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EMPLOYEE PERFORMANCE: ANALYSIS OF LEADERSHIP  
COMPETENCIES AND EMPLOYEE ENGAGEMENT INDONESIA (A CASE  
STUDY ON BANK BJB OF SOUTH TANGERANG CITY)

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**ABSTRACT**

The objective of this study is to analyze the effect of leadership style and employee engagement on employee performance at Bank BJB branch of South Tangerang. The method used is descriptive quantitative, survey, with questionnaire, and with the technique of path analysis. Sampling technique used was purposive sampling. Data obtained using a measurement tool in the form of a questionnaire was processed using SPSS 25, to know the effect of each variable. Data analysis methods used, partial regression analysis and multiple regression combined with path analysis to further clarify the relationship between variables. The results of this study showed that there is: negative and insignificant direct effect between Leadership Style variable on Employee Performance, obtained path coefficient of 0.258 with a significance of t of 0.595. The positive and significant direct effect between the Leadership Style variable on the Employee Engagement variable, obtained a path coefficient of 0.505 with a significance T of 0.000. The effectiveness of the leadership style of a leader depends on factors of organizational culture, authority possessed, goals, ability to influence, both formal and informal. Attachment or involvement of subordinates influences very significantly on organizational performance, and good performance is a performance that follows procedures according to established standards, and with several criteria in order to increase productivity therefore it is expected to run in accordance with what is desired.

## 1. INTRODUCTION

Human resource has a very important role in an organization/ company, it can be realized by means of human resource possessing features such as creativity, innovation, knowledge, expertise, added value, competitive superiority, and skills to increase satisfaction in services, develop over time, stronger, not acting a supporting function, instead as a key feature or asset to success of it organization or company, called human capacity (Mayo:2016). The achievement of an organization/ company's targets, in addition to complete modern equipment, facilities and infrastructures, it depends more on human resources who act as the implementor and influenced by individual performance of employee and employee engagement as well as leadership style implemented in the organization. Employee engagement is proven to reduce staff turnover, increase productivity and efficiency, keep customers at a higher level, resulting in more profits, improved performance, work safety, and customer loyalty and satisfaction. (Gallup 2013;Ellis&Sorensen,2007,2008;Marcos & Sridevi, 2010).

Bank is an institution engaged in the banking financial services, where its management is dependent on the performance of employees, in this case the employee must be able to serve customers with enthusiasm, friendliness seriousness and purpose effectively with its maximum target. This requires a leader who are intelligent, able to motivate subordinates, provide vision, mission, can be believed to be able to set goals, design strategies, make policies, and methods, and able to carry out management functions properly and correctly, and cope with changes that always take place either external or internal.

Bank bjb, formerly known as PT. Bank Pembangunan Jawa Barat and Banten, South Tangerang City branch, headquartered in Bandung, West Java Province, has continued to develop into the 10 largest banks and has continued to run in increasingly fierce competition. Operating as a branch office in the South Tangerang City in 2009, is inseparable from the problems of employee performance. It can be seen from the Operational Performance Report of Profit, Third party Funds and loans between 2014 and 2018, experiencing fluctuations. In 2018 there was an increase, but when viewed last 5 years, growth in operational performance has decreased. Other data that there is a change of leadership, where it is known that the attitude of the previous leader made loose some policies to the employees, while the new leader applies discipline, strict, performance measures are tightened which causes employees to do extra work to improve their performance, work is demanded to be more active, therefore it requires adaptation. The employee engagement situation is still not evenly distributed and outgoing employees still exist because the existing SOPs seem that they cannot be followed up. Efforts to limit the scope of the problem are too broad, far from relevance, and in order to be focused / concentrated, with the aim to be more directed, the problems that occur become clearer and not distorted, then this research only analyzes about: 1. Employee performance, 2. Leadership Style , 3. Employee Engagement.

The usefulness and benefits of the results of research, practically for researchers is the acquisition of knowledge and experience in conducting scientific research, expanding and as a treasure trove in the development of knowledge about Leadership Style, Employee Engagement, and Employee performance. For the community it can function as a reference for future research with the same study. Theoretical benefits as a foundation and scientific contribution for researchers and as a new reference in conducting similar research, in order to improve the ability to solve problems and used as a means of developing organizational development strategies.

