Analysis of Communication and Leadership Style on Employee Loyalty and Performance

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Abstract: The article Effects of Communication and Leadership Style on Employee Loyalty and Performance is a scientific literature study within the scope of Human Resource Management science. This article aims to build a research hypothesis on the influence between variables, which can later use in further research. In addition, this study aims to see the effect of communication within the organization and leadership style on employee loyalty and performance. Research objects in online libraries, Google Scholar, Mendeley and other academic online media. A descriptive qualitative method, library research, from e-books and open access e-journals. Sourced from previous research that is relevant to this research. The results of this article are: 1) Communication affects Employee Loyalty; 2) Leadership Style influences Employee Loyalty; 3) Communication has an effect on Employee Loyalty; 4) Leadership Style influences Employee Performance; and 5) Employee Loyalty influences Employee Performance.

Keywords: Communication, Leadership Style, Employee Loyalty, Employee Performance

INTRODUCTION  
In an organization or the world of work, interactions between fellow workers are inseparable, especially in the industrial era 4.0, which still relies on humans to control the workflow in companies. In addition, this is the era where generation Z has begun to dominate the world of work with a background of liking instant jobs and the ease of obtaining and capturing information. Therefore, an organization or company must pay attention to its employees who currently dominate the company. Company leaders who have the power to determine policies must be able to make policies that positively impact their employees. Where generation Z is the generation that grew up when the development of technology, information, the internet and social media developed rapidly. So that they are considered more knowledgeable in interacting in the digital era and can easily find relationships with other people.

Relevant to the characteristics of generation Z, namely: a) Likes to collaborate in doing a job; 2) Flexible, meaning fits into any work situation; 3) Like challenges; 4) Like virtual
communication, and 5) Proficient in technology. Therefore, the Z generation has more valuable advantages than the previous generation. However, Generation Z has disadvantages in working; they are mostly considered not resilient, have much turnover and have low work motivation. Not resilient means easily giving up when given a workload by superiors and quickly becoming bored with work resulting in low turnover and work reason because it is only oriented towards salary, not loyalty.

Based on the background of the problems above, the researcher determines the formulation of the problem as follows:
1. Does Communication affect Employee Loyalty?.
2. Does Leadership Style affect Employee Loyalty?.
3. Does Communication affect Employee Performance?.
4. Does Leadership Style affect Employee Performance?.
5. Does Employee Loyalty affect Employee Performance?.

**LITERATURE REVIEW**

**Employee Loyalty**

Employee loyalty is a form of employee loyalty that can be seen in how an employee defends the company or organization both inside and outside the company. Employee loyalty is employees who feel satisfied and behave loyally when they know the company or organization. Employee loyalty is a form of loyalty of an individual employee to an organization or company where they work. Employee loyalty indicators include 1) Obedience, 2) Dedication, and 3) Initiative (Tamba, Pio, & Sambul, 2018).

**Employee Performance**

Employee performance results from an employee's work that has been achieved and carries out their duties according to the responsibilities given. Employee performance is the result of a person's work as a whole which is shown by relevant and concrete evidence. Employee performance results from specific work processes that are carried out in a planned manner. Employee performance indicators include 1) Quality of work, 2) Working quantity, and 3) Responsibility (Alromaihi, Alshomaly, & George, 2017).

**Communication**

Communication is the process of exchanging information between an individual to another individual. Communication is the art of conveying ideas, information and attitudes to others. Communication is a process of interacting between individuals using verbal or non-verbal. Communication indicators include: 1) Fill in the blanks, 2) Delivery method, and 3) Message source (Saputra, 2021).

