

Effect of Leadership Style and Work Environment Towards Employees' Performance at PT. Seung Bin Textil

Nova Alex Sandy*, Eva Ayudianingrum, Dinda Agustina Tejawati, Sarah Nur Afipah,
Agatha Rinta Suhardi

Faculty of Economic and Business of Widyatama University, Cikutra 204A Bandung 40125,
Indonesia

*nalexsandy@gmail.com

Abstract

The study is based on the fact of the decrease in employees' performance in 2019 at PT. Seung Bin Textil in several aspects namely work quality, work quantity, initiation, discipline, responsibility, cooperation, task comprehension, and self-adjusting. The objective of the research is to identify the effect of leadership style and work environment towards employees' performance at PT. Seung Bin Textil. The research respondents are all the employees of PT. Seung Bin Textil which in total is 37 people, as the research samples. The method of data collecting utilizes questionnaires with the scale of measurement used is the Likert Scale. In the study, the technique used in data analysis is descriptive analysis, Validity Test, Reliability Test, Classic Assumption Test, F Test, multiple linear regression analysis, and T Test. The results of the analysis show that the significance level of X1 variable is $0.319 > 0.05$ and t-count is $-1.011 < 2.03224$ whereas the work environment affects partially on employees' performance with a significance level of $0.003 < 0.05$ and t-count $3.149 > 2.03224$. However, leadership style and work environment affect employees' performance simultaneously with an R square value of 0.259. It suggests that the effects of X1 and X2 variables simultaneously to Y variable at the value of 25.9%. Thus, the work environment is the variable that influences employees' performance.

Keywords: leadership style, work environment, performance.

1. INTRODUCTION

Human resources are the most important factor in an organization. If an organization does not have adequate human resources, the organization cannot run properly. How leaders lead the organization to be able to influence the performance of members of the organization is one of the keys. In this case, a good leader is needed in the organization to achieve productivity and its goals. A successful company is born from a leader who can lead his members to be able to interact positively and effectively with others and attain cooperation with others to achieve predetermined goals. In order to achieve these goals, a leader must be able to guide his members to the paths which are going to be taken. The development of the business world in today's era is very fast. As the result, the company is expected to be able to manage its resources well. The management must work well to unite opinions between the leader and the members in order to achieve that one goal. In organizations, leadership is very important. Organizations that have good leadership will find it easy to lay the foundation of trust among their members, otherwise the organizations would find it difficult to earn their members'

trust. The organization will be disorganized, and the goals will not be achieved (Rivai and Murni, 2009: 284).

Leaders who show a high level of concern or worker-centered behavior have more satisfied subordinates. Leaders who set clear goals, explain what followers must do and how to get the job done, and monitor results often have high-performing work units. (Hughes, et al, 2012: 249).

The work environment is the social, psychological, and physical life in the company that affects workers in carrying out their duties. Human life is inseparable from various conditions in the surrounding environment. Therefore, between humans and the environment, there is a very close relationship. In this case, humans will always try to adapt to various circumstances in their surroundings.

The working environment condition is said to be good or appropriate if humans can carry out activities in an optimal, healthy, safe, and comfortable manner. The suitability of the work environment can be seen as a result of the long term. Furthermore, unfavorable work environments can demand more labor and time and do not support the acquisition of an efficient work system design (Sedarmayanti, 2001: 12).

Employees' performance is a very crucial factor in achieving a company's goal or individual goals. If a company does not have good employee performance, it will be difficult for the company to achieve its goals. In achieving a goal, employees need to have a sense of awareness, loyalty, obedience, discipline, and responsibility for all the work that has been given.

According to Anwar Prabumangkunegara (2011: 67), employee performance or work performance is the result of work in quality and quantity achieved by an employee in carrying out the duties in accordance with the responsibilities assigned to the employee. The following is an overview of the performance of employees at PT. Seung Bin Textil.

Table 1. Summary of Employee Performance Assessment Results of PT. Seung Bin Textil

No.	Assessment Aspects	2018		2019	
		Score	Result	Score	Result
1	Work quality	3.5	Quite Good	3.1	Quite Good
2	Work quantity	3.4	Quite Good	2.9	Enough
3	Initiation	2.9	Enough	2.6	Enough
4	Discipline	3.3	Quite Good	3.2	Enough
5	Responsibility	3.7	Quite Good	3.4	Quite Good
6	Motivation	3.1	Quite Good	3.3	Quite Good
7	Cooperation	3.3	Quite Good	3.2	Quite Good
8	Tasks comprehension	3.4	Quite Good	3.2	Quite Good
9	Self Adjusting	3.1	Quite Good	3	Enough
	Total	29.7		27.9	
	Average	3.30	Quite Good	3.10	Quite Good

Source: PT. Seung Bin Textil (2020)

In Table 1, it can be seen that the average performance of employees at PT. Seung Bin Textil in 2018 was quite good with an average score of 3.30, but in 2019 employee performance decreased by 0.2 from 2018. This decrease was seen in all aspects of performance assessment except motivation. Thus, it can be indicated that in 2019 there were problems with employee performance.