## 2. LITERATURE REVIEW

**Leadership Style** is a relatively consistent pattern of behavior that characterizes a leader (Nunjuswaras and Swamy 2014). Leadership style is seen as a combination of various characteristics, traits, and behaviors used by leaders to interact with their subordinates (Mitonga- Monga & Coetzee, 2012), and it is considered a pattern related to managerial behavior, designed to integrate the interests of organizational or personal and effects to achieve certain goals, which must be adapted to the ability level characters in the tasks of their subordinates. Basically, a successful leader is a leader who does not seek power for himself but distributes power to many people to achieve common goals, able to unite, able to change the beliefs, attitudes of each subordinate in order to achieve the goals set, able to change the subordinate value system in order to achieve the goal by developing one or all factors that are dimensions. Namely idealistic influence, inspirational motivation. intellectual stimulation, individualized consideration. This leadership style inspires and motivates subordinates (emotionally) to get rid of personal interests to achieve common goals (Rafferty & Griffin, 2004). its actions are independent and its performance is guided by internalization of shared values. how to help others to develop and mobilize the motives of power to empower others. An important aspect is transforming his followers into effective leaders (Marshall and Molly, 2011:76-77).

**Employee Engagement** is a term relatively new in the science of human resource (Hobel, 2006). Khan(1990), as the first trigger, defining it as the condition of employees in using and showing themselves physically, emotionally, and cognitively in their role in the organization, as an employee's involvement and self-expression of the tasks given. The attraction that arises because employee engagement affects the company's overall performance. Another definition of the Corporate Leadership Council (CLC), employee engagement as the level of employee commitment, work effort, and the desire to remain in the organization. As according to Anitha J., (2014), as the level of commitment and employee involvement in the organization and its values. When an employee is involved, he is aware of his responsibilities in business goals and motivates his colleagues alongside them for the success of the organization's goals. Men, L. R. et al (2019) mentioned Employee Engagement as a motivational and psychological state of employees in which they remain cognitively, emotionally, and physically investing in their work roles and show dedication, positive effectiveness, involvement and a high level of connection with their work.

**Employee Engagement** is characterized by absorption, encouragement, and emotional commitment to the organization and higher performance can be obtained from employees who gain pride and pleasure in their work (Harter, Schmidt, & Keyes, 2002; Macey & Schneider, 2008; Saks, 2006; Chowdury and Gupta, 2018). The most important trigger for "Employee Engagement" is employee understanding of the importance of their role for organizational success (Ho, Wong, & Lee, 2011; Welch, 2011; Chowdury and Gupta; 2018).

**Employee Type Based on Employee Engagement Level**, according to Robison et al (2004) there are three engagement groupings, namely: 1. Engaged, is a builder. 2. Not engaged, employees tend to focus on the task, waiting for orders and tend to feel their contribution is ignored,

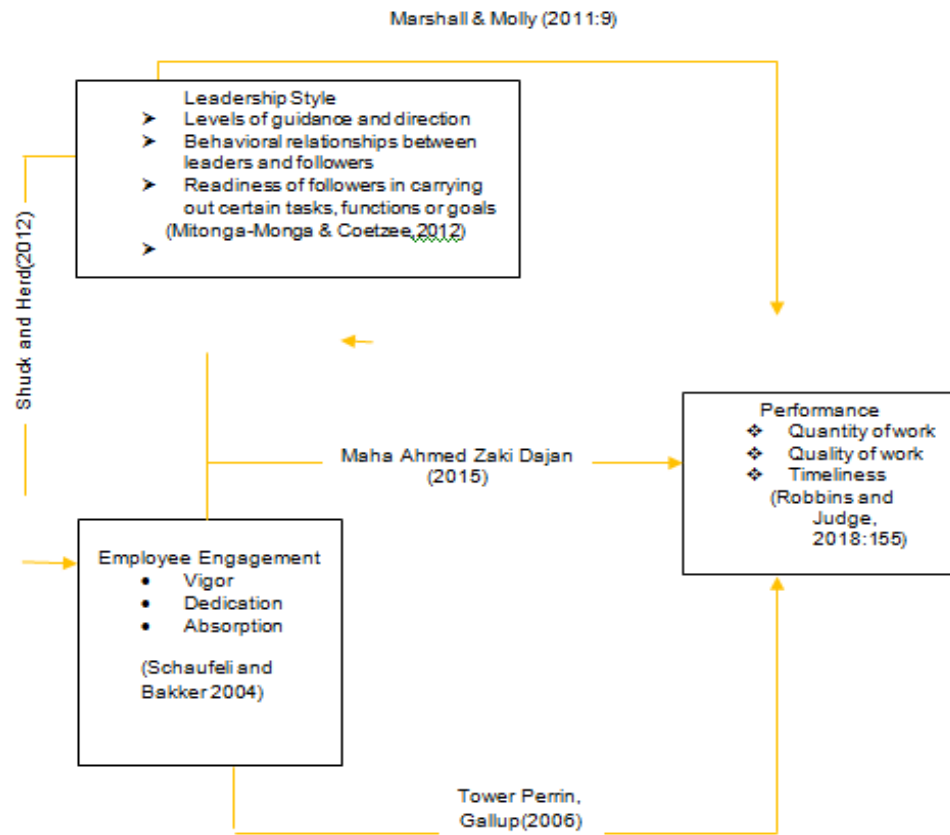
3. Actively disengaged, employees are cave dwellers, this type of actively disengaged weakens what is done by workers who engaged. **Dimension of Employee Engagement** , In measuring employee engagement, a measuring tool or indicator is used as a measure for employee engagement. According to Schaufeli and Bakker

