

The Influence of Leadership Style to Employees Satisfaction (Case Study of PT. X)

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Abstract. This study aimed to determine the style of leadership and employee satisfaction as well as the influence of leadership style (autocratic, democratic and laissez faire) simultaneously and partially on job satisfaction of employees at PT. X. Data collection methods conducted by distributing questionnaires to 36 respondents. Analysis used in this research is multiple regression analysis. The results showed that simultaneous leadership style (autocratic, democratic and laissez faire) had a significant effect to job satisfaction of employees at PT. X and partially laissez faire leadership style provided the most significant effect on job satisfaction of employees at PT. X.

Keywords. leadershipstyle; autocratic; democratic; laissez faire; job satisfaction.

I. INTRODUCTION

Background

Human resources have an important role as implementers of all the organization's activities. Different interests and needs of each employee need to be managed properly, in order to make the employees feel satisfied with what they do. Employee satisfaction will create a better productivity thus facilitating the company to achieve the goal.

Related to this, it takes a leader to harmonize between the individual needs and the needs of the organization in order to achieve company goals. The leader must be able to lead, manage, and affects employees with the implementation of leadership styles. Leadership style has an important role because the success or the failure of an organization affected by the leader abilities to influence employees.

According to Mangkunagara (2013), the measurement of job satisfaction can use employee absenteeism indicator, employees who are not happy tend to show high levels of absenteeism [4]. In 2015, the percentage of absenteeism at PT. X showed a high percentage. The percentage of absenteeism in each month had more than 50%. "Table. 1"

Table 1. The Percentage Of Absenteeism In 2015

Period	Total Employees	Absenteeism			Total of Absent Employees	Percentage of Absenteeism
		S	L	ND		
April	35	-	-	30	30	85,71%
May	35	-	-	22	22	62,86%
June	35	-	-	24	24	68,57%
July	35	-	-	25	25	71,43%
August	36	-	-	23	23	63,89%
September	36	-	19	-	19	52,78%
October	36	1	2	19	22	61,11%

S : Sickness
L : Leave
ND : No Description

Afterward, according to Hasibuan (1995), the job satisfaction could be measured by the discipline and the turnover of employees [2]. The discipline of employees could be seen from the punctuality of employees to be present at the workplace; if the employees have low discipline then the job satisfaction of employees in the company is less. In 2015, the percentage of belated employees at PT. X indicated that there were many employees who came late. “Table. II”

Table 2. The Percentage Of Belated Employees In 2015

Period	Total Employees	Total of Belated Employees	Percentage
April	35	23	65,71%
May	35	23	65,71%
June	35	16	45,71%
July	35	13	37,14%
August	36	16	44,44%
September	36	22	61,11%
October	36	21	58,33%

In 2015, PT. X experienced turnover as many as three employees. In the small sector company of 36 employees, surely it affected the effectiveness of the organization, because each employee held their job desk respectively.

If associated with the applied leadership style, based on the results of a pilot study by the distribution of questionnaires to 5 employees, indicated the percentage of employees' satisfaction towards the applied leadership style at PT. X (autocratic, democratic and laissez faire) had not reached 100%. The employee satisfaction towards the applied autocratic and laissez faire leadership style at PT. X was still at low percentage. “Fig. 1”

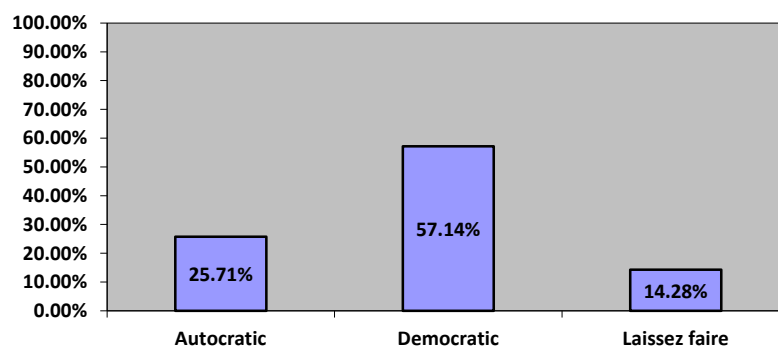


Fig. 1. The Percentage Of Employee Satisfaction Towards Leadership Styles

Based on the description above, the writer is keen to conduct a research of “**The Influence of Leadership Style to Employees Satisfaction (Case Study of PT. X)**”.

