THE INFLUENCE OF LEADERSHIP STYLE, INTERNAL COMMUNICATIONS AND WORKING MOTIVATION ON THE EMPLOYEES’ PERFORMANCE OF PT. BPR ANUGERAHDHARMA YUWANA BANYUWANGI

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ABSTRACT

This Research dealt with the Influence of Leadership Style, Internal Communications and Working Motivation on the Employees’ Performance of PT. BPR Anugerahdharma Yuwana Banyuwangi. The purpose of this study was to determine the influence of Leadership Style, Internal Communications and Working Motivation partially and simultaneously on the Employees’ Performance of PT. BPR Anugerahdharma Yuwana Banyuwangi. The samples used in this study were 41 respondents using census techniques. Data collection methods used in this study using questionnaires, interviews and literature study. The analysis includes at a test instruments, test the validity and multiple linear regression analysis, the classical assumption (test multi-colloniality, normality test, and test Heteroskidastity), and hypothesis testing. From the results of data analysis can be concluded that the Leadership Style, Internal Communication and Working Motivation partially and simultaneously had positive and significant impact on the Employees’ Performance of PT. BPR Anugerahdharma Yuwana Banyuwangi.

Keywords: leadership style, internal communication, motivation and employees’ performance

INTRODUCTION

Human resources is one of the most important factors in running the company’s organizational activities, basically human resources is a resource that is needed by an organization, because human resources is the source of an active role on the course of an organization and the decision making process (Sutrisno, 2011). Human resources management is the art of governing the relation and role among workers in effective and efficient ways.

There are many factors affecting the performance of employees, one of them is leadership style. An employee performance is also influenced by the pattern and style of leadership that is good for the company. Leadership has a very close relationship with the employees’ performance because the success of a leader in driving or pushing an employee in achieving organizational goals is dependent on the way the leader affects the employees. On the other hand, the
employees or workers are human beings who have a variety of senses of humanity, feelings and needs that must be fulfilled. When the needs of the employees fulfilled, then there will be a loyal attitude toward the company. The purpose of employment is to get a reward in the form of adequate compensation or in accordance with the principle of justice. It means that if an employee uses his knowledge, skills, potential, and time to work in an organization, he expects a reward (Siagian, 2002).

Another factor that affects the performance of employees is internal communication. Internal communication is communication that exists within the organization and the agents involved in the internal communication are all members of the organization between superiors and subordinates or otherwise between subordinates with superiors and even between subordinates and subordinates. According to Yasira (2010) in the business world today, information flows faster. Communication seen as a target transmits social input into the social system. Communication is also a means to modify behavior affecting changes in information productivity and means to achieve the goal. A fast spreading information in a fast line of production causes a loss of production, while the amount of overloaded information causes the burden of information overload, the information needed is not how much information can be got, but how relevant the information is; therefore, it is necessary to determine the type of information required by managers to make effective decisions.

Motivation is also one of the factors affecting the performance of the employees in order to keep the spirit of the employees to do the tasks given by their leaders. According to Sulistiyani (2003) giving reward is an important program for an organization because it reflects the efforts of the organization to keep human resources as the main component and it is the most important expense component. Reward is also a meaningful aspect to the employees because for individuals or employees the amount of the reward reflects the value of their work among the employees themselves, their families and communities. Performance-based reward gives two benefits, namely to give information and provide motivation. Reward can attract attention and provide information or enhance an understanding of the importance of something that is rewarded than others. Reward can also increase employees motivation to measure their performance that help them in allocating their time and efforts for the benefit of the company's organization.

In Banyuwangi, BPR has an important role in improving the economy of Banyuwangi because of the existence of BPR, the communities are able to develop micro, small, and medium enterprises in a better way. They do not merely put their trust on the banks, but they are now very objective in choosing a financial institution that is truly responsible, especially in the financial field.

<table>
<thead>
<tr>
<th>Year</th>
<th>Bad Credit</th>
<th>Performing Credit</th>
<th>Savings</th>
<th>Deposit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2,344,894</td>
<td>55,972,472</td>
<td>18,197,803</td>
<td>42,268,600</td>
</tr>
<tr>
<td></td>
<td>(2.5%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1,711,355</td>
<td>71,665,484</td>
<td>23,991,280</td>
<td>52,153,989</td>
</tr>
<tr>
<td></td>
<td>(1.4%)</td>
<td></td>
<td></td>
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</tbody>
</table>
Table 2.1 showed the financial performance over the last 2 years of all BPR in Banyuwangi and BPR Anugerahdharma Yuwana Banyuwangi showed improvements in every year. Table 2.1 showed the credit, savings and deposits improvement every year and no reduction. Table 2.1 showed bad credit at PT. BPR Anugerahdharma Yuwana Banyuwangi declining every year, it seen from the percentage listed in Table 2.1. The increasing financial performance was caused by several factors. Based on the interview that had been conducted to Head of General Affairs and Head of Personnel of PT. BPR Anugerahdharma Yuwana Banyuwangi noted that the causes of the increasing financial performance of the BPR influenced by the performance of employees, and some factors affected the performance of the employees were the style of leadership and the success of a leader with a leadership style that supported the formation of an effective leadership style.

