# INFLUENCE OF LEADERSHIP ON EMPLOYEES PERFORMANCE UD. DABIAN THROUGH THE SENSE OF ACHIEVEMENT

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## ABSTRACT

*The purpose of this paper is to find the effect of leadership on the sense of achievement of UD. Dabian employees, the effect of leadership on the performance of UD Dabian employees, and test the sense of achievement as an intervening variable for UD Dabian employees. Employees performance is one of the key for the success UD. Dabian. The success produced by UD. Dabian cannot be separated from the performance of company employees, Good performance in a company must be measured in terms of quality and quantity that employees have achieved to get good work results. The number of samples in this study amounted to 41 respondents. This research use quantitative methods and using the method of structural SEM-PLS. The method of collecting data uses a questionnaire with a Likert scale. The results of this study indicate that leadership and sense of achievement have a significant influence on employee performance, and leadership has a significant influence on the sense of achievement, and the sense of achievement is an intervening variable in this study.*
**Keywords :** Leadership, Sense of achievement, Employees performance

## INTRODUCTION

Indonesia is a country that are developing, right now Indonesia is the fourth largest country in population after China, India, and the United States. The total of Indonesia population according to Xavier et al. in Asean Regional Entrepreneurship Report, (2015:19) is 257.912.349 people with a growth index of 1,49%. One of the most supporting industries in Indonesia economic growth is oil industries.

There are two types of copra the first one is white copra, and the second one is raw copra. Raw copra is the meat of coconut that's dried, and then processed into CCO (Crude Coconut Oil) after that it will be further processed into cooking oil, biodiesel, cosmetics, and others. White copra is the meat of coconut that have a higher quality than raw copra because it's processed with sulfur in order to make the product itself immune to mushroom, and then processed into VCO (Virgin Coconut Oil). According to Daulay, S. S., & Madya W. (2015) CPO (Crude Palm Oil), and CCO is mostly processed and circulated in Indonesia, so in order to control the oil industries in Indonesia government make sure to always monitor, and control the price of the commodities itself. Turukay (2009), said that Indonesia is the second biggest producers, and exporters of coconut oil in this world with a score of 18% globally. So it can be said that coconut industries is a big opportunity for businessman in Indonesia. UD. Dabian is a family business that specialize in crops especially copra. UD. Dabian family business has been established for more than 61 years which started in 1957, at the start of the business UD. Dabian use a different name which is UD. Sinarmas. UD. Dabian have four main location for their business (1) Waiwerang, (2) Sagu, (3) Adonara, and (4) Surabaya. UD. Dabian have more than 70 employees at 2019 which is spread into many areas in Indonesia. UD. Dabian have five products in the copra business which is "O", "SKS","06", and "OX".

Based on the UD. Dabian achievement that is related with UD. Dabian employees performances. According to Syaafei et al. (2016) Employees performance is affected by four factor which is organization culture, motivation, leadership, and working environment. Researchers did a pra-survey to 30 UD. Dabian employees which resulted :

Based on the result of the survey which is shown in Image 1.1, researchers found that both leadership,

and motivation affect employees performances more than the other two factor which is organization culture, and working environment. These two factors doesn't have big effect to UD. Dabian because UD. Dabian itself has just started made their own SOP (Standard Operating Procedure), and a good working environment after changes in leadership into Infona De Rozari. It's also found that UD. Dabian is still in process to make organizational culture, and a suitable environment for their own businesses, which is the opposite of leadership, and motivation factor. UD. Dabian does their purchases from the surrounding farmers based on their region, and then market it to factories in Surabaya, these types of buying is considered difficult because the employee that does they buying need to know the quality of the product itself in order to make sure that the factory can accept it, and the employee also need to fulfill the depreciation required by the owner. These type of things from the company make sure that the role of leader in the company is needed. Other than that, to buy copra motivation is also needed especially to gain their own achievement within UD. Dabian. Based on that result researcher decided to do a research regarding factors that affect the performance of UD. Dabian to confirm, and increase the other two factors that is lacking in UD> Dabian. These factor is leadership that is applied to UD. Dabian leader, and the sense of achievement from UD. Dabian employee that is divided into two that is external motivation, and internal motivation within an individual. These is also supported by previous research done by Lina (2014) that found leadership is significantly affecting employee performance, meanwhile culture within the organization doesn't have a significant effect to the performance. Tampi (2014) said that leadership, and motivation both affect significantly to employee performances.