Research Objectives

This study aims to determine:

- The leadership style of PT. X.
- The employees satisfaction of PT. X.
- The influence of leadership style (autocratic, democratic and laissez faire) simultaneously on job satisfaction of employees at PT. X.
- The influence of leadership style (autocratic, democratic and laissez faire) partially on job satisfaction of employees at PT. X.

II. BASIC THEORY AND METHODOLOGY

Leadership Style

According to Robbins (2005), the leadership style consisted of: a) Autocratic leadership style that describes the style of a leader tend to centralize authority, dictate work methods, make unilateral decisions, and limit employee participation. b) Democratic leadership style that describes a leader who tend to involve employees in decision making, delegate authority, encourage participation in deciding the working methods and targets, and use feedback as an opportunity to train employees. c) Laissez faire leadership style is generally a leader giving the group full liberty to make decisions and complete the job by any means deemed appropriate [5].

Job Satisfaction

According to Sutrisno (2010) there are four factors that affect job satisfaction, namely: 1) Psychological factors, a factor related to mental health of employees which include interest, aptitude, attitude towards work, and skills. 2) Social factors, a factor associated with social interaction between employees as well as employees with the superiors. 3) Physical factors, a factor associated with the physical condition of employees including the type of work, working time arrangements, work equipment, state of the room, temperature, lighting, ventilation, age, and so on. 4) The financial factor, a factor associated with an assurance as well as the welfare of the employees, which include systems and the amount of salary, social security, various allowances, facilities provided, promotions, and so on [12].

Framework

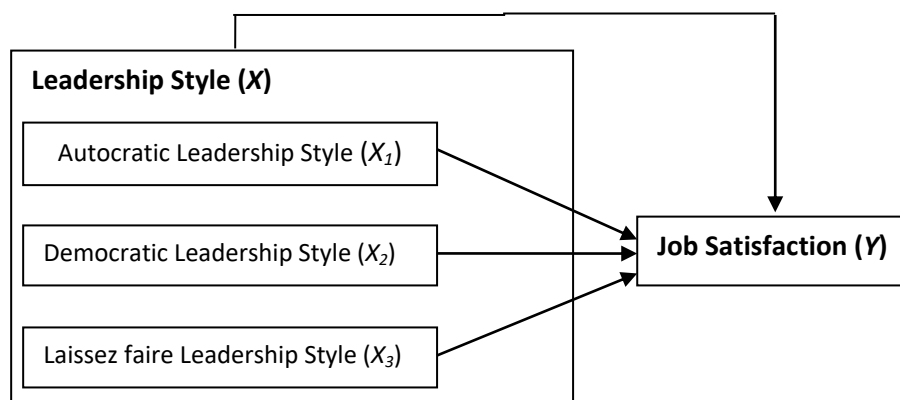


Fig. 2. Framework

Research Method

This study is a descriptive study, according to Sugiyono (2011), descriptive study used to analyze the data in ways that describe or depict the data that has been collected without any intention to draw conclusions that applicable to the public [7]. The data collection method conducted using a questionnaire with Likert scale (strongly agree, agree, disagree, and strongly disagree) to reduce the central tendency error, which is the tendency of respondents to choose neutral so that the data became inaccurate.

The sampling technique in this research used a non-probability sampling, the saturation sampling technique. According to Sugiyono (2012), the saturation sampling is a sampling technique when all members of the population used as a sample, because the population is relatively small [8]. Therefore, the amounts of samples in this study were all employees of PT. X, which are 36 employees. Data analysis techniques used in this study, are:

1) *Descriptive analysis*, to determine the percentage of respondents towards the variable questionnaire answers of leadership style and job satisfaction in PT. X. The results of percentage would be seen on a continuum line so it can be deduced.

$$\text{Percentage} = \frac{\text{Total Score of Respondent Answers}}{\text{Ideal Score}(\text{The Highest Score} \times \text{The Number of Samples})} \quad (1)$$

2) *MSI (Method Successive Interval)*, to change the ordinal data into interval as a requirement for classical assumption and regression test. According to Agusyana (2011), the transformation of data into interval should be existed due to the requirements for data analysis that requires interval data [1]. MSI (Method Successive Interval) in this study used specialized Microsoft Excel, in which add ons was equipped.

