

# The Effect of Leadership Behavior on Employees Performance in Industry Companies in Makassar Industrial Area

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**Abstract:** - *This study aimed to analyze and examine the effect of leadership behavior on employee's performance in industry companies within Makassar Industrial Area. This study used descriptive qualitative, to interpret the results of the research, then measurements, based on the size of the distribution of respondents variable through questionnaires that carried out during filling out the questionnaire in the field to test and analyze the truth of the research hypothesis. The results of this study indicated that: Leadership behavior had a positive and not significant effect on employees' performance. Because employees' performance was not determined by leadership behavior, it means that leaders had not effectively communicated or interacted with the employees. The behavior of the directive company leadership had not led to the achievement of quantity, and the performance, affective behavior had not a strong influence on changing employees creativity*

**Keywords:** - *Leadership Behavior, Employees' Performance.*

## 1. Introduction

The position of the company's leader as the main controller of the company has different behaviors or types of leadership. According to Schermerharn (2017) that a good leader or manager is capable of creating a condition so that individuals or groups can work and achieve high work productivity. The existence of leadership behavior as a leadership style identity, it will affect its policies in managing human resources in the company. Leadership behavior that is out of coordination with the wants and needs of subordinates, will lead to internal conflict. Conversely, leaders who always approach subordinates by carrying out participatory work, motivating, and accepting employee suggestions and complaints, will increase employee morale and productivity. The formation of the quality of human resources begins with the recruitment process. According to Schein (2014) that leaders can shape motivation if human resources are managed professionally. In the process of employee recruitment, management requires various qualifications such as education, work experience, motivation and creativity followed by the intention of knowing the level of suitability of the employee with the work to be carried out. The process of developing human resources including providing

technical guidance, technical and non-technical training on improving individual competencies is a continuation of the recruitment process, the continuation is to find out employee flexibility about job recognition, and changes in work methods. Means to get qualified employees, the management continues to provide ongoing guidance and training.

Employees' performance can increase if there is a synergy in the form of joint commitment between owners and employees through the management of human resources for mutual benefit. According to Mathis and Jackson (2017) that organizational commitment for employees is a level of trust and acceptance of organizational goals and has a desire to exist in the organization, indicated by the number of absences and entry and exit of employees of high worker turnover. The high commitment of employees is not only indicated by the length of time working for the company, but what contribution is given to the company, for example how to change production methods better, how to create new methods, and how the employees interact with other employees to complement and guide each other. For this reason, organizational

commitment for employees' needs to be improved so that they work longer and, contribute economically valuable to the company.

Employees' productivity can increase if the owner of the company is not only a motivator, and a stimulator, but also functions as a working partner for his subordinates. Not all employees have the same potential and work motivation, but by giving treatment in a very conducive work climate, all subordinates will behave uniformly according to ethics and norms in the company. According to Wijono (2015) that there is an influence of interaction between work motivation, affiliation motives and power with personality on work performance. The leader functions as the giver and creator of a conducive working atmosphere, such as harmonizing relations between employees, relations between superiors and subordinates, the existence of a clear career system and not giving different treatment to subordinates, and remuneration and giving benefits / rewards that are balanced with work performance. Leader behavior is one of the factors that cannot be separated from transformational leadership. The leader will project his confidence to manage the organization as much as possible and try to instill a good image to subordinates. Behavior of leaders who act with full confidence and confidence, and can provide a good image to their subordinates, will cause subordinate sympathy towards their leaders, so they will always try to obey the orders of their superiors, and work optimally. In accordance with the research of Behling and McFillen (1996) that leadership behavior can provide motivation and productivity of the work of subordinates. Behling and McFillen gave indicators of self-assurance project confidence and planted images enhancing the leader's image to their subordinates. So leader behavior is the main factor for managing human resources.

Based on the description that has been done in the background, the problem statement is arranged as follows: "Does the leadership behavior affect employees' performance in industry companies Makassar industrial area.

