

# Determinant of Work Motivation and Supervisor Performance

Dasep Suryanto<sup>a</sup>, Alex Zami<sup>b</sup>, <sup>a</sup>STIE Agus Salim, Bukit Tinggi, Indonesia,  
<sup>b</sup>STIE Y.A.I, Jakarta. Indonesia, Email: [dasep.suryanto@gmail.com](mailto:dasep.suryanto@gmail.com),  
[alexzami905@gmail.com](mailto:alexzami905@gmail.com)

The objective of this study was to analyse factors which, either partially or simultaneously, affect Work Motivation (MK) and Supervisor Performance (KS) of the companies gathered at Kawan lama Group, Indonesia. Descriptive and explanatory methods were used in this research, with an explanatory survey used as the approach. The population used in this study was 2844 persons, who were working in 6 companies of Kawan Lama Group in the entirety of Indonesia. The number of samples was decided based on Slovin formula, and as many as 351 persons were taken by proportional random sampling technique. Data analysis was performed by using SEM (Structural Equation Modelling) with the program of Linear Structural Relationship (LISREL 8.80). The result of this study recommended that the management of Kawan Lama Group enhances the variable of KS in order to prioritize improvement of variables of GK, especially in the dimension of participative leadership style, to be more specific to the indicator which consults and discusses problems with subordinates before making a decision. Whereas, to improve MK, the management should fix up the variable of BO, especially in the dimension of innovation and risk-taking, more specifically, the indicator of act innovatively.

**Key words:** *Leadership Style, Organizational Culture, Human Resources Development, Work Motivation, and Supervisor Performance.*

## Introduction

It is a must that every organization (company) possesses objectives and goals to reach their highest performance. The performance of an organization can be measured through assessment on fruitfulness or failure when performing activities or programs according to the stipulated policies, goals and objectives. This is performed specially to manifest the visions and missions of the company.

Efforts of organizations to reach objectives and goals usually obstructed by problems regarding the employee's performance. Performance of Supervisors, as a form of an employee's performance, is the function of the result of a job or activity possessed by organizations, which are affected by internal and external factors brought by employees. The internal factors include the ones related to human characteristics such as competency which comprises: knowledge, capability and skill, as well as individual demeanors such as: interest, motivation, discipline, honesty and sincerity when performing works. Meanwhile, external factors include the ones related to the environment, such as demeanor or behavior of the leader, colleagues, subordinates, compensation, facilities, culture/climate in the company and et cetera.

In order to gain human resources which possesses high performance, the companies management needs to consider and perform several efforts, including implementing effective leadership style, creating a work culture that may enhance interest and innovation, applying a system of compensation, striving to develop employees fairly and many more. Besides, another important thing is to find the most effective way to enhance interest and motivation in performing works, which encourages and raises the spirit to execute tasks as well as possible. If the chosen way (which was chosen in order to enhance motivation) seems to be ineffective (or considered not fair enough to the employees), it would directly affect employee's performance and negatively decrease the quality of service which, directly or indirectly, will be perceived by customers or the user of services provided by the organization.

However, employees, as individuals, cannot separate themselves from their life necessities. This is the reason why employees are motivated to perform their duties as well as possible. By looking at the enhancement of employees' work interest and motivation, it is expected that a good work ethic and climate in the organization will be created.

(Guo, Huang, Zhang, & Zhou, 2016) declare that motivation serves as the process which defines the meaning of power, direction and perseverance of a person when they are working and reaching their objectives.

Therefore, it is the main duty of the manager of a company to figure out which influences that can be applied to their subordinates, so that the employees are willing to reach objectives and goals of the company which have been determined. Every manager or leader should possess the knowledge and capability to motivate their subordinates. Therefore, planned efforts and steps to enhance employee's motivation from time to time are required.

The role of leadership, in this context that it is performed through application of effective leadership style, will certainly affect the development of work motivation possessed by

subordinates in reaching desired performance. According to (Smith & Miner, 1983) Leadership Style is a group of characteristics possessed by the leaders in affecting subordinates to reach the objectives of organizations as fairly as possible. To be an effective leader, a person should be able to apply a suitable leadership style in order to enhance motivation, uphold discipline and enforce performance of the subordinates.

According to (Singh, 2013), there are many factors which will affect employee's performance, the factors comprise of internal factors and external factors. Internal factors include the behaviors or characteristics of a person. Meanwhile, external factors include the behaviors of leaders, colleague, subordinates, as well as facilities, assessment system, compensation, training and development, climate and culture of work, and et cetera.

(Reissner & Pagan, 2013), says that, in order to generate long lasting success, a company should possess a strong organizational culture. Organizational culture is important because it brings has effects on the entire aspects of companies. It is so often that companies have made decisions in a good way, but the implementations are somewhat lacking because the decisions are not supported by a strong organizational culture. Several preceding researches conducted by (Joo & Ready, 2012) have been successful to prove that organizational culture positively and effectively affects employee's performance.

