



How to Build Employee Motivation and Performance

Nazifah Husainah¹

¹ Universitas Muhammadiyah Jakarta, Indonesia, nazifah.husainah@umj.ac.id

Corresponding Author: **Nazifah Husainah**

Abstract: The purpose of this research is to assess how leadership style, organizational commitment, and motivation impact the performance of employees in the Manufacturing Industries of West Kalimantan. The study utilizes a combination of descriptive and explanatory surveys, with a sample size consisting of 450 employees. Path analysis is the chosen statistical analysis method for this research. The results of the study demonstrate that leadership style, organizational commitment, and work motivation collectively exert a positive and substantial influence on employee performance within the Manufacturing Industries of West Kalimantan. Additionally, it is apparent that motivation plays a prominent role in shaping employee performance.

Keywords: Leadership Style, Organizational Commitment, Motivation, Employee Performance.

INTRODUCTION

The AFTA challenge in 2015 brought about significant changes in multiple areas of the company. These changes present both challenges and demands that must be addressed by all parties involved, particularly the organization or company itself.

In order for a company to make progress, it is imperative to have a competent leader. The leader's role encompasses various responsibilities, including managing and supervising the company's operations, implementing effective policies, and ensuring proper control. The leader's impact on the employees' performance is significant in terms of achieving the company's objectives. Therefore, it is crucial for the company to have a leader who possesses excellent interpersonal skills and can approach employees in a manner that fosters productivity.

According to Sarlito Wirawan Sarwono's book (2005: 50), Bass proposed a theory that expands upon the concept of leadership talent. This theory introduces additional factors that precede and influence the emergence of a leader, as well as the attribution factors and consequences of leadership. It suggests that leaders not only possess their own personal beliefs, but also perceive themselves as having a higher purpose beyond the tangible world. Conversely, their followers not only trust and respect the leader, but also idolize and revere them as exceptional individuals or even spiritual guides of great magnitude.

There are multiple ways to perceive the significance of work. It can be seen as a form of devotion, a means for individuals to manifest their true selves, a tangible representation of value, and a personal belief system. These different perspectives serve as inspiration for delivering high-quality work that contributes to both individual and organizational objectives. As a result, it is crucial for every employee and leader to share a collective understanding of the meaning of work motivation and its limitations.

The motivation to work within organizations, such as companies, manifests itself in various ways. It can be expressed through dedication, loyalty, responsibility, cooperation, discipline, honesty, perseverance, enthusiasm, the quality of work produced, fairness, and the integrity of one's character. These different forms of motivation are essentially a sincere commitment. They represent the actions, dedication, and loyalty of individuals who uphold their promises to achieve both the organization's and their own personal objectives (Indosdm.com:2009).

In a corporate setting, it is crucial for the organization to align the goals and vision of every employee. This requires cooperation under the guidance of a top leader who can effectively manage the company. According to Angel and Perry (in J. Sumarno, 2005), a strong commitment to the organization will motivate individuals to strive for the achievement of organizational goals. Additionally, participation in budget planning will ensure the adequacy of the budget and impact employee performance. Randall (in J. Sumarno, 2005) asserts that the sufficiency of the budget not only directly enhances work performance, but also indirectly, through its influence on organizational commitment. Various elements play a significant role in achieving corporate goals, including leadership and leadership style in managing the organization and its employees. If not managed properly, the available workforce will not reach the intended destination. Thus, the role of a leader with their own unique leadership style becomes crucial in utilizing authority and leadership to accomplish goals. The impact of a leader's style on his subordinates is crucial in fostering cooperation and effective work execution in alignment with his directives. Therefore, the significance of a leader possessing their own distinctive leadership style cannot be understated, as it empowers them to leverage their authority and leadership skills to accomplish a specific objective. The crux of leadership lies in its ability to influence subordinates, instilling in them a desire to collaborate and perform at an optimal level. By utilizing their leadership prowess, leaders are able to guide employees and harness their capabilities to achieve exemplary performance.

