EFFECT OF LEADERSHIP AND WORK MOTIVATION ON EMPLOYEE PERFORMANCE AT UD JATI UTAMA MOJOKERTO

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Abstract: UD Jati Utama is a company engaged in the wood processing industry with the raw materials used coming from Kalimantan. This company was founded in 2012 by only producing furniture and furniture from teak wood. In 2020–2021 there are problems faced by UD Jati Utama related to employee performance and motivation. This problem is indicated by the number of absenteeism which has increased from the previous year. As a result, there were additional job desks for other employees which caused the wood production to be less than optimal. This study aims to determine the effect of leadership and work motivation on the performance of UD Jati Utama employees. The population in this study were employees of UD Jati Utama Mojokerto. The research sample was taken using the saturated sample technique with as many as 60 samples. The analytical method used is multiple linear regression. The results of this study state that leadership has effect on employee performance. Work motivation has an effect on employee performance.

Keywords: leadership, work motivation, employee performance.

INTRODUCTION

In 2021 wood industry will have a major contribution to the economic progress of East Java Province. The wood industry and furniture industry contributed Rp 42,158.77 billion of East Java’s GRDP. After experiencing a contraction at the beginning of the 2020 Covid-19 Pandemic, the wood industry has risen and grew positively by 8.04% in the first quarter of 2021 (Ministry of Industry, 2021). The rapid progress of the wood industry is influenced by the increase in population, technological advances and the abundance of raw materials.

UD Jati Utama is a company engaged in the wood processing industry with the raw materials used coming from Kalimantan. This company was founded in 2012 by only producing furniture and furniture from teak wood. Along with the development of the business, UD Jati Utama began to take materials from meranti, kruwing, camphor, bengkirai, and merbau. UD Jati Utama’s production is mostly intended for the local market for house building materials. The number of competitors makes UD Jati Utama have to increase productivity through improving employee performance.

2020–2021 there are problems faced by UD Jati Utama related to employee performance and motivation. This problem is indicated by the number of absenteeism which has increased from the previous year. As a result, there were additional job desks for other employees which caused the wood production to be less than optimal. Marsyandi (2022) states that good performance is optimal performance, namely performance that is carried out optimally in accordance with organizational stan-
dards to achieve high productivity. With good employee performance, it will be easier to achieve organizational goals. Another problem also arose related to the large number of employees who resigned when compared to last year. Based on this, this research was conducted with the aim of ascertaining whether leadership and work motivation have an effect on employee performance.

Leadership is related to the leader’s efforts to be able to communicate with the people he leads by using instructions so as to encourage the quality of performance from employees (Dongoran & Syah, 2020). According to Paais and Pattiruhu (2020) leadership can be measured by the following indicators; Directions from reliable leaders, Willingness of leaders to discuss with employees, especially for matters relating to employee welfare, Fairness of leadership in assigning responsibilities to employees, Professionalism of leaders to be able to distinguish between personal interests and work interests This can indicate that when the leader can be a good example for his subordinates, then it will encourage an increase in performance. Leadership also shows an example of a leader for members under him. This means that when the leader can be a good example for his subordinates, it will encourage an increase in performance. Furthermore, positive leadership will encourage employees to be more focused so as to support improvements in employee performance (Dinda & Paulina, 2022).

Work motivation is needed so that employees are encouraged to complete work in accordance with references, standards and are responsible for what the company provides. According to Paais and Pattiruhu (2020) motivational support from leaders, especially those related to employee welfare, can encourage employees to produce better performance. Employee performance is the result of work in quality and quantity achieved by employees in carrying out their duties in accordance with the responsibilities set by the company. According to Erri et al (2021) the factors that can affect performance are the ability factor and motivation factor. The ability factor allows that the placement of employees needs to be adjusted to their educational background, experience, and expertise. While the motivational factor can be seen from the attitude of employees in dealing with problems. Work motivation is needed so that employees are encouraged to work in accordance with work references and responsibilities given by the company. The existence of a driving force from the leadership also makes employees more focused, and can work in accordance with company regulations so that the resulting performance can increase.

According to Nisyak (2018), employee performance is a measure of employee success which is obtained by knowing the comparison between the results of carrying out tasks and responsibilities given by the organization within a certain period to employees. So it can be concluded that employee performance is the result of the work of employees which includes quantity and quality that is adjusted to the duties and responsibilities. Improving employee performance should be a major concern for companies as an effort to improve company performance.

