composite reliability value is above 0.60. Apart from looking at the composite reliability value, the reliable value can be seen in the variable construct value with Cronbach's alpha from the indicator block that measures the construct. A construct is declared reliable if the Cronbach's alpha value is above 0.7. The following is a table of loading values for the research variable constructs resulting from running the Smart PLS program in the next table:

Table 4. Construct Reliability and Validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Leadership Style (X1)	0.953	0.960	0.705
Work Motivation (Z)	0.863	0.907	0.711
Work Performance (Y)	0.793	0.878	0.707

Source: Smart PLS 3.3.3

Based on table 4 above, it can be seen that each variable has a value greater than 0.7 in Cronbach's Alpha, meaning that if each variable has a Cronbach's Alpha value greater than 0.7, it means that all variables are reliable. We can see that in the composite reliability column it is greater than 0.6, meaning that if each variable has a composite reliability value greater than 0.6, then each variable is considered reliable. It can be seen in the column that the average variance extracted or (AVE) value shows that the AVE value is greater than 0.7 because each variable has an AVE value greater than 0.7, so this research is considered valid. In this research, all values are considered reliable because they are all greater than the predetermined value.

Inner Model Analysis

Evaluation of the structural model (inner model) is carried out to ensure that the structural model built is robust and accurate. The analysis stages carried out in the structural model evaluation are seen from several indicators, namely:

Coefficient of Determination (R²)

Based on data processing that has been carried out using the SmartPLS 3.0 program, the R Square value is obtained as follows:

Table 5. R Square Results

	R Square	Adjusted R Square
Work Motivation (Z)	0.587	0.581
Work Performance (Y)	0.764	0.757

Source: Smart PLS 3.3.3

There is an R square value in table 5 above and it will be explained as follows: there is an R square value for the Work Motivation variable with a value of 0.587, a percentage of that value is 58.7%, meaning that the influence of Leadership Style has an effect on Work Motivation by 58.7% and the rest is in other variables. For the R square of the Work Performance variable, there is an R square value of 0.764 and the percentage of this value is 76.4, meaning that the influence of the Leadership Style and Work Motivation variables on Work Performance is 76.4% and the rest is in other variables.

1. Hypothesis test

After assessing the inner model, the next thing is to evaluate the relationship between latent constructs as hypothesized in this research. Hypothesis testing in this research was carried out by looking at T-Statistics and P-Values. The hypothesis is declared accepted if the T-Statistics value is > 1.96 and P-Values < 0.05 . The following are the results of Path Coefficients of direct influence:

Table 6. Path Coefficients (Direct Influence)

	Original Sample (O)	T Statistics (O/STDEV)	P Values	Results
Leadership Style (X1) -> Work Motivation (Z)	0.766	10,571	0,000	Accepted

Leadership Style (X1) -> Job Performance (Y)	0.355	1,988	0.024	Accepted
Work Motivation (Z) -> Work Performance (Y)	0.572	3,178	0.001	Accepted

Source: Smart PLS 3.3.3

Based on table 6, the direct hypothesis results can be explained as follows:

1. Leadership style has a positive and significant effect on work motivation with an original sample value of 0.766 and a p value of 0.000 < 0.05. This means that if a good leadership style increases, work motivation will also increase. If leadership style decreases, work motivation will also decrease.
2. Leadership style has a positive and significant effect on work performance with an original sample value of 0.355 and a p value of 0.024 < 0.05. This means that if the leadership style improves well then performance will also increase and conversely if the leadership style decreases then work performance will also decrease.
3. Work Motivation has a positive and significant effect on Work Performance with an original sample value of 0.572 and a p value of 0.001 < 0.05. This means that if work motivation increases well then work performance will also increase and conversely if work motivation decreases then work performance will also decrease.

Table 7. Path Coefficients (Indirect Influence)

	Original Sample (O)	T Statistics (O/STDEV)	P Values	Results
Leadership Style (X1) -> Work Motivation (Z) -> Work Performance (Y)	0.438	3,470	0,000	Accepted

Based on the indirect hypothesis table, it can be explained as follows:

Leadership style has a positive and significant indirect effect on work performance through work motivation with a value of 0.438 and a p value of 0.000 < 0.05. This means that work motivation is an intervening variable because it can influence work motivation positively and significantly indirectly.

