THE INFLUENCE OF LEADERSHIP AND THE SYSTEM APPRECIATION OF WORK MOTIVATION AND PERFORMANCE

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ABSTRACT

This research aims to know and analyze the influence of leadership and the award system to performance through work motivation. The subjects of this research are the employees of Technical Implementation Unit for Services Revenue East Java province all ordinate of Probolinggo that consist of 77 people. This research uses explanatory research. As the independent variable is leadership (X1) and award system (X2), the intervening variable is work motivation (Y1), and the dependent variable is performance (Y2). Analyses of the data used are validity and reliability, the classic assumption test, the suitability of the model test and path analysis. The result shows that the leadership has a significant effect on work motivation, reward systems have a significant effect on work motivation, leadership does not significantly influence the performance, reward systems have a significant effect on performance, and work motivation has significant effect on performance. The coefficient of determination (R²) for path model is 0.9841 or 98.41% in the form of a percentage. It means the diversity of data that can be explained in this study is 98.41%. The information contained in the data amounted to 98.41% can be explained by the path model. While the rest of 1.59% are explained by other variables which are not examined in this study.

Keywords: leadership, reward systems, work motivation, performance

INTRODUCTION

In an effort to provide quality public services and mobilize human potential as their resources to the optimum utilization, so it is required to maximize the factors that can encourage employee performance. Performance is a condition that must be known and confirmed to certain parties to know the level of achievement of results correlated with the vision that has by an organization or company and know the positive and negative impacts of an operational policy. Knowledge about things related to productivity and performance also ways of improving their work performance should be mastered for the progress of the organization. According to Luthans (2005), according to behavioral approaches in management, performance is the quantity or quality of something produced or services that given by a person who does the job.
Leadership is the management's efforts to influence employees for provide better working results and useful reviewed in quantity and quality in order to advance and expedite the achievement of the organization that has been set. A leader can be said to be successful if it is able to be a creator and driving force for employees to create an atmosphere and culture that can spur the growth and development of employee performance. Leaders must have the ability to provide a positive influence for employees to perform work as directed in order to achieve the set goals. According Wielligh (2006), leadership is the process of influencing others to understand and agree on about things that needs to be done and how to do it effectively, facilitating process the efforts of individuals and groups to achieve common goals.

In addition to leadership, reward systems are an important part of the design of any organization. The award system is very suitable to be applied in the system of the organization because it has a significant impact in increasing the motivation and performance of employees in the organization. According to Mulyadi and Setiawan (2001), the reward system is one of the important control tool used by the company (not the purpose of personnel people) with behaviors in accordance with the behavior expected by the company (not the behavior preferred by personnel in private).

The ability of the leaders and their reward system becomes a powerful impetus in an organization to advance its human resources. Both of these factors can be used by organizations to raise the motivation of employees working inside and can improve the performance of this employee. According Wibowo (2012), motivation is the encouragement of a process of human behavior to goal achievement. While the elements contained within includes elements evoke motivation, drive, maintain, showing the intensity, continue and there are purposes.

According to Reni's research (2015), shows that the leadership have a significant effect on work motivation, while research Sinollah (2010), and shows that the leadership has no significant effect on work motivation, Danish and Usman research (2010), show that the reward system have a significant effect on work motivation, while research and NoermijatiFarid (2014), shows that the reward system has no significant effect on work motivation.

Ryan's research (2014), shows that the leadership and reward systems have a significant effect on performance, while research and NoermijatiFarid (2014), shows that the leadership and reward systems have no significant effect on performance. Kusuma's research (2012), showed that motivation significantly influence the performance, while Ida's and Angus's research (2008), showed that motivation did not have a significant effect to performance.

This research was conducted at the Technical Implementation Unit, Revenue Service in East Java province Coordinator Probolinggo which covers an area of Probolinggo, Pasuruan, Lumajang and Situbondo. Technical Implementation Unit Revenue Service, East Java province is implementing elements of technical and operational
areas that carry out some tasks in the Office of operational techniques of local revenue collection, public servant and administrative tasks. Performance Indicators Revenue Service of East Java province which refers to the goals and objectives of Medium Term Development Plan East Java province are performance indicators that directly indicates the performance to be achieved Revenue Service of East Java province in the next 5 years as a commitment to support the achievement of objectives and objectives of the Medium Term Development Plan East Java Province.