The other important factor which affects employee's performances is the competence of employee's work, which is reflected by the knowledge, capability and skill possessed by them. If the employees possess high and suitable work competence that meets the requirements of the job, they will certainly be able to reach high performance as required. This fact should be in line with existence of the program of human resource development in every company.

Kawan Lama Group (KLG), which is a group of companies that provide industrial equipment, has already possessed corporate culture which binds the employees to behave appropriately as required. By the time of the establishment of company standardization and its operational aspects in 2000, KLG experienced big changes encouraged by self-awareness, passion and new hopes that raised in the circle of KLG.

As the attempt to build the business, KLG pays a deep attention to the role of human resources. KLG understood that Human Resources is an important factor of business establishment, especially when the main activity of KLG was to perform Retail Industry, which is a kind of labor-intensive business that involves a considerable number of employees.

To manage such a big number of employees, the role of Supervisor is certainly important. High-performing supervisors will be able to manage the whole resources trusted upon their

shoulders, whether it is human resources, vendible items, shops, and et cetera. Otherwise, if the resources are managed by low-performing supervisors, the whole resources cannot be used optimally.

Regarding to that matter, Performance of Supervisor (KS) should be measured annually and it should be enhanced according to the standard applied by the company. Speaking of this KS measurement, KLG had specified performance standard for its supervisor (minimum achievement of 90%). The measurement includes several assessment categories; very good, good and acceptable (A/B/C). the toleration of supervisors who have a performance not as expected (not perform) or with D category merely reaches 10%.

Table 1.1 serves the data of achievement of supervisor's performance in the past five years (2011-2015). The data conveys that performance of the supervisors in KLG had not yet met the expected performance standard. Unfavorable supervisor's performance can also be seen in table 1.2 which serves data regarding the number of supervisors who experienced work termination in the past five years (2011-2015) due to the unfavorable performance.

The ups and downs of supervisor's performance was shown in the instability of work motivation as depicted in table 1.3 of percentage of supervisor's tardiness in the past five years (2011-2015).

The lack of work motivation can also be seen through these following phenomena: (1) There were supervisors who left their offices during the working hours without any acceptable reasons; (2) There were supervisors who gave up their duties and responsibilities to the subordinates beyond the stipulated authority limits; (3) There were supervisors who did not perform duties appropriately.

This considerably low work performance and motivation conveyed by the supervisors was probably caused by various factors. By conducting observation and interview, this research found these following causative factors: (1) KLG leaders could not yet considered to be a good role model when performing works, there were no clear work directions, they were not explicit fruitfulness standards and the lack of supports from the leaders; (2) The work culture of KLG was merely a jargon. The implementation of the jargon was not adequate enough. Things like 'focusing on results', 'team cooperation', 'stability' and 'aggressiveness' were not implemented consistently; (3) Development program was performed effectively, the work training was still the *basic* one -not the *advanced* one. The supervisors still found it hard to obtain promotions; (4) The compensation granted by the companies was not viewed as competitive or fair enough when compared with the one received by subordinates, the difference was not really significant; (5) Support in the form of work facilities was not really adequate and most of the supervisors did not obtain the facilities.

## **Literary Review**

### **Supervisor Performance (KS)**

According to (Kotabe & Murray, 2004), performance is essentially the things that should or should not be done by employees. According to (Yousef, 1998), performance is the result of work performed individually or in group in order to reach objectives possessed by their organization according to a certain determined time period. According to (Singh, 2013), performance is a kind of depiction regarding level of achievement possessed by a single activity program/policy in manifesting goals, aims, as well as vision and mission of the organization which are mentioned in the strategic plan of organization.

In order to reach the objectives, the entire individual shares an important role as the builder of organization performance. Every individual should give contributions according to their own skills. The employees of a company are usually grouped into the structure of organization. Every unit of organization or group of employees is led by a group leader or Supervisor. In this case, performance of supervisor significantly influenced by performance of the individuals which work under supervisor's coordination. A good performance given by an individual will positively affect supervisor's performance and the performance of organization (Joo & Ready, 2012).

In this research, KS was defined as the result of work, in the context of quality and quantity, achieved by a supervisor when performing their duties and responsibilities. In this research, KS was measured through a couple of dimensions, which were work quantity and work quality. Dimension of work quantity included two indicators, which were level of productivity and target achievement. Meanwhile, dimension of work quality comprised four indicators, which were quality of service, accuracy/precision, responsibility and accountability.

According to (Kamisah, 2012), there are factors which bring influence to an employee's performance, and those factors are internal factors and external factors. Internal factors include: individual characteristics, as in knowledge, skill and motivation, while external factors include leadership, clarity of role, responsibility, challenging tasks, effective communication, harmonious work relationship, dynamic climate of work, fair job opportunity and adequate work facilities.

