

The Effect of Motivation and Situational Leadership Style Towards Employee Performance Through Work Satisfaction at Developer Company

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ABSTRACT.

The research aims to analyze and explain the effect of motivation and situational leadership style on performance through job satisfaction in Developer companies in East Java. The research design used is associative research which aims to find out the relationship between two variables or more, with a function to explain, a symptom in the study using a quantitative correlation approach with the explanatory survey method. The population in this study were all employees and leaders in the development companies in East Java Province - Indonesia, the sampling technique was done by proportional random sampling. The data analysis technique uses a Structural Equation Model better known as SEM (Structural Equation Modeling) so that testing can be done to determine the value between exogenous and endogenous variables. The results showed that Situational motivation and leadership style had an effect on performance through job satisfaction, which meant that the better job satisfaction in the company provided more optimal performance, supported by the right motivation and good situational leadership to generate job satisfaction.

Keyword: Company Developer, Job satisfaction, Performance.

1. INTRODUCTION

Human resources are the main factors, besides that, there are other factors which support the organization or company until the existence of workers as the human resources in running their duties is expected to be taken care of well by the organization or the company. The existence of human resources at a company or organization holds a very important role. The potency of each human resource obtained in the company always can be utilized well until it can generate optimal output. The success of an organization or a company, one of them, is influenced by the performance of its employees.

According to Anwar (2017), performance is the result of work (work output) with assessment quality and quantity achieved by the followers or the employees in implementing something, which has been given by the leaders of companies in line with what becomes their responsibility given beforehand. Nowadays, in improving the performance, the organization or the company always afford optimally through the quality of their employees. Their expectation and purpose must be implemented in achieving the vision and mission of the organization. In optimizing the employee performance, the company or the organization can give motivation and suitable leadership style. Through this, it is expected that the employees will optimize their responsibility towards their job and they will perform optimal performance and give a positive impact on the colleagues in the organization or the company.

The performance in the company also has things which become the factors for the company achievement. This has been in the talk of the researchers in order to know about it. Mangkunegara (2017) explains some factors in performance achievement, the first is ability factor, consisting of the ability and potency in leading the employees who have potency above average with an adequate standard of education, and skillful in doing their daily jobs, then they will be easier in achieving maximal performance. The second is the motivation factor, it means the individual's attitude in the organization covers the employees or the leaders towards the working situation, generate an excited and positive attitude related to the work situation. This indicates that motivation has a strong function, otherwise if they have rejected attitude towards the work situation, the individual reflects that their motivation is quite low.

In order to explain activities of an organization to face the competition nowadays, the leader must have a mindset in line with the role of existed human resources, until the leader can optimize the purpose to be achieved by the organization they lead. And also it is important to consider leadership managerial. The leader is the main key in taking a decision in the company with the employees as the doer of the leaders' expectation in strengthening the company in that industry. Leadership style can be defined as the psychological process in accepting the duty, themselves, and destiny of other people, leaders are expected to have knowledge in implementing their duty and obligation as the leaders (Bangun, 2012).

Situational leadership style is one of the styles that can move the employees forwards and it can give positive direction in the organization. This theory was proposed by Hersey and Blanchard (1989). The explanation, the managers in their leadership are in accordance with the readiness, ability, and willingness of the employees, then leadership activity can be increased. This theory prioritizes the leaders who more understand the characters of their employees, in other words, the leaders have various ways to their followers based on the willingness and the ability owned. This situational leadership style is the technique of a leader in running their duties, showed to direct, push, implement, and guide their followers in certain achievement, and maximize the ability of organization's individual optimally combined with the situation obtained at the organization related to the behavior of the subordinates and the leaders.

Situational leadership emphasizes a leader on their surrounding situation, the principal is that leaders give specific ways of approach (demanding different leadership approach), in this perspective, for being effective as leaders, individuals must adjust their style with different condition (Northouse, 2013).

In the achievement of vision and mission and purpose of a company, leadership with good character is highly expected, this is for the purpose of the organization to be achieved thoroughly. Leaders are expected to have leadership skill in influencing, leading, motivating, and communicating with the employees. It can be reviewed that leaders in the organization are very important in running a certain business.

