



## EMPLOYEE PERSPECTIVE ON COMPANY LEADERS: BETWEEN DISCIPLINE AND JOB SATISFACTION

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### **Abstract:**

The purpose of this study was to examine the influence of the role of leadership and work discipline on employee performance with job satisfaction as an intervening variable at PT. Sarana Arga Gemeh Amerta Denpasar. The sample in this study were employees of PT. Sarana Arga Gemeh Amerta Denpasar as many as 112 respondents. The analysis tool used is path analysis (path analysis). The results of the analysis explain that the leadership and work discipline variables have a positive and significant effect on employee performance, in addition to directly affecting employee performance, this variable is also influenced by job satisfaction as an intervening variable where it can be explained that job satisfaction as an intervening variable that connects leadership and work discipline variables has results. partially positive significant towards employee performance. This means that job satisfaction is not fully a benchmark in determining employee performance, because the results of this study state that the role of the leader in paying attention is needed by employees and work discipline becomes employee guidance in completing a job that is the responsibility of each employee.

**Keywords:** employee performance, job satisfaction, leadership, work discipline

### **1. Introduction**

Employees are the main asset of the company and have a strategic role in the company as thinkers, planners and controllers of company activities. The company as a form of an organization cannot be separated from human labor, even though the company's activities already have large enough capital and modern technology, because no matter how advanced technology is without being supported by humans as its resource, the company's goals will not be achieved. Organization is a place of interaction between two or more people in which there is a relationship between leaders and subordinates. The

organization is a consciously coordinated social entity with identifiable reactive boundaries, working continuously to achieve goals (Robbins, 2008).

Companies need to pay attention to various factors that can affect employee performance including leadership and work discipline of these employees where these factors can encourage the creation of professional attitudes and actions in completing work in accordance with the fields and responsibilities of each employee. Leadership is a very important factor in influencing company performance results, because leadership is the main activity related to achieving organizational or company goals. Leaders must ensure that the performance of their subordinates is properly rewarded, and not otherwise ignored and not rewarded positively for the performance of subordinates.

The role of leadership which is very strategic and important for the achievement of the mission, vision and goals of a company is one of the motives that encourages people to always investigate the ins and outs of leadership (Locke, 1997: 55).

A leader is a person who inspires, persuades, influences and motivates the work of others. The role of a leader in an organization is very dominant, but even so, a leader should not ignore the importance of the role of the workforce or employees. A leader must be able to change the mind of his subordinates or act decisively (Dubrin, 2006).

The quality of a leader is often considered the most important factor in the success or failure of a company as well as the success or failure of an organization, both business and public oriented, usually perceived as the success or failure of the leader (Bass, 1990). So important is the role of the leader that the issue of the leader has become a focus that attracts the attention of researchers in the field of organizational behavior. Leaders play a key role in formulating and implementing organizational strategy. (Su'ud, 2000). This has the consequence that every leader is obliged to pay serious attention to fostering, moving, directing all potential employees in their environment so that the volume and workload of work is directed at goals (Thoha, 200: 86).

Mangkuprawira (2017: 122) defines work discipline as the nature of an employee who consciously obeys certain organizational rules and regulations. Work discipline is an activity of company management which functions as a form of employee control in carrying out organizational standards in an orderly company in order to achieve company goals or objectives. Hasibuan (2003) suggests that good discipline reflects the amount of one's responsibility that encourages work morale and the realization of goals. The lower a person's discipline is followed by the lower one's responsibility for his job.

Job satisfaction is a person's feelings about work, when someone talks about employee attitudes more often it means job satisfaction. The term job satisfaction refers to the general attitude of an individual towards work (Robbins, 2001). The problem of job satisfaction is not a simple thing both in its concept and in the sense of analysis, because satisfaction has various connotations, although it is still relevant to say that job satisfaction is a person's perspective, both positive and negative about the work done.

