



## Investing in leadership and Empowerment: A Practical Roadmap to Maximize Employee Performance

**Cecep Yoto Haryoto**

Muhammadiyah University, Jakarta, Indonesia, [cecep.haryoto@umj.ac.id](mailto:cecep.haryoto@umj.ac.id)

Corresponding Author: [cecep.haryoto@umj.ac.id](mailto:cecep.haryoto@umj.ac.id)

**Abstract:** The purpose of this research is to know and analyze: (1) Leadership (2) Empowerment; (3) Performance; and (4) The influence of Leadership and Empowerment on the performance of Employees of PT Citra Teknik Medika Bandung City, either simultaneously or partially. The research method used in this study was a descriptive survey and an explanatory survey. The unit of analysis in this study were employees of PT Citra Teknik Medika, Bandung, with a sample of 33 people. The type of investigation is causality, and the time horizon in this study is cross-sectional. Based on the results of the study, it was found that leadership according to PT Citra Teknik Medika Bandung City Employees, it turned out that most Employees gave quite good responses, Empowerment to PT Citra Teknik Medika Bandung City Employees in general can be said to be not good, Performance of PT Citra Teknik Medika Bandung City Employees when this is considered good. Leadership and Empowerment simultaneously affect the performance of Employees of PT Citra Teknik Medika Bandung City. However, partially dominant leadership affects performance rather than empowerment. Because Empowerment is more dominant in influencing performance, it is the first priority in improving performance. then employees of PT Citra Teknik Medika Bandung City are advised to remain consistent in participating in the empowerment that is being held, so that they are able to work more professionally.

**Keywords:** Leadership, Empowerment and Performance

### INTRODUCTION

As the main element in an organization or institution, the human factor is a resource that needs special attention regarding behavior, attitudes or others in the company because humans are not inanimate objects that can be treated arbitrarily but humans are individuals who need reasonable respect. To anticipate this, it is necessary to have a leader who is skilled and responsible and understands the wishes of his subordinates who are always different.

The change of new leadership and changes in the political map in Indonesia will have an impact on policy changes in government agencies, especially PT Citra Teknik Medika Bandung City, this requires every employee at PT Citra Teknik Medika Bandung City to work in accordance with the rules that are enforced in order to achieve the same goal, namely

improving services for the people of Indonesia for the achievement of national development goals, namely forming a just and prosperous Indonesian society.

PT Citra Teknik Medica (PT.CTM) started its business from the Trading Business of Medical Goods and Equipment, then developed by providing Medical Gas Installation Services. now PT. CTM has a Building, Workshop and Warehouse integrated in 1 (one) one service, in its development has gained Market Share and has a good reputation since the establishment of the Company until now. PT Citra Teknik Medica is a Product and Service Provider Company for Hospital Development throughout Indonesia, especially in the Field of Procurement of Central Medical Gas Installation and Accessories, which also serves Retail-based Refillable Medical Gas in the Marketing Area covering the entire West Java Region through Hospitals from Class A to B. By continuing to prioritize Product Quality through Innovative, Mutual and Trusted Principles, and to instill Trust in Consumers and Business Partners, in 2016 PT Citra Teknik Medica, received an ISO Certificate from an International Certification Body, namely the QHSE (Quality ealth Safety Environmental) Quality Standards Integration System based on ISO 9001: 2015 - ISO 14001: 2015 - ISO 18001: 2007 Standards. But in reality, there are indications that the performance of employees of PT Citra Teknik Medica Bandung City is relatively low, this will have an impact on the performance of their services to the community which is less optimized. Indications of low performance can be seen in the lack of employee responsibility for their work, there are several rules that tend not to be obeyed, such as normal working hours, and excellent service (Observation and Interview Results, 2022).

In addition, the less than optimal performance of employees of PT Citra Teknik Medica Bandung City is also still widely found in the achievement of work below predetermined standards, as well as the implementation of a lack of synergy between all fields at PT Citra Teknik Medica Bandung City.

The leadership element is another factor that can improve performance. Leadership plays a very important role in determining employee performance, because leaders are used as examples and role models by their subordinates. Leaders must set a good example, have good discipline, be honest, fair, and match words with actions. With good leadership, the performance of subordinates will also increase. If the leadership is not good, the performance of subordinates will decrease. Fiedler (2017) famous for the theory named the "*Contingency Fiedler*" model suggests that employee performance is highly dependent on whether or not leadership matches the situational factors of leadership. Based on Fiedler's statement above, that employee performance that has not been appropriate is also suspected to be caused by leadership that is still relatively unable to provide excellent service to the community both regarding taxes and non-taxes.

