

## **INFLUENCE OF LEADERSHIP STYLE AND COMPENSATION TO THE SPIRIT OF EMPLOYEES (Case Study PadaComite Olimpico Nacoinal Timor-Leste/Contl)**

**Dirce Fernades Neves<sup>1</sup>, Manuel do Santos<sup>2</sup>, Marcos Ulan Bere<sup>3</sup>**

Faculty of Economics, Management Department, Univesidade Da Paz. Dili  
TIMOR LESTE

**Email :** boscojhonnie@gmail.com

### **ABSTRACT**

*This study aims: To determine the influence of leadership style and Compensation for Morale on Contl, Dili, Timor-Leste ?. The study population was Servants there Contl, Dili, Timor-Leste is known as much as 63 employees and a sample used as many as 63 employees. Methods use the sample in this study is the probability that the sampling Quota sampling (Census). The variables examined included leadership style and Compensation as independent variables and Morale as the dependent variable. Data taken using questionnaires, interviews and documentation were then analyzed using multiple linear regression analysis with the aid of a computer program (SPSS) version 19.*

*The results showed that the Leadership Style on Contl, Dili, Timor-Leste is needed, which means the average employee happy. Partial assay results obtained t for variable Leadership Style for 3711 with a significant level of  $0.000 < 0.05$  and variable compensation for 8405 with a significant level of  $0.001 < 0.05$ , which means leadership style partially positive and significant effect on Morale and Compensation partially positive and significant influence on Morale and ANOVA results indicate that Fhitung 406 669 with a significant level of  $0.000 > 0.05$  means the two independent variables simultaneously positive and significant effect on Morale. Based on these results it can be concluded that there is influence of variable Style of Leadership and Compensation for Morale, as well as leadership style and Compensation simultaneously positive and significant effect on Morale. It is therefore recommended that Contl, Dili, Timor-Leste needs to improve and maintain the determination of Leadership Style and compensation to employees in order to further enhance the Morale.*

**Keywords:** Leadership Style, Compensation and Morale

### **INTRODUCTION**

Competition in the era of globalization inisemakin difficult in predicting in various fields so sue companies or organizations to work more effectively and efisien.Tingkat high competition demands also an organization or company to optimize human resources, because human resources is a major asset in a company or organisasi.Pengelolaan good resources to encourage

companies or organizations towards the achievement of common goals. One way for companies to keep growing in the current era of globalization, namely harusmemiliki qualified human resources and high morale in doing all tasks and kewajiabannya against the company so that the goal can be achieved with good company. Qualified human resources are needed in the face of competition in the globalization era, and one of the very important elements that need to be considered by a company is employee morale, because employee morale will be able to accelerate the achievement of corporate goals.

Leadership is an activity to influence the behavior of others so that they will be directed to achieve the objectives of this tertentu. Hal indicate that leadership style has a very important influence in achieving effectiveness. If a leader mampumenerapkan leadership style appropriate to the circumstances that exist, then the employees will be able to work comfortably and in high spirits.

Based on research Sutarjana Made (2005) suggested that gayakepemimpinan positive and significant impact on employee morale. Arguing that leadership style as a pattern of behavior that is designed to integrate organizational goals with individual goals to achieve a certain goal. Each leader can have different leadership styles between one another, and not necessarily a leadership style is better or worse than other leadership styles. Leadership styles adopted in an organization can help create a positive work effectiveness for employees.

Leadership style according to the situation and condition of the organization then karyawanakan more zealous in performing their duties and responsibilities and have hope terpenuhinyakebutuhan. Pada this time however if someone tries to influence others then it has been involved someone into leadership activities. If state leaders are occurring in a particular organization and that person needs to develop employees and build a spirit that generate high levels of productivity, then the person is worthy to think about his leadership style. The organization will be more successful if leaders apply leadership style which is supported with the provision of compensation to every employee.

