THE EFFECT OF LEADERSHIP STYLE AND WORK ENVIRONMENT ON EMPLOYEE PERFORMANCE AT PT. BANK BRI KCP LUWU

A. Widia Fiantika[1], Sukri[2], Riyanti[3]

[123]Management Study Program, Faculty of Economics and Business, Universitas Muhammadiyah Palopo

[1] awidiafiantika81@gmail.com , [2]sukri@umpalopo.ac.id. [3]Riyanti@umpalopo.ac.id

Article Info	Abstract
	This study aims to analyze the influence of leadership style and work environment on employee performance at PT. BANK BRI KCP LUWU with a quantitative approach. The sample consisted of 30 employees, using saturated sumption technique. Data were collected using questionnaires and analyzed using multiple linear regression with SPSS 27. The results showed that the work environment had a significant effect on employee performance while leadership style did not. The implications of this study emphasize the importance of creating a conducive work environment and participatory leadership style to increase employee involvement and commitment.

INTRODUCTION

In the era of increasingly rapid globalization, the success of an organization is greatly influenced by employee performance. Employee performance is one of the main indicators that determine the success of an organization. This performance in turn can be influenced by various factors including leadership style and work environment. The leadership style applied by managers or leaders has a crucial role in shaping employee motivation, commitment, and productivity. Effective leaders are able to create a work atmosphere that supports and encourages employees to achieve common goals. The ability of leaders to carry out their duties and functions can make the organization run

effectively in achieving its goals.Faturahman, (2018).

Effective leadership is very important to guide employees and provide a very helpful impact in achieving company goals. Leadership itself comes from the word "lead" which means to organize, direct, guide, and influenceAziz, (2019). To lead employees effectively and encourage the achievement of organizational goals that have been set by the company, a leader must have a leadership style, a leader must have charisma, the ability to inspire, stimulate intellectually and provide individual attention. This also includes the ability to direct behavior, which can be measured by the extent to which the leader is involved in one-way communication. In the context of this one-way communication, the leader plays a role in defining the roles that must be played by followers, providing instructions on actions that need to be taken, the right location, and the method of implementation that must be taken, and carrying out strict supervision of followers.Putra et al., (2021). However, not all leaders are able to set a good example for their colleagues and do not have a certain leadership style. The decline in employee performance will be minimized through a leadership style that is in accordance with the character and loyalty of employees. Employees will feel uncomfortable and unable to work optimally if the leader always carries out the wishes of his employees.

Leaders who are less able to pay attention to their subordinates also tend to be autocratic, directing and supervising employees strictly to ensure that tasks are carried out according to their wishes, and leaders pay more attention to the implementation of work and employee development. This will cause dissatisfaction among employees who want to develop. If action is not taken immediately, the company's goal of improving employee performance will not be achieved and this can hinder the company's survival in the future.

On the other hand, a conducive working environment is also an important factor that cannot be ignored. The environment refers to all things that affect a person's work including the equipment used, the conditions around the workplace, the working methods applied and their impact on individual and team performance.Haslindah et al., (2020). A positive environment, both physically and psychologically, can increase job satisfaction and reduce stress, which ultimately contributes to optimal performance. Conversely, a poor work environment can inhibit employee creativity and productivity. These factors interact with each other; for example, a supportive leadership style can improve the work environment, while a good work environment can strengthen the effectiveness of the leadership style.

Optimal performance is an important step in achieving organizational goals, so employee performance is given great attention.Kasran, (2018). Whether or not the company's goals are achieved depends on the performance of its employees because performance is related to employee performance and the results of doing the job.Ahmi et

al., (2021). High performance and optimal employee work are influenced by internal and external factors of the employee himself. External factors include the company's leadership style and work environment while internal factors include motivation that comes from within the employee. Based on the results of previous research conducted bySihaloho & Siregar, (2020)leadership style and work environment support employee performance.

Therefore, research on the influence of leadership style and work environment on employee performance becomes very relevant. Through a deeper understanding of this relationship, organizations can formulate appropriate strategies to improve employee performance, which will ultimately have a positive impact on achieving overall organizational goals. In this context, this study aims to explore these influences and provide recommendations for leaders and managers in creating a supportive work environment and effective leadership style.