PT. Sarana Arga Gemeh Amerta Denpasar is one of the largest bottled drinking water (AMDK) companies in Bali which was founded in 1931 which previously only produced ice cubes, then developed into a lemonade factory, and in 1985 began producing bottled drinking water with the SPRING brand. The problems that occurred

at PT. SAGA based on initial research by means of interviews with employees, there are several complaints that are most often felt by most employees. Lack of motivation from the leadership when it is needed by employees to achieve company goals and the leadership does not listen to the aspirations of the employees, this causes a decrease in employee morale at work and a decrease in trust in their place of work. There are no strict sanctions against employees who are absent from their work, this has resulted in decreased company performance.

## **2. Literature Review**

### **2.1 Leadership**

Gitosudarmo (2000) states leadership as a process of influencing the activities of individuals or groups. Ivancevich (2007) defines leadership as the process of influencing others to support the achievement of relevant organizational goals. Meanwhile, Kartono (2008) states that leadership is the trait, habit, temperament, character and personality that distinguishes a leader in interacting with others.

### **2.2 Work Discipline**

Wardana (2008) states that work discipline is an effort to manage time at work which is carried out regularly by developing and following existing work rules. Meanwhile, Hasibuan (2008) argues that discipline is the awareness and willingness of a person to obey all company regulations and applicable social norms. Thus, what is meant by work discipline is an attitude, behavior and actions in accordance with the rules, both written and unwritten and if it violates there will be sanctions for the violation.

### **2.3 Job Satisfaction**

Job satisfaction is a general attitude towards a person's job, the difference between the amount of reward a worker receives, and the amount believed to be received. The belief that satisfied employees are more productive than unsatisfied employees is a basic tenet among leaders. A person with a high level of job satisfaction shows a positive attitude towards the job. A person who is dissatisfied with his job shows a negative attitude towards that work (Robbins, 2001).

### **2.4 Employee Performance**

McNeese-Smith (1996) defines performance as a contribution to organizational outcomes in relation to resources spent and must be measured by qualitative indicators and then the development of instruments is carried out to assess job perceptions of their own performance in relation to items such as output, achievement of goals, meeting deadlines, use of working hours and sick leave. Meanwhile, Mathis (2009) argues that performance is what employees do or don't do. Employee performance common to most jobs includes the following elements: (a) quantity of results, (b) quality of results, (c) timeliness and results, (d) attendance and (e) ability to cooperate.