2. LITERATURE REVIEW

2.1 Leadership Style

Leadership style is an ability to direct the behavior of others, subordinates, and groups to encourage employee productivity so that organizational goals are achieved.

According to Khaerul Umam (2010: 278), leadership style is a norm of behavior that a person uses when that person tries to influence others. It is due to the attitude and behavior of a person in the group that can be observed as if that person is influenced by the way the group leader directs his group members.

Regardless of how the leader directs the group members, the factors that can affect a person's leadership style in carrying out their activities according to H. Joseph in Indah Dwi Rahayu (2017: 2), are as follows:

1. Personality, where the experience or past background, and expectations of the leader can influence the leadership style of a leader.
2. Characteristics, where the behavior of subordinates will also influence the leader in taking his leadership style.
3. Task needs, where every task for members will also affect the leadership style.
To be able to determine the leadership style of a leader, there are indicators to identify.

The indicators of leadership style according to Khaerul Umam (2010: 278) are:

1. Autocratic Leadership

A leader who applies an autocratic style can be observed through how he places great emphasis on power and demands obedience in assigning tasks to employees so that all policies will be determined by the leader.

2. Bureaucratic Leadership

Leaders who apply a bureaucratic style will assign something to the procedures and regulations that have been set in an organization, besides that there is no room or opportunity for members to innovate since everything is regulated in procedures that must be obeyed by every member of the organization.

3. Diplomatic Leadership

Leaders who apply a diplomatic style can generally see two sides that can benefit themselves and their employees, besides that diplomatic leaders are very patient and able to accept pressure, which can be the leader's weakness.

4. Participatory Leadership

Leaders who apply a participatory style can be seen by the way they always involve employees in voicing their opinions that makes the employees feel that their opinions are valued by the leader.

5. Control-Free Leadership

Leaders with this style provide confidence and freedom for employees to carry out their duties.

2.2 Work Environment

The work environment includes components or supporting facilities that can encourage employee performance at work in order to achieve organizational goals. As stated by Sedarmayanti (2013: 23) that a work environment is a place where there is a group in which there are supporting facilities to achieve organizational goals in accordance with the company's vision and mission. Generally, the work environment is divided into two, namely the physical work environment and the non-physical work environment. The physical work environment is a work environment around the workplace that can affect employees directly

or indirectly. The non-physical environment is a condition related to work relationships, both with superiors and colleagues.

A comfortable work environment and following work standards will motivate employees to carry out their work. Additionally, it can improve employee performance so that company goals will be achieved. Conversely, if the work environment is uncomfortable, employees will not be maximized in doing their work. As a result, employee performance is very low and company goals will be difficult to achieve. Therefore, an organization must strive to create a work environment that is conducive to its employees.

In order to create a conducive work environment, there are work environment indicators according to Sedarmayanti (2001), which are:

1. Lighting
2. Air Temperature
3. Noise Level
4. Use of Colors
5. Space
6. Work Safety
7. Employee Relations

2.3 Employee Performance

A company must pay attention to the performance of its employees in order to keep the company running well and in order to get maximum results so that the company's goals will be achieved. Performance is the achievement of results obtained by employees in carrying out their duties over a period of time.

According to Mangkunegara (2013), performance is the result of work in quality and quantity achieved by employees in carrying out their duties according to given responsibilities. Meanwhile, Fahmi (2014) states that performance is the result obtained by an organization, both profit-oriented and non-profit oriented which is generated over a period of time.

The aspects or indicators in assessing performance according to Mangkunegara (2011) are:

- a) Work Quality, is the quality that must be produced by employees, the quality of work can be seen through the completion of assignments given to employees.
- b) Work Quantity, is the amount of target that must be achieved and produced by employees in their work.
- c) Implementation of Duties, is how capable employees can carry out their work accurately with no mistakes.
- d) Responsibility is awareness related to the obligation of employees to carry out the work given.

3. METHOD

The method used in this research is descriptive and verification methods using a quantitative approach. The population in this study are all employees who work at PT. Seung Bin Textil, 37 people. The number of samples to be used in this study is 37 people, which means that the entire population will be used as research samples using random sampling techniques. The data used in this study are primary data with data collection techniques by distributing questionnaires to all employees of PT. Seung Bin Textil using a Likert Scale as the measurement scale and secondary data in the form of supporting data such as history or literature and a profile from PT. Seung Bin Textil. This study has two independent variables, namely Leadership Style (X1), Work Environment (X2), and one dependent variable, namely Employee Performance (Y). In this study, the data analysis techniques used are descriptive

analysis, validity test, reliability test, classical assumption test, F test, multiple linear regression analysis, and T test.

4. RESULTS AND DISCUSSION

4.1. Instrument Quality Test

a. Validity Test

From the variable of leadership style and employee performance, the item statement submitted to the respondent is valid with a value of $r\text{-count} > r\text{-table}$ 0.3246. As for the environmental variable performance item statements submitted to respondents, there are 5 invalid statements, because $r\text{-count} < r\text{-table}$.

b. Reliability Test

The reliability test using the split-half method, the variable is said to be reliable if the value of Correlation Between Forms > 0.3 . From the test, the variable of leadership style, work environment, and employee performance can be said to be reliable, since all variables have a value of Correlation Between Forms > 0.3 .