**Leadership Style**

Leadership style is a way that a leader influences his subordinates to achieve organizational or company goals that have been planned. Leadership style is a behaviour or behaviour that a corporate leader usually does. Leadership style is a person's ability to influence others or groups to achieve a goal. Leadership style indicators include 1) being Able to motivate, 2) being Able to make decisions, and 3) being able to create a healthy work environment (Saputra & Mahaputra, 2022b).
Table 1. Previous Research

<table>
<thead>
<tr>
<th>No</th>
<th>Author (Year)</th>
<th>Previous Research Results</th>
<th>Similarities with this article</th>
<th>Difference with this article</th>
<th>Basic Hypothesis</th>
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<tr>
<td>1</td>
<td>(Sudiantini &amp; Saputra, 2022)</td>
<td>Leadership Style influences Job Satisfaction, Employee Loyalty and Commitment</td>
<td>Leadership Style influences Employee Loyalty</td>
<td>Leadership Style influences Job Satisfaction and Employee Commitment</td>
<td>H2</td>
</tr>
<tr>
<td>2</td>
<td>(Lantu &amp; Irfana, 2019)</td>
<td>Leadership and Job Satisfaction affect Teacher Performance</td>
<td>Leadership Style influences Employee Performance</td>
<td>Job Satisfaction affects Employee Performance</td>
<td>H2</td>
</tr>
<tr>
<td>3</td>
<td>(Ansen, 2013)</td>
<td>Organizational communication influences organizational performance</td>
<td>Communication affects Employee Performance</td>
<td>There are differences in Organizational Performance variables</td>
<td>H3</td>
</tr>
<tr>
<td>4</td>
<td>(Paijan &amp; Ali, 2017)</td>
<td>Leadership style and training influence work motivation and performance of teaching staff at Mercu Buana University, Jakarta</td>
<td>Leadership style influences employee performance</td>
<td>Training affects work motivation</td>
<td>H4</td>
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<td>5</td>
<td>(Rahayuni, 2020)</td>
<td>Communication, work environment, and organizational commitment affect the work loyalty of employees at the Community and Village Empowerment Service in Aceh Taming Regency.</td>
<td>Communication affects employee loyalty</td>
<td>Work environment and organizational commitment affect employee loyalty</td>
<td>H1</td>
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<tr>
<td>6</td>
<td>(Tamba et al., 2018)</td>
<td>Work discipline and employee loyalty affect employee performance at PT Columbindo Perdana Manado Branch</td>
<td>Employee loyalty affects employee performance</td>
<td>Work discipline affects the performance of employees at PT Columbindo Perdana Manado Branch</td>
<td>H5</td>
</tr>
</tbody>
</table>

**METHODS**

The research method used is the descriptive qualitative method. The research was conducted by presenting previous studies that were relevant to the discussion of this research. Qualitative research methods are usually used to explore a phenomenon that occurs. Humanities, social and religious academics more commonly use qualitative research methods (Ali, H., & Limakrisna, 2013).

**RESULT AND DISCUSSION**

Based on the background, problem formulation and literature review above, the discussion of this research is determined as follows:

1. **Communication affects on Employee Loyalty**

   Communication influences employee loyalty, so what an organization or company must do is 1) Message content: communicate meaningfully and has meaning and purpose so that communication can run effectively; 2) Method of delivery: communication must be done well so that the opponent who listens feels comfortable; and 3) Message source: communication contains information that is useful in making decisions; therefore a communication or message must come from a credible or accountable source (Saputra, 2021).
Suppose a company or organization can apply and pay attention to the contents of the message, the method of delivery and the message's source in communication. In that case, it will affect employee loyalty which includes: 1) Compliance: means that employees will comply if they receive messages communicated by co-workers or superiors, thus carrying out work as instructed; 2) Dedication: employees will be dedicated because good communication will create a sense of kinship in the work environment, and 3) Initiative: is the result of good communication that will have an impact on employee initiative so that superiors or co-workers do not always order someone to work according to existing policies (Saputra & Sumantyo, 2022).