(2004) there are three characteristics in employee engagement, namely: 1) Vigor, characterized by high energy levels and mental toughness when working, as well as the desire to give effort to work and also endurance in the face of adversity. The research indicators are high energy, endurance, and persistence, 2). Absorption (Characterization), characterized by full concentration at work and happy when involved in work, so time will run quickly. The research indicators are: Time flies and totality and pleasure at work.

Bakker and Demerouti (2008), there are three factors that influence employee engagement, namely: Job Resources, Salience of Job Resources, Personal Resources.

**Employee performance** is the combination of skills, efforts and chances that can be assessed from the results of its work. The word performance is usually related to quantity, quality of outputs, timeliness of output, attendance at work, efficiency of work completed and effectiveness of work completed (Mathis & Jackson, 2011). Mangkunegara, (2017) defined performance as a result of work in quality and quantity achieved by an employee in carrying out their duties in accordance with the responsibilities given to him. Meanwhile, Robbins and Judge, (2015) defined performance as an outcome achieved by employees in their work according to certain criteria that apply to a job. Performance measurement is adjusted to the type of work to be assessed, therefore at the time of assessment not all performance measurement criteria are used. Cardoso, Faustino, Gomes (2010) further explained that there are two criteria for measuring performance or employee performance, namely: 1). Measurement based on final results (result-based performance evaluation). In this measurement criterion, organizational goals are set by the management or work group, then employees are encouraged and their performance is assessed based on how far the employee reaches the goals set. 2). Behavior-based performance evaluation. Measurements based on behavior are biased towards the qualitative aspects rather than the quantifiable ones. Measurements based on behavior are generally subjective, in this case the employee is assumed to be able to describe precisely the effective performance for himself or his coworkers. Dimensions and Performance Indicators according to Robbins and Judge (Robbins and Judge, 2018: 155): can be described as follows: a). Quantity of work, b) Quality of work, c) Timeliness. The indicators used in employee performance appraisal, namely: a) Job performance, b) Target achievement, c). Skills, d). Satisfaction, e). Initiatives, f) Attendance, g). Obedience, h) On time. Based on the description it can be concluded that performance can be interpreted as a result or level of success according to certain criteria, both in quantity and quality, including behavior in achieving it.

### CHART OF THEORETICAL THINKING FRAMEWORK

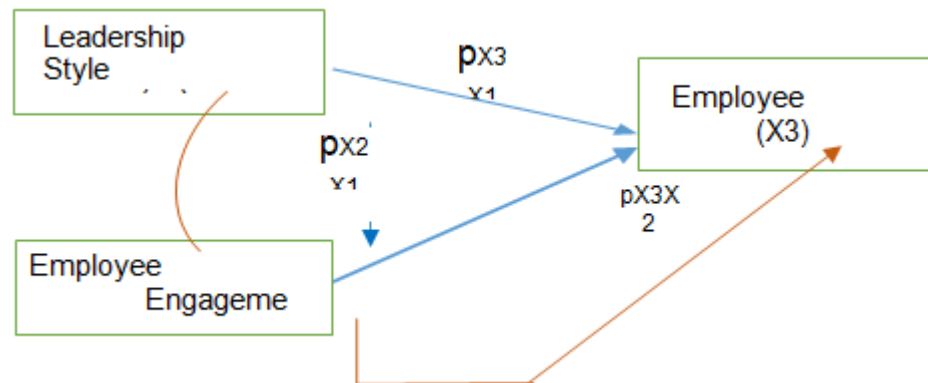


### 3. RESEARCH METHOD

The study was conducted at the branch office of Bank bjb South Tangerang City, Banten Province. As the population in this research were all employees at the branch office of Bank bjb South Tangerang City. As a sample, it was calculated using the Slovin formula with an error rate of 5%. Data collection techniques consisted of primary data (through interviews, observations and questionnaires) and secondary data (literature, books, journals, etc.). Scores used in this research instrument used a 4-point Likert scale (.). The questionnaire was distributed to respondents with