Closing

Conclusion

The conclusions of this research are as follows:

1. Leadership style has a positive and significant effect on work motivation with an original sample value of 0.766 and a p value of 0.000 < 0.05.
2. Leadership style has a positive and significant effect on work performance with an original sample value of 0.355 and a p value of 0.024 < 0.05.
3. Work Motivation has a positive and significant effect on Work Performance with an original sample value of 0.572 and a p value of 0.001 < 0.05.
4. Leadership style has a positive and significant indirect effect on work performance through work motivation with a value of 0.438 and a p value of 0.000 < 0.05.

Suggestion

Suggestions from this research are as follows:

1. For organizations, leaders must use a leadership style that suits the employees' circumstances and be able to manage employees with a good leadership style.
2. Organizations must increase employee motivation with people who are influential in the organization and in the work environment.
3. Organizations must improve employee work performance by motivating and managing employees with a leadership style that is suitable for employees.
4. It is hoped that this research will be used as input for organizations with the aim of making the organization even better.
5. For further research, it is hoped that this research will be used as reference material for new research with new models.

References

- Anwar, Sanusi. (2013). *Metodologi Penelitian Bisnis*. Jakarta: Salemba Empat.
- Basrowi, & Suwandi. (2008). *Memahami Penelitian Kualitatif*. Jakarta: Rineka Cipta.
- Bungin, Burhan. (2011). *Metodologi Penelitian Kuantitatif*. Jakarta: Kencana.
- Creswell, John W. (2014). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. 4th Edition. California: SAGE Publications, Inc.
- Ghozali, Imam, Hengky Latan. (2015). *Konsep, Teknik, Aplikasi Menggunakan Smart PLS 3.0 Untuk Penelitian Empiris*. BP Undip. Semarang.
- Ghozali. (2016). *Structural Equation Modeling Metode Alternatif dengan Partial Least Square (PLS)*. Semarang: Universitas Diponegoro.
- Hasibuan, Malayu SP. (2015). *Manajemen Dasar, Pengertian dan Masalah, Edisi Revisi*, Bumi Aksara: Jakarta.
- Hasibuan, Malayu SP. (2016). *Manajemen Sumber Daya Manusia. Edisi Revisi*. Jakarta: Penerbit PT Bumi Aksara.
- Husain, Ananda Sabil. (2015). *Penelitian Bisnis dan Manajemen Menggunakan Partial Least Squares (PLS) dengan Smart PLS 3.0, Modul Pengajaran untuk Departemen Manajemen, Fakultas Ekonomi dan Bisnis, Universitas Brawijaya*.
- Moleong, Lexy J. (2014). *Metodologi Penelitian Kualitatif*. Bandung: Remaja Rosdakarya.
- Noe, Raymond A., et al. (2017). *Manajemen Sumber Daya Manusia: Mencapai Keunggulan Bersaing. Edisi 6*. Jakarta: Salemba Empat.
- Rivai, Veithzal. (2018). *Manajemen Sumber Daya Manusia untuk Perusahaan dari Teori ke Praktik. Cetakan Pertama*. Jakarta: Murai Kencana.
- Robin, & Judge. (2015). *Perilaku Organisasi Edisi 16*. Jakarta: Salemba Empat.
- Riduwan. (2015). *Dasar-dasar Statistika*. Bandung: Alfabeta.
- Sugiyono. (2018). *Statistika untuk Penelitian*. Bandung: Alfabeta.
- Suyanto, M. (2007). *Perilaku Konsumen*. Yogyakarta: Graha Ilmu.
- Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta.
- Sutrisno, Edy. (2015). *Manajemen Sumber Daya Manusia (Cetakan ketujuh)*. Jakarta: Kencana Prenada Media Group.

- Sutrisno, Edy. (2016). Manajemen Sumber Daya Manusia. Cetakan Kedelapan. Jakarta: Prenadamedia Group.
- Umar, Husein. (2010). Metode Penelitian untuk Skripsi dan Tesis Bisnis. Jakarta: Rajawali Pers.
- Wijana, I Dewa Putu. (2007). "Bias Gender dalam Bahasa Majalah Rema". Tesis, Fakultas Ilmu Budaya. Yogyakarta: Universitas Gadjah Mada.