2. Leadership Style affects on Employee Loyalty

   Leadership style influences employee loyalty, so what an organization or company that a leader leads must do is: 1) Be able to motivate: is a form of encouragement to increase employee morale; 2) Being able to make decisions: is a form of embodiment of the capability of a leader whose policies will impact the company and of course the employees; and 3) Creating a healthy work environment: meaning that a leader must create a good work environment, treat all employees well regardless of their physique, status and so on, provide obligations following predetermined job descriptions and provide company obligations to employees (Hasyim & Ali, 2022).

   If a leader of an organization or company can provide motivation, be able to make decisions and create a healthy work environment, then it will affect employee loyalty which includes: 1) Compliance: is a form of respect for the leader's leadership style; 2) Dedication: is a form of loyalty to superiors by giving the best and willing to sacrifice for superiors; and 3) Initiative: with the encouragement given by superiors, initiatives will emerge which are forms of action carried out without any orders or instructions from other people or colleagues (Agussalim, Ndraha, & Ali, 2020).

3. Communication affects on Employee Performance

   Communication affects employee performance, so what an organization or company must do is: 1) Message content: communicate meaningfully and has meaning and purpose so that communication can run effectively; 2) Method of delivery: communication must be done well so that the opponent who listens feels comfortable; and 3) Message source: communication contains information that is useful in making decisions. Therefore a communication or message must come from a credible or accountable source (Mappesona, Ikhsani, & Ali, 2020).

   If an organization or company can implement good communication with its employees or employees, it will affect employee performance: 1) Quality of work: is the result of the work carried out by employees meeting predetermined standards; 2) Quantity of work: is the number of products produced by employees where they work; and 3) Responsibility: having a high responsibility for their work (Ridwan, Mulyani, & Ali, 2020).

4. Leadership Style affects Employee Performance

   Leadership style influences employee performance, so what a company leader or company management must do is: 1) Be able to motivate employees or subordinates; 2) Able to make decisions or make policies; and 3) Create a healthy work environment: meaning that all employees do work according to their workload, both when they are not supervised or supervised by superiors (Ashshidiqy & Ali, 2019).

   Suppose an organization leader or a company can motivate, be able to make decisions and create a healthy work environment. In that case, it will affect employee performance which includes: 1) Quality of work: leaders who always provide direction will increase employee
awareness to maintain product quality or the services they make or offer; 2) Quantity: with decisions that can be made correctly by superiors, the number of employees will have an impact; and 3) Responsibility: if the leader has a good leadership style, then employees will respect and want to work well following their responsibilities so that the leadership style will affect the performance of employees (Sutiksno, S. D. U., Rufaidah, P., Ali, H., & Souisa, 2017).

5. Employee Loyalty affect Employee Performance

Employee loyalty affects employee performance, so what every company has to do is increase or create factors that affect employee loyalty, which includes: 1) Work facilities: are facilities that are useful to support employee performance; 2) Benefits: a form of incentive to support health services and employee welfare; and 3) Wages: is a form of obligation that the company must give to employees (Ali, Hadibrata, & Buchori, 2016).

If a company can provide work facilities, benefits and wages, it will affect employee performance which includes: 1) Quality of work: the least number of rejected goods produced by employees; 2) Quantity: the number of products that can be produced by employees or can meet production targets; and 3) Responsibility: able to carry out all the responsibilities given (Suharyono & Ali, 2015).

Conceptual Framework

Based on the background of the problem and the formulation of the problem, the conceptual framework is determined as follows:

This article discusses the Influence of Communication and Leadership Style on Employee Loyalty and Performance. Other factors influence employee loyalty and performance, including salary, besides communication and leadership style:
3) Salary: (Arifudin, 2019), (Andini, 2010), (Arifudin, 2019), (Haitao, 2022)

CONCLUSION

Based on the background of the problem, the formulation of the problem and the discussion above, the conclusions of this study are as follows:
2. Leadership Style affects Employee Performance.
4. Leadership Style affects Employee Performance.
5. Employee Loyalty affects Employee Performance.

REFERENCES