Empowerment is alleged to have an influence on the decline in employee performance, where according to Mulyadi (2017: 135) that: "employee empowerment is a trend in human capital management in future organizations". Pradiansyah (2012: 111) states "empowerment is trust". Yulk translated by Supriyanto (2019: 15) states: "Empowerment is the intrinsic motivation and self-efficacy of people who are affected by leadership behavior, job characteristics, organizational structure, and their own needs and values" Based on the above understanding, it can be said that employee empowerment is a form of implication of development for subordinates. The leader realizes that work really needs the help of others, so the leader must dare to delegate his authority. Empowered employees are the key to the success of a work that can create effective behavior.

## **METHOD**

The methods used in this study are in accordance with the expected objectives, namely descriptive and verification methods. The nature of verification research basically wants to test

the truth of a hypothesis carried out through data collection in the field, where in this study will examine the effect of leadership and empowerment on employee performance at PT Citra Teknik Medica Bandung City. The research method used is *descriptive survey* method and *explanatory survey* method. The type of investigation is causality, because the causal relationship between the independent variable and the dependent variable will be tested. The unit of analysis in this research is employees at PT Citra Teknik Medica Environment Bandung City. This research is included in the *cross-sectional* category, namely information from respondents collected directly at the object of research, with the aim of being able to estimate the respondent's opinion on the object of research.

#### **Data/Information Sources and Methods**

The data sources in this study are secondary data sources from documentation or reports available at the organization (employee performance evaluation of PT Citra Teknik Medica Bandung City, 2019). While primary data on leadership, empowerment and employee performance comes from employees at PT Citra Teknik Medica Bandung City as respondents. The population in this study were all employees at PT Citra Teknik Medica Bandung City, namely (N) 33 people. In this study, the sample size is determined by the form of statistical test to be used. The statistical test to be used is path analysis, where the path coefficient is basically a correlation coefficient. Thus the minimum sample size for this path analysis is determined through the use of sampling techniques, namely saturated sampling. This saturated sampling resembles the total population, where the total population is 33 people. Therefore the sample in this study amounted to 33 people.

#### **Analysis Design and Hypothesis Testing**

Based on the method used in data collection, the variables that have ordinal size are then transformed into interval form using the *Method of Successive Intervals*. Prior to the distribution of the instrument, the validity and reliability of the instrument were tested using the *Corelation Product Moment* formula (Sugiyono, 2001: 182). Before the data is analyzed, data processing is carried out first. Processing of data collected from interviews and questionnaires can be grouped into 3 steps, namely: preparation, tabulation and application of data to the research approach. Research preparation includes collecting and checking the completeness of questionnaire sheets and *scoring* according to the predetermined *scoring* system. Closed questionnaires using a 5 ordinal scale, the value obtained is an indicator for pairs of independent variables X and dependent variables Y, which are as follows: (X,Y) which is assumed to be linearly related. Tabulated data were applied to the research approach used in accordance with the research objectives.

The analysis method used is *cross-sectional analysis*. By using a combination of these analytical methods, comprehensive generalizations can be obtained. For the purpose of analysis, the following steps have been taken: As designed in the operationalization of the variables of the questionnaire, the values of the variables: leadership, empowerment, and performance are ordinal scale data. By using *closed-end questions*, each item is ranked with five alternative answers. The respondent's answer choice is the answer score value, so the variable value is obtained from the total answer score of each item.

The path analysis technique requires data that has a measurement level of at least interval. Therefore, through the *method of successive intervals*, data transformation is carried out. Prepare pairs of data from independent and dependent variables from all research samples for hypothesis testing. Meanwhile, to examine the influence between the research variables on employee performance, the tabulated data is applied to the research approach, namely *Path Analysis*, *rProduct Moment* correlation analysis, because for every one independent variable and one dependent variable will provide one path of influence. Because basically the path coefficient is a standardized regression coefficient, namely the regression coefficient calculated from a database that has been set in standard numbers or *Z-score* (data that has been set with

an average value = 0 and standardized). deviation = 1). This *standardized path coefficient* is used to explain the magnitude of the influence (not predict) of independent variables (*exogenous*) on other variables that are imposed as dependent variables (*endogenous*).