## **2. Literature Review**

### **Leadership Behavior Theory**

The leadership behavior theory belongs to the universal theory group about humans and production. Leadership behavior is a style inherent in each individual leader that is the same or optimal in all situations. The theory of leadership behavior according to Argyris (2014) suggests that leadership behavior is an extensive participatory and effective decision-making procedure. Another leadership behavior theory is Blake and Mouton's two-factor theory in Yukl (2014) that leaders will behave effectively if they focus their attention on production and people.

Contingency theory of leadership behavior argues that leadership effects vary from situation to situation. Aspects of the situation that enhance or eliminate the characteristic effects or behavior of the leader are called situational moderator variables. Theories that explain leadership effectiveness in relation to situational moderator variables are called contingency theories. Among the well-known contingency theories is the Path-Goal theory, which continues to develop with considerable variations.

Keller R. T (2016) states that leadership behavior which consists of indicators of leaders' personal characteristics, individual leaders' competencies, leadership attitudes, and leaders' very positive communication skills influence the work motivation of their subordinates. Furthermore Robbins (2016) said that the good interaction between leaders and subordinates strengthens the work structure, leadership position, and the stronger the influence of the leadership. Means leadership behavior in an organization has a positive effect on both job satisfaction and employee motivation. How the behavior of an effective leader has been studied is quite extensive, it must be realized that the behavior of the leader will greatly influence the overall performance of the organization.

In the path-goal theory, that the leader's behavior towards the satisfaction and effort of his subordinates depends on aspects of the situation, including the task characteristics and subordinates

characters. These situational moderator variables determine both the increasing potential of subordinate motivation and the ways that must be used by leaders in increasing motivation. Situational variables also influence subordinate preferences for a particular leadership behavior pattern and thus influence the leader's impact on subordinate satisfaction. House and Mitchell (2016), complement two other behaviors, so that there are four behaviors as follows: 1. Supportive Leadership (supporting leadership):

Give attention to the needs of subordinates, show concern for their well-being and create a friendly atmosphere in their work units. 2. Directive Leadership: Instructing subordinates what is expected of them, giving specific guidelines, asking subordinates to follow the rules and procedures, manage time, and coordinate their work. 3. Participative Leadership (participatory leadership):

Consult with subordinates and take into account their opinions and suggestions. 4. Oriented Leadership (leadership that is oriented to success): Setting goals that are challenging, seeking improvement in performance, emphasizing excellence in performance, and showing confidence that subordinates will achieve high standards. If the task is too stressful, boring, or dangerous, then supportive leadership will lead to increased effort and satisfaction of subordinates by increasing self-confidence, reducing tension, and minimizing unpleasant aspects of the job. In terminology and expectancy theory, the leader enhances both intrinsic value (pleasure) because it performs the task and the expectancy that he will be completed successfully.

### **Effect of Leadership on Performance**

Each organization consists of many people who have a variety of characteristics and traits that are not necessarily in line with the goals of the organization. The objectives of the organization will not be achieved without the common vision, mission and views and cooperation of all employees who are in the organization. At this time a leader is needed. Leaders are needed to direct employees in line with organizational goals. This is in line with Stogdill's opinion in Stonner et. al

(2013) which states leadership is a process of directing and influencing activities related to the work of group members. From the opinion of Stogdill can be drawn an opinion that leadership is an effort in influencing and directing a group.

According to Ermaya (2015) "Leadership is the ability of a leader to control, lead, influence thoughts, feelings or behavior of others to achieve predetermined goals". Based on the opinions of experts above, it can be seen that leadership is used to achieve predetermined goals through controlling, leading, influencing thoughts, feelings or behavior of others.