### ***Work Motivation (MK)***

According to (Halbesleben & Wheeler, 2008), motivation is the process which defines intensity, direction and persistence of an individual when reaching objectives. In the other research, Robbins and Coulter (2012), argue that motivation is a process where the effort of

an individual become energized, directed and sustainable in order to reach an objective.

According to (Stello, 2014), motivation is the whole process in giving supports to employees in such a way that they are eventually willing to work sincerely in order to efficiently and economically reach the aims of organization. According to Terry in (Frese & Fay, 2001), motivation is the intention within an individual which encourages them to implement action. By viewing the above definitions, this research defined work motivation as the force which lays in every individual that trigger them to work appropriately as required by organization. Motivation can trigger a person (supervisor) to work hard, that individual aim and organizational aim can eventually be achieved.

Work motivation in the present study was measured using three-dimension measurements: need for achievement, need for power, and need for affiliation.

In this research, work motivation was measured through three dimensions, which were dimension of the need to gain achievement, dimension of the need to gain power and dimension of the need to perform affiliation.

### ***Leadership Style (GK)***

According to (Beth Knight, 2016), GK is a kind of behavior or action of a leader when trying to influence their subordinates in order to achieve the aims of organization, and this obligation is imposed to the leader. According to (Grönqvist & Lindqvist, 2015), GK is a norm of behavior which is used by a leader in influencing other people. According to (Ashurst, Cragg, & Herring, 2012), GK is a group of characteristics of a leader when influencing subordinates in order to achieve the goal of company, or, it can be said that GK is a pattern of behavior and strategy which is mastered and used frequently by a leader.

By viewing the above definitions, this research defined GK as a style used by a leader when directing organization and acting as a role model to the subordinates. To measure GK, these four dimensions were employed: supportive leadership, directive leadership, participative leadership and achievement-oriented leadership.

### ***Organizational Culture (BO)***

According to (Reissner & Pagan, 2013), BO is a framework that serves as the guidance for the employees and leaders when behaving and making decisions, as well as when directing actions to achieve the aims of organization. Meanwhile, according to (Reissner & Pagan, 2013), BO is the value, principle, tradition and method of work executions which is embraced together by the members of organization and is considered to be able to influence the way

they act.

(Reissner & Pagan, 2013) argues that BO is a pattern of assumption which is learned by a group when trying to solve problems, through external adaptation and internal integration, which works fairly and considered as reliable. (Telha, Rodrigues, Páscoa, & Tribolet, 2016) argues that BO is a set of shared values, beliefs and norms which affect employee's way of thinking, feeling and behavior conveyed in a workplace.

By viewing the above definitions, this research defined BO as a shared meaning system embraced but the members, and this system differentiates one company with from other companies. To measure BO, these dimensions were employed; (1) Innovations and Risk-Taking, (2) Attention to Details, (3) oriented to work result, (4) oriented to people, (5) oriented to the Team, (6) Aggressiveness and (7) Stability.

### ***Human Resources Development (PS)***

According to (Santos, 2016), PS is a process to refresh, develop and enhance capability, skill, talent, interest and the behavior of employees. Furthermore, Santos explains that, in the practice, there are three programs to develop employees, including education, transfer inter parts and promotion to assume a higher position.

According to (Nitzsche, Jung, Kowalski, & Pfaff, 2014), PS covers training, development, career development and performance appraisal. (Platis, Reklitis, & Zimeras, 2015) argues that PS is a kind of long-term importance and considered to be an important part of organization. By performing PS, dependency of organization on outsiders (professionals) can be reduced. (Guo et al., 2016), declares that PS is related to the availability of opportunity and learning development to make training programs such as: planning, implementation and evaluation of the programs.

By viewing the above definitions, this research defined PS as an effort to enhance technical, theoretical and conceptual capability, as well as the moral of employees, as required by the job/position, through education and training, career development and performance appraisal. To measure PS, this research employed the following dimensions: (1) education and training, (2) promotion of position and (3) mutation/transfer.