## RESULTS AND DISCUSSION

### Leadership

Based on the results of research on leadership variables at PT Citra Teknik Medika Kota, employees at PT Citra Teknik Medika Kota Bandung feel that there is still something to be improved regarding the attitude, behavior and leadership style of a leader.

### Employee Empowerment PT Citra Teknik Medika Bandung City

Community empowerment covers two very important issues in national development, namely the concept of people-rooted development and community empowerment as a strategy in carrying out people-rooted development. Empowerment at PT Citra Teknik Medika Bandung City is quite good, this is shown by leaders who encourage their subordinates to always be motivated in their work, so that these employees will be obedient, obedient, disciplined and must be brave and firm, acting to punish every member who is disciplined in accordance with the established punishment sanctions.

### Employee Performance at PT Citra Teknik Medika Bandung City

The performance of employees of PT Citra Teknik Medika Bandung City still needs to be improved because there are indicators that get low results, where employee performance assessments still need to be improved.

### The influence of leadership and empowerment together on the performance of employees of PT Citra Teknik Medika Bandung City

To reveal the effect of a variable or a set of variables on other variables, the *Path Analysis* developed by Sewall Wright can be used. In this path analysis, the magnitude of the influence of a variable on other variables, both direct and indirect, can be known. Before making a decision regarding the magnitude of the influence of a variable on other variables, hypothesis testing is first carried out, either testing as a whole or individually, namely leadership and empowerment affect the performance of employees of PT Citra Teknik Medika Bandung City, carried out using *path analysis* and the software used is SPSS release 12. The steps taken are to calculate the correlation between variables, so that it is obtained as shown in the table below.

**Table 1 Correlation matrix between variables**  
**Correlations**

		Empowerment	Competency	Performance
Empowerment	Person Correlation	1	.487	.601
	Sig. (2-tailed)		.004	.000
	N	33	33	33
Competency	Person Correlation	.487	1	.590
	Sig. (2-tailed)	.004		.000
	N	33	33	33
Performance	Person Correlation	.601	.590	1
	Sig. (2-tailed)	.000	.000	
	N	33	33	33

\*\*Correlation is significant at the 0.01 level (2-tailed)

Source: SPSS 12.0 Output

Based on the table above, it is a correlation matrix between variables that shows the

magnitude of the relationship between fellow variables, both dependent and independent. The proportions for the path diagram are two independent variables ( $X_1$  and  $X_2$ ) that have a relationship between variables, and each independent variable ( $X$ ), as well as the correlational relationship of the outside variables ( $X_1$  and  $X_2$ ) residues on the independent variable ( $Y$ ). The steps to calculate *path* analysis are as follows:

$$P_{Yxi} = \sum_{j=1}^k CR_{x_j} r_{Yx_j} \quad I = 1,2$$

And the overall influence of  $X_1$  to  $X_2$

$$R^2_{YX_1X_2 \dots X_7} = \sum_{i=1}^7 p_{YX_i} r_{YX_i}$$

$$= 0.476$$

while the path coefficient of other variables outside the variable  $X_1$  to  $X_2$  is determined through:

$$p_{Y1 \square 1} = \sqrt{1 - R_{YX_1X_2}}$$

$$= 0.524$$

This means that the effect of variables  $X_1$  and  $X_2$  together on variable  $Y$  is 0.476 or 47.6% of variables  $X_1$  and  $X_2$  together affect  $Y$ , and the remaining 0.524 or 52.4% is influenced by other variables not included in the study. Based on the theoretical framework that there is a positive influence between empowerment and competence on performance, then we will test the overall hypothesis in the following form:

**Table 2 Simultaneous Test Results of  $X_1$  and  $X_2$  on  $Y$**

Model Summary <sup>b</sup>								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	F Change	df1	df2
1	.790 <sup>a</sup>	.624	.542	14.6655	.624	11.776	2	30

Model Summary <sup>b</sup>		
Model	Change Statistics	
	Sig. F Change	
1	.000 <sup>a</sup>	
	Durbin-Watson	
	1.711	