LITERATURE REVIEW

Leadership styles

Defining leadership has proven to be a challenging task, as it often relies on generic dictionary definitions that fail to capture its true essence. Moreover, the concept of leadership is often intertwined with other terms such as power, control, supervision, management, and authority, all of which share similar characteristics. In fact, Stogdill (Sarlito Wirawan Sarwono, 2005:110) argues that there are almost as many definitions of leadership as there are individuals attempting to define it. Leadership has been described in various ways, including in relation to innate talent, behavioral traits, the ability to influence others, patterns of interaction, assigned roles and titles, positions of authority, and the perception of legitimacy held by others.

According to W.Boles, leadership can be defined as a series of actions or a process in which one or more individuals (referred to as leaders) utilize their influence, authority, or power to guide one or more individuals (referred to as followers) within a social system. W.Boles also suggests that the purpose of this system is to fulfill the requirements of leadership, including productivity, innovation, and the maintenance of social systems within organizations (Wirawan, 2008: 17).

According to Hadari Nawawi (2007: 9), the concept of leadership encompasses the capacity or intellect to assist a group of individuals (two or more) in executing coordinated actions towards a shared objective. Understanding leadership entails recognizing it as an artistic skill, a method of managing, influencing, and guiding others within an organization to inspire them to pursue desired objectives.

The aforementioned theory suggests that leadership style is a manner in which an individual, as a leader, influences their subordinates, both on an individual and group level, to either carry out or abstain from certain actions in order to achieve predetermined or desired goals. The variable dimensions of Transformational leadership can be identified through several indicators, such as: 1) demonstrating respect for the rights and responsibilities of every employee, 2) fostering effective communication and a positive work environment between the leader and employees, 3) recognizing and evaluating the work of subordinates in an objective manner, 4) possessing the ability to command employees, and 5) exhibiting firmness in decision-making. On the other hand, the dimensions of Transactional leadership encompass a different set of indicators, which include: 1) the capacity to exert authority over employees, 2) displaying assertiveness when making decisions, 3) providing rewards and punishments to employees, and 4) positioning oneself accordingly.

Organizational Commitment

According to Zainuddin (2002), Porter (1998:27) offers a definition of organizational commitment. He describes it as a powerful influence that varies among individuals, in terms of their level of engagement and identification with the organization.

According to Robbins & Judge (2008:100), organizational commitment is defined as "a state in which an employee aligns their personal aspirations and desires with those of the organization, and intends to maintain their membership within said organization." Additionally, Sopiah (2008:156) states that organizational commitment encompasses three attitudes: 1. Recognition of the goals set forth by the organization, 2. A sense of engagement in organizational tasks, and 3. A feeling of allegiance towards the organization. In essence, this implies that committed employees seek to align their personal objectives with those of the organization, ensuring that the organization's goals become their own. They view their work not just as a job, but as a personal interest, and they maintain a steadfast loyalty towards the progress of the organization.

Devotion to the organization surpasses mere membership, encompassing an affectionate disposition towards the organization and a determination to exert oneself at a greater capacity for the betterment of the Organization in pursuit of its objectives. According to this delineation, organizational commitment encompasses loyalty to the organization, active engagement in tasks, and alignment with the organization's values and goals.

According to Sopiah (2008:156), organization commitment can be defined as the degree of partnership and engagement a person has towards an organization. In simpler terms, organizational commitment refers to the attitude of workers towards their loyalty to the organization. It is an ongoing process in which members of an organization express their dedication and care for the organization, and it persists through times of achievement and prosperity.

According to Robbins & Judge (2008:101), there are three distinct dimensions that separate organizational commitments:

1. Affective Commitment is the emotional feelings for the Organization and the belief in its values.
2. Sustainable Commitment is where the economic value of sticking with an organization when compared to leaving.
3. Normative Commitment is a commitment to stay with the Organization for reasons moral or ethical.