RESEARCH METHODS

The research approach used is a quantitative research approach.Sugiono, (2020)states that "quantitative research is a method rooted in the philosophy of positivism, used to investigate a particular population or sample. The population data collection is carried out using research instruments, while the data analysis is quantitative or statistical, with the aim of testing the hypothesis that has been

"In this study, the target population is all employees.

PT. BANK BRI KCP LUWU totaling 30 people. Given the small population, the researcher used a saturated sampling technique. According toFitria & Ariva, (2019)Saturated sampling is a sampling method in which all members of the population are sampled. This study used a questionnaire to collect data on the influence of leadership style and work environment on employee performance. The questionnaire consists of fifteen items related to the influence of leadership style, work environment, and employee performance, which are measured on a Likert scale from 1 (strongly disagree).

The data were analyzed using a quantitative approach through multiple linear regression analysis using the SPSS 27 application. The analysis procedure includes validity testing, reliability testing, partial testing (T-test), simultaneous testing (F-test), and termination testing (R square test). It is expected that the results of this study can provide a clear and comprehensive picture of how the two factors affect performance in the bank.

RESULTS AND DISCUSSION

A. **Research result**

1.   Validity Test

Validity testing aims to ensure that measuring instruments in research, such as statements in questionnaires, truly measure what is intended to be measured.Sugiono, (2020). The higher the validity value, the more reliable the research results are. Validity testing is carried out to assess whether a questionnaire is valid or not. This test uses the person correlation method, where an item is considered valid if the significance level is less than 0.05. This means that if the significance value is less than 0.05, the item is considered valid. Table 1 below shows the results of the validity test for the three variables used in this study, namely leadership style, work environment, and employee performance.

Variables	Item	R_{count}	R_{table}	Information
Style Leadership	X1.1	0.735	0.361	Valid
	X1.2	0.709	0.361	Valid
	X1.3	0.825	0.361	Valid
	X1.4	0.830	0.361	Valid
	X1.5	0.746	0.361	Valid
	X1.6	0.675	0.361	Valid
Environment Work	X2.1	0.827	0.361	Valid
	X2.2	0.915	0.361	Valid
	X2.3	0.883	0.361	Valid
	X2.4	0.780	0.361	Valid
Performance Employee	Y1.1	0.817	0.361	Valid
	Y1.2	0.708	0.361	Valid
	Y1.3	0.824	0.361	Valid
	Y1.4	0.906	0.361	Valid
	Y1.5	0.869	0.361	Valid

Data source: primary data processed by SPSS 2024

The results of the validity test for the variables of leadership style, work environment, and employee performance show that there are each six statement items for the leadership style variable, four statement items for the work environment variable, five items for the employee performance variable. From this analysis, it can be concluded that the statement items are declared valid, because the person correlation value r > r table. In other words, the person correlation value is above 0.361.

2.   Reliability Test

Reliability test is conducted to evaluate the consistency of the research instrument. The instrument is considered reliable if the Cronbach's Alpha value is greater than 0.60. Table 2 presents the results of the reliability test for two independent variables and one dependent variable in this study.

Table 2. Reliability Test Results

Variables	*Cronbach's Alpha*	information
Leadership style	0.846	Reliable
Work environment	0.871	Reliable
Employee performance	0.883	Reliable

Source: primary data processed by SPSS 2024

Table 2 shows the Cronbach's Alpha value for the leadership style variable of 0.846. The work environment is 0.871, and employee performance is 0.883. Based on the values obtained, it can be concluded that the statements in this covariance show an adequate level of reliability, considering that the Cronbach's Alpha value is greater than 0.60. This indicates that each statement item used is able to produce consistent data. Therefore, if the same statement is submitted again, the answers given tend to be similar to the answers given previously.