RESEARCH METHODS
Operational Definition of Variables
1. Independent Variables
   - Leadership Style (X1)
     Is the way in which the leader of PT. BPR Anugerahdharma Yuwana Banyuwangi used democratic leadership style, the leader was able to influence employees in directing, encouraging and organizing the employees of PT. BPR Anugerahdharma Banyuwangi to achieve the company goals, promoting kinship relationship.
   - Internal Communications (X2)
     Internal communication is important and should be done in the organization to achieve organizational goals. PT. BPR Anugerahdharma Yuwana Banyuwangi used Vertical and Horizontal Internal Communication, so the leaders and the subordinates of PT. Anugerahdharma Banyuwangi BPR expected to be able communicate effectively.
   - Work motivation (X3)
     The leaders of PT. BPR Anugerahdharma Yuwana always gave direct or indirect motivation to motivate their employees before and after reaching a given target, gave salary, reward, health insurance and safety so that their employees felt safe at work. Motivation as a positive effort in moving and directing employees potentials to productively achieve and realize the objectives that had been set previously and as an incentive to be able to drive, steer and direct the potential and power of human labor as desired (Zainun, 2004).

2. Dependent Variable
   - Performance
     Performance is a condition that must be known and informed to certain parties to determine the level of the results achievement associated with the vision of an organization as well as to determine the positive and negative impact of an operational policy taken. With the information on the performance of an organization, they would be able to take necessary action such as a correction of policy, straightening the main
activities, and the main tasks of the organization, materials for planning, determining the level of success of the organization to decide a course of action, etc.

Figure 1. Conceptual Model

HYPOTHESES

H1  = Leadership Style, Internal Communications and Work Motivation partially had significant effect on the employees performance of PT. BPR Anugerahdharma Yuwana Banyuwangi.

H2  = Leadership Style, Internal Communications and Work Motivation had simultaneous influence on the employees performance of PT. BPR Anugerahdharma Yuwana Banyuwangi.

RESEARCH RESULTS

Based on statistical analysis, the results showed clearly that partially, all the independent variables affected the dependent variable. The impact that the three independent variables were positive, it means that the Style of Leadership, Internal Communication and Motivation were better. These results were consistent with the hypothesis set. The results of this study were also consistent with the results of previous studies. Explanation of each variable effect described as follows:

- The Influence of Leadership Style, Internal Communication and Motivation on the Employees Performance.
  - The result of hypothesis testing had proven there was an influence of Leadership Style on the Employee Performance. The data calculation obtained a significance level of 0.031 and less than 0.05 and the t (2.375) > t table (2.026), which means that the hypothesis was accepted. Statistical testing proved that leadership style had an influence on the Employees Performance. This means that there was the influence of the Leadership Style on the Employees Performance. These results supported previous research by Astutik (2014) at the Regional Plantation Company
Sumber Pandan Jember, stated there was an influence of the Leadership Style on the Employees Performance and from a hypothesis, namely leadership style affected employee performance.

- The result of hypothesis testing had proven there was an influence of Internal Communication on the Employees Performance. Data calculations showed a significance level of 0.044 and less than 0.05 and the t (2.107) > t table (2.026), which means that the hypothesis was accepted. Statistical testing proved that there was an influence of Internal Communication on the Employees Performance. This indicates that there was an influence of Internal Communication on the Employees Performance. The result supported previous research by Rahman (2012) on KANPORA Jember, which stated that there was an effect of Internal Communication on the Employees Performance, according to the hypothesis which stated that Internal Communication affected on the Employees Performance.

- The result of hypothesis testing had proven that there was an influence of Motivation on the Employees Performance. Data calculations indicated a significance level of 0.025 and less than 0.05 and the t (2.984) > t table (2.026), which means that the hypothesis was accepted. Statistical testing proved that working motivation had an influence on the Employees Performance. This means that there was an influence on the Employees Performance. These results supported previous research by Astutik (2014) conducted at the Regional Plantation Company Sumber Pandan Jember, which stated there was influence of work motivation on employee performance and according to the hypothesis that said work motivation influence on employee performance.

- The Influence of Leadership Style, Internal Communications and the Employee Work Motivation on Performance. The result of hypothesis testing had proven there was an influence of Leadership Style, Internal Communications and Employee Work Motivation on Performance. Data calculations showed a significance level of 0.000 and less than 0.05 and F count > F table (3.087 > 2.86), which means that the hypothesis was accepted. Statistical testing proved that leadership style, internal communication and work motivation have an influence on the employee performance. This means that there was an influence of Leadership Style, Internal Communications and Employee Work Motivation on Performance. The result supported previous research by Siswandi (2013) on Pand's Collection Semarang, which stated that there was an influence of Leadership Style, Internal Communications and Work Motivation on the Employees Performance and the hypothesis stated that Leadership Style, Internal Communications and work motivation influence on employee performance.