Source: SPSS 12.0 Output

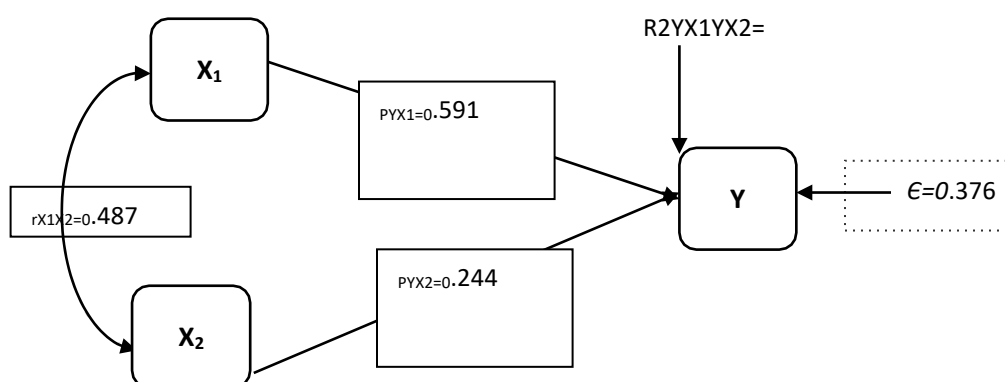
From Figure 4.37 above, it can be seen that the calculated  $F$  value is 11,776 with a sig. Level of 0.00 is smaller than 0.05, so it can be concluded that the simultaneous test results are proven or significant, so that it can be continued in further analysis with partial testing. While the results of the causal relationship or direct influence of  $X_1$  and  $X_2$  on  $Y$ , can be seen in table 4.38 below.

**Table 3 Influence of X1 and X2 Variables to Y and Influence Beyond Sub Variables**

Interpretation of Path Analysis		
Description	Influence	%
Effect of X1, X2 to Y	0.624	62.4
Influence Beyond X1 and X2	0.376	37.6
<b>Total</b>		100

Source: Statistical Processing Results SPSS Program

From the test results, it can be seen that empowerment and competence affect employee performance, namely 62.4%, while the remaining 37.6% is influenced by other factors not examined by the author. However, when viewed partially, empowerment dominantly affects employee performance than leadership, as shown in Figure 4.1 below.



**Figure 1 Causal Diagram between Leadership (X1) and Empowerment (X2) on Performance (Y)**

Description:

- X<sub>1</sub> = Leadership
- X<sub>2</sub> = Empowerment
- Y = Employee Performance
- ε = Residual Variables (other variables outside the X<sub>1</sub> and X<sub>2</sub> variables that influence) to the effect variable (*endogenous*) expressed by the numerical value of the *path coefficient* (*Path Coeffisident*) of the *exogenous variable*.

As in Figure 4.1 above, it can be seen that empowerment dominantly affects performance with a path coefficient of 0.591, rather than competence of 0.244. And both variables are proven to affect employee performance, as shown in Table 4 below.

**Table 4 Partial Test Results between X1 and X2 on Y Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	13.342	5.434		.3312	.600
LEADERSHIP	.443	.445	.591	5.123	.000
EMPOWERMENT	.554	.432	.244	2.112	.000

- a. Dependent Variable:
- b. PERFORMANCE

Source: SPSS 12.0 Output



Based on table 4.39 above, it can be seen that the t count for leadership is 5.123 with sig. Level 0.011 below 0.05, so that leadership is proven / significantly affects performance, this shows that leadership has a significant effect on performance, so that the contribution of empowerment is quite meaningful.

Likewise, empowerment has a t value of 2.112 with a sig.level of 0.015 below 0.05, so empowerment is also proven / significantly affects employee performance, this shows that empowerment has a significant effect on performance, so that the contribution of empowerment is quite meaningful, this is in line with the statement according to Khan's opinion (1997) empowerment is an inter-personal relationship to build trust between employees and management. Byars and Rue (2004) define empowerment as a form of decentralization that involves subordinates in making decisions. Meanwhile, Kartasasmita (1996: 133) argues that community empowerment includes two very important issues in national development, namely the concept of people-rooted development and community empowerment as a strategy in carrying out people-rooted development.

## CONCLUSION

Leadership at PT Citra Teknik Medika Bandung City is still low, which must be improved in terms of attitude, behavior and leadership style. Empowerment applied at PT Citra Teknik Medika Kota Bandung generally runs relatively well, but there are still some things that are not considered. The performance of employees of PT Citra Teknik Medika Bandung City relatively still does not meet the predetermined standards, especially regarding the amount of work successfully done / completed in this year, the efficiency of time to do a job, the quality of work achieved. Leadership and empowerment together affect the performance of employees of PT Citra Teknik Medika Bandung City. Leadership dominantly affects performance rather than empowerment. Apart from the leadership and empowerment variables, there are coefficient values on other variables not examined in this study that can affect employee performance.