statement items or questions from the Performance Variables of 14 items, for the Leadership Style Variable of 19 items, and for the Employee Engagement Variable of 15 items. Likert scale is used to measure a person's behavior, opinions, and perceptions about phenomena or objects. Likert scale by category: very often, often, sometimes, and never. To illustrate the index of respondents' answers, this study uses descriptive analysis, from various constructs developed and differential statistics for hypothesis testing, especially by using SPSS 25

Figure 1 Research Design Causal Relations X1, X2, to X3



**Note:**

- X1 is independent variable
- X2 is Employee Engagement free variable
- X3 is Performance dependent variable
- $p_{X3X1}$  is structural parameter / measurement model for the effect of X1 on X3
- $p_{X3X2}$  is structural parameter / measurement model for the effect of X2 on X3
- $p_{X2X1}$  is parameter structure / measurement model for the effect of X1 on X2
- $p_{X3X2X1}$  is structural parameter / measurement model for the effect of X1 through X2 to X3

**RESEARCH INSTRUMENT**

Each variable was tested by conducting a validity test, a reliability test. 1. To test the validity of the instrument, then used Bivariate Pearson correlation (Pearson Moment Product). Item-total correlation coefficients with Bivariate Pearson.  $r_{ix}$  = The total item correlation coefficient (Variate Pearson)  $i$  = Item Score  $x$  = Total Score  $N$  = Number of Subjects. 2. The reliability test is used to know the consistency of the measuring instrument, using the Alpha Cronbac formula,  $r_x$  instrument reliability coefficient (total tests),  $n$  = number of valid question items,  $\sum \sigma_t^2$  = number of item variants,  $\sigma_t^2$  = total score variant. Scale reliability test calculation is accepted, if the results of the calculation of  $r$  count  $>$   $r$  table 5%.

**DATA ANALYSIS TECHNIQUE.**

To analyze the data one by one based on the answers of respondents collected based on a questionnaire that was filled in by the respondent during the study. The description of the data presented includes Mean (M), Median (Me), Mode (Mo), and Standard deviation (SD). Before testing the hypothesis, the analysis prerequisite testing includes the normality test, linearity test and multicollinearity test.

Hypothesis Testing through: a). Multiple Regression Analysis. This analysis is used to know the amount of effect that exists between leadership style on employee

performance. The general equation of multiple regression is:  $X_3 = C + \beta X_1 + \beta X_2 + R$   
 Where:  $X_1$  = leadership style,  $X_2$  = *Employee Engagement*,  $X_3$  = employee performance.  $C$  = constant  $\beta$  = regression constant  $R$  = residual . b). Coefficient of Determination ( $R^2$ ). The coefficient of determination ( $R^2$ ) is essentially used to measure how far the ability of the regression model in explaining the variation of the dependent variable (Ghozali, 2009). The researcher used adjusted  $R^2$  to evaluate which regression model is best. The value of  $R^2$  can go up or down if one independent variable is added to the model. The coefficient of determination ( $R^2$ ) is expressed as a percentage whose value ranges from  $0 < R^2 < 1$ . A small  $R^2$  value means the ability of independent variables in explaining the variation of the dependent variable is very limited. A value close to one means that the independent variables provide almost all the information needed to predict the variation of the dependent variable. c) Path Analysis. Path analysis is based on simple regression technique, but allows a richer understanding of the relationship between and among which variables are examined (Kellar & Kelvin, 2013). Simple multiple regression allows prediction, based on a set of  $X$  variables. This path analysis is built to examine both the direct and indirect effects of various  $X$  variables

#### 4. RESULTS AND DISCUSSION

Questionnaires were distributed to 86 respondents, from 110 people as population, with 14 items of statement or questions from Performance Variable, 20 items for Leadership Style Variable, and 15 variables for Employee Engagement, using descriptive statistical analysis. Data collected from variables consisting of 3 variables, 2 independent variables, namely leadership style variable, and employee engagement, and 1 dependent variable, namely employee performance variable.