### **Method**

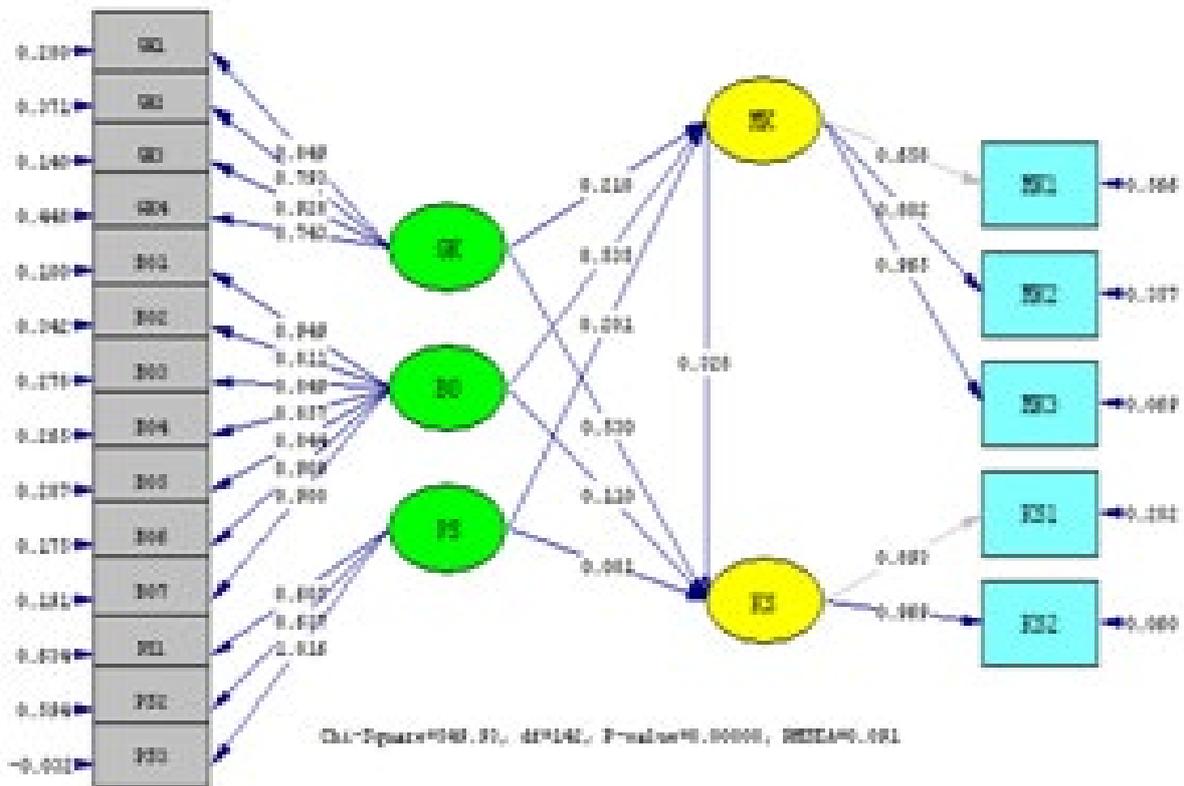
This research employed descriptive and verification methods, with the approach of explanatory survey. This research used the technique of data collection namely 'feedback collection', and it was performed by distributing questionnaires. The population of this

research was a number of supervisors working in Kawan Lama Group, in the amount of 2844. They were chosen due to the strategic position, which was a middle tier position between store manager and sales person. Their maturity and education were considered better than that of the sales persons. The sample size in this research is 351 respondents. That number met the requirement of Structural Equation Modeling (SEM) analysis because it exceeded the minimum limit (five times of the amount of research indicator i.e. 52 indicators).

## Result and Discussion

The hypothesis test, which was performed by using SEM (through lisrel 8.80), generated full model standardized coefficients and path diagram of full model t-values. The picture of those two models can be seen in figure 2 and 3 located below.

**Figure 2.** Full model standardized coefficients





From the definition, it is known that superior action affecting the subordinate which may elevate their passion and motivation in working. In the relationship between GK and MK, further (Roghé, Toma, Kilmann, Dicke, & Strack, 2012) mentioned that a well-played GK by a leader can motivate the employees to work better, this will make employees to be more serious in trying to achieve a target expected by organization and it will positively affect their performances.

Therefore, the result of this research confirms that: the better GK the higher MK. This result is consistent with the research result formerly conducted by (Cycyota, Ferrante, & Schroeder, 2016).

### ***The influence of BO towards MK***

Positive influence of BO towards MK is indicated by the coefficient value (unstandardized estimate) of 0.535, while the significance level is indicated by the t-count value of 8.931. Since the t-count value (8,931) > t table (1,96), then the statement of Ho2 is rejected, and Ha2 is accepted. Meaning that the positive and significant influence of BO on MK can be proven.

From the structural cross-model diagram (Standardized Solution) in figure 2, it can be seen that the coefficient value is positive indicating that the better BO the higher MK will be. Through standardized loading factor, it can be known that from 7 BO making dimensions, Innovation and risk-taking dimensions are the strongest dimensions reflecting BO variable with the standardized loading factor of 0.949, while the weakest dimension is Detail Attention with the standardized loading factor of 0.811.

According to (Cycyota et al., 2016), company's culture is the main key in organization. Such as the activity of giving order and prohibition as well as portraying something done or not done determining the member's behavior. Therefore, company's culture regulates what may or may not be done as well as functioning as a manual for employees in performing organization's activity. Moreover, BO is also a tool to unite every individual in a unified coordination team in order to achieve organization's purpose.