3. Multiple Linear Regression Analysis Results

Multiple linear regression is a statistical technique used to show the pattern of relationships between independent variables and dependent variables. The effect of job rotation and work teams on employee performance can be identified using multiple linear regression analysis.Rusli et al., (2024).

$$Y = a + b1X1 + b2X2 + e$$

Information:

Y= Employee Performance

a= Constant

X1= Leadership Style

X2= Work Environment

B1,b2,b3= Regression Coefficient

e= Standard *error*

Table 3 Multiple Linear Regression Test Results

Capital	*Unstandardized Coefficient*		*Standardized Coefficient*		
	B	**Std.Error**	**Beta**	**t**	**sig**
1 (Constant)	6,396	2,476		2,584	,016

| Style Leadership | ,087 | ,125 | 113 | ,700 | ,490 |
| Environment Work | ,788 | ,177 | ,720 | 4,460 | ,001 |

| a. | Dependent Variable: Employee Performance |

Source: primary data processed by SPSS 2024

Based on the results of statistical calculations using the SPSS program, such as table 3 multiple linear regression analysis – coefficients, the following multiple linear regression equation is obtained:

$$Y = 6.396 + 0.087X1 + 0.788X2$$

From the multiple linear regression equation above, the following conclusions can be drawn:

1. The constant value (a) obtained is 6.396. This shows that the leadership style variable has an influence on employee performance. When the leadership style value is considered constant or equal to zero (0), then employee performance will be recorded at 6.396 which is stated in percentage.

2. The coefficient value of B1 is obtained at 0.087. This means that every 1 percent in leadership style will be followed by an increase in employee performance of 0.87% assuming other variables remain constant.

3. The coefficient value of B2 is obtained at 0.788%. This means that every 1 percent increase in the work environment will have implications for increasing employee performance by 7.88% assuming fixed variables.

4. T-Test (Perial)

The individual parameter significance test (t-statistic test) aims to determine whether each independent variable has an influence on the dependent variable, assuming that the other independent variables remain constant. The test criteria are as follows:

Table 4. T-Test Results (Perial)

Capital	Unstandardized Coefficient		Standardized Coefficient		
	B	Std.Error	Beta	t	sig
1 (Constant)	6,396	2,476		2,584	,016
Style	,087	,125	113	,700	,490

FAKULTAS EKONOMI
UNIVERSITAS ISLAM LAMONGAN

JURNAL EKBIS
ANALISIS, PREDIKSI, DAN INFORMASI

https://jurnalekonomi.unisla.ac.id

E-ISNN : 2621- 4210
P-ISNN : 1979- 746X

Leadership					
Environment Work	,788	,177	,720	4,460	,001

b.	Dependent Variable: Employee performance

Source: primary data processed by SPSS 2024

Hypothesis proof is done by t-test, and the results can be seen in the coefficient table, especially in the t and sig columns. The t-table value used is 1.703 (df = 27 with the formula nk-1 = 30-2-1). With a significance level of 5%, the results of the t-test can be seen

In table 6. Based on table 6, the significance test can be explained as follows.
1. Based on the results of the t-test above, it can be seen that the leadership style has a calculated t value < t table (0.700 < 1.703) with a significant value of 0.490 > 0.05, so H1 is rejected, so the leadership style variable has no effect and is not significant on employee performance.

2. Based on the results of the t-test above, it can be seen that the work environment has a calculated t value > t table (4.460 > 1.703) with a significant value of 0.001 < 0.05. Maha H2 is accepted, so that the work environment variable has an effect and is significant on employee performance.

5. F Test (Simultaneous)

The F test is used to analyze the relationship between the dependent variable and each independent variable simultaneously. The purpose of the F test is to determine whether the independent factor as a whole affects the dependent variable if the significance value of the F test is below 0.05 (or 5%), then it can be concluded that the independent variable has a significant effect on the dependent variable simultaneously. Conversely, if the significance value is greater than 0.05, then there is no significant effect. This simultaneous F test is often used in ANOVA statistical analysis, which is a type of hypothesis testing to make conclusions based on group data. The F value obtained from the ANOVA table is used to determine whether the regression model is feasible or not, with a significance level of 0.05 as the commonly used limit.

