

Research Article

The Influence of Transformational Leadership, Organizational Culture and Compensation toward Work Performance through Job Employee Satisfaction in Harbor Master and Port Outhority Office of Malahayati Port, Banda Aceh, Indonesia

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Abstract: The purpose of this study is to: (1) describe the state of transformational leadership, organizational culture, compensation, employee job satisfaction and employee performance (2) analyze the influence of transformational leadership on employee job satisfaction, (3) analyze the influence of organizational culture on employee job satisfaction (4) analyzing the effect of compensation on employee job satisfaction (5) analyzing the influence of transformational leadership on employee performance, (6) analyzing the influence of organizational culture on employee performance (7) analyzing the effect of compensation on employee performance influence on employee performance and analyze the indirect influence of transformational leadership, organizational culture and compensation on employee performance. This research was conducted at the Office of Manpower and Port Authority of Malahayati Banda Aceh 1 leadership, organizational culture, compensation, employee job satisfaction and work performance of employees, with the number of respondents as many as 130 people. The results showed that transformational leadership, organizational culture, compensation, job satisfaction and work performance of employees have been running well, transformational leadership affect the employee job satisfaction, the results also prove that organizational culture affect the employee job satisfaction, compensation affect employee job satisfaction, transformational leadership influence on employee performance, organizational culture also give influence to employee performance, compensation given also influence to employee performance, employee job satisfaction have positive and significant influence to work performance and there is indirect influence of transformational leadership, organizational culture and compensation for employee performance through job satisfaction.

Keywords: Transformational Leadership, Organizational Learning, Compensation, Employee Performance and Job Satisfaction.

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INTRODUCTION

Performance of employees at the Office of Manpower and Port Authority of Malahayati Banda Aceh based on observations indicates that the tendency of individual decline. This can be seen from the ability of employees in preparing the work plan which is still relatively low; it can be seen from the way employees work without planning, then employees have not been able to realize the work plan that has been set before, so that the achievement of expected performance to be not in line with expectations, and the ability of employees in providing services to the community is still relatively low. This below average performance of employees is partly caused by the low level of employee job satisfaction. This tendency can be seen from the level of happiness felt by the employee which is still low, the relationship of colleagues who are also still less

harmonious, and it also has less harmonious relationship between leadership and employees; it is has many employees that have low performance of the Harbor Master and Port Authority Office of Malahayati Port, Banda Aceh may be partly caused by the low performance of employees. The output may be seen from unfulfilled expectations of the leadership toward employee's are less able to cope with boredom in work. The underlying phenomenon of this research is reflected by the low performance of Harbor Master and Port Authority Office of Malahayati Port, Banda Aceh indicated by low budget work in terms of quantity and quality. The above phenomena reveals that the number of jobs that should have been completed on time by each employee, but it can not be executed in a timely manner; and in terms of quality it also has not shown the expected standard by the leadership. In addition, the existence of organizational culture factors that are not in accordance with the character of

employees where the work environment is still less comfortable and the level of discipline of employee work is still low. In turn, the expected performance achievement can not be realized. The low achievement of realization is caused by several factors such as the implementation of transformational leadership style and organizational culture that is still less supportive. It also has rampant employee habits that trying to focus heavily on budget realization rather than that of reaching the expected target. Employee performance can be seen from the aspect of quantity and quality of work which among others include the timeliness of the job implementation, the accuracy of work, the level of service provided to the community, the minimal level of work errors, the ability to analyze data in the field, and the ability to evaluate each job completed by employees in accordance with their duties and functions respectively. Good employee performance can be viewed from each employee that can complete all burden of organization as effectively and as efficiently as possible so that problems that occur within the organization can be resolved quickly and on time.

LITERATURE REVIEW

Work Performance

It is basically the result of work in quality and quantity achieved by an employee in performing its duties according to the responsibility given, the performance is a deed, achievement or the implementation of efficient and effective work. In working environment, people think a lot about the right way of working to produce something useful in line with the organization's expectations.