Some previous research results had analyzed the effectiveness of organization's culture in affecting working motivation. According to (Cycyota et al., 2016), that BO stands as the center of all factors coming from human resource management. BO is believed to be a factor influencing individual behavior regarding result, such as commitment, moral, satisfaction and MK.

Hence, the result of this research confirms that: the better BO the higher MK. It is consistent with the result of the previous study conducted by (Joo & Ready, 2012).

### ***Influence of PS on MK***

Positive influence of PS towards MK is indicated by the coefficient value (unstandardized estimate) of 0.201, while the significance level is indicated by the t-count value of 4.403. Since the t-count value (4.403) > t table (1.96) then the statement of Ho3 is rejected, and Ha3 is accepted. Meaning that the positive and significant influence of PS on MK can be proven.

From the structural cross-model diagram (Standardized Solution) in figure 2, it can be seen that positive coefficient value indicates that the better PS the higher MK will be. Through standardized loading factor, it can be known that from 3 PS making dimensions, Mutation/Transfer dimension is the strongest dimension reflecting PS variable with standardized loading factor of 1.016, while the weakest dimension reflected is Education and exercise dimension with the value of 0.605.

According to (Morgan, Richey Jr, & Autry, 2016), PS has a vital role in the effort of directing, encouraging, motivating, enhancing, employees' ability and skill development in an organization, implemented in their works. To achieve the effectivity of human resources in an organization, PS has the concept of self-development, training program, and career development in order to fulfill organization's needs of skills in the future.

According to (Van Gelderen, Thurik, & Bosma, 2006), PS will have positive effect on MK if PS is performed in program and systematically, with time, cost and thought support to enhance their competency. It can motivate the employees, enhancing their skills, as well as showing that the employees are valuable to the organization.

Hence, the result of this research confirms that: the better PS, the higher MK will be. It is in line with the previous research result conducted by (Kamisah, 2012).

### ***Influence of GK, BO and PS collectively on MK***

From the structural model one, it was obtained the following (unstandardized estimate):

$$\text{MK} = 0.210 \cdot \text{GK} + 0.535 \cdot \text{BO} + 0.201 \cdot \text{PS}, \text{Errorvar} = 0,543 ; R^2 = 0.457.$$

(0,0473)	(0,0599)	(0,0456)	(0,0815)
4,431	8,931	4,403	6,655

R square number means that MK can be explained by GK, BO and PS of 45,7% and the remaining 54,3% is explained by another variable not observed in this research.

Since the value of F count  $>$  F table ( $97.347 > 2.631$ ) then Ho4 is rejected and Ha4 is accepted. Meaning, simultaneously there is a positive and significant influence of GK, BO and PS toward MK.

Although simultaneously GK, BO and PS have significant influence on MK, but the contribution of the three variables to MK is only 45,7%. It indicates that there are still other dominant variables which may influence MK.

(GK, BO, PS) giving influence directly on MK are: 4.41%, 28.62%, and 4.04%. This condition shows that BO contribution to MK is the most dominant, while PS contribution to MK is the lowest.

Hence, the result of this research confirms that there is an influence of GK, BO and PS simultaneously on MK. It is consistent with the previous research result conducted by (Grönqvist & Lindqvist, 2015).

### ***Influence of GK towards KS***

Positive influence of GK on KS is indicated by the coefficient value (unstandardized estimate) of 0.530, while the significance level is indicated by the t-count value of 11.029. Since t-count value ( $11.029 > t$  table (1.96)), then the statement of Ho5 is rejected and Ha5 is accepted. Meaning that the positive and significant influence of GK on KS can be proven.

From the structural cross-model diagram (Standardized Solution) in figure 2, it can be seen that positive coefficient value indicating that the better GK the higher KS will be. Through standardized loading factor, it can be known that from 4 GK making dimensions, Participative Leadership Style dimension is the strongest dimension reflecting Leadership Style variable with standardized loading factor of 0.928. While the weakest dimension reflected is achievement-oriented Leadership style with a standardized loading factor of 0.743.

Hence, this research is succeeded to confirm that the better GK, the higher KS will be. This is in line with the previous study result conducted by (Grönqvist & Lindqvist, 2015).

### ***Influence of BO towards KS***

Positive influence of BO on KS is indicated by the coefficient value (unstandardized estimate) of 0.110, while the significance level is indicated by the t-count value of 2,211. Since the t-count value (2.209) > t table (1.96) then the statement of Ho6 is rejected, and Ha6 is accepted. Meaning that positive and significant influence of BO on KS can be proven.

From the structural cross-model diagram (Standardized Solution) in figure 2, it can be seen that positive coefficient value indicating that the better BO the higher KS will be. Through standardized loading factor, it can be known that from 7 BO making dimensions, Innovation and risk-taking dimension is the strongest dimension reflecting BO variable with standardized loading factor of 0.949. While the weakest dimension reflected is Detail Attention dimension, with a standardized loading factor of 0.811.