The purpose of this research is to analyze and explain the effect of motivation and situational leadership style towards employee performance through work satisfaction at Developer Company in East Java.

2. LITERATURE REVIEW

2.1. Employee Performance

Performance is an individual's result thoroughly in certain periods measured from the task given and done with comparison the target of time accuracy, work standard, or the criteria which have been determined or agreed. Performance is something achieved, achievement shown, and workability of someone in their job either in the organization of individuals.

Definition and measurement of performance are challenges for researchers because the organization has many goals (Chow et. al., 1994). Employer and employees require improvement in their job. Leaders always optimize their followers' performance either in the case of work result improvement or company profit (Bangun, 2012). In a competitive competition in the global era, a company or an organization certainly needs human resources with high achievement in their own fields. Objective performance assessment can give the right feedback in order to change the behaviors heading to productivity improvement and expected performance. Performance is assessed having assessment system in various forms. There are many examples of assessment, one of them is the main performance indicator which basically is the purpose and the systematical process in analyzing, collecting, and using the information in determining the effectivity and efficiency of employees' task and achieve the targets. This assessment is based on the understanding of the expertise, knowledge, skill, and behavior in implementing the jobs well and more comprehensive analysis about the employee's behavior and followers' attributes.

It is difficult to prepare and finish the measurement obtained in giving an optimal result, considering various things required and prepared carefully (Sinambella, 2017). According to Sinambella (2017), employees' ability in implementing certain expertise, this is called as performance. The employees' performance is extremely needed, by doing so, their ability will be known based on their performance in completing the job given to them. Performance is an output which can be achieved by individuals or groups in a company, in line with the responsibility or authority, in the effort to achieve the organization goals legally, following the law rules or in accordance with the moral, ethics, and individual's or institution achievement in completing the job are called as performance (Prawirosentono, 1999). There are a couple of things which become the employees' performance.

2.2. Work Satisfaction

According to Siagian (2015), if in the duties activity an individual has autonomy in the case of having variation, action, and giving important effect for the achievement of success in the company and the followers get the best feedback about the output from the job they do, then the satisfaction can be achieved by the followers or employees. Work satisfaction describes how someone is satisfied with their job (Parvin and Kabir, 2011). According to Hasibuan (2017), discipline, achievement, and work morale are the reflection of emotional attitudes showed and love what those individuals do, this is also called as satisfaction. They enjoy the job while they are at the company or outside the company, or combine both of them.

A fun and positive condition of an individual generated from the results of what they do, it can be in the form of award or experience, it is also Work Satisfaction. Therefore, an individual's satisfaction in their job can describe how far individuals love their job.

Thus it can be said that if someone is at mental condition loving or not loving their job, which is affected by certain point of view or perception, an individual's expectation towards their job until those influence their behavior towards their job, this is called as work satisfaction.

According to Robbins (2017), there is an effect of work satisfaction towards work performance. He believes that when someone moves from individual level to the organization level, he/she will find supports for work satisfaction relationship. The company which has more employees who are satisfied with their job tend to generate productivity compared to an organization or company which has fewer employees or members.

2.3 Motivation

Motivation is a result of the process which explains the destination, strength, and perseverance of someone in the effort of achieving the target (Robbins and Judge, 2015). Motivation can be defined differently by each individual. This is situational, depends on the place and condition of individuals. According to Riniwati (2016), the things that generate strength, dynamics, and excitement of an individual in leading their behavior to the goals is one definition of motivation. Furthermore, Riniwati also explains that motivation can also be defined as something which leads to the existence of willingness, support, strength, and needs, therefore, when the company conducts the effort to raise the support to the employees, it means the company is doing something which supports the satisfaction on the motive, needs, and willingness of employees.

Work is a level of individual's sincerity in looking after and use the effort to achieve the company goals (Franco, et. al., 2004). Motivation has an effect on productivity and effectivity or it can be said that motivation improves performance. Motivation becomes an important factor because it can cause a human's action in order to be a willingness to work harder, more enthusiastic, and nimble in achieving the optimal result (Hasibuan, 2017). Motivation can also be defined as a push which causes individuals to behave, maintain, and control the activities and determines the path that someone will go through (Thoha, 2016).