CONCLUSION AND SUGGESTION

Conclusion
Based on the research results, companies preferred male employees because they needed more men in the field of marketing and in the fields dealing with external parties. The working period of the employees of PT. BPR Anugrahdharma Yuwana ranged from 3 to 4 years. Working period determines the maturity of someone that affects the behavior and way of thinking in working. Most of the employees of PT. BPR Anugrahdharma Banyuwangi Yuwana were high school graduated, but in working, a person's education level does not indicate the high level of knowledge and insight of a person, and the status of employees of PT. BPR Anugrahdharma
Banyuwangi Yuwana more likely to be married and this is because married employees have more experiences. By using the data of the classical assumption testing, multiple linear regression, and the hypotheses verifications using SPSS v.20, there were several conclusion of the research objectives, as follows:

- **The results of hypothesis testing of the leadership style, internal communication and work motivation affected on the performance of the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi parcially drawn as follows:**

Leadership style affected the performance of the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi when the data analyzed using partial test (t-test). The above results indicated that the leadership style partially influenced the employees performance. That was, the better the leadership style of the PT. BPR Anugerahdharma Yuwana Banyuwangi would improve the performance of the employees. In short, by adjusting the leadership style of BPR Anugerahdharma Yuwana Banyuwangi by stressing the importance of carrying out the task as well as possible and being punctual affected how to resolve problems that occurred on the job and could resolve conflicts by discussing them together or being open to each other and having a close relationship among all employees. Then the employees’ performance also increased because the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi did the work optimally in terms of ability, time efficiency, quantity and quality.

The influence of internal communication on the employees performance of PT. BPR Anugerahdharma Yuwana Banyuwangi when the data analyzed using partial test (t-test), the result indicated internal communication partially affected the achievement of the performance of the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi. Internal communication improved the performance of the employees. It means that by providing encouragement and support and listening to the ideas or opinion of the fellow colleagues and having a good relationship, being familiar and pleasant in responding to the information provided by the superiors of PT. BPR Anugerahdharma Yuwana Banyuwangi, the employees’ performance also increased because the work done optimally in terms of ability, time efficiency, quantity and quality in completing the work by the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi.

The influence of working motivation on the employees performance of PT. BPR Anugerahdharma Yuwana Banyuwangi when the data analyzed using partial test (t-test) the result indicated that the labors motivation partially influenced the performance of the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi. Motivation improved the performance of the employees and working motivation had the most dominant influence on the employees performance of PT. BPR Anugerahdharma Yuwana Banyuwangi. The data showed a higher result than the Leadership Style and Internal Communication. It indicated that by providing decent wages, health insurance, security, reward based on the employees’ achievement and by giving the opportunity for the employees and creating a very close relationship, encouragement, support, listening to the ideas or opinions of coworkers and having a good relationship, being familiar and pleasant in responding to the information provided by the superiors of PT. BPR Anugerahdharma Yuwana Banyuwangi, the employees’ performance also increased because the work was done optimally in terms of ability, time efficiency, quantity and quality by the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi.
The result of hypothesis testing on leadership style, internal communication and work motivation influenced the performance of the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi simultaneously.

The influence of leadership style, internal communication and working motivation on the employees’ performance of PT. BPR Anugerahdharma Yuwana Banyuwangi when the data analyzed using the Partial Test (Test-f), the result indicated that leadership style, internal communication and working motivation simultaneously affected the performance of the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi. Leadership style, internal communication and working motivation improved the performance of the employees. It means that by emphasizing the importance of carrying out the task as well as possible and being punctual, providing encouragement, support and listening to the ideas or opinions of the fellow colleagues and having a good relationship, being familiar and pleasant in responding to the information provided by the superiors PT. BPR Anugerahdharma Yuwana Banyuwangi, providing decent wages, health insurance, security, reward, the employees’ performance also increased because the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi did the work optimally, in terms of ability, time efficiency, quantity and quality.

Suggestion

- For Companies

Based on the research conducted, PT. BPR Anugerahdharma Yuwana Banyuwangi should make an effort in improving the employees’ performance by focusing more on internal communication. The research that analized the data obtained through filling out the questionnaires by the employees of PT. BPR Anugerahdharma Banyuwangi Yuwana showed that internal communication had a smaller influence on leadership style and motivation, so that it is better if PT. BPR Anugerahdharma Yuwana Banyuwangi gives more attention to internal communication that is expected to eventually be able to improve the performance of the employees of PT. BPR Anugerahdharma Yuwana Banyuwangi to obtain better results.

- For Future Researchers

Several studies had been conducted with the same title as this research in an attempt to analize the influence of leadership style, internal communication and working motivation on the employees’ performance. Previous studies showed the same results with a slight difference, so the future researchers suggested to conduct further researches on the influence of leadership style, internal communication and working motivation on the employee performance. The results of determinant coefficient also showed that there are other variables that must be considered in this research. Further studies should use other variables that can affect the performance of the employees because there are many other variables that may influence employees’ performance such as working environment, culture, and compensation.
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