In the Indonesian dictionary (2013: 503), the definition of performance is defined as something to be achieved; the achievements are normally shown in the willingness to work. In a broader sense, it is always used with words such as job performance or work performance meaning work or achievement. From some opinions about the notion of performance as achievement and work ability, then generally the management experts to provide the same understanding between performance with work performance, or also with work productivity.

According to Dessler (2012: 322) argues that basically performance is more a function of training, communication, tools and supervision as well as personal motivation. Performance goals and standards must be in line with the organization's strategic objectives.

Job satisfaction

Basically someone will feel comfortable and the level of loyalty at work will be high if in work the person gets job satisfaction in accordance with what is desired. Job satisfaction is a reflection of the worker's sense of work. According to Masrukhin and Waridin (2012) job satisfaction of an individual depends on the individual characteristics and work situation. Each individual will have a different level of job satisfaction

in accordance with the interests and expectations of the individual so that the level of satisfaction is felt higher, and vice versa.

Principally job satisfaction is an individual manner, where each individual will have different levels of satisfaction in accordance with the values that apply to him. It exists because of the differences of each individual, more aspects in the work that correspond to the individual's desires. The employee spends most of his time working and part of his life must be made in such a way that is enjoyable and fulfilling. Job satisfaction is also a person's feelings towards the work he is engaged in. So job satisfaction itself relates between employee expectation and what is gained from the job

Transformational leadership

Usman (2010: 278) states that man is essentially a leader and every human being will be held accountable for his leadership someday. Man as a leader can at least lead himself or his family. Every organization must have its leader, who is ideally obeyed and respected by his subordinates. A leaderless organization will be in turmoil, therefore there must be a leader who governs and directs his subordinates to achieve the goals of individuals, groups and organizations. Hasibuan (2012: 13) states that the leader is someone who uses the authority and leadership to direct others and is responsible for the work of the person in achieving a goal. Leadership is the style of a leader affecting his subordinates in order for them to cooperate and work effectively in accordance with his orders. Meantimes, Daft (2012: 313) states that leadership is the ability to influence people to achieve organizational goals. This definition has the idea that leaders are involved with others in achieving their goals. Or it can be said that leadership is the ability to influence people to achieve organizational or organizational goals. Power (power) is the ability possessed by a leader to influence others. Leadership powers encourage the vision, creativity and changes in the organization, so that it can spur employees to be able to improve its performance in order to achieve organizational goals.

Organizational Culture

Organizational culture comes from two words, namely culture and organization. Regarding culture, Kottler & Heskett (2012: 9) defines it is formally as the totality of patterns of behavior, art, beliefs, institutions and all other products of human works and thoughts that distinguish a society. Additionally, Prown (2008: 1) defines it as a shared value created by a group of people at a certain time.

Robbins (2012: 573), reveals that the aspects used in the measurement of organizational culture, namely: 1) *Individual initiative*, meaning of how far the level of responsibility, freedom, and independence

owned. 2) *means*: meaning how far the motivation of employees to be more aggressive, innovative, and dare to face risks. 3) *Direction*: has how far the organization determines the goals to be achieved and the expected performance. 4) Integration means the extent to which units within the organization are encouraged to operate in a good coordination. 5) *Management Support* : how far managers provide clear communication, help, and support to their subordinates. 6) Control; means that the extent to which rules and direct supervision are used to supervise and control employee behavior. 7) *Identity*: meaning of identifying itself with the organization as a whole, not with the working group or area of expertise. 8) *Reward System*, meaning the extent to which the allocation of awards or skills, salaries, and promotions based on employee performance criteria, not only from seniority, favorability, or likes or dislikes. 9) *Conflict Tolerance*: meaning of how critical employees are driven by criticism and openness with criticism and conflict. 10) *Communication Patterns*, meaning the extent to which communication within organizations is limited to the formal structure of authority.