Table 5. Simultaneous Hypothesis Test Results (F)

Model *Sum Of Square*	df Mean Square F sig
Regression	95,270 2 47,635 24,688 ,001b
Residual	52,096 27 1,929
Total 147,367 27	

Source: primary data processed by SPSS 2024

The F value of 24.688 > F table of 3.35, and the significance level of 0.001 < 0.005 calculated from the results of the F test for the variables of leadership style and work environment. Thus, it can be concluded that the dependent variable, namely employee performance, is influenced simultaneously by these independent variables.

6. Coefficient of Determination Test (R2)

The coefficient of determination (R2) test is used to measure how much influence the independent variable has on the dependent variable. The R2 value ranges from 0 to 1; the closer it is to 1, the greater the influence of the independent variable in explaining the dependent variable, conversely a low R2 value indicates limited influence.

Table 6. Results of the Determination Coefficient Test (r)

Model R	R Square	Adjusted Square	Std. Error of the Estimate
1 ,804	,646	,620	1.38906

a.   Predictors: (Constant), Work Environment, Leadership Style

Source: primary data processed by SPSS 2024

Based on the results of the analysis of leadership style and work environment on employee performance at PT. BANK BRI KCP LUWU, table 6 shows that the coefficient of determination (R square) is 0.646. This identifies that the independent variables, namely leadership style and work environment contribute or influence employee performance by 64.4% while the remaining 35.6% is influenced by factors not analyzed in the study.

B. DISCUSSION
1. Leadership Style Affects Employee Performance

The results of multiple linear regression analysis show that the coefficient for the leadership style variable is 0.087 with a significance value of 0.490. This indicates that the influence of leadership style on employee performance is not significant. Although there is a positive influence, the low coefficient value and significance value greater than 0.05 indicate that leadership style does not provide a significant contribution to improving employee performance at PT. BANK BRI KCP LUWU. This study is in line with research conducted byMukaromah et al., (2022);Darwis, (2021); AndNazaruddin Aziz, (2022)which concluded that leadership style does not have a significant effect on employee performance.

This is caused by several factors, such as the implementation of a leadership style that is less appropriate to the characteristics of employees. Leaders who are unable to provide sufficient inspiration or motivation to employees can reduce the effectiveness of the leadership style. In addition, employees feel less involved in the decision-making process, which can reduce their sense of responsibility and commitment to their work.

2. Work Environment Affects Employee Performance

Based on the results of the regression analysis, it shows that the work environment variable has a coefficient of 0.788 with a significance value of less than 0.001. These results indicate that the work environment has a positive and significant influence on employee performance. The results of this study are in line with the results of research conductedNogo et al., (2023);Prophet Muhammad, (2019); AndGoddess of Mercy, (2019)which concludes that a good work environment can increase job satisfaction, reduce stress, and encourage employees to be more productive. This means that the better the work environment, both physically and psychologically, the higher the performance shown by employees.

A conducive work environment, such as adequate facilities, harmonious work relationships, and a comfortable work atmosphere, can increase employee motivation and satisfaction. Conversely, an unsupportive work environment can cause stress, reduce job satisfaction, and hinder productivity. Therefore, creating an optimal work environment is a strategic step for companies to encourage employees to achieve their best performance.

CONCLUSION

The results of the study indicate that the work environment has a significant influence on employee performance at PT. BANK BRI KCP LUWU, with a coefficient value of 0.788 with a significant level of less than 0.001. This indicates that a good working atmosphere and conditions can increase employee productivity and job satisfaction. On the other hand, leadership style shows an insignificant influence on employee performance, with a coefficient value of 0.087 and a significance level of 0.490. This indicates that the leadership style currently applied is less effective in motivating employees and improving their performance.

The implications of this study highlight the importance of companies to focus on creating a conducive work environment. Management needs to pay attention to the physical and psychological aspects of the workplace, such as adequate facilities, a supportive work atmosphere, and harmonious relationships between coworkers. In addition, leaders at PT. BANK BRI KCP LUWU are advised to adapt a more participatory and inspiring leadership style, in order to increase employee commitment involvement. Thus, the company can improve overall employee performance, which ultimately contributes to the achievement of organizational goals.

