The Effect of Leadership Style and Work Motivation on Employee Performance PT Permodalan Nasional Madani Lampung Branch

Deden Yoga Nugraha\(^1\)*, Agus Salim\(^2\)
\(^1\)Graduate School of Asia Banking, Finance and Informatics Institute Perbanas Jakarta
\(^2\)Graduate School of Asia Banking, Finance and Informatics Institute Perbanas Jakarta

*Corresponding Author: dedenyoga13.dyn@gmail.com

**Abstract:** The purpose of this study was to analyse the effect of work motivation and leadership style on employee performance (PT. Permodalan Nasional Madani Lampung Branch) partially. The sampling technique used was purposive sampling technique in which a total of 131 employees were sampled. Data collection techniques using questionnaires and interviews. This research uses qualitative descriptive techniques with data analysis techniques using multiple linear analysis and classical assumption tests. Data processing using SPSS software version 24. The results obtained found a significant effect on work motivation variables on employee performance. Different results showed no significant effect of leadership style variables on employee performance.

**Keywords:** Leadership Style, Motivation

**INTRODUCTION**

Every business or company is expected to make the most of its resources or have the ability to create a competitive advantage through effective and efficient management and coordination of human resources.

Company employees, or employees who can be managed properly and correctly, bring benefits to the company, namely, successfully implementing the company's vision and mission, generating financial benefits according to goals, and increasing the company's market share compared to competitors. On the contrary, if a company makes mistakes in employee management and leadership, then one of the consequences is that employee performance becomes less than optimal and optimal.

Employee performance is the result of work carried out by employees in the organisation to achieve goals based on standards or measures and time depending on the type of work, in accordance with established standards and ethical principles (Supardi, 2019). Human performance is an important aspect for companies because it can affect the achievement of company goals and progress to survive in global competition that often changes or is...
unstable. According to Wirawan, there are several variables that can affect employee performance (2019: 23), namely management style and employee motivation. Meanwhile, according to Kadarisman (2020: 26) also shows that work motivation is a driving force or motivator for someone who wants to behave and work carefully and correctly in accordance with the duties and responsibilities assigned to him. Employees’ enthusiasm for their work affects the results. Employees who are hardworking, diligent and serious in their work tend to be good. This is in accordance with the results of research by Guterres and Supartha (2021: 29), showing that work motivation has a positive and significant effect on teacher effectiveness. This means that the higher the teacher's motivation, the better his performance will be.

Employees who have a good leadership style and work motivation will have good performance too. Good employee performance has been created in the employees of PT Permodalan Nasional Madani Lampung branch, with an increase in the number of customers every year. However, on the other hand, employees of PT Permodalan Nasional Madani Lampung branch still need attention regarding leadership style and work motivation which need to be improved.

Leadership is a process to influence others both within the organisation and outside the organisation to achieve the desired goals in a particular situation and condition. The influencing process often involves various powers such as threats, rewards, authority and persuasion (Rivai and Mulyadi, 2019: 23). Leadership at PT Permodalan Nasional Madani (Persero) is felt to be less effective because of the lack of supervision of subordinates, allowing employees to take actions that do not support the achievement of company goals and in sanctioning subordinates, leaders are not fully assertive in carrying out the rules.

Mc Lean in Mayliana and Sofyan (2019), states that motivation is all the reason behind why we behave as we do and revolves around intentionality. This definition can be interpreted that motivation is the reason a person behaves and everything around him intentionally. Meanwhile, according to Mc. Donald in Wiludjeng and Pramadika (2019) states that motivation is an energy change in a (personal) person who is characterized by the onset of feelings and reactions to achieve the goal.

This can be seen based on the following table of PT Permodalan Nasional Madani's current year (2022) report:

<table>
<thead>
<tr>
<th>No</th>
<th>Tahun</th>
<th>Nominal Pengembalian (Rp)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2020</td>
<td>1,259,105,270.346</td>
</tr>
<tr>
<td>2</td>
<td>2021</td>
<td>674,515,381.879</td>
</tr>
<tr>
<td>3</td>
<td>2022</td>
<td>583,148,721.000</td>
</tr>
</tbody>
</table>

Source: PT. Permodalan Nasional Madani Cabang Lampung (2023)

Based on the table above, it shows that the rapid development of the financial business forces every financial company to improve its performance in order to continue to survive in the context of increasingly fierce competition. As with one of the financial companies, PT Permodalan Nasional Madani, this company continues to strive to improve the performance of its employees to achieve company goals, because it can be seen from the level of decline in 2022.