To illustrate the index of respondents' answers, descriptive analysis is used, from various constructs developed and differential statistics for testing hypotheses, especially using SPSS 25. From the gender characteristics of respondents, there were 38 male respondents with a percentage of 44% and female respondents as many as 48 people with a percentage of 56%. Age of respondents was dominated by the age of 26-30 years = 50 people (58%), 21-25 years = 26 people (30%). Based on the age characteristics, the majority of respondents were between 26-30 years which was equal to 58%. The latest level of education or currently undergone by respondents was certainly not the same or diverse, therefore it will reflect a different mindset and will affect the behavior of each individual in doing something, the level of education was that respondents with a Diploma education (D3) of 8 people with a percentage of 9%, undergraduate education (S1) as many as 64 people with a percentage of 75%, while for the postgraduate level (S2) were as many as 14 people with a percentage of 16%. Based on the educational characteristics of the respondents most of the respondents were S1 as much as 75%. Tenure of Respondents under 5 years were 26 people with a percentage of 30%, tenure between 6-10 years by 50 people with a percentage of 58%, tenure between 11-15 years by 7 people with a percentage of 8%, while the working period for more than 15 years were as many as 3 people with a percentage of 4%. Based on the characteristics of the length of service of the respondents most of the respondents were respondents with a tenure of between 6-10 years or 58%.

**Validity Test Results** each question item from the employee performance variable was greater than  $r$ -table 0.361 so it can be concluded that the measuring instrument used is valid to be used in research. The Leadership Style Validity Test Results for each question item can be seen that the level of validity of Item P20 is invalid, because

the value of r-results was only 0.307 smaller than r-table that was 0.361, while each of the other question items r-results was greater than r-table

0.361 so it can be concluded that the measuring instrument used is valid to be used in research. The results of the Employee Engagement validity test using SPSS 25 are shown in the table as follows: From the table above it can be seen that the validity level of item P8 is 0.327 smaller than r-table that is 0.361 so it is not valid, whereas each of the other question items was greater than r-table 0.361 so it can be concluded that the measuring instrument used is valid to be used in research.

**Reliability test results** of Employee performance variable using SPSS 25, shows the following results: Based on the results of the analysis it can be seen that r alpha is positive and greater than r table ( $0.872 > 0.600$ ), then the question points for the performance variable is reliable. The results of the reliability test of the leadership style using SPSS 25, shows the following results: Based on the results of the analysis it can be seen that r alpha was positive and greater than r table ( $0.920 > 0.600$ ), the questions for leadership style is reliable. The reliability test results of the Employee Engagement variable using SPSS 25, shows the following results: Based on the results of the analysis it can be seen that r alpha was positive and greater than r table ( $0.846 > 0.600$ ), then the questions for Employee Engagement is reliable .

**Analysis Requirement Test:** Normality Test, from the table of *One-Sample Kolmogorov-Smirnov Test* then obtained probability number or Asym. Sig. (2-tailed) of 0.193. This value compared to 0.05 was greater then the data in this study is normal. Linearity Test, based on the t value for the Leadership Style variable and the Employee Engagement variable respectively 0.00 and 0.00. This significance value was smaller than 0.05, so the data in this study are linear.

To detect the occurrence of multicollinearity then performed by seeing whether the value of Variance Inflation Factor (VIF) is not greater than 10, then the model is free from multicollinearity. The following are the results of testing with multicollinearity test. Tolerance value for leadership style variable is 0.771 and employee engagement variable is also 0.771. This tolerance value was greater than 0.10 and the VIF value for the Leadership Style variable (X1) is 1,297 and so is the employee engagement variable (X2) by 1,297. This value was less than 10, so it can be concluded that there are no cases of multicollinearity in this study.

**Correlation between variables.** Requirements that must be met before testing the model, existing data have a significant correlation between the variables. Through the use of SPSS version 25 then obtained correlation values between these variables as shown in the following table: obtained information as follows: Correlation coefficient Leadership Style (X1) to employee performance (X3) was  $r_{11} = 0,258$ . The correlation coefficient of Employee Engagement (X2) to employee performance (X3) was  $r_{12} = 0,592$  . The correlation coefficient of Leadership Style (X1) to Employee Engagement (X2) was  $r_{11} = 0,505$ .



**4.1 ANALYSIS OF THE EFFECT OF LEADERSHIP STYLE ON EMPLOYEE ENGAGEMENT. BASED ON THE SPSS 25 OUTPUT RESULTS IN TABLE 30 IT CAN BE ANALYZED AS FOLLOWS:**

**Table. Partial Regression of Leadership Style on Employee Engagement**

Model	Unstandardized Coefficients		Standardized Coefficients Beta	T
	B	Std. Error		
1 (Constant)	23.594	3.587		6.578
Leadership styles	.326	.061	.505	5.359

Based on the table above, the equation of the regression line for the leadership style variable and employee engagement variable is stated as follows:  $X_2 = 23.594 + 0.326 X_1$ . A constant of 23,594 states that if there is no leadership style, then the value of Employee Engagement is 23,594. The regression coefficient  $X_1$  of 0.326 states that each addition of the influence of leadership style will increase Employee Engagement by 0.326.