Compensation is everything received by employees as remuneration for their work, in an organization the issue of compensation is something that is very complex, but the most important for the organization karyawanmaupun sendiri. Pemberian appropriate compensation to employees is very important for employees. Akanmendapatkan organization employees who are willing to work and perform tasks well, while employees feel compensation in recognition of the work that has been carried out then the relationship will determine the viability and success of the company.

Compensation is very important to the employee as an individual, because the amount of compensation is a reflection or measure the value of the employee's job and employee satisfaction. If compensation is given correctly and the employees will gain job satisfaction and will be motivated to achieve organizational goals. However, when the compensation was given inadequate or incorrect will result in poor performance as the cause darimenurunnya employee morale.

Morale is a climate or atmosphere of work contained in an organization or company that shows a sense of excitement in carrying out the work and encourage them to work better and more productively. Employee morale is very important to support the work of the burden and responsibility of suatuorganisasi, therefore compensation is an obligation that must be carried out organizations to improve employee morale and work in accordance with the desired which is obtained.

Morale as a condition for achieving clear goals and still perceived to be important and integrated with the objective individu. Semangat work indicated a person in carrying out the tasks assigned to them based on skills, experience and ability as well as time.

Morale needs to be used as a benchmark to make comparisons between what has been done with what was expected. To achieve these goals, the employees are required to be able to control

themselves in the face of the emergence of tensions in carrying out any work or activity in the organization because if employees are not able to overcome it, it can have an impact on the decline in morale, the key to an organization's success is based on the spirit the work of its employees, as well as employee morale can support the achievement of the goals and objectives of the organization, because morale can encourage employees to work harder and better.

Spirit in a person would be urged to work smart and work hard, a smart worker must have realized that to gain the maximum extent possible, each employee can not work hard alone, requiring a team to bear the burden and do the work together will sama. Adanya morale make employees will cooperate together, not each other down even just one to the other will show mutual concern for helping to resolve problems and masalahbersama. Jadi morale would encourage someone to show willingness for working with others to achieve goals together in an organization.

Organization is meant here is a Non Government Organisation (NGO) Komite Olimpico Nacional de Timor-Leste (Contl), which is an organization working in the field of sport: Olympic Games, Sea Games, Asian Games, Winter Asian Games, Arafura Games, which was founded in the year

In 2003, and has been recognized by the International Olympic Committee (IOC). The success of NGO Komite Olimpico de Timor-Leste Nacinal CONTL dalam achieve the expected goals depending on the influence of leadership style. With a leadership style which is less professional in making decisions so that the onset of problems in the organization.

Problems that occur di Komite Olimpico Nacional de Timor-Leste Contl Employees in Contl too apathetic in the work because of the style of leadership that is applied by the head rather autocratic, Employees who carry out their work properly only considered mediocre or absence of compensation for employees run a good job, and management system as well as other supporting factors are less coordinated and done properly it will cause a decline in the morale of every employee there di Komite Olimpico Nacoinal Timorese Contl.

## **LITERATURE REVIEW**

### **Leadership Style**

Merupakan cara leadership styles used in the process of leadership is implemented in the behavior of the leadership of a person to influence others to act in accordance with what he wants. In addition Flippo (1990: 150), the leadership style can also be defined as a pattern of behavior that is designed to integrate well with the organization's goals of individual goals to achieve a certain goal. Leadership styles on each leader is not the same with each other.

Leadership style is a pattern of behavior that is designed to integrate organizational goals with individual goals to achieve certain goals Heidjahuman and Husnan (2002: 224)

Leadership style is a way in guanakan leader in integrating with subordinates Tjiptono Fandy (2001: 161). Meanwhile other opinion states that leadership style is a pattern of behavior action words of a leader that is felt by others. Hersley (2001: 30)

Leadership style is the backbone of organizational development because without good leadership will be difficult to achieve organizational goals. If a leader trying to influence the behavior of others, then that person needs to think about his leadership style. Style of leadership is how a leader carry out the functions of leadership and how he was seen by those who are trying to lead, or they may was watching from the outside (Robert, 1992).