2.4 Situational Leadership Style

Leadership is a most wanted commodity and has high value. Human keeps asking on themselves about what makes an individual a leader. A number of researchers make a concept about leadership as the trait or behavior, meanwhile, others see leadership from the perspective of managing the information from a relationship point of view. Definition of leadership has appeared at the beginning of the 90th century when that time leadership style more emphasized on the control and centralization of power with the general theme was domination.

According to More (1927), the ability in suppresses leaders' desires towards individuals led and propel the award, obedience, loyalty, and cooperation, this is the definition of leadership. A leader can also be defined as the individuals' behavior when leading a group activity (Hemphill, 1949). Copeland in Northouse (2013) states that at the same time, leadership with persuasion is differed by the behaviors and method in supervising someone or leaders through coercion. While Burns (1978) states that leadership is a reciprocal mobilization by some individuals with motives and certain values, politics, and various sources of economic endurance, and so on, in the context of competition and conflict, to realize the purpose owned independently or together by the leaders or followers.

Leadership can be defined as the process in which individuals influence certain population or among individuals to achieve goals together (Northouse: 6, 2013). Leaders are individuals which can influence other individuals and have managerial authority, while the influenced group for achieving certain goals are a form of leadership and goals' achievement (Robbins, 2016). This is the angle where someone needs a leadership style in leading their group. Through suitable leadership style, then with the characteristics of a leader, then the company effort in improving employees performance can be achieved.

A further approach can be described in the model developed by Blanchard (1993) which is called a situational leadership model. This model is the elaboration of the situational leadership model at the beginning of its development by Blanchard (1993).

2.5 The Research Conceptual Framework

The relationship among variables is explained as in Figure 1 below.

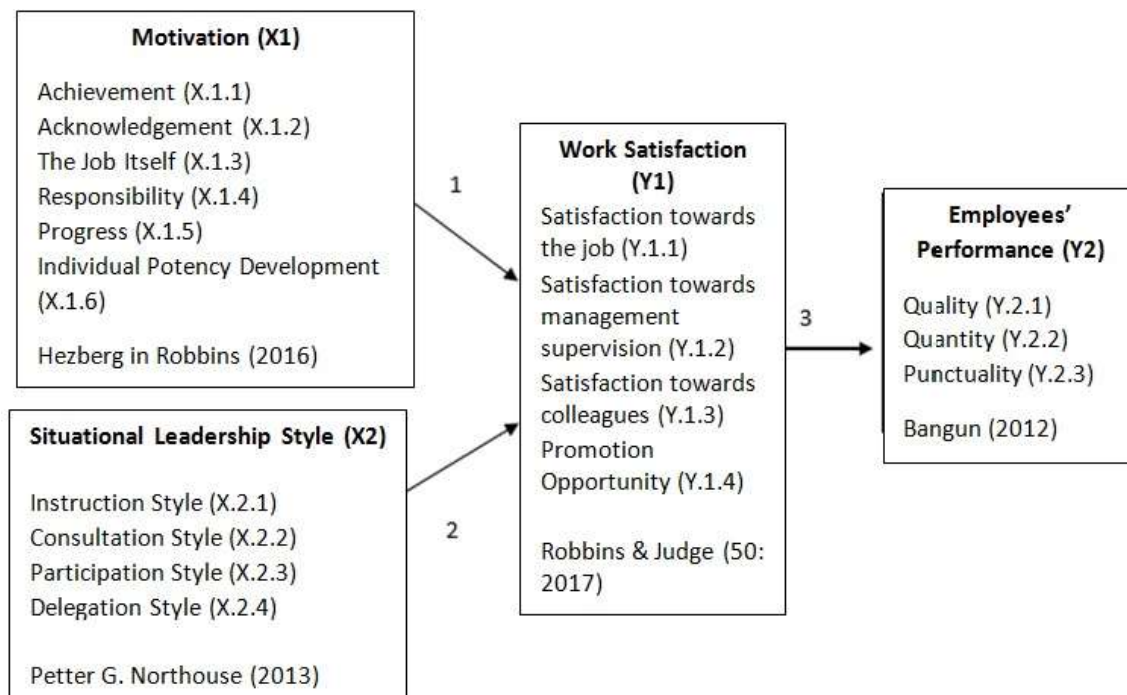


Figure 1. The Research Conceptual Framework

The research hypothesis; Motivation and Situational Leadership Style have a significant effect on employees' performance through Work Satisfaction.