Compensation

It is the term refers to something that employees receive as a reward for their work. Good compensation is one of the most important things for organizations and employees alike. If the compensation is given correctly and regularly then the employee's commitment to work better in achieving the goals or objectives of the organization. If the compensation provided by the organization to employees is inappropriate or inadequate, it will result in a decrease in work performance. Accordingly, in some compensation literature it is often termed as wages.

According to Griffin (2011: 432), compensation is the financial remuneration given by the organization to employees in return for their work. Employees who have dedicated themselves to work within the organization receive compensation in the form of compensation financially and non financially. Then Rivai and Sagala (2011: 741), also define it as something that employees receive in lieu of their service contribution to the company. Compensation is one of the implementation of Human Resource Management (MSDM) which deals with all kinds of individual award giving as exchange in performing organizational tasks.

RESEARCH METHOD

Population and Sample

This research was conducted at Harbor Master Office and Port Authority of Malahayati Port, Banda Aceh. The object of research is transformational leadership, organizational culture, compensation, job satisfaction and employee performance.

Data Analysis Tools

One of the analytical tools used to test the perception of respondent is descriptive test. It is a descriptive statistical model that using test based on mean value from each variable to be studied, with assumption that if mean value ≤ 4 , hence perceived less good and if mean value ≥ 4 , it is well perceived by the respondent. The test is also done by using the average t-test.

Meanwhile, to measure the relationship variable The data analysis equipment used in this research is structural equation modeling (SEM) with the help of Amos 22 program. The SEM equation model is a set of statistical techniques that enable the testing of a series of relationships is relatively complicated simultaneously (Ferdinand, 2006: 181).

The appearance of a complex model leads to the impact that in reality the management decision-making process is a complicated process or a multidimensional process with a variety of tiered causality relationships. Therefore we need a model as well as an analytical tool capable of accommodating the multidimensional research. SEM is able to incorporate latent variables into the analysis. Latent variables are unobserved concepts that are observed with observed or measurable variables obtained by respondents via data collection methods (survey, test, observation) and are often called manifest variables (Ghozali, 2014).

RESULTS AND DISCUSSIONS

Analysis of Structural Equation Modeling (SEM)

The next analysis is a complete model of Structural Equation Model (SEM) analysis, after analyzing the level of unity dimensionality of latent variable forming indicators tested by confirmatory factor analysis. Analysis of data processing result at full stage of SEM model is done by doing conformity test and statistical test. Results of data processing for the analysis of full SEM model shown in Figure 2.1.

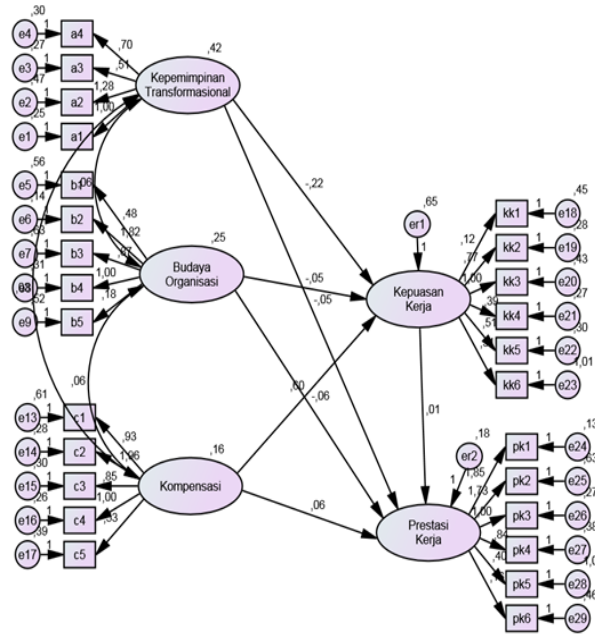


Figure 2.1. Output of SEM's Full Research Model

Notes:

Kepemimpinan Transformasional: Transformational Leadership
 Budaya Organisasi: Organizational Culture
 Kompensasi: Compensation
 Kepuasan Kerja : Job Satisfaction
 Prestasi Kerja: Work Performance

The Influence of Transformational Leadership on Job Satisfaction

Estimated parameter values for testing the influence of transformational leadership on job satisfaction showed CR value of 6,079 and with probability of 0.000. Both values obtained are eligible for H1 acceptance of CR value of 6,079 which is greater than 1.97 and a probability smaller than 0.05.