Assessment of work motivation is very needed to measure the level of employee performance against the responsibilities given. Motivation is an important factor in contributing to employee performance to measure how big a employee motivation for the job. There are some employees who less the motivation that will affect to the performance for the employee. Besides the leadership of the firm is also not enough to be able to increase the work motivation and will have an impact on employee performance. On the other hand firm leader is also not enough to be able to increase the work motivation and will have an impact on employee performance. The award system that apply can be felt the impact for the employee. The award system is applied can be felt the impact on employees. The factors of leadership and reward systems are very closely related to motivation and performance employees of Technical Implementation Unit Services Revenue, East Java Province Coordinator Probolinggo and more dominant than the other factors.

Based on the research gap and the phenomena above, this research took the title Analysis of Effect of Leadership and Respect for the Performance System through Work Motivation for the Technical Implementation Unit of Services Revenue, East Java Province Coordinator Probolinggo.

**RESEARCH METHODS**

This research was conducted on Technical Implementation Unit Services Revenue, East Java Province Coordinator Probolinggo. This study is limited to civil servants and carried out during the three months from July to September 2016.

The sampling technique used in this study is a sample census means that all members of the population used as a sample. So samples in this study were all employees at Technical Implementation Unit of Services Revenue, East Java Province Coordinator Probolinggo consist of 77 people.

The variables that will be analyzed in this study classified into three types as follows:

1. Independent Variable: leadership (X1) and award system (X2)
2. Dependent variables: performance (Y2)
3. Intervening variables: employee motivation (Y1)

Operational definitions of study variables as follows:

Indicators of leadership variable in this research is oriented on task and oriented on sub oriented. Indicators of the variable reward system that rewards should be appreciated by the recipient, the award must be large enough to be able to have an impact, the
award should be announced widely in order to have an impact on the recipients, the award should be understood by the recipient, the award should be given in a timely manner, the impact of the award must felt in the long term and award should be changed. 

Indicators of work motivation is physiological needs, safety needs, social needs, esteem needs and self-actualization needs. Indicators of performance variables, namely the quality, quantity, duties and responsibilities.

The methods of collection data in this research is done by using questionnaires, interviews, and literature.

Data analysis methods include the validity and reliability, classical assumption (normality test, multico linearity and heteroscedasticity test), path analysis; test the suitability of the model and path calculation.

RESULTS ANALYSIS

The results of the analysis are presented in the following table:

<table>
<thead>
<tr>
<th>No</th>
<th>Variabel Independent</th>
<th>Variabel Dependent</th>
<th>Koefisien Standardize</th>
<th>P</th>
<th>Keterangan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Leadership</td>
<td>Work motivation</td>
<td>0.675</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>2</td>
<td>Award system</td>
<td>Work motivation</td>
<td>0.278</td>
<td>0.001</td>
<td>Significant</td>
</tr>
<tr>
<td>3</td>
<td>Leadership</td>
<td>Performance</td>
<td>0.034</td>
<td>0.705</td>
<td>not Significant</td>
</tr>
<tr>
<td>4</td>
<td>Award system</td>
<td>Performance</td>
<td>0.703</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>5</td>
<td>Work motivation</td>
<td>Performance</td>
<td>0.248</td>
<td>0.009</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Sources: Primary data processed in 2016

According to the table above, the model in the form of a path diagram the path coefficient test results are presented in Figure 1.

**Figure 1. Testing Results Path Analysis**

Based on the test results the path coefficients presented in Table 1, the obtained results of hypothesis testing as follows:

H1 = Leadership significant effect on motivation (accepted).

H2 = System award significant effect on motivation (accepted).

H3 = Leadership significant effect on performance (rejected).

H4 = System awards a significant effect on performance (acceptable).

H5 = Motivation significant effect on performance (acceptable).

INTERPRETATION

1. Leadership significant effect on work motivation

   The test results showed that the leadership path coefficients significant effect on work motivation. The test results showed that the leadership path coefficients significant effect on work motivation. Based on these test results, it
can be concluded that the first hypothesis stating leadership significantly influence employee motivation accepted. The facts show that when given the task, the leader of Technical Implementation Unit always discussed is the most important on the leadership Technical Implementation Unit of Services Revenue, East Java Province Coordinator Probolinggo.