3 METHOD

This research employed associative research method which has a purpose to know the correlation between two variables or more than that, with a function to explain a symptom in the research (Siregar, 2017) by using the correlational quantitative approach with explanatory survey method. In this research, the correlation between motivation and situational leadership towards employees' work satisfaction, then employees' work satisfaction will be linked to employees' performance.

This research was conducted at the developer company in East Java in the field of consultation and management services. This research is expected to give positive impact in the form of information about Human Resources management in the field of construction service, consultant, and education, especially the employees' performance at the company in its relation to leadership style, work motivation, and work satisfaction. The population in this research were all employees and management. Samples in this research were conducted by taking all members of the population in the amount of 71 respondents.

The technique of data analysis was Structural Equation Modeling (SEM). It is a combination of factor analysis, regression, and path analysis. At the structural equation modeling, testing can be done to determine the value among exogenous and endogenous variables.

4 RESULTS

This regression analysis is used to know the level of effect value among independent variables such as motivation, leadership style, towards dependent variable which is work satisfaction, obtained the correlational model as follows:

Table 1. Regression Equation

Independent Variable	Unstandardized`coef		Standardized`coef	t	Sig
	B	Std Error	Beta		
1 (constant)	16,322	6.,17		2,544	0,013
X ₁	0,134	0,065	0,212	2,067	0,043
X ₂	0,489	0,090	0,559	5,445	0,000

Based on Table 1, multiple regression equation formed is as follows:

$$Y_1 = 16,322 + 0,134 X_1 + 0,489 X_2$$

Work satisfaction shows enhancement in the amount of 0,134 unit for each addition of one unit of X1 (motivation). Until if motivation shows enhancement 1 unit, then employees’ work satisfaction shows an increase in the amount of 0.134. The level of value with estimation assumption other variables are at a constant value.

Employees’ work satisfaction shows an increase in the amount of 0.489 unit for each addition of one unit of X2 (Leadership Style), thus if Leadership Style shows increase 1 unit, then employees’ work satisfaction shows increase in the amount of 0.489, the level of value and assumption of other variables are at constant value.

The results of the analysis between Variable Y1 towards Y2.

Table 2. Regression Equation

Independent Variable	Unstandardized coef		Standardized coef	t	Sig
	B	Std Error	Beta		
1 (constant)	12.347	5.701		2.166	.034
Y ₁	.604	.089	.633	6.790	.000

Performance shows an increase in the amount of 0.604 unit for each addition of one unit of Work Performance, until if motivation shows 1 unit of increase, then employees’ work satisfaction shows an increase in the amount of 0.604.

4.3 Research Hypothesis

There are two results of the hypothesis test which are described in the conceptual framework as follows:

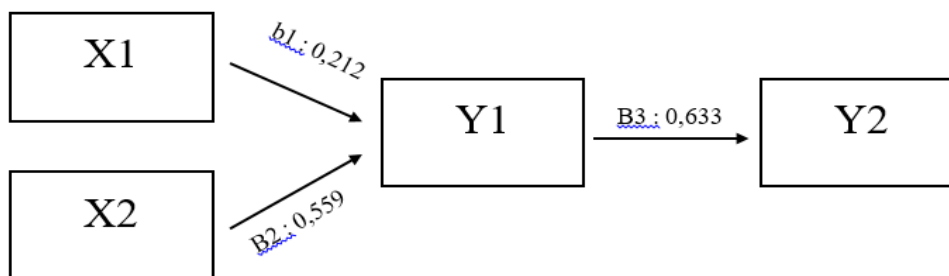


Figure 9 : Results of Hypothesis Test (Arranged, 2019)

The first hypothesis test. The statement of research first hypothesis is X1 and X2 have significant effect towards Y1 at developer company in East Java. The results of t-test between X1 (motivation) and Y1 (work satisfaction) shows t count = 2,067 T table ($\alpha = 0,05$; db residual = 68) is in the amount of 1,995. Because t count > t table which is 2,067 > 1,995 or degree of sig t (0,043) < $\alpha = 0,05$ then the effect of X1 (motivation) towards work satisfaction (Y1) is real. Until Ho is rejected and Ha is accepted and it can be concluded that work performance (Y1) can be caused by work motivation or by increasing work motivation then work satisfaction (Y1) will show the real increase.