Leaders behaviour who implement the autonomy system, depends on the behavior of the manager. Autonomous leaders are very motivated (Porter et al. 2017, p. 302). Even autonomous organization greatly influences the formulation and implementation of strategies (Hart, 2013) and implementation (White, 2014). If it is associated with performance, then when leaders set goals to be achieved is a performance improvement, then the leader will use his leadership to control, lead, influence thoughts, feelings or behavior of subordinates in order to lead to increased performance. As a result, through leadership, organizations will succeed in achieving the expected level of performance

### **Hypotesis**

Based on the presentation of the formulation of the problem above, the hypothesis in this research is "It is assumed that the Leadership Behavior Affect Employees' Performance in the scope of the Makassar Industrial Area".

## **3. Methodology**

### **Location and place of research**

This research was carried out on Industry Companies within the scope of the Makassar Industrial Area. Starting from January 2018 to March 2018.

### **Population and Sample**

Population. The population in this study were all employees who worked in Makassar Industrial Area as many as 10,319 people.

Sample. Sampling in this study was carried out in a representative sample, which shown ability to be generalized. Representative sample criteria depended on two interrelated aspects, namely: sample accuracy and precision (precision) of the sample. In relating with this, this study used an application approach based on the questionnaire of respondents.

**Technique of Data Collection**

Several methods were used to collect data in this study. For primary data retrieval, the researcher directly took from the main source or respondent of the study, according to Malhotra (1996) that the primary data was obtained directly in the field by carrying out spoken communication and written surveys. According to Yogiantono (2004) that primary data collection was more emphasized on the used of questionnaires, observations, and interviews. The three methods according to Arikunto (1991) were explained as follows:

**Questionnaire**

The questionnaire contains a number of questions submitted directly to the respondent. Together with the questionnaire, a letter that explained the aims / purpose of filling out the questionnaire and the time to retrieve the questionnaire filled in by the respondent was attached. Questionnaire independent technique according to Mardalis (2002) can be directly or no direct contact with respondents. The contents of the questionnaire are arranged systematically using the Likert scale by giving five answer options. To avoid misinterpretation, many alternative answers were made, by avoiding the sentence that offends the respondent. The five options are very agree, agree, moderate, disagree, and strongly disagree, which was given a score based on their level.

**Observation**

**Table 1** Statistics Description of Leadership Behavior (X1)

Variable Indicator	N	Minimum	Maximum	Mean	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Directive behavior	200	2.00	5.00	4.2150	.05531
Supportive behavior	200	1.00	5.00	4.1000	.06458
<b>Participatory behavior</b>	<b>200</b>	<b>1.00</b>	<b>5.00</b>	<b>4.2450</b>	<b>.05781</b>
Achievement Oriented Behavior	200	2.00	5.00	4.2400	.05899

This technique was used as a complement to determine the conditions and changes in the situation. This technique used tools such as checklists, forms, recorders, and other tools. Maralis (2002).

**Interview**

This technique was done directly with the respondent to look for unanswered data. The answer was still doubtful, followed by in-depth interview, with pressure or confirmation.

**Library Survey Method**

This method was used to obtain secondary data, namely documents and records issued by related institutions, for example periodic reports or documents issued by Government Agencies, such as the Central Bureau of Statistics, the Ministry of Industry and Trade, and other related agencies.

**Analisis Data**

Analysis of the data in this study was descriptive qualitative to interpret the results of the research, then measurements, with the size of the distribution of respondents variable through questionnaires carried out during the filling out of questionnaires in the field to test and analyze the truth of the research hypothesis.

**4. Discussion**

From the description of the respondent's data that had been done above, the respondent's response about Leadership Behavior can be described in the following description table.

In the data collected, there are several techniques used by teachers to facilitate and support their language for improving the language learning process. The following extracts display how these techniques are applied.

**Source: Primary data processed.**

Based on the description in table 5.6, indicators of participatory behavior are dominantly chosen by respondents. So leadership behavior desired by subordinates and coworkers is the involvement of the leadership of the work as a work motivation factor, and as a field supervisor, and indirectly conduct managerial care for subordinates to be evaluated and prepared to occupy higher positions.

Table description 1. shown the dominance of the respondents agreeing that the behavior of leaders should be directive, because in this way employees can avoid mistakes or differences in understanding of the work instructions given, and immediately make corrective corrections.