3) *Classic assumption test*, there are three tests performed in this study as follows:

- a) *Normality test*, according to Sarwono (2013), it aims to look at the distribution of data [6].
- b) *Multicollinearity test*, according to Kurniawan (2014), it aims to see whether there is a high correlation between the independent variables in a multiple linear regression model or not [3].
- c) *Heteroskedasticity test*, according to Sarwono (2013), it aims to examine the inequality of variance of the observations residuals to other observations [6].
- d) *Multiple regression analysis*, according to Sugiyono (2014), it is to measure the effect between two or more independent variables on the dependent variable [9]. In this study, it was used to measure the effect of leadership style (autocratic, democratic and laissez faire) to job satisfaction of employees at PT. X.

4) *Hypothesis Tests*, this study used two hypothesis tests:

- a) *F test (Simultaneous Test)*, with the hypothesis:
 - $H_a: \beta_1 \neq \beta_2 \neq \beta_3 \neq 0$, simultaneously there is significant influence of leadership style (autocratic, democratic, laissez faire) to job satisfaction of employees at PT. X.
- b) *t test (Partial Test)*, with the hypothesis:
 - $H_a: \beta_1 \neq 0$, partially there is significant influence of autocratic leadership style on job satisfaction of employees at PT. X.
 - $H_a: \beta_2 \neq 0$, partially there is significant influence of democratic leadership style on job satisfaction of employees at PT. X.
 - $H_a: \beta_3 \neq 0$, partially there is significant influence of laissez faire leadership style on job satisfaction of employees at PT. X.

5) *Determination coefficient*, according to Supardi (2013), to state the proportion of the overall variation in the value of the dependent variable that can be explained or caused by a

linear relationship with the independent variables, apart from that the rest is explained by other variables [11].

III. DISCUSSION

Descriptive Analysis Results

Based on the results of data processing by calculating each score respondents and then divided the ideal score, then obtained:

1) Leadership Style:

- a) The percentage of autocratic leadership style total score was 61.01%, is categorized as disagree. It means that according to the responses, employees do not agree that autocratic leadership style applied to the PT. X.
- b) The percentage of democratic leadership style total score was 70.31%, is categorized as agree. It means that according to the response, the employees agree that the democratic leadership style has been applied to the PT. X.
- c) The percentage of laissez faire total score was 75.35%, is categorized as agree and has the greatest percentage. It means that according to the responses, the employees agree that the laissez faire leadership style has been applied to the PT.X.

Thus, based on the recapitulation of the average total score style of leadership was 68.89% which is categorized as agree, meaning that the respondents agreed of leadership style (autocratic, democratic and laissez faire) dominated by laissez faire leadership style at PT. X is generally has been conducted properly.

2) Employees Satisfaction:

- a) The percentage of job satisfaction total score on psychological factors was 62.6%, is categorized as satisfied, meaning that employees are satisfied with the psychological factors in PT. X.
- b) The percentage of job satisfaction total score on social factors was 68.98%, is categorized as satisfied, meaning that employees are satisfied with the social factors in PT. X.
- c) The percentage of job satisfaction total score on physical factors was 68.19%, is categorized as satisfied, meaning that employees are satisfied with the physical factors in PT. X.
- d) The percentage of job satisfaction total score on financial factors was 56.71%, is categorized as dissatisfied, meaning that employees feel not satisfied with the financial factor in PT. X.

Thus, based on the recapitulation of the average total score employee satisfaction was 62.35% which is categorized as dissatisfied, meaning that overall respondents are not satisfied with the job satisfaction in PT. X.