## RESEARCH METHODS
### Research Design
This research is done with quantitative approach. Quantitative research is a type of research that found their result through statistical method that is calculable through the process of quantification (Sujarweni, 2014:6). Statistical method used in this research is PLS (Partial Least Square) method. PLS is one of the methods that used SEM (Structural Equation Modeling) to analyze data. SEM have five advantages that other methods does not have which is data can be multivariate; Minimal sample used is 30 respondents; Can be used to confirm theory, also to explain whether there are any connection between variables used; Can be used to analyze construct made through formative and reflective indicator; PLS also can estimate models with high complexity, hundred variables, and thousand of indicators Sujawerni (2014:4).
### Sampling Procedure
Sample used in this research use non-probability sampling method that is purposive sampling. Purposive sampling is a technique that decide sample through criterias that is set by the researchers (Sujarweni, 2014:73).
Criteria set by the researcher is :
- Employee had 1 years or more working experiences in UD. Dabian family business
- Position : Manager, Financial, Production, and R&D
- Female or male
- Age : 18 - 60 years old
- Sample used : Around 41

Those criteria were set by researcher because researcher want to analyze the effect of leadership that is applied right now by the director to their employees, and also to find employee sense of achievement in order to reach their performance in acquiring raw material, selling raw material, sending raw material, and product packing
### Data Collection Method
This research use both primary data, and secondary data. Secondary data is data that comes from book, record, magazine in the form of financial report produced by the company, articles, government reports, books as theory, and others. Primary data is data that is collected through respondents such as questionnaires, panel, and group focus (Sujarweni, 2014:74). This research use both internal data, primary data gathered from UD. Dabian, and external data gathered from journal, book, and other sources used as secondary data.
### Validity & Realibility
Validity test is used in order to measure the validity of a questionnaire. Validity is the degree of validness within measuring a concept (Kuncoro, 2014:176). Reliability test is a test used in order to convince that the results of the measurement is not variated by time and chances (Kuncoro, 2014:176). Reliability is the degree of measurement that shows stability, and consistency of a score. Questionnaire can be said to

be reliable if their cronbach's alpha score is more than 0.6.

*Data Analysis*

Data analysis used in this research is SEM-PLS analysis (*Partial Least Square Path Modeling*) to do test between connection that is predictive between construct by finding the connection or effect between the construct itself (Ghozali, 2014:20). These methods of analysis have their own advantages such as the test can be done without a strong base theory, rightness parameter model prediction can be seen from the coefficient of determination (R-square). Total sample used in this research is 30 respondents. This research will be analyzed with SmartPLS 3.0 program. According to Ghozali (2014), there are six stages in analyzing data that is :

- Model Conceptualization (Inner Model and Outer Model)
- Deciding Algorithm and resampling analysis method
- Conversion of path diagram into system of equations
- Estimate : Weight, path coefficient, and loading
- Evaluate the goodness of fit using Q-Square
- Hypothesis test

### Results

The initial stage of data processing with SEM-PLS is by moving every questionnaire into microsoft excel, and then saving it into .csv (comma delimited) file. The next step is drawing a research model with SmartPLS 3.0.

Table 1. Results of convergent validity seen from loading factor for every construct indicator. Rule of thumb is used to measure convergent validity that is loading factor score that is more than 0.5. Based on the table it can be seen that every loading factor above have score more than 0.5, so it can be concluded that every indicator within variable leadership, sense of achievement, and employee performance is valid. AVE score for every variable fulfill the needed requirements which is above 0.5 (Ghozali, 2014). The lowest AVE score can be found in leadership (X1) with a score of 0.645. Focusing on the score of loading factor and AVE score on Table 1. It can be seen that data from this research also fulfill the needed requirements for validity convergent test. The results of composite reliability and cronbach alpha shows that score of more than 0.60 which mean every score for every reliability instrument. Result of composite reliability shows a score more than 0.70 which mean every score for every reliability instrument.

R-Square score of 0.649 for variable sense of achievement can be seen from the table 2. these meant that 64.9% variation or change in the sense of achievement is affected by leadership meanwhile the other 35.1% is caused by other external variables. Based on the result it can be seen that $R^2$ results can be considered good. Based on Table 2. It can also be seen that R-square score for employee performances is 0.920. These things mean that 92% variation or changes in employee performance is affected by the sense of achievement, and leadership while the other 8% is affected by other external variables. Based on the result, it can be seen that the score of R-square for employee performances that is 0.920 can be considered good.