REFERENCE

Ahmi, MF, Wibisono, C., & Satriawan, B. (2021). The Influence of Leadership Style, Organizational Culture and Work Motivation on Performance Through Job Satisfaction of Employees of the Tanjungpinang City Regional Financial and Asset Management Agency. INOBIS: Indonesian Journal of Business Innovation and Management, 4(4), 519–531. https://doi.org/10.31842/jurnalinobis.v4i4.202

Aziz, AM (2019). Leadership Style, Work Stress, and Work Environment: Implications for Employee Performance. Journal of Management and Banking, 6(1), 69–80.

Darwis. (2021). The Influence of Leadership Style and Organizational Culture on Employee Performance. Jurnal Tadbir Peradaban, 2(2), 119–123. https://doi.org/10.55182/jtp.v2i2.166

Dewi Rahayu, MAF and RTR (2019). The Influence of Work Environment, Motivation and Work Wages on Employee Performance. EKOMA: Journal of Economics, Management, Accounting, 3(6), 1112–1124. https://doi.org/10.56799/ekoma.v3i6.5100

Faturahman. (2018). LEADERSHIP IN ORGANIZATIONAL CULTURE Mariatul. National Seminar on Master of Educational Management UNISKA MAB, 10(1), 106–117.

Fitria, SE, & Ariva, VF (2019). Analysis of Economic Condition Factors, Education Level and Entrepreneurial Ability on Business Performance for Pindang Entrepreneurs in Cukanggenteng Village. Indonesian Management Journal, 18(3), 197–208.

Haslindah, A., Idrus, I., & Saldi, S. (2020). The Influence of Work Environment and Individual Characteristics on Work Motivation and Employee Performance at CV. Ainun Batara Guru. Journal of Industrial Engineering and Management (JUST-ME), 1(02), 49–53. https://doi.org/10.47398/justme.v1i02.10

Kasran, M. (2018). The Effect of Financial Compensation and Non-Financial Compensation on Employee Performance at the Tirta Mangkaluku Drinking Water Company Office, Palopo City. Journal of Institution and Sharia Finance, I, 157–163.

Mukaromah, Harnum, S., & Frianto, A. (2022). The Influence of Leadership Style and Training Programs on Employee Performance at CV. Surya Kencana Food Jombang. BIMA: Journal of Business and Innovation Management, 5(1), 69–75. https://doi.org/10.33752/bima.v5i1.5646

Nabawi, R. (2019). The Influence of Work Environment, Work Culture, and Workload on Employee Performance. Manuhara Journal: Center for Management and Business Science Research, 2(1), 01–10. https://doi.org/10.61132/manuhara.v2i1.426

Nazaruddin Aziz, SDP (2022). The Influence of Leadership Style and Work Motivation on Teacher Performance at SMKN 7 Padang. Valuation Journal: Scientific Journal of Management and Entrepreneurship, 2(2), 1303–1315. https://doi.org/10.46306/vls.v2i2.159

Nogo, VW, Mustika, IN, & Widyawati, SRW (2023). The Effect of Compensation, Work Discipline and Work Environment on Employee Performance at PT Bali Bukitallam South Kuta Badung. Jurnal Emas, 4, 227–236.

Putra, R., Lima Krishna, N., & Ali, H. (2021). a Literature Review Employee Performance Model: Leadership Style, Compensation and Work Discipline. Dynasty International Journal of Management Science, 3(1), 56–66. https://doi.org/10.31933/dijms.v3i1.979

Rusli, SM, Jasman, J., & Riyanti. (2024). The Influence of Job Demand and Work Environment on Employee Performance. Talent: Journal of Economics and Business, 1(01), 1–6. https://doi.org/10.59422/jeb.v1i01.187

Sihaloho, RD, & Siregar, H. (2020). The influence of the work environment on employee performance at PT. Super setia sagita medan. Scientific Journal of Socio Secretum, 9(2), 273–281.

Sugiono. (2020). Validity and Reliability Test of the SG Posture Evaluation Measurement Tool. Journal of Physical Therapy, 5(1), 55–61. https://doi.org/10.37341/jkf.v5i1.167