This research succeeded to confirm that the better BO, the higher KS will be. This is consistent with the previous study result conducted by (Roghé et al., 2012).

### ***Influence of PS on KS***

Positive influence of PS on KS is indicated by the coefficient value (unstandardized estimate) of 0.081, while the significance level is indicated by the t-count value of 2.092. Since the t-count value (2.092) > t table (1.96), then the statement of Ho7 is rejected and Ha7 is accepted. Meaning that positive and significant influence of PS on KS can be proven.

From the structural cross-model diagram (Standardized Solution) in figure 2, it can be seen that positive coefficient value indicates that the better PS the higher KS will be. Through standardized loading factor, it can be known that from 3 PS making dimensions, Mutation / transfer is the strongest dimension reflecting PS variable with standardized loading factor of 1.016, while the weakest dimension reflected is Education and Exercise dimension with a standardized loading factor of 0.605.

Hence, this research successfully confirms that the better PS the higher KS will be. This is in line with the previous study result conducted by (Jayawarna, Rouse, & Kitching, 2013).

### ***Influence of MK on KS***

Positive influence of MK towards KS is indicated by the coefficient value (unstandardized estimate) of 0.328, while the significance level is indicated by the t-count value of 5.607. Since the t-count value (5.607) > t table (1.96). Then the statement of Ho8 is rejected and Ha8 is accepted. Meaning: positive and significant influence of MK on KS can be proven.

From the structural cross-model diagram (Standardized Solution) in figure, it can be seen that positive coefficient value indicating that the better MK the higher KS will be. Through standardized loading factor, it can be known that from 3 MK making dimensions, the need to affiliate dimension is the strongest dimension reflecting MK variable with standardized loading factor of 0.965, while Achievement Necessity dimension has the weakest standardized loading factor, which is 0.658.

According to (Murphy, Benckendorff, & Moscardo, 2007), MK is a distribution of moving force creating someone's work enthusiasm so that they want to cooperate, effectively work, and integrate with all efforts in order to achieve the expected purpose. Further (Morgan et al., 2016), said that employees having high MK will perform better work than those who have no MK.

Thus, the result of this research confirms that: the better MK the higher KS. This is in line with the previous study result conducted by, stating that employee performance is influenced MK (Dyer, Gregersen, & Christensen, 2008).

### ***Influence of GK, BO, PS, and MK collectively on KS***

From the structural model two, it was obtained the following formula value (unstandardized estimate):

$$KS = 0.328 * MK + 0.530 * GK + 0.110 * BO + 0.081 * PS, \text{ Errorvar} = 0,395 : R^2 = 0.605.$$

(0,0585)	(0,0481)	(0,0498)	(0,0389)	(0,0412)
5,607	11,029	2,211	2,029	9,571

R square number means that KS can be explained by MK, GK, BO and PS in amount of 60,5% and the remaining 39,5% is influenced by another factor not observed in this research. The significance of this formula model is indicated by the F count value of 132.487. Since the F count value > F table (132.487 > 2.398), then the statement of Ho9 is rejected and Ha9 is accepted. Meaning that positive and significant influence of MK, GK, BO and PS simultaneously on KS can be proven.

From this second structural model, it was also found that, from the four variables influencing KS, which are: MK, GK, BO, and PS, it turns out that GK is the most dominant variable influencing KS. Compared to other variables (MK, BO and PS), GK can give the biggest direct contribution in 28.09%, followed by MK in 10.76%, BO in 1.21%, and PS in 0.66%.

As it was explained before, that KS is a crucial variable for organization in an effort to achieve its purpose as specified. The result of this research confirms that from several variables influencing KS in Kawan Lama Group, it turns out that variables of MK, GK, BO and PS are feasible enough to be observed. However, since GK is the most dominant variable influencing KS, then the repair and implementation enhancement of this variable can be prioritized to be observed first, more focus on the strongest dimension reflecting this variable, which is Participative Leadership Style. In other words, various methods can be performed by Kawan lama Group to enhance its employees performance (supervisor), among others by motivating employees work (MK), improving organizational culture (BO), fixing employees' development program (PS), and to apply the leadership style (GK).

Specifically, for leadership role in an organization, aside from the competence of a leader in driving and empowering employee, in fact the leader's behavior and attitude - in this case is leadership style (GK) has significant impact on employees' behavior, attitude and performance.

Based on the explanation above, it can be concluded that the result of this research restates in partial or simultaneously, that either MK, GK, BO and PS is implemented, the higher KS achievement. This is in line with the previous study results conducted by (Kotabe & Murray, 2004).

### ***Direct and Indirect Impact***

Based on the second equation model above, it can be calculated the direct and indirect impact of each independent variable.