Work Motivation

According to Fred Luthans' theory on work motivation satisfaction (2006:280), the determination of what motivates individuals in their work is a central focus. This theory specifically examines the satisfaction theory, which identifies the needs and desires that drive individuals and how these needs and impulses are prioritized. The theory also emphasizes the types of incentives or goals that individuals seek in order to feel satisfied and accomplished. The satisfaction theory is often referred to as "static" since it pertains to specific aspects within a given timeframe, whether it be the past or present. As a result, this theory does not aim to predict work behavior or motivation, but rather seeks to understand the motivating factors that drive individuals in their work.

Abraham Maslow postulated that human motivation can be organized in a hierarchical structure based on needs. According to his theory, once a particular level of needs is fulfilled, the motivation to pursue those needs diminishes..

Identify five levels of Maslow's hierarchy of needs in: The first level in the hierarchy is known as physiological needs, encompassing the most fundamental human needs such as hunger, thirst, sleep, and sexual desires. According to this theory, once these basic needs are fulfilled, individuals no longer experience motivation.

The second level of requirements is focused on security needs, which encompass both emotional and physical security. At this level, the entire organism functions as a mechanism driven by the need for security. Similar to physiological needs, failure to meet these security needs will result in increased motivation.

The third tier of needs pertains to the desire for love, affection, and social connections. While the term "love" may carry a negative connotation due to its association with physical desires, it is perhaps more accurate to describe this level as a need for social interaction and belonging.

The concept of award needs highlights the significance of higher-level human needs. These needs encompass the desire for accomplishment, influence, and recognition, which can be classified under this particular level. Maslow emphasizes that the level of awards encompasses elements such as self-esteem and the acknowledgement received from others.

Self-actualization Needs encompass the highest tier of human needs, ranging from low to moderate and higher levels. Individuals who have achieved self-actualization are those who have fully realized and fulfilled their own potential. The concept of self is intricately intertwined with self-actualization, as it serves as a catalyst for individuals to transform their perceptions of themselves into tangible reality. Based on the theoretical review mentioned above, a motivation boost in self-employment is an individual that underlie the individual activities to achieve results or better destination that can be progress, work, competition, fulfillment and so forth, while the dimensions of the dimension motivation to work in this study are: physiological needs, security needs, social needs, esteem needs and self-actualization needs.

Employee Performance

According to Mangkunagara (2006: 67), the concept of performance can be defined as the culmination of both the quantity and quality of an employee's efforts in fulfilling their assigned responsibilities. This definition emphasizes the importance of an individual's work and their ability to meet the expectations placed upon them.

According to Bernardin and Russel (2007: 379), the performance of employees is contingent upon their aptitude, diligence, and the extent to which their work aligns with desired outcomes. Furthermore, performance can be understood as the output of an individual employee, a managerial procedure, or the collective efforts of an entire organization. In order

for such work to be deemed satisfactory, it must be substantiated with tangible evidence and be quantifiable when compared to established benchmarks.

The performance of an employee is determined by the highest level of achievement they attain in carrying out their job responsibilities. This achievement is based on their skills, experience, dedication, and the amount of time they invest. According to Hasibuan's proposal (2007: 94), performance is the outcome of successfully completing assigned tasks, drawing upon one's skills, experience, and commitment to meeting deadlines.

Based on the aforementioned theoretical analysis, the definition of employee performance encompasses the outcomes of work, which include the quality and quantity of work, workplace conduct, and the personal nature of how one contributes to the organization's objectives. It can be inferred that employee performance is comprised of six dimensions: work quality, work quantity, initiative, honesty, cooperation, and responsibility. Additionally, there are ten indicators that contribute to evaluating employee performance, such as task assignment, performance improvement, adherence to established procedures and regulations, consistency in following procedures, assisting colleagues, taking initiative in handling challenging tasks, demonstrating honesty when interacting with customers, maintaining integrity in job responsibilities, exhibiting teamwork and collaboration, and meeting work targets.

METHODS

The research process is crucial in determining the quality of a study, as it sets the foundation for the analysis. This chapter focuses on outlining the specific research methods that will be employed to examine the impact of leadership style, work motivation, and organizational commitment on employee performance within the Manufacturing Industries of West Kalimantan.