T-test among X2 (leadership style) and work satisfaction (Y1) shows t count = 5,445 T table ($\alpha = 0,05$; db residual = 68) is in the amount of 1,995 or the degree of sig t (0,000) < $\alpha = 0,05$ thus the effect of X₂ (leadership style) towards work satisfaction (Y1) is real. Until Ho is rejected and Ha is accepted and it can be concluded that work satisfaction (Y1) of the employees can be caused by X2 (situational leadership style) or by increasing X2 (situational leadership style) then work satisfaction (Y1) will show the real increase.

Based on this result, then it can be concluded that independent variable X1 (motivation) and X2 (situational leadership style) have a real effect on work satisfaction (Y1) altogether or by itself. It can be said that this proves the most absolute independent variable which has an effect towards work satisfaction (Y1) is X2 (leadership style) because it has a beta coefficient level in the amount of 0.559 and a very high t count.

The second hypothesis test. This regression analysis is used to know the level of effect value among independent variables; such as work satisfaction (Y1) towards dependent variable employees’ performance (Y2). The result of t-test between Y1 (work satisfaction) and employees’ performance (Y2) shows t-count = 6,586 t-table ($\alpha = 0,00$; db residual = 69) is in the amount of 1,994. Because t-count > t-table is 6,586 > 1,994 or sig t (0,000) < $\alpha = 0,05$ then the effect of variable Y1 (work satisfaction) towards variable employees’ performance (Y2) is significant. Until Ho is rejected and Ha is accepted and it can be concluded that work satisfaction (Y1) has significant effect towards employees’ performance (Y2) or by increasing work satisfaction (Y1) of the employees then their performance (Y2) will show the significant improvement.

Based on this result, it can be concluded that independent variable work satisfaction (Y1) of the employees has a real effect on employees’ performance (Y2). It can be said that this case proves independent variable work satisfaction (Y1) has an

effect towards employees' performance (Y2) because it has a beta coefficient level in the amount of 0,633 and an extremely high t-count.

4.4 The Result of Direct and Indirect Effect

There are two paths in this research in order to know which variable gives a significant effect on work performance through work satisfaction. These paths are listed in the following table:

Table 2. Direct and Indirect Effect

Variables	Direct Effect	Indirect Effect
$X_1 \rightarrow Y_1 \rightarrow Y_2$	-	0,134
$X_2 \rightarrow Y_1 \rightarrow Y_2$	-	0,347

In table 2, it is found out that the value of indirect effect from variable X1 towards Y2 through Y1 is in the amount of 0.134 and indirect effect from variable X2 towards Y2 through Y1 is in the amount of 0.354. This shows that the finding of the path which has the most effect in this research obtained at the path of variable X2 which is Situational Leadership Style towards Y2 which is Employees' performance through Y1 which is Work Satisfaction supported by the value of indirect effect in the amount of 0.354.

5 DISCUSSION

The right motivation will affect work satisfaction done by employees nowadays, good communication between the company management and the employees are support for creating employees' satisfaction with their job. The challenge of job given by the leaders to their employees can be accepted well in which they are enthusiastic with the job they do. Good motivation can optimize the work satisfaction of each individual in the company until it can create a positive situation at work. The manager who gives positive support to the ability owned by each employee will generate pride in the employee when they work. This is because communication is intertwined well. Motivation given by leaders in the case of scope in working will create satisfaction in the form of kinship situation at work can be guided well. This makes motivation as the factor which can optimize work satisfaction. According to George and Jones (2002), motivation is behavior which is created for one own importance such as giving the feeling of achievement. Motivation if connected to the hierarchy of human needs, then it relates to higher needs. The work value which relates to the job itself is called intrinsic value. It covers interest towards job, responsibility, making an important contribution, ready for work challenge given by the company, learning new things, utilizing creative work potency, and autonomy (Riniwati, p.199: 2016).