## REFERENCES

- A. A. Anwar Prabu Mangkunegara, 2018, *Corporate Human Resource Management*, 3rd Printing, PT.Remaja Rosda Karya, Bandung.
- Achmad Bachrudin and Harapan L. Tobing, 2015, *Data Analysis for Survey Research Using LISREL*, FMIPA UNPAD, Bandung.
- Achmad S. Ruky, 2016, *Performance Management System*, PT Gramedia Pustaka Utama Jakarta.
- Arikunto, Suharmini.2013, *Research Management*, Rineka Cipta, Jakarta. As'ad, Mohammad, 2011. *Industrial Psychology*, Liberty, Yogyakarta.
- BambangKusriyanto 2018,*Improving Employee Productivity* PT Pustaka Presindo, Jakarta.
- Bambang Wahyudi, 2012. *Human Resource Management*, Jakarta: Erlangga
- Bernardine, Jhon H, and Joice E Russel, 2013, *Human Resource Management*, Third Edition, McGraw- Hill, Inc. New York.
- Brinkman, Richard L., 2020, The Dynamic of Corporate Culture: Conception andTheory, *International Journal of Social Economic*, Vol. 96, No. 5, @ MCB University Press.
- Brown, F. William, and Nancy G. Dodd, 2019, Utilizing Organizational Culture Gap Analysis to Determine Human Resource Development Needs, *Leadership & Organization Development Journal*, Vol. 17, No. 7, pp. 374 - 385, @ MCB University Press
- Cascio F, Wayne, 2013, *Managing Human Resources*, McGraw-Hill Irwin, London
- Chester I. Barnard, 2017, *Human Resource Management*, Seventh Edition, Prentice Hall International, New Jersey.

- Cherrington, David J, 2019, *The Management of Human Resource*, Fourth Edition, Prentice Hall, New York.
- Cunha, Rita C., and Carry L. Cooper, 2019, Does Privatization Affect Corporate Culture and Employee Wellbeing, *Journal of Managerial Psychology Vol.17, No. 1* pp. 21 - 49, MCB UP Limited.
- Davis, Keith, and John W. Newstrom, 2012, *Organizational Behaviour, Human Behaviour at Work*, 11th Edition, McGraw-Hill Irwin, New York.
- Dennis, in Stewart & Sylvia. 2018. *The Process of Communication: An Introduction To Theory and Practise*.
- Denton, Robert. 2017, *Organizational Planning*, Mc. Graw Hill Book Company, New York.
- Dunnette, Daniel, and Robert L. Kahn. 2013. *The Social Psicology of Organizations*. 2nd<sup>nd</sup> ed, New Jersey.
- Gibson, James L, and James H, Donnely, 2014, *Organizational Behaviour, Structure and Process*, 11th Edition SC, Mc.Graw-Hill, London.
- Gisela. Hageman, 2020, *The Constuction of a. Managerial Communication Climate*, Gower Publishing Company Ltd, England.
- Gomes, Faustino Cardoso, 2020, *Human Resource Management*, Yogyakarta, Andi Offset
- Harrison, Roger, and Herb Stokes, 2012, *Diagnosing Organizational Culture*, Second Edition, Jossey-Bass/Pfeiffer A Wiley Company, San Francisco.
- Heskett. James, L and W. Earl Sasser, JR, and Leomad A. Schlesinger, 2017, *The Service Profit Chain*, The Free Press, New York.
- Katz, Daniel, and Robert L. Kahn. 2016. *The Social Psychology of Organization*. Harper & Row, New York
- Kast, Freemont E, and James E. Rosenzweig, 2015, *Organization and Management: A System and Contingency Approach*, Third Edition, Mc.Graw-Hill, Tokyo, Japan.
- Khan. Z, et. al. 2017. *Impact of Performance Appraisal on Employee's Performance Including the Moderating Role of Motivation: A Survey of Commercial Banks in Dera Ismail Khan, Khyber Pakhtunkhwa, Pakistan*. Universal Journal of Industrial and Business Management 5(1): 1-9.
- Kilmann, Robert H,. and Saxton, MJ, 2015, *Gaining Control of the Corporate Culture*, Josse-Bass, San Francisco, USA.
- Kreitner & Kinici, 2013, *Organizational Behavior*, USA: Allyn And Bacon, Needham Heights.
- Kroeber and Kluckhohn, 2020. *Communication Ethics*. Translation, Rosda Karya, Bandung
- Lovelock, Christopher, H and Laurent, K Wright, 2012, *Service Marketing and Management*, Prentice-Hall International, Inc. New Jersey.
- Luthans, Fred, 2012, *Organizational Behaviour*, Nineth Edition, Mc.Graw- Hill, New York.
- Lok, Peter; John Crawford, 2019, The Relationship Between Commitment and Organizational Culture, Subculture, Leadership Style and Job Satisfaction in Organizational Change and Development, *Leadership & Organization Development Journal*, Volume 20, Number 7, pp. 365-374 Copyright @MCB Univercity Press, Sidney.
- Mauil, R, P Brown, and R Cliffe, 2020, Organizational Culture and Quality Improvement, *International Journal of Operation and Productivity Management*, Vol. 21 No. 3, pp. 302-326, London.
- Moh. Nazir, Ph.D. 2013. *Research Methods*. Jakarta: Ghalia Indonesia.
- Moshavi, D. & Terborg, J.R, 2012, The job satisfaction and performance of contingent and regular customer service representatives: A human capital perspective. *International Journal of Service Industry Management*.
- M. Admanari, 2018, *Organizational Culture as a Tool to Improve Company Performance*. Jakarta: Salemba Empat



