MEDIATION EFFECT OF LEADERSHIP STYLE ON THE IMPACT OF ORGANIZATIONAL SUPPORT ON EMPLOYEE PERFORMANCE

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Abstract

This study examines the encouragement provided by organizational support in improving the performance of employees at PT. Maybank Finance Indonesia. This study uses a quantitative descriptive method. When collecting the required data, the researcher will distribute questionnaires to the research samples. Related to this, the population of this study is employees of PT. Maybank Indonesia Finance as of January 2021 who has worked in the company for a minimum of five years and while the sample of this research is employees of PT Maybank Indonesia Finance who have worked for a minimum of five years, which is based on calculations carried out with the formula following the guidelines for determining the sample in Structural Equation Modeling is 120 samples. After getting responses from 120 samples, the researcher will recapitulate the data from the respondents. After that, the researcher will analyze the research data using the Structural Equation. The results showed that organizational support affected leadership style, while leadership style did not affect employee performance. In addition, this study also proves that organizational support can improve employee performance, while leadership style as a mediating variable cannot mediate the effect of organizational support on employee performance.

Keywords: Organizational Support, Leadership Style, Employee Performance, PT. Maybank Indonesia Finance

1.INTRODUCTION

Along with the development of businesses that produce various kinds of daily necessities which are marketed openly, both in traditional markets and through advertisements in the media, encouraging people to participate in owning and enjoying the products they need. However, on the other hand, most people have not been able to buy their necessities with cash because they are classified as low-income people. This condition is a phenomenon and an undeniable fact that in the current era of globalization the public's need for financing is increasing, besides bank financial institutions there are also non-bank financial institutions such as leasing institutions. With the existence of this financing business, it is hoped that it will be able to meet the needs of the community, especially in the field of financing, whether it is financing in the form of providing funds or capital goods.

According to Munir Fuandi, the emergence of finance companies is because conventional financial institutions (banks) are considered not efficient enough to meet the funding needs of diverse communities. Another reason is due to the limited range of credit distribution by banking companies and limited funds. The development of finance companies is quite rapid, making financing service providers (leasing) vying to provide the best service, including the management of PT. Maybank Indonesia Finance (Maybank Finance).

Human resources are the main assets in an organization because human resources have an important role in service delivery. A large number of human resources owned makes the leadership of Maybank Finance able to mobilize and direct their employees to achieve organizational goals. The thing that is most concerned by a leader is of course the performance of his employees so that various efforts will always be made by the leader to able to improve the performance of his employees. Organizations do things to improve the performance of their employees, among others, by providing education and training, creating a safe and comfortable work environment, and providing a competitive compensation.
Leaders who can move and direct their employees are not enough to make the organization achieve its goals but also need organizational support. Organizational support is the extent to which employees believe that the organization values employee contributions and cares about employee welfare (Kaswan, 2017; Tj, 2008). Maybank Finance must pay attention to the commitment of its employees because the commitment of employees given to the organization is very necessary to resolve internal organizational problems such as conflicts within the organization. With a high level of commitment, employees can survive in the face of all the pressures that exist in the work environment. An organization also believes that organizational commitment can increase organizational support.

According to Forbes (2019) data and according to CNN Indonesia (2018) media, it is stated that Maybank is the 4th (fourth) largest bank in Southeast Asia and Bank Maybank Indonesia is ranked 9th in Indonesia. This is because Maybank Indonesia provides a comprehensive range of products and services for individual and corporate customers through Community Financial Services (Retail Banking and Non-Retail Banking) and Global Banking, as well as automotive financing through its subsidiaries, namely WOM Finance for two-wheeled vehicles and Maybank Finance, for four-wheeled vehicles. Maybank Indonesia also continues to develop digital banking services and capacities through Mobile Banking, Internet Banking, and Maybank2U (mobile banking and various other channels).

PT. Maybank Indonesia Finance (Maybank Finance) is the subject of this research. In its business development, Maybank Finance currently has 37 branch offices and 7 representative offices spread across major cities in Indonesia. Each of these offices has a different leadership style, communication pattern, and conflict management that occurs in each branch office and representative office. Even though they have different leadership styles, communication patterns, and conflict management, all of them must refer to the company values (core values) that have been set by Maybank Finance which will create employee job satisfaction. With the many human resources it has, of course, it has various problems with the performance of its employees.

Maybank Finance's main activity is in the financing of new and used cars, then in 2014, it also expanded its business by starting to penetrate the financing of heavy equipment and industrial machinery. Various awards have been achieved in carrying out its services as a financing service. However, in the process, Maybank Finance also has several obstacles or obstacles.