**PROOF OF HYPOTHESIS 1**

H0: Leadership style ( $X_1$ ) has no significant effect partially on Employee egagement ( $X_2$ ). H1: Leadership style ( $X_1$ ) partially significant effect on Employee Engagement ( $X_2$ )

**Table Correlation of Leadership Style to Employee Engagement**

Control Var	iables		Leadership Style	Employee Engagement
Kinerja	Leadership Style	Correlation	1.000	.452
		Significance (2-tailed)	.	.000
		Df	0	83
	Employee Engagement	Correlation	.452	1.000
		Significance (2-tailed)	.120	.
		Df	83	0

Based on the table, the correlation value between leadership style and employee engagement is 0.452 and Significance (2-tailed) is 0,000. This value was smaller than 0.05 then H02 was rejected, or Ha2 was accepted, so it can be said that there is a significant effect between leadership style on employee engagement Coefficient of Determination

**Table Coefficient of Leadership Style Determination of Employee Engagement Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics R Square Change
1	.505 <sup>a</sup>	.255	.246	2.620	.255

Based on the table above the R value is 0.505, this value was greater than Zero, therefore obtained 50.2% there was a direct effect between the variables of Leadership Style ( $X_1$ ) on Employee Engagement ( $X_2$ ). The R Square value is 0.255 indicating that 25.5% of the Leadership Style determines the Employee Engagement variable, while the remaining 74.5% is determined by other variables.

## 4.2 ANALYSIS OF THE EFFECT OF LEADERSHIP STYLE ON EMPLOYEE PERFORMANCE

**Table 1 Partial Regression of Leadership Style on Employee Performance Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t
		B	Std. Error		
1	(Constant)	40.704	2.112		19.269
	Leadership Style	.088	.036	.258	2.449

Based on the table above, the equation of the regression line for the variable of leadership style and employee performance variables is stated as follows:  $X_3 = 40,704 + 0,88X_1$ . A constant of 40,704 states that if there is no Leadership Style, then the employee's Performance value is 40,704. The regression coefficient  $X_1$  is 0.088 which means that each additional effect of the Leadership Style will increase employee performance by 0.008

Proof of Hypothesis 2

H02: Leadership style ( $X_1$ ) has No. significant effect partially on employee performance ( $X_3$ ) H12: Leadership Style ( $X_1$ ) has partially significant effect on employee performance ( $X_3$ )

**Table Correlation of Leadership Style to Employee Performance**

Employee Engagement	Leadership Style	Correlation	1.000
		Significance (2-tailed)	.
		Df	0
	Performance	Correlation	-.058
		Significance (2-tailed)	.595
		Df	83

Based on the table, the correlation value of -0.058 and the value of significance (2 tailed) of 0.595 was greater than 0.05 then H02 was accepted, or Ha2 was rejected, meaning that there is no significant effect between leadership style on employee performance.

**Table. Coefficient of the Determination of Leadership Style on Employee Performance**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change
1	.258a	.067	.056	1.543	.067

Based on the table above the R value is 0.258, this value was greater than Zero, then obtained 25.8% there was a direct effect between the leadership style variable ( $X_1$ ) on employee performance ( $X_3$ ). The R Square value is 0.067 indicating that 06.7% leadership style determines employee performance variables, while the remaining 93.3% is determined by other variables.

**4.3 ANALYSIS OF THE EFFECT OF EMPLOYEE ENGAGEMENT ON EMPLOYEE PERFORMANCE BASED ON SPSS 25 OUTPUT RESULTS, BELOW ARE THE ANALYSIS:**

**Table Employee Engagement Partial Regression on Employee Performance**

Model	Unstandardized Coefficients		Standardized Coefficients Beta	T
	B	Std. Error		
1 (Constant)	32.542	1.984		16.405
Employee Engagement	.312	.046	.592	6.731

The equation of regression line for Employee Engagement and Employee Performance variables is stated as follows:  $X_3 = 32.542 + 0.312 X_2$ . A constant of 32.542 states that if there is no Employee Engagement, the employee's Performance value is 32,542. Regression coefficient  $X_2$  of 0.326 states that each additional effect of Employee Engagement will increase employee performance by 0.312