The results of this study are consistent with the opinion of Hasibuan (2008). Moreover these results are also consistent with research conducted Farid and Noermijati (2014), and Reni (2015) showing that leadership and significant positive effect on work motivation. However, this study is not consistent with research Sinollah (2010) showing that leadership is not how the influence on work motivation.

2. **The award system has a significant effect on work motivation**

The test results show that the path coefficient reward system have a significant effect on work motivation. Based on these test results, it can be concluded that the second hypothesis which states the reward system have a significant effect on work motivation is received. The evidence suggests that the impact of the award can be felt in a long time employee is the cornerstone of the perceived reward system employee of Technical Implementation Unit of Services Revenue, East Java Province Coordinator Probolinggo.

The results of this study are consistent with the opinion of Robbins (2001). In addition the results of this study are also in line with Danish research and Usman (2010), which shows that the appreciation significant effect on work motivation. However, this study is not consistent with research conducted Farid and Noermijati (2014), which shows that the award had no significant effect on work motivation.

3. **Leadership significant effect on performance**

The results test show that the path coefficients leadership has no significant effect on performance. Based on these test results, it can be concluded that the third hypothesis which states a significant effect on the performance leadership rejected.

The results of this study are not in line with the opinion of Robbins (2007). In addition the results of this study also inconsistent with research by Ida and Agus (2008); Kusuma (2012); and Ryan (2014), which concluded that the leadership has a significant effect on performance. But this study is consistent with the research and NoermijatiFarid (2014), which shows that the leadership has no significant effect on work motivation.

Leadership does not significantly influence employee performance Technical Implementation Unit of Services Revenue, East Java Province Coordinator Probolinggo. This is due to frequent turnover of leadership and also change the policies applied. So that the new change of leadership is not too felt by employees. Although leadership is always a change, but the duties of employees will remain and the increase is not significant.

4. **The award system has significant effect on performance**
The test results show that the path coefficient reward system have a significant effect on performance. Based on these test results, it can be concluded that the fourth hypothesis which states the reward system received a significant effect on performance. The evidence suggests that the impact of the award can be felt in a long time employee is the cornerstone of the perceived reward system to employee of Technical Implementation Unit of Services Revenue, East Java Province Coordinator Probolinggo.

The results of this study are consistent with the opinion of Tohardi (2002). In addition the results of this study are also consistent denganpenelitian Ryan (2014), which states that the system rewards positive and significant effect on performance. However, this study is not consistent with research Royani, Junaiti and Mustiksari (2012), which states that the reward system is no connection with the performance, study and NoermijatiFarid (2014), which shows that the award does not significantly influence the performance

5. Work motivation significant effect on performance

Results of testing the path coefficients indicate that motivation significantly influence performance. Based on these test results, it can be concluded that the fifth hypothesis which states significantly influence the work motivation acceptable performance. The fact that the salary received in the field are in accordance with the needs of employees is the cornerstone of motivation felt by Technical Implementation Unit of Services Revenue, East Java Province all coordinator Probolinggo.

The result of this study is consistent with the opinion of Istijanto (2010). Moreover this result is also consistent with research Kusuma (2012), Farid and Noermijati (2014) which showed that motivation significantly influence performance. But this study is not same with research Ida’s and Agus’ (2008), which showed that motivation did not significantly influence performance.

CONCLUSION

Based on the results of data analysis and interpretation, it can be concluded that the leadership have a significant effect on work motivation, reward system have a significant effect on work motivation, there is no significant effect on performance of leadership, reward system have a significant effect on performance, and motivation have a significant effect on performance.

IMPLICATION

This study refuses the theory that states, leadership has significantly influence performance, while in the study of leadership has no significant effect on performance. In the final result of this research, in order to improve performance, the system of rewards and motivation should be improved.

REFERENCES


**BIOGRAPHY**

Ummu Hanik was born in Lumajang (East Java) ummu on July 29th 1966. The child of Muhammad Anshori and ZainLutfiyah and my beloved husband named Sugito. I started my education at the basic level at the MI Nurul Islam and graduated in 1980. I proceed to the next level, namely at SMPN Tempeh and graduated in 1986. Then followed the next level at SMAN 2 Lumajang and graduated in 1986. I started a career in Technical Implementation Unit East Java Provincial Revenue Office in 1987 and at the same time continuing education S1 at STIH SudirmanLumajang and graduated in 1993 majoring in legal studies. Then proceeded to the next level S2 at Economy Institute of Mandala Jember.