Table 3. The score of path coefficients regarding the effect of leadership on sense of achievement is 0.806 with t-statistics score of 13.924. Value of that t-statistics is more than the score of t-table which is 1.96, these shows that there is significant effect between leadership and sense of achievement, so the first hypothesis can be proven as true. The score of path coefficients regarding leadership affecting employee performance score is 0.634 with t- statistics score of 6.007. The score of t-statistics is higher than t-table score which shows that there is significant effect between leadership and employee performance, so the second hypothesis can also proven to be true.

The score of path coefficients on sense of achievement affecting employee performance is 0.372 with t-statistics score of 3.660. T-statistics score is higher than t-table score which is 1.96 these show that there is significant effect between sense of achievement and employee performance, so the third hypothesis can be proven to be true.

Path coefficients score regarding leadership to employee performance through sense of achievement is 0.300 with t-statistics score of 3.281. T-statistics score is higher than t-table score which is 1.96 these show that there is significant effect between leadership and employees motivation through sense of achievement, so the fourth hypothesis in this research can also proven to be true.

Table 3. Shows that leadership have significant effect on sense of achievement, these can be seen from the t-statistics value that shows score of 15.381. T-statistics value is bigger than t- table value which is 1.96, so it shows that there are positive, and significant effect between leadership, and sense of achievement. This is in line with previous research done by Christian,

D. and Melinda, T. (2018) that said leadership have a significant effect to sense of achievement. Leadership applied by the leader is higher than employee motivation because from the respondents results it can be seen that employee trust that the leadership that are applied right now already give a good example for them, thus resulted in the employee to be more loyal to the organization, and increase their working performance.Leader is an exemplary figure that can push employees to be more creative, deliver ideas to their employees in finishing their jobs, care about their employees, and give award to the employees that excel in their work or organization. According to Knights (2018), leadership have a significant effect on sense of achievement because within valuation of president in the USA, these theory is used to picture how is the effectivity of leadership by the US president, and it shows that it is good when there are a high sense of achievement.

Table 3. Shows that leadership have a significant effect on employee performance, these can be seen from the t-statistics value that is 6.273. T-statistics value which is higher than t-table value that is 1.96, shows that there are positive effect that is significant between leadership on employee performances. This is in line with previous research that was done by Tampi (2014) regarding the effects of leadership on employee motivation that resulted in a significant effect. Leadership of a leader that are applied or shown can be categorized into leadership style which is also one of the factors that affect employee performances within an organization, because basically leadership is the backbone to develop an organization that is used in order to push, and influences employee motivation in doing their job within the organization. Research that was done by Putra (2014) said that the readiness of their employees in doing their own job can be gained through leader guidances emotionally, and physically. Readiness, and maturity within the employees itself can increase their performances within the organization. According to Aqmala (2007) said that the increase of employee performances in selling can be achieved through training with a qualified trainer that can give material, direction, and create a positive study environment for their students not just that leaders also need to give examples, and participate in order to push employees motivation within a company.

Table 3. Shows that sense of achievement have a significant effect on employee motivation, these can be seen from t-statistics value that is 3.822. T-statistics value that is higher than t- table value shows there is a positive and significant effect between sense of achievement on employee motivation.This is in line with previous research that was done by Hossain, and Sultana (2014) that explain sense of achievement have a significant effect on employee motivation. If the top of the management from an organization focused on their employees motivation then, that sense of achievement will move in the same direction with employees motivation that will impact positively to the organization (Zameer et al., 2014). Imani, M.P. and Subramania, S. (2018), said that sense of achievement is a concept that is relatively new in the world of motivation. Basically motivation character is naturally personal. Base of sense of achievement is achievement motive which mean motive to get an achievement. Employees that are involved in working through achievement motives is said to be working under sense of achievement. Personal desires to increase their own achievement in school to get a good score or to become a director, and others is known as achievement motives.

### Discussion

Based on the previous research that are gathered from the questionnaires, and the results discussion regarding the effect of leadership on employee motivation within UD. Dabian through sense of achievement as an intervening variable, it can be concluded that :

1. Leadership have a significant effect on sense of achievement. There are four indicators from leadership that is telling, selling, participating, and delegating. All four indicators reflect leadership as a variable. Sense of achievement also can be developed by fixing leadership of the leader or the director of the organization itself.