James et al. (1996) say that the leadership styles are patterns of behavior that are favored by the leader in the process of directing and influencing workers. Style of leadership is behavior and strategy, as a result of a combination of philosophy, skills, personality traits, attitudes, which are often applied to a leader when he tried to affect the performance of subordinates (Tampubolon, 2007).

### **Types of Leadership Styles**

Husaman (2006: 84) Basically, in every style of leadership there are two main elements, namely directive behavior and supporting behavior. The second element of leadership styles can be grouped into 4 groups, namely directing, coaching, supporting, and delegating, as the opinion of the University of Iowa Studies cited Robbins and Coulter (2002), Lewin concluded there are three (3) leadership style Laissez

Faire (Full Free): (1) leadership style autocracy, (2) Democratic Leadership Style, and (3) Leadership Style Full Free.

### **Factors Influencing Leadership Styles**

Reitz (1998: 71) menyemukakan factors that can affect leadership style as follows:

1. Personality, past experience and expectations of the leader of this include the values, background and experiences will influence the choice of leadership style.
2. Expectations and behavior of superiors.
3. Characteristics, harapandan behavior towards subordinates affect what leadership style.
4. The need for the task, each task subordinates also affects the leadership styles.
5. Climate and organizational policies affect the expectations and behavior of subordinates.
6. Expectations and attitudes colleagues.

Based on the factors above it, the authors conclude that the success of a leader in carrying out its activities is influenced by factors that can support for the success of a goal, and therefore a goal to be achieved if the harmony in the relationship or interaction between superiors subordinates, in addition influenced by the background which is owned by a leader, such as self-motivation for achievement, maturity, and flexibility in social relations with the attitudes of human relationships.

#### **Compensation**

Hasibuan (2004: 117) compensation is all the income in the form of money, goods directly or indirectly received by employees as a reward for services rendered to the company. There are three types of compensation

that is :

1. The financial compensation directly form: basic fee, a fee of achievement, and the incentive fee paid toughest.
2. Financial compensation is not directly in the form of: program protection, outside paid working hours and facilities such as vehicles, office space and a parking lot.
3. The non-financial compensation, in the form of jobs.

MARWANSYAH and Mukarram (2000: 129) explains that the compensation is any form of compensation received by a person as a reward for his contribution to the organization.

Veithzal Rival (2004: 358) the compensation split into two as follows:

#### **1. Financial Compensation**

Financial compensation is divided into two, namely the compensation of direct and indirect compensation.

- a. Direct financial compensation consists of payment of principal, payment of achievement, incentive payments, bonuses, profit share, share options, while the toughest payments include retirement savings, cumulative shares.
  - b. Indirect financial compensation consists of protection which includes insurance, severance, school children, retirement. Compensation outside working hours include overtime, holidays, Suti sick, on maternity leave, while based facilities include the home, the cost of moving, and vehicles.
2. Financial compensation is not.

Consists of non-financial compensation for a career that includes a safe in the office, promotion opportunities, recognition of work, new friends, a special achievement, while the work environment can include praise, friendly, convenient charge, and fun.

### **Spirit at work**

Moekijat (2001: 142) Morale is a climate or atmosphere of work contained in an organization or company that shows a sense of excitement in carrying out the work and encourage them to work better and more productively.

The spirit of poor working can be seen in the presence of absenteeism and the transfer of employees frequently, the number of accidents were large and the taste grumbled everywhere Levine Kerlinger and Pedhazur, (2002: 214), of the opinion can be argued that the presence of high morale of the staff, especially the permanent staff is indispensable in every business cooperation between supervisors and subordinates to achieve organizational goals, which as we all know that the achievement of organizational goals is something that is coveted by every organization, especially a commercial organization.

In contrast to the employees who have low morale would be difficult to achieve good results, for the morale issue is important for any company / organization. Field observations seen that morale in an organization still needs to be improved. This is because still the discovery of several employees or staff who come into the office is not exactly on time and the persistence of the staff go home before the specified time, so that employee morale in a company can be increased, it is necessary to be considered by the employer in question.