**PROOF OF HYPOTHESIS 3**

H03: Employee Engagement ( $X_2$ ) has no significant effect partially on employee performance ( $X_3$ )  
H13: Employee engagement ( $X_2$ ) has partially significant effect on employee performance ( $X_3$ )

**Table. Correlation of Employee Engagement on Employee Performance**

**Correlations**

Control Variables

Performance

Leadership Style	Employee Engagement	Correlation	.554
		Significance (2-tailed)	.000
		Df	83
	Performance	Correlation	1.000
		Significance (2-tailed)	.
		Df	0

Based on the table, the correlation value between Employee Engagement and Employee Performance is 0.554 and Significance (2-tailed) 0.00. This value was smaller than 0.05 then H03 was rejected, or Ha3 was accepted, so it can be said that there is a significant effect between Employee Engagement on employee performance.

**Determination Coefficient.**

**Table Employee Engagement Determination Coefficient on Employee Performance**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics R Square Change
1	.592 <sup>a</sup>	.350	.343	1.287	.350

Based on the table, the value of R is 0.592, this value was greater than zero, then obtained 59.2% there was a direct effect between the employee engagement variable ( $X_2$ ) on employee performance ( $X_3$ ). The R Square value of 0.350 indicates that 35.0% of employee engagement determines employee performance variables, while the remaining 65.7% is determined by other variables not tested in this study.

#### 4.4 ANALYSIS OF THE EFFECT OF LEADERSHIP STYLE THROUGH EMPLOYEE ENGAGEMENT ON EMPLOYEE PERFORMANCE PROOF OF HYPOTHESIS 4

H04 = leadership style (X1) through Employee Engagement (X2) does not significantly influence employee performance (X3).

H14 = Leadership style (X1) through Employee Engagement (X2) effects significantly on employee performance (X3).

In proving the hypothesis, the significance of leadership style (X1) on employee engagement (X2) was 0,000 and the significance of the effect of employee engagement on employee performance (X3) was 0,000. Both of these significance were less than 0.05, then H04 was rejected or Ha4 was accepted, then it can be said that there is a significant effect between leadership style through employee engagement on employee performance.

The correlation coefficient value was 0.230 (0.505 x 0.592), meaning that the leadership style (X1) has an indirect effect on (employee performance) X3, through (employee engagement) X2. The R square value indicates the number 0.0234 (0.067 X 0.350) shows that 2.34% of the leadership style variable through employee engagement determines the employee performance variable, while the remaining 97.66% is determined by other variables.

#### PATH ANALYSIS

Based on the summary of the results of the effect of all the coefficients that have been presented in the previous hypothesis can be described in the table and path analysis as follows:

**Table. Path coefficients and causal effects between variables**

Variable Effect	Path Coefficient	Causal Effect		Together
		Direct	Indirect	
X1 on X3	0,258	0,258		
X1 on X2	0,505	0,505		
X2 on X3	0,592	0,592		
X1 and X2 on X3	X1 = -0,055	-0,055		0,594
	X2 = 0,619	0,619		
X1 through X2 on X3			=0,505 x 0,592 (0,230)	

#### EFFECT OF LEADERSHIP STYLE ON PERFORMANCE

The results of the calculation of leadership style on employee performance obtained a path coefficient of 0.258 with a significance T of 0.595, then H01 was accepted, this means that the results of the study indicate that there is no direct and significant effect between leadership style on employee performance. The results of this study were not in line with the research conducted by Al Khajeh, E. H. (2018), Dionne et.al (2004) and Walumbwa et.al (2008), but in line with research conducted by Rathore,et al (2014),Maingi, A, M., Rotich. G. & Anyango, W. (2018), Kamel and Noermijati (2014). There are several reasons why this research is in line or more supportive, because it is known that this research was carried out during the transition period when there was a change of leadership, then when respondents answered the

questionnaire submitted, respondents used leadership assumptions before the change of new leaders.

### **EFFECT OF LEADERSHIP STYLE ON EMPLOYEE ENGAGEMENT**

The results of the calculation of leadership style on employee engagement obtained path coefficient of 0.505 with a significance T of 0.000, then H02 was rejected or H12 was accepted, this means that the results of the study indicate that there is a direct and significant effect between leadership style on employee engagement. The results of this study are in line with research conducted by Datche, A.Evelyn and Mukulu, Elegwa (2015), Popli and Rizvi (2016), Ghafoor, A. et. Al (2011) Herdiyan and Verawati (2014), but not in line with research conducted by Zhao and Sheng (2019).