The influence of organizational culture on Job Satisfaction

The estimated value for testing the influence of organizational culture on job satisfaction shows a CR value of 6.740 and with a probability of 0.000. Both values obtained are eligible for H2 acceptance ie CR value of 6.740 which is greater than 1.97 and a probability smaller than 0.05.

Influence of Compensation to Job Satisfaction

Satisfaction on work Estimated parameter values for testing the effect of compensation on job satisfaction showed that CR value of 6.274 and with a probability of 0.000. Both values obtained are eligible for H3 acceptance ie CR value of 6,274 which is greater than 1,97 and probability smaller than 0,05.

Influence of Job Satisfaction on Job Performance

Estimated parameter values for testing the effect of job performance showed CR value of 6,579 and with probability of 0.000. Both values obtained are eligible for H4 acceptance of CR value of 6,579 which is greater than 1.97 and a probability smaller than 0.05.

The Influence of Transformational Leadership on Job Performance

Estimated parameter values for testing the influence of transformational leadership on work performance showed CR value of 4.253 and with a probability of 0.000. Both values obtained are eligible for H5 acceptance ie CR value of 4.253 which is greater than 1.97 and a probability smaller than 0.05.

The influence of organizational culture on Job Performance

Estimated parameter values for testing the influence of organizational culture on work performance showed CR value of 4.296 and with a probability of 0.000. Both values are eligible for the acceptance of H6 ie CR value of 4.296 which is greater than 1.97 and the probability is smaller than 0.05.

The Effect of Compensation on Job Performance

Estimated parameter values for testing the influence of komunikasi on work performance showed CR value of 3.634 and with a probability of 0.000. Both values obtained are eligible for H7 acceptance ie CR value 3,634 greater than 1,97 and probability smaller than 0,05.

The direct effect of transformational leadership variables on job satisfaction is 0.229. While the influence of transformational leadership on job performance when through job satisfaction variable is 0.274.

The direct influence of organizational culture variable on job satisfaction is 0.372. While the influence of organizational culture gives an influence on job performance when through job satisfaction variable is 0.294.

The direct effect of the compensation variable on job satisfaction is 0.223. While the effect of work compensation on work performance when through job satisfaction variable is 0.270.

CONCLUSIONS

1. Transformational leadership, organizational culture, compensation, Job satisfaction and employee performance have been running well.
2. Transformational leadership affects employee job satisfaction.
3. Organizational culture affects employee job satisfaction.
4. Compensation affects employee job satisfaction.
5. Transformational leadership influences employee performance
6. Organizational culture affects employee performance.
7. Compensation affects employee performance.
8. Employee job satisfaction has a positive and significant effects on employee performance
9. There is an indirect influence of transformational leadership, organizational culture and compensation on employee performance through job satisfaction.

RECOMMENDATIONS

1. In order to improve the performance of the employees of the Office of Manpower and Port Authority of Malahayati Banda Aceh based on the perspective of transformational leadership, it is expected that leadersto direct subordinates prioritize the interest of the organization rather than their personal interests and to increase confidence in facing every challenge in the work.
2. In the respect of organizational culture, in order to improve employee performance and organizational performance, it needs to improve the mental attitude of the employees within organization environment
3. Referring to the improvement of individual performance and organizational performance based on compensation, it should take into account that the salary given to all employees must be able to meet the needs of employees with their families.
4. In order to improve employee the overall performance, it is important to ensure that service offering should be in accordance with the established procedures.

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