4.2. Classic Assumption Test

a. Normality Test

From the results of tests carried out using the Kolmogorov Smirnov method, the significance of the normality test is 0.223, where the results are greater than the 0.05 significance level. Thus, it can be concluded that the Normality Test in this study is normally distributed.

b. Multicollinearity Test

From the results of the multicollinearity test, the independent variables X1 and X2 show the VIF value = 1.595, where the VIF value is less than 10 and that this study is free of multicollinearity.

c. Heteroscedasticity Test

From the test results using the Glejser test, the significance of the X1 variable is 0.289 and the X2 variable is 0.328. This shows that the value is above the standard significance value of 0.05, and it can be concluded that in this study there are no heteroscedasticity issues.

4.3. F Test

The F test is a test used to test the effect of all independent variables on the dependent variable. The F test can be done by comparing the significance value (Sig.) of the ANOVA output and by comparing the calculated F value with the Ftable. Based on the significance value (Sig.), if the Sig. < 0.05 , the regression model is significant and can be used in multiple linear analysis and if the Sig. > 0.05 , then the regression model is not significant and it cannot be used in multiple linear analysis. Based on the value of Fcount with F table, if the value of Fcount $> F\text{table}$, then the regression model is significant and can be used in multiple linear analysis and vice versa. If Fcount $< F\text{table}$, then the regression model is not significant and cannot be used for multiple linear analysis.

The test results show a significance level of $0.006 < 0.05$ and Fcount of $5.954 > F\text{table}$ 3.27, which means that the regression model can be used.

4.4. Multiple Linear Regression

From the calculation obtained the following results:

- The X1 coefficient or the leadership style variable is -0.128 which means that each increased X1 value will reduce the employee performance value (Y) by -0.128.

- The coefficient of X2 or the work environment variable is 0.561, which means that each increased X2 value will increase employee performance (Y) by 0.561.

a. Determination Coefficient

The calculation results show that the value of R square is 0.259, this means that the simultaneous influence of the variables X1 and X2 on variable Y is 25.9%.

b. Partial Coefficient

Based on the calculation of the correlation coefficient test, there are 2 calculation outputs, namely:

- The first output is before entering control variables or employee performance into the analysis. From this output, it is known that the correlation coefficient value is 0.659 (positive) and a significance value of $0.000 < 0.05$, it can be concluded that there is a positive and significant relationship between Leadership Style and Work Environment without the control variable (Employee Performance) with a correlation value of 0.659, which means that the relationship between the two variables is strong.
- The second output is after entering the control variables or employee performance into the analysis. From this output there is a decrease in the value of the correlation coefficient to 0.652 (positive) and a significance value of $0.000 < 0.05$, so the relationship between Leadership Style and Work Environment and Employee Performance as a control variable is significant or real.

4.5. T-Test

From the test results, the significance level of variable X1 is $0.319 > 0.05$ and t-count $-1.011 < 2.03224$, which means that there is no effect of variable X1 on variable Y. While the calculation of variable X2 shows a significance level of $0.003 < 0,05$ and t-count $3.149 > 2.03224$, which means that there is an effect of variable X2 on variable Y.

5. CONCLUSION

Based on the results of research conducted in Chapter 4 regarding Leadership Style, Work Environment, and Employee Performance at PT. Seung Bin Textil, the following conclusions can be drawn:

1. Based on the results of research on Leadership Style at PT. Seung Bin Textil, the leadership style that the company runs on is the Bureaucratic Leadership Style.
2. Based on the results of research on the Work Environment at PT. Seung Bin Textil which includes indicators of lighting, air temperature, noise, use of color, required space for movement, work safety, employee relations are considered to be in a good category by respondents. This can be seen from the respondents' answers. The highest score is found in the employee relationship indicator due to the good communication established in working. Meanwhile, the lowest score is found in the noise indicator with the measurement level of quietness and noise-free workspace.
3. Based on the description of employee performance at PT Seung Bin Textil which includes indicators of work quality, work quantity, implementation of tasks, responsibilities are considered to be in a good category by respondents. This can be seen from the respondents' answers. The highest score is found on the work quality indicator, while the lowest score is on the responsibility indicator.
4. Based on the results of research on the influence of leadership style on employee performance at PT Seung Bin Textil, it is concluded that leadership style does not partially significantly affect employee performance at PT. Seung Bin Textil.

5. Based on the results of research on the influence of the work environment on employee performance at PT. Seung Bin Textil, it is concluded that the work environment has a partially significant effect on employee performance at PT. Seung Bin Textil.

Suggestions

According to the results of the questionnaire obtained, it appears that the work environment affects employee performance, so the company is expected to meet the aspects or indicators in the work environment in order to support work comfort for employees.

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