Nitisemito (2002: 55), the spirit and morale is: The spirit and excitement of the work is essentially the embodiment morale is high, and some even identify freely, morale high is the enthusiasm and excitement in general there is a tendency relationship

high productivity with morale and enthusiasm high. This will burden the company's prospects in the future, when the spirit and excitement of the job seriously burdened by the company. The spirit and excitement of high employment should not cause a high productivity, it is simply an influence on overall productivity, for example: a group of workers who have the passion and excitement of high employment, but they only bersendau quipped alone regardless of the job at the time left by supervisor, morale aspects need to be studied because in this aspect can measure the high and low spirit kerja. Maier, (2006: 119).

Moekijat, (2001: 355) expressed the opinion that for groups of workers, the use of which lajim menyatakam that morale shows the climate and atmosphere of the work. If the workers seem happy, optimistic about the activities and tasks of the group and welcoming to each other, then they are in say satisfied.

Hasley (2001) stated that the morale or morale it is the attitude of willingness feeling that allows an employee to produce work more and more without increasing fatigue, which causes employees enthusiastically participated in the activities and efforts of groups of co-workers, and making the employees are not easily subject to influence from outside, especially from people who are basing their targets on the response that the only interest of the company leaders against him to gain as much as possible from him and give as little as possible

Definition and understanding of the concepts that were dictated by the experts mentioned above, the writer can draw the conclusion that morale is a climate or atmosphere contained work by every employee in the organization or company to work better and more productively.

### **Factors Affecting Morale**

In implementing its activities, the very need to know about the factors that affect the morale. As Zainun (2005; 55), said that the factors - factors that affect the morale is as follows:

1. A harmonious relationship between leaders and subordinates, namely the *humbungan mutual* reciprocity between leaders and subordinates so that they can work together to achieve the goal.

2. Satisfaction of employees on duties and that is the confidence of the employees to complete tasks and obligations in earnest and as much as possible to achieve the goal.
3. The presence of an atmosphere or climate anggotaanggota friendly working with others in the organization, namely the achievement of a condition that can provide morale and support the completion of tasks and work with pleasure these conditions will be created if the employment relationship is established semestinya accordance with the duties and responsibilities as well as the terms and obligations of each.
4. Adannya satisfaction level of economic return for his toil that is the wage corresponding to the work that is given so as to provide a sense of comfort and cozy are able to meet their needs appropriately.
5. Sense of benefit for tercapainya goals of the organization which is also a common goal, namely the existence of clear objectives to be achieved which will ultimately be useful in the common interest. Zainun (2005; 60), suggests the dimensions of morale, namely: (a) at least Aggressive behavior that lead to frustration, (b) Individual work with a feeling of happiness and feelings that are fun, (c) Individuals can adjust to friends co-workers well, and (d) his ego is very involved in his work.

## **RESEARCH METHODS**

### **Population**

Population is a combination of all the elements that shaped peristiwa, things, or people who have similar characteristics that became the center of attention of researchers, because it is seen as the study of the universe (Ferdinand, 2006). Populasi in this study adalahseluruh existing employees diCONTL totaling 63 employees.

### **Samples**

The sample is a subset of the population, made up of all members populasin Ferdinand (2006). Arikunto (2005: 108) menyemukakan that if the population is less than 100 then serve as the overall population sampel. Berdasarkan Arikunto theory above, the sample used in the study were as many as 63 people karyawan. Sehingga sampling sampling technique used is the probability that a census or research population.

## **RESULT AND DISCUSSION**

### **Multiple Linear Regression Analysis**

The results of the analysis conducted to determine the leadership style as an independent variable (X1) and Compensation as independent variables (X2) to variable Morale as the dependent variable (Y).