### **EFFECT OF EMPLOYEE ENGAGEMENT ON PERFORMANCE.**

The calculation result of Employee Engagement on employee performance obtained path coefficient value of 0.592 with a significance T of 0.000, then H03 was rejected or H13 was accepted, this means that the results of the study indicate that there is a direct and significant effect between Employee Engagement on employee Performance. The results of this study are in line with research conducted by Vidya and Lucas (2019), Dajani, M, A, Z. (2018), Srikanth, CP. And Saraswathi, AB (2018), Anitha J (2014), Allameh et.al (2014) who stated / proved that employee engagement has a positive and significant effect on employee performance, but was not in line / different from the research conducted by Mboga, J and Troiani, K (2018) Joushan (2015), where employee engagement had no significant effect on employee performance.

### **EFFECT OF LEADERSHIP STYLE THROUGH EMPLOYEE ENGAGEMENT ON PERFORMANCE**

The results of the calculation of leadership style and employee engagement on employee performance obtained path coefficient of 0.230 with a significance T of 0.000, then H04 was rejected or H14 was accepted. This means that the results of the study indicate that there is a direct and significant effect between leadership style through employee engagement on employee performance. The results of this study are in line with research conducted by Allameh et.al (2014), but not in line with research conducted by Joushan (2015).

## **5. CONCLUSION**

Based on data analysis, it can be concluded that there is a negative and insignificant direct effect between the Leadership Style variables on employee performance variables. a. Pearson correlation value shows -0.05. This number shows that there is a weak and negative relationship between leadership style variables and employee performance. b.Total significance value is greater than 0.05 ( $0.595 > 0.05$ ) then H02 is accepted or H11 is rejected. Regression coefficient of 0.326 states that each addition of leadership style variables of one unit will result in an increase in employee performance of 0.326. c. Correlation coefficient of 0.258 shows that 25.8% of the leadership style variables have a correlation to employee performance variables. Meanwhile, the coefficient of determination of 0.067 indicates that it is 6.7%. Leadership Style variables determine employee performance variables, while the remaining 93.3% is determined by other variables.‘

There is a positive and significant direct effect between the Leadership Style variables on the Employee Engagement variable. a. Pearson correlation value shows 0.452, this

number explains that there is a fairly strong and positive relationship between the variables of Leadership Style on Employee Engagement. b. The significance value of T count is less than 0.05 ( $0,000 < 0.05$ ) then H01 is rejected or H12 is accepted. Regression coefficient of 0.08 states that each addition of the Leadership Style variable by one unit will result in an increase in Employee Engagement of 0.088.

The correlation coefficient of 0.505 indicates that 50.5% of the leadership style variable have a correlation to the employee performance variable. While the coefficient of determination of 0.255 indicates that 25.5% of the Leadership Style variable determines the Employee Engagement variable, while the remaining 74.5% is determined by other variables. There is a positive and significant direct effect between the Employee Engagement variable on employee performance variables. a. Pearson correlation value shows 0.554. This number shows that there is a strong and positive relationship between Employee Engagement variables on employee performance. b. The significance value of T count is less than 0.05 ( $0,000 < 0.05$ ) so H03 is rejected or H13 is accepted. Regression coefficient of 0.326 states that each addition of an Employee Engagement variable of one unit will result in an increase in employee performance of 0.326. c. The correlation coefficient of 0.592 shows that 59.2% of the Employee Engagement variable has a correlation to the employee Performance variable. While the determination coefficient of 0.350 shows that 35.0%. Employee Engagement variable determines employee performance variables, while the remaining 65.0% is determined by other variables.

There is a positive and significant direct effect between the variable of Leadership Style through Employee Engagement on employee performance variables. This is evidenced by the significant value of Leadership Style on Employee Engagement of 0,000 and the significance value of Employee Engagement on Employee Performance of 0,000. Both of these significance are less than 0.05, then H04 is rejected or H14 is accepted. The correlation coefficient shows 0.230 indicating that 23.0% of the Leadership Style variables through Employee Engagement have a correlation to the employee Performance variable. While the coefficient of determination shows 0.0234 showing that 2.34% of the Leadership Style variable through Employee Engagement determines the employee Performance variable, while the remaining 97.66% is determined by other variables.

In doing time-based work effectively then it leads to better performance. A leader who performs an informal attitude towards subordinates influences the behavior of subordinates in improving better performance. Clear information about career path and promotion is needed by subordinates/employees.

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