2. Leadership have a significant effect on UD. Dabian employee motivation. There are four indicator that reflect leadership that is telling, selling, participating, and delegating. Leadership that are used by UD. Dabian can increase their employees performances from the total employees, working quality, time accuracy, attendance, and teamwork within the organization. Leadership have the biggest effect on employee performances, so if there is a development of leadership then it will increase employee performances in UD. Dabian that is more significant compared to increase in sense of achievement.

3. Sense of achievement have a significant effect on UD. Dabian employee performances. There are 12 indicators that reflect sense of achievement that is Consistently working, acceptance of setback,

coadaptation with team, belief of success, feedback of work, career growth opportunity, swiftness of work, difficulty level of assigned task, preference of office work, tolerance of mistakes, out of office work, and compensation. With the increase in sense of achievement then employee would be able to increase their working performances in UD. Dabian from the total jobs, working quality, time accuracy, attendance, and teamwork within UD. Dabian.

4.	Sense of achievement is an intervening variable between leadership, and employee performance in UD. Dabian. Sense of achievement is also an intermediate variable between leadership, and employee performance in UD. Dabian. Sense of achievement significantly affect on employee performance. The type of intervening variable used in the research model is complementary mediation.

*Research Limitation & Suggestion*

**Research Limitation**

Within every research a clear limitation is needed regarding the problem that are discussed in order to make sure the discussion is not too broad, and so does this research. The researcher realized that there are still many things that are lacking in this research, but of course this research has contributed in the form of scientific findings regarding the problems that are happening in a company. This is the research limitation that are used in this research :

1.	Researcher only focus on UD. Dabian business environment which is between leader, and employees of UD. Dabian, so if the results of this research is used in other company it would not have the same effect with UD. Dabian, these thing is caused because every business has their own business environment.

2.	The distribution of the questionnaire is done through two ways that is direct, and indirect These resulted in some respondents that researcher cannot build connection with, and motivate respondents to fill the questionnaire.

3.	Respondents lack of experiences, and knowledge because there are some employee with low education.

4.	Research is based on the scientific journal, literature review, and books that are used as references to decide variables, and indicators in this research.

5.	Subject that are used as sample within these research is employee from where the researcher are one of the main owners, so there might be a chance of bias because respondents does not give a 100% truth based on the existed facts.

6.	The bootstrapping method used is no sign changes, so it has the disadvantage that resampling will be calculated without compensating for any sign, so it will produce a very high standard error, and make t-statistics turn low.

Suggestion for further research

1.	Further research done can add others variables that affect employee performance such as working environment or organizational culture.

2.	Provide a better supporting data that are more detailed, and clear regarding leadership of the leader within the company right now, sense of achievement from the employee, and employee performances that can be evaluated, and developed in order to get better results.

3.	Further research can be done to other companies that are outside of Indonesia, because there are differences in culture, and working environment.

4.	Research can be done through qualitative approach, and collect their data from interview to leader, and employee at the working places. This is done so that researcher can explore the opinion of the employee itself regarding factors that reflect employee performances.

5.	Further research can also be done through benchmarking in order to gain a clear image regarding how the business wants to be in the future, especially in the leadership of a company.

6.	Research can be done to other companies that have different characteristics such as total employees, and sample method that are saturated, this is done in order to get a more real approach, and minimize bias.

Suggestion for UD. Dabian

1.	UD. Dabian can fix their target, and give punishment to push employees so that they can give a better working performances.

2.       Leader of UD. Dabian need to develop performances from each employee by applying leadership that suited them best, so UD. Dabian can increase, and develop their employee performances.