- Mitchel T.R. and Larson. 2018. *People and Organization; An Introduction to Organizational Behavior*. Singapore: Mc Graw Hill Inc.
- Muhammad, Arni, 2021, *Organizational Communication*, Bumi Aksara, Jakarta.
- Noe, A, Raymond, John R, Hollenbeck and Barry, Eirhart, 2013, *Human Resource Management*, McGraw Hill New York
- Parrek, Udai, 2020, *Organizational Behavior*, PT. Binaman Pressindo, Jakarta. Robbins, Stephen P, 2013, *Organizational Behaviour*, Ninth Edition, Prentice Hall, New Jersey.
- Redding, W. Charles, 2012, *Communication Within the Organization*, New York, Industrial Communication Council, Inc.
- Raymond H. Van Zelst. 2018. *Sociometrically Selected Work Teams Increase Production*, Personal Psychology, 5 No. 3
- R. Wayne & Faules, F. Don 2018. *Organizational Communication Strategies to Improve Company Performance*, Rosda Karya, Bandung
- Sekaran, Uma, 2020 *Research Methods for Business*, International Edition, Prentice Hall, USA.
- Sedarmayanti, 2021, *Organizational restructuring and empowerment to face the dynamics of environmental change: Viewed from Several Essential and Actual Aspects*, Mandamaju, Bandung
- Siagian S, 2018. *Human Resource Management; Appointment and Placement of Human Resources*, Haji Masagung, Jakarta
- Stoner, James, A.F. & Sirait, Alfonsus. 2016. *Management, Second Edition (Revised)* Erlangga, Jakarta
- Steven Ott, 2019, *Organizational Behaviour*, 8th Edition, Mc.Graw-Hill, Boston.
- Sugiyono, 2020, *Business Research Methods*, Bandung: Alfabeta.
- Suandi Prawirosentono, 2020, *Human Resource Management, Policy, Employee Performance*, First Edition, BPFE, Yogyakarta.
- Sule Ernie and Saefullah. 2015, *Human Resources*, Gunung Agung, Jakarta.
- Turner, Gregory B, and Barbara Spencer, 2019. Understanding of Marketing Concept in Organizational Culture, *European Journal of Marketing*; Volume 31 No. 2, MCB University Press, London.
- Uchyana, Onong Efendy, 2020, *Philosophy of Communication*, Remaja Roda Karya, Bandung.
- Wijana, I Dewa Putu. 2015. *Human Resource Management*. Yogyakarta: Andi Yogyakarta.
- Wilbur Schramm. 2015. *The Nature of Mass Communication, The Process and Effect of Mass Communication*. University of Illionois Urbana
- Wiryanto, 2014. *Introduction to Communication Science*, Gramedia, Jakarta
- William B, Jr, and Werther, 2020. *Human Resources and Personnel Management*, Fifth Edition, McGraw- Hill, Boston, U.S.A.