The management of human resources in the subsidiary of PT Permodalan Nasional Madani Lampung is not yet fully optimal. This includes employees who are late for work and
lazy, employees who do not come to work, do not complete their tasks on time, which leads to decreased employee performance due to poor application of employee motivation and management style. Poor performance is also influenced by many other things such as: E.g. too many tasks, pressure and demands for maximum results, which sometimes force employees to work overtime. The role and leadership style of the leader is very important to maximise employee performance.

The management of the existing human resources of PT Permodalan Nasional Madani Lampung branch has not been fully optimised, among others, there are employees who are late for work and lazy, employees who do not come to work, are not on time in completing their duties, resulting in decreased employee performance which is caused by employee motivation and leadership styles that have not been maximally applied. A number of other problems also contribute to low performance, such as the number of tasks, pressure and demands for maximum results which sometimes force employees to work harder. The role of leaders and leadership styles is very important in helping employee performance to achieve maximum performance.

The study aims to analyse whether to analyse the effect of work motivation on performance in employees. Permodalan Nasional Madani Lampung Branch partially, as well as to analyse the effect of leadership style on performance in employees. Permodalan Nasional Madani Lampung Branch partially.

LITERATURE REVIEW

Work Motivation

Motivation is something contained within a person to complete an activity or work. However, this motivation is divided into two, namely motivation that comes from within and from outside the individual.

Work motivation can be defined as everything that comes from desires and desires within a person, which can influence and direct a person's behaviour to achieve goals or desires in accordance with their work (Maruli, 2020: 58).

Work motivation that is based on the wrong reasons and principles will result in losses for both individuals and organisations, meaning that work motivation must come from a good personality or personality (Ferdinand, 2020: 3).

Furthermore (Pratiwi, 2019: 97) states "Work motivation is a set of energetic forces that come from inside and outside the individual, to initiate work-related behaviour in both form, direction, intensity, and duration.", and as for the source of motivation according to (Pratiwi, 2019: 101) states that there are two groups of motivation, namely innate motives and learned motives. Motivation is divided into two categories, namely: (1) Intrinsic factors and (2) Extrinsic factors.

From the above definition, it can be concluded that motivation is the power or drive that exists in a person to carry out activities, which is marked by the emergence of a desire to work, which can affect their behaviour to achieve certain goals.

Leadership Style

Since leadership is essential to the development of an organisation, without good management it is difficult to achieve company goals. A leader must consider the way they lead others. Leadership style refers to how a leader carries out their leadership role as well as how it is perceived by those who try to lead them or who look on from the outside (Regina, 2019: 88).

However (Tompubolon, 2019: 65) leadership style can be defined as a strategy that a person uses to direct, influence, encourage, and control other people or subordinates so that they can work according to their conscience and with difficulty, and leadership style is also a
behaviour and strategy resulting from a combination of philosophies, skills, characteristics, and attitudes that are often used by leaders to influence the performance of their subordinates.

A person's ability to influence, motivate, and enable others to participate in the success and effectiveness of the organisation is known as leadership (Yuki, 2019: 90). Therefore, it can be said that leadership is the way a person influences and motivates others so that they are willing to make a good contribution to the success of the organisation.

Leadership style is the standard of behaviour that a person adopts when trying to influence the behaviour of others. There are two extreme categories of leadership styles, namely autocratic leadership style and democratic leadership style. A style that is based on the authority of the position and the use of authority is considered an autocratic leadership style. In other words, a manager or administrator who has power or authority can be used as a reference or tool for decision-making or in matters relating to company policy. Meanwhile, democratic leadership style refers to personal power or ability and follower involvement in problem solving and decision making or company politics. (Kartono, 2020: 19) states that there are several indicators in a leadership style, including: (1) Character (2) Habit (3) Temperament (4) Personality.

**Employee Performance**

According to Nawawi (2020: 22), performance is the work achieved by a person in carrying out the tasks assigned to him based on skills, experience, seriousness, and time. Nawawi (2020: 67) states that communication effectiveness performance can be seen from two perspectives:

a) Process orientation, which relates to the effectiveness and efficiency of work implementation from the point of view of working methods, namely easy/not difficult, using little energy and thought (light), efficient, timely or fast, saving materials, and low cost.

b) Result orientation, through the process as above, products that meet the requirements of high productivity in terms of quantity and quality in accordance with customer desires.