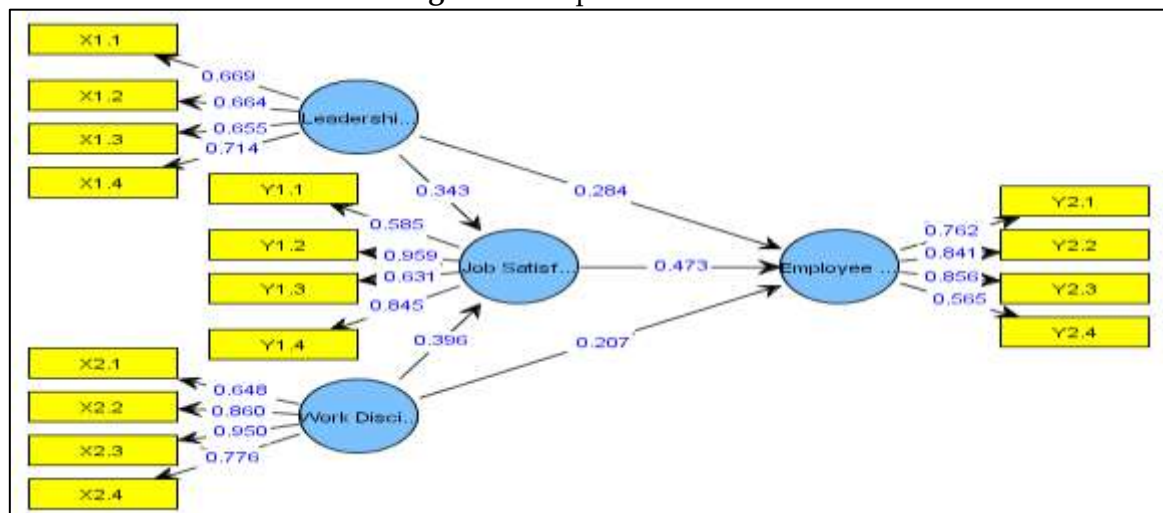
### 3. Material and Methods

This research is a survey research using a questionnaire as the main research instrument to explain the relationship between the variables studied. In addition, it also uses in-depth interviews with key informants to support or explore findings from the results of quantitative analysis. The population in this study were all employees at PT. Sarana Arga Gemeh Amerta Denpasar, amounting to 112 people. The number of samples in this study were as many as 112 employees, the sampling technique used in this study was nonprobability sampling. To describe the respondent's assessment on each research instrument, the respondent's answers were classified into 5 (five) measurement scales through the interval range formulation. Where each questionnaire answer has a weight or value score with a Likert scale (1-5), a score of 1 (strongly disagree), 2 (disagree), 3 (quite agree), 4 (agree), and 5 (strongly agree). The data analysis technique used in this research is descriptive analysis which aims to provide an overview of the demographics of research respondents and a description of the research variables and inferential analysis techniques are used to test empirical models and hypotheses using a variance-based structural equation model or known as Partial Least Square (PLS) (Ghozali, 2008).

**Table 1: Hypothesis Results**

	Original sample estimate	Mean of subsamples	Standard deviation	T-Statistic
Leadership (X1) -> Job Satisfaction (Y1)	0.343	0.018	0.310	3.450
Work Discipline (X2) -> Job Satisfaction (Y1)	0.396	0.055	0.345	3.800
Leadership (X1) -> Employee Performance (Y2)	0.284	0.176	0.214	2.100
Work Discipline (X2) -> Employee Performance (Y2)	0.207	0.091	0.293	2.564
Job Satisfaction (Y1) -> Employee Performance (Y2)	0.473	0.398	0.223	4.409

**Figure 1: Output PLS Results**



## 4. Results and Discussion

The results of this study indicate that the testing of hypothesis 1 produces a coefficient pathway that leads to a significant positive effect on employee performance. This can be seen from the path coefficient of 0.284 with a t-statistic of  $2.100 > 1.96$ .

The results of hypothesis 2 research indicate that work discipline has a significant positive effect on employee performance. This can be seen from the path coefficient of 0.207 with a t-statistic of  $2.564 > 1.96$ .

The results of the research on hypothesis 3 indicate that the path results of the leadership coefficient have a significant positive effect on job satisfaction. This can be seen from the path coefficient of 0.343 with a t-statistic of  $3,450 > 1.96$ .

The results of hypothesis 4 research indicate that work discipline has a significant positive effect on job satisfaction. This can be seen from the results of the path coefficient of 0.396 with a t-statistic of  $3.800 > 1.96$ .

The results of hypothesis 5 research indicate that job satisfaction has a significant positive effect on employee performance. This can be seen from the results of the path coefficient of 0.473 with a t-statistic of  $4.409 > 1.96$ .

### 4.1 Results Intervening Variables

The results of hypothesis 6 testing show that job satisfaction has a significant positive effect through leadership on employee performance, so it can be said that job satisfaction only affects the relationship between leadership and employee performance partially.

The results of hypothesis 7 testing indicate that job satisfaction has a significant positive effect on employee performance through work discipline. Likewise, work discipline has a significant positive effect on job satisfaction. This indicates that work discipline only partially mediates the relationship between job satisfaction and employee performance.

## 5. Conclusion

From the results of the discussion of this study it can be seen that leadership has a significant positive effect on employee performance, then work discipline has a significant positive effect on employee performance. In addition, leadership and work discipline have a significant positive effect on job satisfaction, as well as the effect of job satisfaction which has a significant positive effect on employee performance.

The results of the intervening test on the effect of job satisfaction on the relationship of leadership and work discipline with overall employee performance only have a partial effect on mediation. This means that the factors of leadership and work discipline that have been felt so far in improving employee performance are not fully influenced by the job satisfaction felt by the employee.

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