Classic Assumption Test

1) Normality Test

Table 3. Normality Test Results

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		36
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	8.68480558
Most Extreme Differences	Absolute	.097
	Positive	.097
	Negative	-.070
Test Statistic		.097
Asymp. Sig. (2-tailed)		.200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

According to Kurniawan (2014), normal data decision-making distributed if it has the value of Sig. greater than α set [3]. Thus, based on the output results in "Table.3", it is known that the significant value of 0.200, meaning greater than 0.05 (the value of Sig. In this study) so it can be concluded that the data in this study is normal distributed.

2) Multicollinearity Test

Table 4. Multicollinearity Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	-7.157	9.742		-.735	.468		
Autocratic	.105	.500	.034	.211	.834	.417	2.400
Democratic	1.986	.791	.355	2.509	.017	.531	1.884
1 Laissezfaire	6.559	1.324	.607	4.952	.000	.709	1.411

a. Dependent Variable: Kepuasan_Kerja

According to Kurniawan (2014), it is said to pass the VIF test when the value is not more than 10 and Tolerance value of not less than 0.1 [3]. Based on the output "Table.4", it can be seen that the value of Tolerance autocratic leadership style, democratic, and laissez faire >

0.1 and VIF value < 10.00. So that it can be concluded that multicollinearity towards regression model in this study did not happen.

3) Heteroskedasticity Test

Table 5. Heteroskedasticity Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1					
(Constant)	6.310	6.666		.947	.351
Autocratic	.123	.342	.098	.359	.722
Democratic	-.019	.542	-.008	-.035	.973
Laissezfaire	-.507	.906	-.117	-.560	.580

a. Dependent Variable: RES2

According to Kuniawan (2014), it is said to pass the glejstertest when the value of Sig. > the value of α [3]. Based on the output results in “Table.5”, the significant value of autocratic leadership style is worth 0.722 > value Sig. (0.05), democratic leadership style is worth 0.973 > value Sig. (0.05), laissez faire leadership style is worth 0.580 > value Sig. (0.05). This means that all variables has the value of Sig. > 0.05, so it can be concluded that there was no heteroskedasticityproblem in data.

Multiple Regression Analysis

Table 6. Multiple Regression Analysis

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1					
(Constant)	-7.157	9.742		-.735	.468
Autocratic	.105	.500	.034	.211	.834
Democratic	1.986	.791	.355	2.509	.017
Laissezfaire	6.559	1.324	.607	4.952	.000

a. Dependent Variable: Job_Satisfaction

Based on the results of SPSS processing in “Table.6”, the multiple regression equation can be written as follows:

$$\hat{Y} = -7,157 + 0,105X_1 + 1,986X_2 + 6,559X_3 \quad (2)$$

The results of multiple regression equation above indicate that:

1) The constant $\alpha = -7.157$ indicated if the autocratic (X_1), democratic (X_2), and laissez faire (X_3) leadership style factors were equal to zero then there were no employee satisfaction, it could even occur minuses.

2) For the autocratic leadership style variable (X_1) indicated a positive regression coefficient, thus, when the autocratic leadership style was getting better and increased by one unit then the employees satisfaction would be increased by 0,105 units, assuming other variables remain constant.

3) For the democratic leadership style variable (X_2) indicated regression coefficient was positive, thus, when the democratic leadership style was getting better and increased by one unit then the employees satisfaction would be increased by 1,986 units, assuming other variables remain constant.

4) For the laissez faire leadership style variable (X_3) indicated regression coefficient was positive, thus, when the laissez faire leadership style was getting better and increased by one unit then the employees satisfaction would be increased by 6.559 units, assuming other variables remain constant.