Hasibuan (2019: 117) also wrote the definition of performance, namely: "Performance is the same as performance is a result of the work achieved by a person in carrying out his duties based on ability, skill, knowledge and effort and opportunity". So performance is a person's action in doing something that is desired with certain results. This clearly requires mental, physical abilities, goals and good insight into the programmes implemented as a whole in carrying out their duties and responsibilities.

According to (Dessler, 2019: 203) factors that affect employee performance are ability, motivation, attitude, interest and acceptance of people towards the work they are responsible for. Other factors that affect employee performance are non-physical factors, such as the work climate which involves comfort and job satisfaction, interpersonal relationships in the workplace and ability to work, as well as the effectiveness of physical communication such as the completeness of office facilities and layout. Performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him (Mangkunegara, 2019: 105).

According to the opinion of Robbins (2019: 218), the level of performance of an employee is influenced by two components, the employee's ability to perform and employee motivation. Employee skills, such as education, knowledge, and experience, affect how an employee works; higher skills usually result in better performance. Indicators include: (1) Quality (2) Quantity (3) Punctuality (4) Effectiveness and (5) Independence.

In addition, performance is defined as the results achieved by a person in carrying out the tasks assigned to him, which is based on time, sincerity, skill, and experience. Three
important factors are recognised as performance: a worker’s ability and interest; ability and acceptance of task delegation explanations; and the role and level of motivation. Employee performance is positively correlated with the three factors above (Hasibuan, 2020: 119).

Based on some of the empirical research results above, the hypothesis of this study is as follows:

1) **The influence of Work Motivation Variables (X1) on Employee Performance (Y)**

   Work motivation can be defined as everything that comes from desires and desires within a person that can influence and direct behaviour to achieve goals or desires that are in accordance with their work (Maruli, 2020: 58). Previous research by Marco C. Kumar (2021) found that motivation affects employee performance at the Cultural Value Preservation Centre of North Sulawesi Province partially and significantly.

Based on some of the empirical research results above, the hypothesis of this study is as follows:

2) **The Influence of Leadership Style Variables (X2) on Employee Performance (Y)**

   Leadership style is how a leader carries out his leadership duties and how he is seen by those he is trying to lead or people from outside (Regina, 2019: 88). A better leadership style will have an impact on employee performance.

   Previous studies by Munawar (2019) show that leadership style does not have a significant or positive impact on employee performance variables at PDAM Tirtanadi Tuasan Medan Branch. In contrast to previous research conducted by C. Kumar (2021) that leadership has a positive and significant influence on employee performance variables at the Balai Pelestarian Nilai Budaya Provinsi Utara Sulawesi.

   Based on several opinions above, the researcher hypothesizes the influence of work motivation and leadership style on employee performance, so this framework is trimmed as follows:

![Figure 1. Thinking Framework](https://example.com/framework.png)

**RESEARCH METHODOLOGY**

This type of research is field research, namely direct observation of the object under study in order to obtain relevant data. This research includes quantitative research where researchers can determine only a few variables from the object under study and then can make instruments to measure them (Sugiyono, 2019: 17).

The data sources used in this study are primary data and secondary data. Primary data is a source of research data obtained directly from the original source, namely the total number of employees of PT Permodalan Nasional Madani Lampung Branch. To obtain this data the researcher used a questionnaire.
The population in this study was the total number of employees of PT Permodalan Nasional Madani Lampung Branch, totalling 196 people. In this study the authors used probability sampling technique with accidental sampling method, which is a sampling technique based on characteristics, by distributing questionnaires to respondents who are considered suitable for research data. Based on the Slovin formula, the number of samples can be calculated as follows:

**Data collection technique**

The data collection method in this study was carried out by means of:

**Questionnaire**

The survey method is a series or list of questions that are systematically arranged and then sent to respondents to be completed. After the questionnaire is filled in, it is sent back or returned to the case worker or researcher (Bungin, 2019: 34). The questionnaire for this study was given to a sample of employees of PT Permodalan Nasional Madani Lampung Branch, totalling 131 respondents. During the research implementation, the researcher distributed questionnaires to the staff of PT Permodalan Nasional Madani Lampung Branch to be filled in and returned to the researcher. The questionnaire used here is a closed model because the answers are predetermined and the measurement uses a Likert scale.