The following is data from the management of PT. Maybank Indonesia Finance (Maybank Finance) regarding the decline in the company's performance for the period 2017 to 2020 in which the Maybank Finance management considers this condition to have decreased significantly. This decline in performance is reflected in the company's declining sales figures.
<table>
<thead>
<tr>
<th>Year</th>
<th>Company Sales</th>
<th>Increase/decrease (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Rp. 9,070,492,711,924.65</td>
<td>+0.87%</td>
</tr>
<tr>
<td>2018</td>
<td>Rp. 10,321,766,974,332.50</td>
<td>+13.79%</td>
</tr>
<tr>
<td>2019</td>
<td>Rp. 9,890,645,761,491.22</td>
<td>-4.18%</td>
</tr>
<tr>
<td>2020</td>
<td>Rp. 5,712,153,119,702.35</td>
<td>-42.25%</td>
</tr>
</tbody>
</table>

Source: PT. Maybank Indonesia Finance

The decline in the company's performance in general was influenced by many factors. Based on the evaluation of Maybank Finance's management, the company's overall performance declined due to a decrease in employee performance. The decrease in employee performance apart from external factors (Covid-19 Pandemic) is also caused by internal company factors.

2. LITERATURE REVIEW

Organizations or companies are required to be able to develop their human resource potential. This is because HR plays a very important role in determining the success of an organization. Organizational coaching is a comprehensive system for implementing behavior science by using sustainable development plans by developing strategies, structures, and processes so that organizational effectiveness is achieved (Tj, 2019). The ability of an organization to manage human resources well will provide many contributions, among others, in the form of increasing employee performance. Employee performance which is increasing from time to time will provide many benefits for the organization. This shows the importance of HR management to improve employee performance. According to Sandy (2015), performance is an achievement that has been achieved by employees in carrying out the work that has been given. Meanwhile, according to Sutrisno (2016) performance or work performance is the result of work that has been achieved by someone based on his work behavior in carrying out activities at work.

Success or failure in an organization in carrying out tasks is closely related to employee performance, the achievement of performance in the organization is a factor that must be considered to realize the company in achieving the goals that have been set. Mangkunegara (2016) argues that employee performance is the result of a person's work in quality and quantity that has been achieved by employees in carrying out their duties according to the responsibilities given. Robbin (2016) defines performance as a result achieved by employees in their work according to certain criteria that apply to a job. Meanwhile, Simamora (2015) defines performance as the level at which employees achieve job requirements.

Based on some of the definitions of performance above, it can be concluded that performance is the result achieved by a person or group that can be given to the organization according to the size applicable to the work in question.

Many factors affect performance, such as organizational support and leadership style.

2.1. Organizational Support Organizational Support

support is the extent to which employees believe that the organization values employee contributions and cares about employee welfare (Kaswan, 2017). Meanwhile, Ismaniar (2015) states that perceived organizational support (POS) is an employee’s perception of the extent to which the organization values contributions, provide support, and cares about employee welfare. Based on these figures, perceived organizational support (POS) is the perception of employees that the
organization is supportive by assessing their contribution, providing support, and paying attention to employee welfare. Taruno and Zain (2012) stated that organizational support for a manager has a positive influence on the manager's leadership style. This is because, by increasing organizational support for innovation and risk-taking, a manager will transform his or her leadership style. In this regard, research conducted by Tucunan (2014) proves the same thing. The research proves that when an organization supports its managers in the process of working, the organization will affect the manager's leadership style. In addition, Sudibya, Dewi, and Suputra (2016) prove that the leadership style of a banking manager can be improved by the support of the entity. Based on these explanations, this study will develop a research hypothesis that describes testing the effect of Organizational Support on Leadership Style. The hypotheses in question are

H1: Organizational Support affects Leadership Style

At work, an employee needs support from various parties. One of the parties who are obliged to provide support to employees is the organization. Organizational support provided by the organization will help employees to be able to work better. Robbins and Judge (2015) define organizational support as the level of employee confidence regarding the extent to which the organization values employee performance and the extent to which the organization repays what employees have given to the organization by providing what they need.

The support that the organization provides to employees will make employees more enthusiastic at work. High employee morale will give results in the form of increasing employee performance. This provides information that organizational support will affect improving employee performance. The effect of organizational support on improving employee performance was found in the study of Zaman et al. (2019); Karaalioglu and Karabulut (2019); Winoto Tj, 2020).