Hypothesis Test Results

1) F test (Simultaneous)

Table 7. F Test Results

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	3412.092	3	1137.364	20.676	.000 ^b
Residual	1760.274	32	55.009		
Total	5172.366	35			

a. Dependent Variable: Job_Satisfaction

b. Predictors: (Constant), Laissezfaire, Democratic, Autocratic

Kurniawan (2014) argued H_a is accepted if calculated $F > F$ table [3]. The calculated F value obtained from SPSS processing was 20, 676. The value on F table with $\alpha = 0.05$ and $DF1 = (k-1 = 3)$, $DF2 = (n-k = 32)$ was 2.90. From these results, it can be explained that the calculated F (20.676) $>$ F table (2.90). Thus, H_a is received, and the significant value in the calculation (Sig.) of $0.00 < 0.05$, it means leadership style variable (autocratic, democratic and laissez faire) simultaneously has a significant effect to job satisfaction of employees at PT. X.

2) T Test (Partial)

Table 8. T Test Results

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	-7.157	9.742		-.735	.468
Autokratic	.105	.500	.034	.211	.834
Democratic	1.986	.791	.355	2.509	.017
Laissezfaire	6.559	1.324	.607	4.952	.000

a. Dependent Variable: Job_Satisfaction

Sujarweni&Endrayanto (2012) argued H_a is accepted if calculated $T > T$ table [10]. T value in autocratic was 0,211. Compared to the value of t table ($\alpha = 0.050$) and worth $df = n -$

$k-1 = (36-3-1 = 32)$ was 2.03693. From the results above it is known that $t < t$ table, it means H_a rejected. However, if viewed on a multiple linear regression equation, the value of variable coefficients X_i is positive (+). So it can be concluded that partial autocratic leadership style has an effect but not significant on employees satisfaction at PT. X by 3.4%.

The t value on democratic was 2.509. Compared to the value of t table ($\alpha = 0.050$) and worth $df = n-k-1 = (36-3-1 = 32)$ was 2.03693. From these results, the t count $> t$ table and then sig on democratic leadership style was $0.017 < 0.05$ thus H_a is accepted. In conclusion, democratic leadership style partially has a significant effect on employees satisfaction at PT. X by 35.5%.

The t value on laissez faire leadership style was 4,952. Compared to the value of t table ($\alpha = 0.050$) and worth $df = n-k-1 = (36-3-1 = 32)$ was 2.03693. From these results, it can be seen that $t > t$ table and then sig on leadership style laissez-faire was $0.000 < 0.05$ thus H_a is accepted. In conclusion, laissez-faire leadership style partially has a significant effect on employees satisfaction at PT. X by 60.7%.

3) Determination Coefficient Results

Table 9. Determination Coefficient Results

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.812 ^a	.660	.628	7.41678	2.299

a. Predictors: (Constant), Laissezfaire, Democratic, Autocratic

b. Dependent Variable: Job_Satisfaction

According to the "Table.IX", indicates the determination coefficient value was 0.660 or by 66%. Thus can be interpreted that the leadership style (autocratic, democratic and laissez faire) simultaneously influence the employee satisfaction by 66%.

IV. CONCLUSION

Conclusion

- 1) The dominant leadership style of PT. X was laissez faire leadership style..
- 2) The overall employees satisfaction at PT. X are in the category of not satisfied. The factors causing the most dissatisfied are financial factors.
- 3) Leadership style (autocratic, democratic and laissez faire) simultaneously has a significant effect on employees satisfaction at PT. X by 66%.
- 4) Autocratic leadership style is partially, but not significantly, effect on employee job satisfaction PT. X by 3.4%. Democratic leadership style partially has a significant influence on employee job satisfaction of PT. X by 35.5%. Laissez faire leadership style is partially provide the most significant influence on employee job satisfaction of PT. X by 60.7%

Suggestion

- 1) Leaders are suggested to maintain and improve the laissez faire leadership style to be applied to PT.X, because it provides the most significant influence on employee job satisfaction.

- 2) Leaders are suggested to be able to increase the job satisfaction of employees at PT. X, due to overall employee satisfaction is still categorized as not satisfied. It is advisable to make improvements to the financial factors that most felt dissatisfied by employees at PT. X.
- 3) The Company should focus more on leadership style variable applied to the PT. X due to the leadership style able to give effect simultaneously to employees satisfaction at PT. X by 66%.
- 4) It is recommended for the next researchers to examine other factors that may affect employee satisfaction which are not examined in this study is.

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