**Interview**

Interview or survey is a process of collecting information for researchers through face-to-face question and answer between the interviewer and the respondent, either with or without the help of an interview guide (Arikunto, 2020: 76). Researchers interviewed branch heads and staff at PT Permodalan Nasional Madani Lampung Branch.

**Data Analysis Method**

The data analysis method used in this research is quantitative analysis method. Activities in data analysis are grouping data based on variables and types of respondents, tabulating data based on variables and all respondents, presenting data for each variable studied, performing calculations to test hypotheses that have been proposed.

**Validity and Reliability Test**

**Validity Test**

The validity test is used to measure whether a questionnaire is valid or not. A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire (Ghozali, 2019: 77).

**Reliability Test**

Reliability test is a tool for measuring a questionnaire which is an indicator of a variable or construct. A questionnaire is said to be reliable or reliable if someone's answer to a question is consistent or stable over time (Priyatno, 2020: 29).

**Classical Assumption Test**

In order to get a good regression, it must fulfil the assumptions required to meet the normality assumption test, free from multicollinearity and autocorrelation and heteroscedasticity tests.

**Multicollinearity Test**

The multicollinearity test is used to determine whether or not there is a deviation from the classic assumption of multicollinearity, namely the existence of a linear relationship between independent variables in the regression model (Priyatno, 2019: 90).
Autocorrelation Test
This test is carried out to test a model whether the confounding variables of each independent variable affect each other (Ghozali, 2020: 90). The prerequisite that must be met is the absence of autocorrelation in the regression model. The test method often used is the Durbin-Watson test (DW test). The Durbin-Watson statistical test value ranges between 0 and 4. As a general guideline, if the Durbin-Watson statistical test value is 3, then the residuals or errors of the multiple regression model do not occur autocorrelation (Mertha, 2020: 16).

Normality Test
Normality test is used to determine whether the data population is normally distributed or not (Setiawan, 2019: 56). The normality test aims to test whether in the regression model the dependent variable and the independent variable both have a normal distribution or not.

Heteroscedasticity Test
The heteroscedasticity test is used to determine whether or not there is a deviation from the classical assumption of heteroscedasticity, namely the existence of an inequality of variance from the residuals for all observations in the regression model.

Hypothesis Test
Multiple Linear Regression Test
To show how much influence the independent variables Work Motivation (X1) and Leadership Style (X2) have on the dependent variable Employee Performance to test the hypothesis, multiple linear regression analysis techniques are used. The regression equation used is as follows:
\[ Y = \alpha + b_1X_1 + b_2X_2 + \epsilon_i \]

Description:
Y = Employee Performance
X1 = Work Motivation
X2 = Leadership Style
b1,b2 = Multiple correlation coefficients
\( \epsilon_i = \) Standard error.

From the results of the model analysis, the regression coefficient parameters for each independent variable will be obtained. These parameters can be positive or negative. To test whether the independent variable has a significant effect or not on the dependent variable, a coefficient test is required.

Partial Test (t test)
This test is used to determine whether in the regression model the independent variable partially has a significant effect on the dependent variable.

RESULTS AND DISCUSSION
The t test was conducted to determine the effect of the independent variables on the dependent variable of the partial multiple regression equation. In addition, the regression coefficient is tested for validity and it is determined whether the regression coefficient obtained is significant. In addition, the testing procedure is as follows:

a) Determine Ha and H0
b) Find the t-count and determine the significance level of the test.

Find the t-table by searching at df (operational level of freedom) = n-k, with a significance level of 0.05 table, and using a two-tailed test table (\( \alpha \))/2 of 0.025. df (operational level of freedom) = n-k obtained from the t-table.
Based on the significance value or probability.

a) In cases where the probability is more than 0.05, H0 is accepted, indicating that the effect is not significant.

b) Conversely, if the probability is less than 0.05, H0 is rejected, which indicates that the effect is significant.

c) Comparing the t-count with the t-table, for each hypothesis. By using the SPSS 24 programme, the data is obtained as table 2 below:

<table>
<thead>
<tr>
<th>Coefficients¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>Motivasi Kerja (X1)</td>
</tr>
<tr>
<td>Gaya Kepemimpinan (X2)</td>
</tr>
</tbody>
</table>

¹ Dependent Variable: Kinerja Karyawan (Y)

1) From the results of the t test in the table above, it is known that the significant value for the effect of the Work Motivation variable (X1) on employee performance (Y) is 0.000 less than 0.05 and the calculated t value of 3.609 is greater than the t table of 1.288. So it can be concluded that H01 is accepted and Ha1 is accepted, meaning that the independent variable work motivation has a significant effect on employee performance at PT Permodalan Nasional Madani Lampung Branch.