The research data for this study was directly sourced from original and firsthand information. This information includes opinions, observations of physical objects, events, activities, as well as test results. In order to collect primary data for this research, a questionnaire was distributed among executives, managers, and other employees working in the Manufacturing Industries. The population selected for this research consists of employees from the Manufacturing Industries, specifically targeting a sample size of 450 individuals based on the characteristics of the subjects.

RESULT AND DISCUSSION

After thorough analysis and testing, the following results were obtained: Preliminary hypotheses indicate a relationship between leadership style and employee performance in manufacturing. The regression coefficient value of 16,996 is greater than 1.663 and the significance probability of 0.000 is less than 0.05. This suggests that leadership style in manufacturing has a significant impact on employee performance. Specifically, the enhancement of leadership style will lead to a corresponding increase in employee performance, while the deterioration of leadership style will lead to a decline in employee performance. Therefore, having a leader who gives autonomy and encourages participation is critical to improving performance. The regression equation of the influence of manufacturing leadership style on employee performance is $Y = 1.478 + 1.176X_1$. Therefore, assuming that leadership style remains constant, if the manufacturing leadership style improves by one unit, employee performance improves by 1.478. Leadership style in manufacturing contributed 77.7% of the effect on employee performance, with the remaining 22.3% attributable to other variables not included in the model.

The initial hypothesis posits a relationship between organizational commitment and employee performance in manufacturing. The regression coefficient of 8509 is greater

than 1.663, and the significance probability of 0.000 is less than 0.05. This suggests that organizational commitment to manufacturing has a significant impact on employee performance. When organizational engagement increases, employee performance increases, and conversely, when organizational engagement decreases, employee performance decreases. Hence, it is crucial for organizations to foster engagement for higher performance. The regression equation affecting the manufacturing organization's commitment to employee performance is $Y = 5705 + 1.368 \times 2$. That is, assuming that organizational involvement remains constant, if organizational involvement in manufacturing increases by 1 unit, employee performance will increase by 5,705 units. Manufacturing organization engagement contributes 46.6% to employee performance, with the remaining 53.4% explained by other variables not included in the model.

The original hypothesis posited a relationship between work motivation and employee performance in manufacturing. The regression coefficient value 34,047 is greater than 1,663 with a significance probability of 0.000 and less than 0.05. This means that work motivation in manufacturing has a significant impact on employee performance. As employees' motivation increases, so does their performance. Conversely, when power drops, so does performance. Therefore, mobilizing the enthusiasm of employees is crucial to improving employee performance. The regression equation illustrating the effect of motivation on manufacturing employee performance is $Y = 1.021 + 0.697 \times 3$. Assuming work motivation remains constant, employee performance improves by 1,114 units for every 1 unit increase in manufacturing. The total impact of work motivation on employee performance in manufacturing accounts for 93.3%, and the remaining 6.3% is due to other variables not included in the model.

The fourth hypothesis posits a relationship between leadership style, organizational commitment, and motivation, and the performance of manufacturing employees. Analysis showed a significant association between leadership style, organizational commitment, and motivation, with an F-value of 486,440 and a probability of significance of 0.000, below the 0.05 threshold. The equation expressing this relationship is $Y = 0.515 + 0.397X1 + 0.186X2 + 0.559X3$, holding other variables constant. Also, if all variables are held constant, the employee's performance is 0.515. Research shows that 58.8% of the impact of manufacturing on employee performance can be attributed to leadership style, organizational commitment, and motivation. The remaining 5.3% can be explained by other variables not included in the model.

CONCLUSION

The performance of employees is greatly influenced by leadership style, organizational commitment, and motivation, all of which have a positive and significant impact. Among these factors, motivation plays a dominant role in determining employee performance. To enhance employee performance in the manufacturing industries of West Kalimantan, it is crucial to prioritize the improvement of employee motivation. This can be achieved by enhancing leadership style and fostering organizational commitment.

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