**Table 1:** Summary of Direct and Indirect Impact

Variable	Path Coefficient	Impact		Conclusion
		Direct (L)	Indirect (TL)	
GK --> KS	0,530	0,281	0,069	L > TL
BO --> KS	0,110	0,012	0,175	L < TL
PS --> KS	0,081	0,007	0,066	L < TL
MK --> KS	0,328	0,108	-	-

based on the Table 1 above, it can be seen that GK has bigger direct impact towards KS, compared through MK (indirect). In contrary, BO and PS have bigger indirect impact (without going through MK). The result of this research confirms that MK only plays a role as partial mediating. In other words, the result of GK is better implemented directly in

affecting KS, it would be better that BO and PS implementation is directed to fix MK as a condition of KS repair.

## Conclusion

1. Partially, GK is proven to have a positive and significant influence on MK in Kawan Lama Group. Based on the standardized loading factor, it was found out that from four GK making dimensions, Participative Leadership Style is the most dominant dimension representing GK variable. It means that participative leadership style is very influential in fixing MK in Kawan Lama Group, especially on the indicator of: consulting and discussing problems with subordinates before making a decision.
2. Partially, BO is proven to have a positive and significant influence on MK in Kawan Lama Group. Based on the standardized loading factor, it was found out that from the seven BO making dimensions, it was found out that Innovation and Risk-taking dimension is the most dominant dimension representing BO variable. It means that Innovation and Risk taking is very influential in fixing MK, especially on the indicator of: acting Innovative.
3. Partially, PS is proven to have positive and significant influence on MK in Kawan Lama Group. Based on the standardized loading factor, it was found out that from the three PS making dimensions, it was found out that Mutation / Transfer dimension is the most dominant dimension representing PS variable. It means that Mutation / Transfer program is very influential on MK, especially on the indicator of: giving mutation (promotion) to subordinates for a wider scope of responsibility.
4. GK, BO, and PS simultaneously are proven to have positive and significant influence on MK in Kawan Lama Group. Based on the structural equation model one, it was obtained the R-square value of 45.7%, with the most dominant variable of BO. It indicates that the influence of other variables on MK still need to be reconsidered, such as: work satisfaction, reward, competence, commitment, working environment, competence and so on.
5. Partially, GK is proven to have a positive and significant influence on KS in Kawan Lama Group. Based on the standardized loading factor, it was found out that from the four GK making variables, it turns out that Participative Leadership Style dimension is the most dominant dimension representing GK variable. It means that participative leadership style has positive influence on fixing MK in Kawan Lama Group, especially on the indicator of: consulting and discussing problems with subordinates before making a decision.
6. Partially, BO is proven to have a positive and significant influence on KS in Kawan Lama Group. Based on the standardized loading factor, it was found that out of the seven BO making dimensions, it was found out that Innovation and Risk-taking dimension is very influential in fixing MK, especially on the indicator of: acting Innovative.

7. Partially, PS is proven to have positive and significant influence on KS in Kawan Lama Group. Based on the standardized loading factor, it was found out that from the three dimensions making PS variable, it was found out that the Mutation / Transfer dimension is the most dominant dimension representing PS variable. It means that Mutation / Transfer program is very influential on MK, especially on the indicator of: giving mutation (promotion) to subordinates for a wider scope of responsibility.
8. Partially, MK is proven to have a positive and significant influence on KS in Kawan Lama Group. Based on the standardized loading factor, it turns out that the Need to Affiliate dimension is the most dominant dimension representing MK variable. It means that the repair on the need to affiliate dimension has a very positive effect on KS, especially on the indicator of: having the quality of effective and corrective.
9. GK, BO, PS and MK simultaneously are proven to have positive and significant influence on KS in Kawan Lama Group. Based on the structural equation model two, it was obtained the R-square value of 60,5%, with the most dominant variable of GK. It indicates that the influence of other variables on KS still need to be reconsidered, such as: work satisfaction, reward, competence, commitment, working environment, competence and so on. Another important conclusion is that MK only plays a role as partial mediating variable, because GK has bigger direct impact on KS (without going through MK).