2) The significant value of the influence of the leadership style variable (X2) on employee performance (Y) is 0.582, which is greater than 0.05, and the t value is 0.551, which is lower than the t table value of 1.288. Thus, it can be concluded that H01 and Ha1 are accepted, which indicates that the independent variable of work motivation affects the performance of employees of PT Permodalan Nasional Madani Lampung Branch.

DISCUSSION

The Effect of Work Motivation on Employee Performance of PT Permodalan Nasional Madani Lampung Branch.

The first hypothesis states that work motivation variables have a major effect on employee performance. This means that the level of employee work motivation will increase along with their performance.

Motivation is an important component that drives a person to perform certain activities, as mentioned earlier. As a result, motivation is often referred to as the component that drives a person's behaviour. Every action taken by someone to carry out a certain action, according to Edy Sutrisno (2019: 109).

One of the factors that affect employee performance at Permodalan Nasional Madani Lampung Branch is this motivation variable, because the provision of motivation felt by respondents or employees is more representative of improving employee performance. This confirms the author's initial assumption that companies can improve the performance of their employees if they provide motivation in an appropriate and effective way.

Therefore, the provision of motivation should be given to employees consistently and continuously, so as to increase their enthusiasm for work. The survey results show that more than 72.1% of respondents agreed with the provision of motivation, and the rest answered strongly agree. Thus, it can be concluded that all employees need motivation to continue their work.
This is in line with previous research conducted by Marco C. Kumar (2021) that partially motivation has a positive and significant effect on employee performance at the Balai Pelestarian Nilai Budaya Provinsi Utara Sulawesi.

There is no effect of Leadership Style on Employee Performance of PT Permodalan Nasional Madani Lampung Branch.

The second hypothesis shows that the leadership style variable has no significant positive effect on employee performance. That if the leadership style of the leadership is considered poor, the lower the performance of the employees of Permodalan Nasional Madani Lampung Branch.

Organisational development depends on leadership. This is because without good leadership, achieving company goals will be difficult. Leaders must consider how they will lead if they want to influence the behaviour of others. How a leader carries out his leadership role, as well as how he is perceived by those he seeks to lead or who observe from the outside, is known as leadership style (Regina, 2019: 88).

Personal differences and characteristics of employees can also affect how they respond to leadership styles. Some employees may be more independent and able to tackle problems with little guidance or direction, while others may need more support or supervision. In this case, the leadership style may not have much impact if the employee's internal resources are already strong.

This is in line with previous research conducted by Munawar (2019) that at the PDAM Tirtanadi Tuasan Medan Branch, the partial test results show that leadership style has no positive or significant impact on employee performance.

CONCLUSIONS AND SUGGESTIONS

Conclusions

The results of research and discussion of leadership style and work motivation on employee performance Permodalan Nasional Madani (PNM) Lampung Branch resulted in the following conclusions:

a) The results showed that the work motivation variable (X1) had a significant influence on the employee performance variable (Y).

b) The results showed that the leadership style variable (X2) partially did not affect the employee performance variable (Y).

Advice

The limitations of this study include only using three variables (work motivation, leadership style and employee performance). In addition, there are also limitations to the object of research, only at PT Permodalan Nasional Madani Lampung Branch which cannot fully represent the condition of branch offices spread throughout Indonesia. The number of existing PNM branch offices certainly has differences in both the situation and conditions of branch office performance and the factors that can affect employee performance at the branch.

As a recommendation for further research, the following suggestions can be given:

a) This study only assesses the effect of work motivation and leadership style on employee performance, so further research needs to be developed to examine the influence of other factors that have not been studied on employee performance.

b) The conclusions drawn are only based on the acquisition of data analysis, so further research is expected on the effect of work motivation and leadership style on employee performance with different research methods, a wider sample, and the use of different and more complete research instruments.
c) Many other variables are thought to have an effect on employee performance, and these variables are very important to be examined for further research that is more in-depth, because they have a direct influence or indirect influence and can affect company performance and can also affect the direction of company strategy and policy. In addition, it is also necessary to expand the scope of the research area which is not only limited to the scope of branch offices but also regional and even national work areas.

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