**From the description of the respondent's data that has been done above, the respondent's**

**Table 2** Statistics of Employee Performance Descriptions (Y)

Variable Indicator	N	Minimum	Maximum	Mean	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Job Quantity	200	1.00	5.00	4.2200	.06186
Quality of work	200	2.00	5.00	4.1150	.06387
<b>Creativity</b>	<b>200</b>	<b>3.00</b>	<b>5.00</b>	<b>4.2200</b>	<b>.05766</b>
Flexibility	200	3.00	5.00	4.1120	.05172
Attendance	200	3.00	5.00	4.0740	.05190

**Source: Primary data processed.**

Description of table 2. shows the dominant respondents agree to choose the quantity of work. The quantity indicator of work is always associated with the number of achievement of work targets

**Table 2.1.** Job Quantity

Respondent's response	Frequency	Percent
1	1	.01
2	1	.01
3	50	.25
4	49	.25
5	99	.50
Total	200	100

**Source: Primary data processed.**

Table description 2.1. shows the dominant respondents agree to choose the quality of work. This indicator is an important indicator because not

**responses about employees' Pperformance can be described in the following description table**

Description of table 2. shows the dominant respondents agree that creativity is the main indicator in employee performance. Creative employees always find the best method or method in every way it works. Creative employees can also make a better economic contribution, because they are constantly making savings, improvements, and creation. On the other hand, employers reduce the time of their participation in employees because there is no need to do directive and affective because the employee is independent in every step of his work.

achieved. With these indicators it is also always related to the importance of obtaining employee bonuses that will be obtained from the quantity of production that has been carried out.

only bosses judge but the customer will also judge it. These indicators will reflect the company's quality and determine the company's good name.

**Table 2.2.** Quality of work

Respondent's response	Frequency	Percent
1	0	.00
2	5	.03
3	56	.28
4	50	.25
5	89	.45
Total	200	100

**Source: Primary data processed.**

**Table 2.2.** Creativity

Respondent's response	Frequency	Percent
1	0	.00
2	0	.00
3	49	.25
4	58	.29
5	93	.47
Total	200	100

**Source: Primary data processed.**

Description of table 2.2 shows that the dominant respondents agreed to choose creativity. This indicator is an important indicator because each employee has a different creativity, and creativity is an important contribution in the productivity of the company in general.

Table description 2.2. shows the dominant respondents agree to choose flexibility. This indicator measures the ability of employees to make adjustments to company policies, as well as adjustments to their colleagues. Where a flexible card player generally does not cause conflict in the organization.

**Table 2.3.** Flexibility

Respondent's response	Frequency	Percent
1	0	.00
2	0	.00
3	51	.26
4	75	.38
5	74	.37
Total	200	100

**Source: Primary data processed.**

Description of table 2.3 shows the dominant respondents agreed to choose attendance. This indicator measures the ability of employee loyalty to be present in every job, invitation, call, and field assignment. This indicator also measures employees' attendance and timeliness in each working day. High employee absence levels indicate low employee loyalty in carrying out their duties.

## 5. Conclusion

Employees performance is not determined by the behavior of the leader, meaning the leadership has not been effective in communicating or interacting with workers. The behavior of the directors of the company has not led to the achievement of quantity, and quality of work, affective behavior has not had a strong influence on changing employees' creativity, supportive behavior has not encouraged employee loyalty and flexibility, participatory behavior has not increased quantity,

quality of work, creativity and flexibility of employees, and behavior Achievement Oriented has not been effective in increasing the achievement of quantity targets, quality of production, and has not reduced employee absenteeism.

## **6. Suggestion**

Leadership behavior is effective in communication and interaction to increase employees' creativity, increase employees loyalty and flexibility, increase production target achievement, and reduce employees' absence. In order to continue in achieve of employees' performance, the management of the company within the scope of the Makassar Industrial Area continuously makes improvements in the management of human resources, which are adapted to technological developments, and market needs.

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