## REFERENCE

- Ashurst, C., Cragg, P., & Herring, P. (2012). The role of IT competences in gaining value from e-business: An SME case study. *International Small Business Journal*, 30(6), 640–658. <https://doi.org/10.1177/0266242610375703>
- Beth Knight. (2016). Competency Model for HR Professionals. *Intelligence*. Retrieved from <http://www.cisl.cam.ac.uk/graduate-study/master-of-studies-in-sustainability-leadership/pdfs/a-behavioural-competency-model-for-sustainability.pdf>
- Cycyota, C. S., Ferrante, C. J., & Schroeder, J. M. (2016). Corporate social responsibility and employee volunteerism: What do the best companies do? *Business Horizons*, 59(3), 321–329. <https://doi.org/10.1016/j.bushor.2016.01.004>
- Dyer, J. H., Gregersen, H. B., & Christensen, C. (2008). Entrepreneur behaviors, opportunity recognition, and the origins of innovative ventures. *Strategic Entrepreneurship Journal*. <https://doi.org/10.1002/sej.59>
- Frese, M., & Fay, D. (2001). 4. Personal initiative: An active performance concept for work in the 21st century. *Research in Organizational Behavior*. [https://doi.org/10.1016/S0191-3085\(01\)23005-6](https://doi.org/10.1016/S0191-3085(01)23005-6)
- Grönqvist, E., & Lindqvist, E. (2015). The Making of a Manager: Evidence from Military Officer Training. *IFN Working Paper*, 34(1069), 869–898. <https://doi.org/10.1086/686255>
- Guo, J., Huang, P., Zhang, Y., & Zhou, N. (2016). The effect of employee treatment policies on internal control weaknesses and financial restatements. *Accounting Review*, 91(4), 1167–1194. <https://doi.org/10.2308/accr-51269>
- Halbesleben, J. R. B., & Wheeler, A. R. (2008). The relative roles of engagement and embeddedness in predicting job performance and intention to leave. *Work and Stress*. <https://doi.org/10.1080/02678370802383962>
- Jayawarna, D., Rouse, J., & Kitching, J. (2013). Entrepreneur motivations and life course. *International Small Business Journal*. <https://doi.org/10.1177/0266242611401444>
- Joo, B. (Brian), & Ready, K. J. (2012). Career satisfaction. *Career Development International*, 17(3), 276–295. <https://doi.org/10.1108/13620431211241090>
- Kamisah, A. L. (2012). A Study on Stress Among Customer Service Officer and Executives in Central Region, Employees Provident Fund. *Universiti Utara Malaysia*. Retrieved from <http://etd.uum.edu.my/3016/>



- Kotabe, M., & Murray, J. Y. (2004). Global sourcing strategy and sustainable competitive advantage. *Industrial Marketing Management*.  
<https://doi.org/10.1016/j.indmarman.2003.08.004>
- Morgan, T. R., Richey Jr, R. G., & Autry, C. W. (2016). Developing a reverse logistics competency. *International Journal of Physical Distribution & Logistics Management*, 46(3), 293–315. <https://doi.org/10.1108/IJPDLM-05-2014-0124>
- Murphy, L., Benckendorff, P., & Moscardo, G. (2007). Destination brand personality: visitor perceptions of a regional tourism destination. *Tourism Analysis*.
- Nitzsche, A., Jung, J., Kowalski, C., & Pfaff, H. (2014). Validation of the Work-Life Balance Culture Scale (WLBCS). *Work*, 49(1), 133–142. <https://doi.org/10.3233/WOR-131643>
- Platis, C., Reklitis, P., & Zimeras, S. (2015). Relation between Job Satisfaction and Job Performance in Healthcare Services. *Procedia - Social and Behavioral Sciences*.  
<https://doi.org/10.1016/j.sbspro.2015.01.1226>
- Reissner, S., & Pagan, V. (2013). Generating employee engagement in a public-private partnership: Management communication activities and employee experiences. *International Journal of Human Resource Management*, 24(14), 2741–2759.  
<https://doi.org/10.1080/09585192.2013.765497>
- Roghé, F., Toma, A., Kilmann, J., Dicke, R., & Strack, R. (2012). Organizational Capabilities Matter. *Bcg*, 24.
- Santos, G. G. (2016). Career barriers influencing career success. *Career Development International*, 21(1), 60–84. <https://doi.org/10.1108/CDI-03-2015-0035>
- Singh, J. K. (2013). Study of Employees ' Job Satisfaction and Its. *Study of Employees ' Job Satisfaction and Its*, 1(4), 105–111. Retrieved from <http://mujournal.mewaruniversity.in/JIR 1-4/13.pdf>
- Smith, N. R., & Miner, J. B. (1983). Type of entrepreneur, type of firm, and managerial motivation: Implications for organizational life cycle theory. *Strategic Management Journal*. <https://doi.org/10.1002/smj.4250040404>
- Stello, C. M. (2014). Herzberg's Two-Factor Theory of Job Satisfaction: An Integrative Literature Review. *Herzberg's Two-Factor Theory of Job Satisfaction*, 32.  
<https://doi.org/10.7537/marslsj140517.03.Keywords>
- Telha, A., Rodrigues, A., Páscoa, C., & Tribolet, J. (2016). The Competency Architecture as Error Limiting Element and Efficiency Enhancer in Business Processes. In *Procedia*



*Computer Science* (Vol. 100, pp. 665–670). <https://doi.org/10.1016/j.procs.2016.09.209>

Van Gelderen, M., Thurik, R., & Bosma, N. (2006). Success and risk factors in the pre-startup phase. *Small Business Economics*. <https://doi.org/10.1007/s11187-004-6837-5>

Yousef, D. A. (1998). Satisfaction with job security as a predictor of organizational commitment and job performance in a multicultural environment. *International Journal of Manpower*. <https://doi.org/10.1108/01437729810216694>