Based on the multiple linear regression equation:  $Y = a + b_1x_1 + b_2x_2 + e$ , it can generate multiple linear regression as follows  $Y = 8.275 + 0.351X_1 + 0.630X_2$ .

Where:

- $a = 8.275$  artinya average yield Morale before, influenced by the style of leadership and compensation has a fixed value (value constanta) of 8275, at a rate of 82.75 persenntasi 0.351 adalah  $b_1 =$  regression coefficient of the leadership style (X1) means any changes regarding the leadership style boost morale (Y) equal to 35.1 0.351 atau the assumption that compensation (X2) is constant.
- $b_2 = 0.630$  is the regression coefficient of the compensation (X2) means any change concerning compensation, can affect morale (Y) of 0.630 atau 63% on the assumption that the style of leadership (X1) is constant.

#### Correlation coefficient

From the results Output SPSS on the Model Summary shows that, the results of R Square influenced simultaneously by 0.935, this means variable morale is influenced by both the independent variable, that variable style of leadership (X1) and compensation (X2), of 0.935, or 93.5% While the rest (100% - 93.5%) = 6.5% influenced by other variables outside of the existing models.

#### Hypothesis testing

Based on the analysis of research that is doing the interpretation of hypothesis testing. Interpretation and hypothesis testing can be partially and simultaneously described as follows:

##### Influence of Leadership Style (X1) Against Morale (Y)

From the results above SPSS output display attribute value  $T_{hitung}$  of leadership style variable (X1) nilai  $T_{hitung}$  amounted to 3,711 with significance level of 0.000 which  $>$  value  $T_{tabel}$  sebesar 1.9983 or  $T_{hitung} > T_{tabel}$  at 95% confidence level and 5% error level. Based on the above results it can be concluded that leadership style affects positif to spirit working

Based on the above test results can be seen that the style of leadership (X1) positive and significant impact on the spirit kerja (Y) because  $t_{count}$  obtained from the leadership style (X1) of 3711 with a significant level of 0.000 dan nilai  $t_{tabel}$  amounted to 1.9983 or  $t_{count} > t_{table}$  at a rate 95% and 5% error level.

##### Influence Compensation (X2) Against Morale (Y)

From the results of which addressed the SPSS output display  $T_{hitung}$  dari value of variable compensation (X2) for 8405 with a significance level of 0.000 and  $T_{tabel}$  value of 1.9983 or  $T_{hitung} > T_{tabel}$  dengan 95% confidence level and 5% error level. Based on the above test results can be seen that the compensation (X2) positive and significant impact on morale (Y) because  $t_{count}$  obtained from compensation (X2) is 8.405 dengan significant level of 0.000 nilai  $t_{tabel}$  1.9983 or  $t_{count} > t_{table}$  at a rate of 95 % and 5% error level.

##### Influence of Leadership Style, Compensation Simultaneously Semagat Against Work.

Based on the calculation results can be seen that the style of leadership (X1) and compensation (X2) simultaneously (together) has a positive and significant impact on morale (Y) because the value of  $F_{count}$  obtained results of 36.539 with level signifikan 0,000 greater than the  $F_{table} = 2.36$   $F_{count} \geq F_{table}$  at the 95% confidence level and the level of error is 5%.

#### Conclusion

From the data processing has been done in the previous chapter, it produced some of the research findings as follows:

- a) Leadership Style (X1) measured morale (Y) has a positive and significant effect on the level of morale in Contl. Thus the high and low morale dapat dijelaskan by leadership style. The magnitude of the effect on morale leadership style is based on the findings of this study can be concluded that the hypothesis which states that "leadership style in a positive and significant effect on morale in CONTL dapat acceptable".
- b) compensation (X2) as measured by the morale (Y) has a positive and significant effect on the level of morale. It can be concluded that the level of morale can be explained by a compensation amount of influence on the morale of compensation based on the findings of this study can be concluded that the hypothesis which says that compensation and significant positive effect on morale in Contl unacceptable".