Effective implementation of situational leadership which occurs at Developer Company in East Java can improve work satisfaction for their employees. The indicator of leadership style which gives great contribution for work satisfaction is the instructional style reflected from the management always gives clear and resolute so that the job can be completed on time (Northouse, 2013). A leader can also be defined as a group approach which emerges to the front with the leadership which is defined as the behavior of an individual when leading group activities. The satisfaction will be achieved positively if leaders give the right style in each instruction to each employee. In a company, the leadership style of a leader gives direction to the employees in order to achieve employees' satisfaction until the company achievement can be more optimal from time to time. This is in line with the research by Roy Rajendra Natta who says that situational leadership style has a significant effect on work satisfaction.

Work satisfaction is effective for improving performance. The company commitment to employees' satisfaction is in the form of promotion, giving positive thing until the employees become more competitive in generating an optimal result. Employees' reliability factor can solve the job according to the time determined even the job is at a deadlock in the finishing process, it is the factor of an individual's success in maximizing the existed potency. This is a positive impact on employees' satisfaction. This is reflected where the work situation is comfortable, positive, the colleagues always give support in the form of suggestion and feedback. These give satisfaction to employees when they work. Hasibuan (2017) explains that if work satisfaction is an emotional attitude which is fun and love what they do. This statement is reflected by the work morale, achievement, and discipline. This is enjoyed by the employees in their work, outside work, and also there is a combination between both of them. This implies that satisfaction will have an effect towards performance if satisfaction obtained by employees from their job s because there is suitability between what is expected and what is accepted and it can propel the employees to work more optimally.

6 CONCLUSION AND SUGGESTION

6.3 Conclusion

The result of the descriptive analysis shows that motivation is formed by achievement, ability, work itself, responsibility, progress, and development of an individual's potency. The main thing which builds motivation is responsibility and achievement reflected from the managers who always give rewards to the subordinates who can show work achievement, and communication to the managers if they do not really understand the job given to them. Situational leadership style is formed through instruction style, consultation style, participation style, and delegation style. The main thing which builds a situational leadership style is instruction style reflected from the managers who always give clear and resolute instruction so that the job can be completed on time. Work satisfaction is formed by supervision satisfaction, job satisfaction, and promotion satisfaction. The main thing which builds work satisfaction promotion satisfaction which is reflected from objective assessment by the company in the promotion, in which the leaders assess the employee based on the potency and no discrimination. The employees' performance is formed by quantity, quality, and punctuality. The main thing which builds employees' performance is the quality which is reflected in the employees' when they complete their job based on the instruction given, and with the ability, they possess nowadays, and they can solve and complete the job well.

Motivation and Situational Leadership Style has an effect towards work performance through work satisfaction at Developer Company in East Java, which means, the better work satisfaction in a company, then it will give more optimal work, supported by the right motivation and good situational leadership style for generating the satisfaction.

Situational Leadership Style has a dominant effect towards performance through work satisfaction at Developer Company in East Java, and it can be concluded that Situational Leadership Style becomes the main consideration in improving the performance through work satisfaction.

6.4 Suggestions

A leader should give motivation. A leader should give more improvement on the factor which helps employees to develop in developing their skill during working and maintain the factors which give responsibility and appreciation in the form of achievement.

Company management should maintain situational leadership style with indicator instruction nowadays which is the clearness in giving instruction, because the business nowadays needs more leadership style compared to giving just motivation to employees, by the existence of instruction from the manager directly, it generates work satisfaction, therefore the performance in the company can be more optimal until the vision and mission of the company can be achieved more optimal in its implementation. By using situational leadership style, it is expected that leaders consider the usage of motivation because this is less optimal in the company implementation.

The future research is expected to conduct development on the research by using other independent variables such as work rotation, organizational culture, work placement, organization climate, or the variable which can give better effect towards employees' performance through work satisfaction.

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