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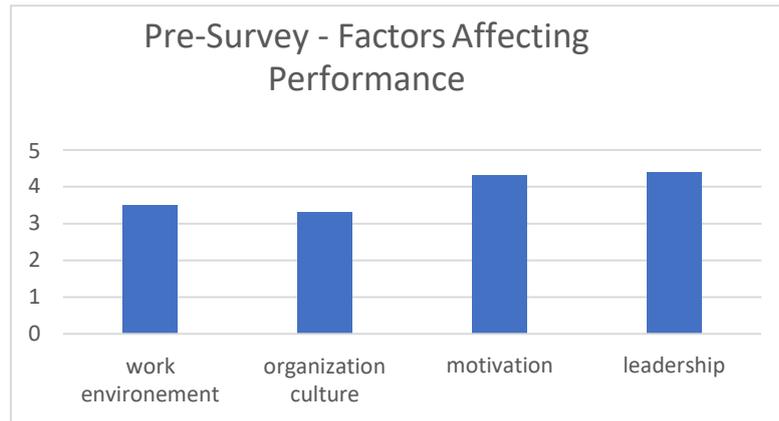
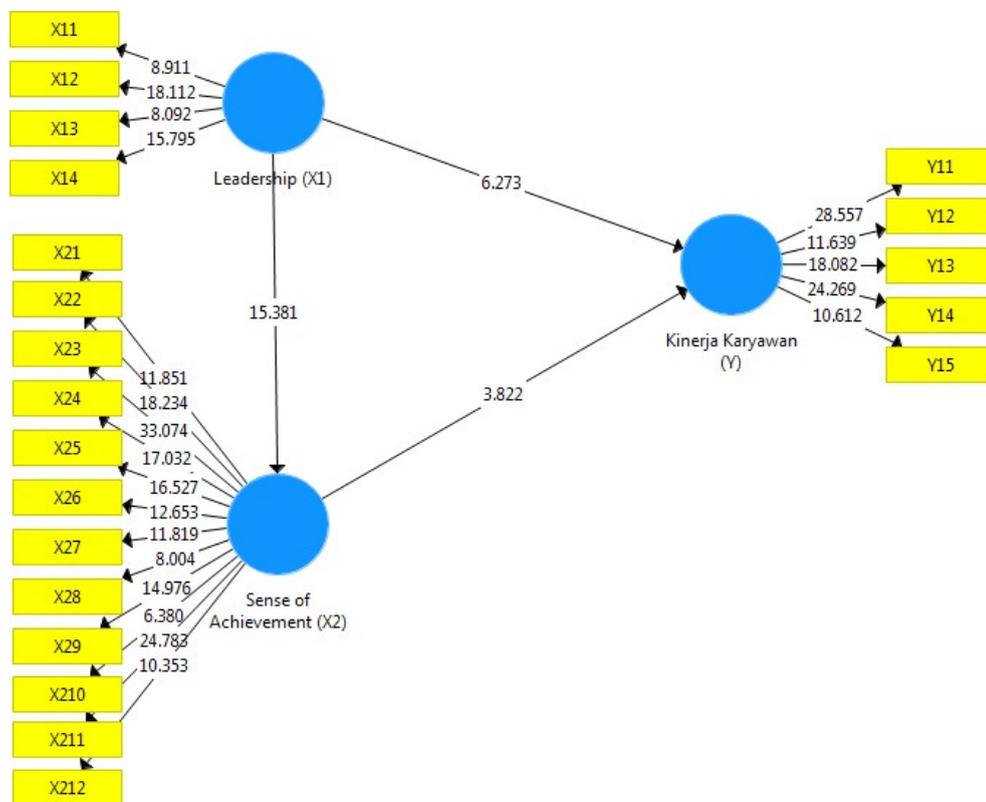Figure 1. Pre-Survey - Factors Affecting Performance



Figure 2. Bootstraping

Table 1. Cronbach's Alpha, Composite Reliability Value, and AVE

|  | *Crobach's Alpha* | *Composite Reliability* | *AVE* |
|---|---|---|---|
| *Leadership (X1)* | 0.816 | 0.879 | 0.645 |
| *Sense of Achievement (X2)* | 0.952 | 0.958 | 0.659 |
| Kinerja Karyawan (Y) | 0.901 | 0.927 | 0.719 |

Table 2. R-Square Value

| Variabel | R – Square |
|---|---|
| *Sense of Achievement* (X2) | 0.649 |
| Kinerja Karyawan (Y) | 0.920 |

Table 3**.** Path Coefficient (Mean, STDEV, T-Values)

| Hipothesis | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | Notes |
|---|---|---|---|---|---|
| *Sense of Achievement* (X2) -> Kinerja Karyawan (Y) | 0,372 | 0,375 | 0,102 | 3,822 | Significant |
| *Leadership* (X1) -> *Sense of Achievement* (X2) | 0,806 | 0,813 | 0,058 | 15,381 | Significant |
| *Leadership* (X1) -> Kinerja Karyawan (Y) | 0,634 | 0,633 | 0,105 | 6,273 | Significant |