This study aims to determine the effect of leadership and work motivation on employee performance at UD Jati Utama. There are 2 hypotheses formulated in this study, namely as follows:

H1: Leadership has a significant positive effect on employee performance.
H2: Work motivation has a significant positive effect on employee performance.

METHOD

This research is a quantitative research. The characteristics of this study are used to examine certain populations or samples. This study used population were employees of UD Jati Utama Mojokerto. The research sample was taken using the saturated sample technique which took all UD employees. Jati Utama as many as 60 people to be used as research samples. The data used in this study is primary data obtained through questionnaires distributed to UD employees. Main Teak. The questionnaire used as a data collection tool uses a five-point Likert scale, namely; (1) Strongly disagree (2) Disagree (3) Simply Agree (4) Agree (5) Strongly Agree. Data analysis method used in this research is multiple linear regression analysis. Hypothesis testing using the F test and t test. The classical assumption test used consists of normality test, multicollinearity test, heteroscedasticity test, and linearity test.

RESULTS

Based on Table 1, it is known that the validation test of the leadership variable pro-

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Table 2 Validity and Reliability Test of Work Motivation Variables

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Table 3 Test the Validity and Reliability of Employee Performance Variables

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duces a significance value of <0.05 so that the six indicators are valid, or appropriate in measuring leadership. The resulting Cronbach Alpha value is 0.732 > 0.06 so it can be concluded that the questionnaire statement is reliable or produces consistent answers.

Based on Table 2, it is known that the validation test of the work motivation variable produces a significance value of <0.05 so that the six indicators are valid, or appropriate in measuring work motivation. The resulting Cronbach Alpha value is 0.758 > 0.06 so it can be concluded that the questionnaire statement is reliable or produces consistent answers.

Based on Table 3, it is known that testing the validity of the employee performance variable produces a significance value of <0.05 so it can be concluded that the five indicators are valid, or appropriate in measuring employee performance. The resulting Cronbach Alpha value is 0.802 > 0.06 so it can be concluded that the questionnaire statement is reliable or produces consistent answers.

**DISCUSSION**

**The Effect of Leadership on Employee Performance**

The results of data analysis show that leadership has a significant positive effect on employee performance at UD Jati Utama. Leadership that is carried out well and effectively is able to influence employee confidence and optimism in upholding the vision, mission and goals of the organization (Marsyandi, 2022). At UD Jati Utama leadership is carried out through instructions from the leadership in the form of a work instruction letter, in the letter employees will receive guidelines related to standards in processing wood so that the work becomes directed and improves employee performance. The leadership indicators are also well implemented, at the end of every month there is always a discussion forum between employees and leaders represented by supervisors. The discussion is to evaluate performance, target achievement, and employee welfare. This step aims to improve performance and also pay attention to employees.

**The Effect of Work Motivation on Employee Performance**

The results of data analysis indicate that work motivation has a significant effect on employee performance at UD Jati Utama. This illustrates that the higher the work motivation, the higher the employee performance at UD. Motivation from leaders related to welfare makes employees motivated to produce better performance (Paais & Pattiruhu, 2020). At UD. The main essence of employee motivation lies in the motivation within the employee. This motivation arises because of additional facilities such as high overtime pay, and bonuses for achieving targets. Employees are also motivated to complete work with high enthusiasm in order to support collaboration between shifts so that they can produce maximum products. In addition, work motivation is also shown by the encouragement to master skills from training in the wood industry for supervisor-level employees.

**Research Implication**

The results of this study provide implications, among others:
1. The results of this study have implications for the importance of reliable direction from the leadership as the main factor that needs to be improved so that every activity within the company runs according to the instructions to achieve the goals set by the company.

2. The results of this study have implications for the importance of efforts to motivate employees to be able to develop the ability to achieve higher levels as the main factor that needs to be improved to encourage higher power in employees.

**Conclusion**

Based on the results of the analysis and discussion, it can be concluded that leadership and work motivation have a significant effect on the performance of UD employees. main teak.

**Suggestion**

Based on the conclusions above, the suggestions that can be submitted are:

1. For UD management, Jati Utama to prioritize increasing work motivation to improve employee performance through overtime wages, additional bonuses, and attendance awards.
2. For further researchers, it is hoped that they can explore factors that can affect employee performance.

**Limitations**

This study has limitations, namely the sample used is a saturated sample so that it can be ascertained that the results of this study reflect the situation at UD. Jati Utama actually, this research is also limited in the time of data collection, so the data only provides quantitative conclusions. Meanwhile, the results of in-depth analysis through interviews as supporting data have not yet been carried out.

**REFERENCES**