- c) Simultaneously style of leadership (X1) and compensation (X2) together berpengaruh positif and significant impact on morale (Y). Based on the findings of this study can be concluded that the hypothesis that says the leadership style (X1) and compensation (X2) simultaneously and significant effect on morale in Contl acceptable.

### **Suggestion**

The following suggestions are outlined in the exposure implications, which include the theoretical implications, the implications of applied and theoretical implications lanjutan. Implikasi research related to the influence of research to science. Implications berkaitan applied to study the influence of leadership style and compensation while the implications of continued research beneficial to the development of the next research in order to obtain more extensive information.

### **REFERENCES**

- Alex S, Nisemito, (2000), Manajemen Personalia, Manajemen Sumber Daya Manusia, Edisi ke III, Ghalia Indonesia Jakarta.
- Algifari, (2000), Analisa Regresi (Teori, kasus dan solusi), Edisi ke II, BPFY Yogyakarta.
- Aswar, (1997), Metodologi Penelitian Dasar, Edisi ke II, Ghalia Indonesia Jakarta.
- Elton Mayo, (2002), Perilaku dan kinerja karyawan, cetakan ke 20 Surabaya.
- Flippo, (1990), Leadership, Edisi ke II, BPFY Yogyakarta.
- Ghozali, (2009), Metodologi Penelitian Terapan, Edisi ke VI, Gadjah Mada University Press Yogyakarta.
- Heidjahunan dan Husnan, (2002), Kepemimpinan Organisasional, Edisi ke III, Ghalia Indonesia Jakarta
- Henry Simonora, (2004), Manajemen Sumber Daya Manusia, STIE-YKPN Yogyakarta Indonesia.
- Husnan, (2006), Kepemimpinan Organisasional, Edisi ke II, Ghalia Indonesia Jakarta
- Malayu Hasibuan, (2006), Manajemen Sumber Daya Manusia, Bumi Aksara Jakarta.
- Marwansyah, (2000), Manajemen Sumber Daya Manusia, Edisi ke I Alfabeta Bandung.
- Malayu S.P Hasibuan (2006), Manajemen Sumber Daya Manusia, Bumi Askara Jakarta.
- Marwansyah dan Mukarram, (2000), Manajemen Sumber Daya Manusia, Edisi I, Bumi Askara Jakarta.
- Martoyo, (1994), Manajemen Sumber Daya Manusia, Edisi I, Bumi Askara Jakarta.
- Soekidjo, (2003), Manajemen Sumber Daya Manusia, Edisi I, Bumi Askara Jakarta.

- Moekijat, (2001), Manajmen Sumber Daya Manusia, Edisi XI, Bumi Askara Jakarta.
- Nitisemito, (2002), Manajemen Sumber Daya Manusia, Cetakan ke VIII Kencana Jakarta.
- Nawawi (2004), Manajemen Sumber Daya Manusia, Cetakan ke II Kencana Jakarta.
- Notoadmodjo, (1998), Manajmen Sumber Daya Manusia, Edisi I, Bumi Askara Jakarta.
- Stoner, (1988), Leadhersheep, Edisi ke I, Bumi Aksara Jakarta.
- Reitz, (1998), Leadhersheep, Edisi ke II, Kencana Jakarta.
- Rival, (2004), Manajmen Sumber Daya Manusia, Edisi ke I, Bumi Askara Jakarta.
- S. Panggabean, Mutiara, (2004), Manajemen Sumber Daya Manusia, Cetakan ke II Kencana Jakarta.
- Sedarmayati (2001) Sumber Daya Manusia dan Semangat kerja pegawai Mandar maju, Bandung.
- Sedarmayanti, (2001), Dasar-Dasar Manjamen, Cetakan ke II, Gadjra Mada University Press Yogyakarta.
- Supramono dan Haryanto, (2003), Metodologi Penelitian Terapan, Edisi ke VI, Gadjra Mada University Press Yogyakarta.
- Tjiptono, (2001), Leadhersheep Governance, Edisi I, Bumi Aksara Jakarta.