In addition, Vatankhah, Javid, & Raoofi (2016) also prove the same thing. The study explains that Perceived Organizational Support has a negative influence on the counter-productive work behavior of employees working in the aviation industry sector. Counter-productive work behavior can be described as employee behaviors that interfere with performance or performance at work. Based on these explanations, researchers can develop a research hypothesis on the effect of Organizational Support on Employee Performance, the research hypothesis in question is

H3: Organizational Support affects Employee Performance

2.2. Leadership Style

In improving employee performance, a supervisor has the responsibility to guide, direct, as well as supervising employees in doing their jobs. Therefore, a supervisor must provide assistance and support to his subordinates to achieve the goals that have been set by the organization. Some forms of support that supervisors provide will provide stimuli to increase employee performance. This is because employees will be able to work more effectively and efficiently with the support of their supervisors. The support that the supervisor provides will increase the performance of an employee. Rahman et al. (2019). In line with this, Haq & Kuchinke (2016) also added that the willingness of employees in the Pakistani banking sector to make extra efforts is strongly influenced by the Leadership Style in each of these banks.

In improving the performance of employees in an entity, Tirastittam et al. (2020) also added that when a manager improves relations with employees, the manager will improve the performance of the employees he leads. In connection with the arguments of the three studies, the researcher will develop a research hypothesis that explains the influence of Leadership Style on Employee Performance. The hypotheses in question are:

H2: Leadership Style

As explained in the previous section, Organizational Support can affect Employee Performance (Tirastittam et al., 2020). This is also in line with the research conducted by Karaalioglu and Karabulut (2019). The research entitled The Mediating Role of Job Satisfaction on The Relationship Between Perceived Organizational Support and Job Performance proves that an
increase in Perceived Organizational Support will have Percentage employee performance at the company.

The leadership style itself is also proven to improve employee performance in a company. Zaman et al., 2019 proved that a manager's leadership style can affect an employee's willingness to work outside of a predetermined job. Based on this, this study wants to test whether Leadership Style can mediate the effect of Organizational Support on Employee Performance, the hypothesis that the researcher will build is

H4: Leadership Style Mediates the Effect of Organizational Support on Employee Performance.

3.METHODS

This study uses a quantitative descriptive method. The researcher will analyze the research data using the Structural Equation. By determining the research sample using the guidelines for determining the sample in the Structural Equation Modeling were based on calculations carried out with the appropriate formula, the study will use respondent data from 120 samples. Where the samples come from employees of PT. Maybank Indonesia Finance as of January 2021 has worked in the company for at least five years.

4.RESULTS AND DISCUSSION

4. Results

Demographics of respondents in this study can be seen in the first part of the research questionnaire. Where the general description of the demographics of these respondents will be explained and presented in the form of a demographic table. The demographics of the respondents that will be explained consist of the age of the respondent, the gender of the respondent, and the period of service of the employee. Concerning these explanations, the following is the demographic data of respondents in this study,

<table>
<thead>
<tr>
<th>No</th>
<th>Age</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>40 Years</td>
<td>53</td>
<td>44%</td>
</tr>
<tr>
<td>2</td>
<td>41-50 Years</td>
<td>42</td>
<td>35%</td>
</tr>
<tr>
<td>3</td>
<td>&gt;50 Years</td>
<td>25</td>
<td>21%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>120</td>
<td>100%</td>
</tr>
</tbody>
</table>

Table 2

Demographic Data of Respondents by Gender

<table>
<thead>
<tr>
<th>No</th>
<th>Gender</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Male</td>
<td>67</td>
<td>56%</td>
</tr>
<tr>
<td>2</td>
<td>Female</td>
<td>53</td>
<td>44%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>120</td>
<td>100%</td>
</tr>
</tbody>
</table>

Related to the previous explanations, in this section the researcher will present a descriptive analysis of variables. Descriptive analysis of variables is a description of the responses of the
respondents which is used as additional information to understand the results of the study. Based on this, several related tables will be presented (Ghozali, 2016).

After the Descriptive Analysis, the researcher will conduct a Validity Test and a Reliability Test. A validity test is a procedure to ensure whether the questionnaire that will be used to measure the research variables is valid or not. In addition, the reliability test is a test used to measure a questionnaire which is an indicator of a variable. A questionnaire is said to be reliable or reliable if a person's answer to the statement is consistent or stable from time to time. The following are the results of the Validity Test and Reliability Tests of this study.

**Table 5**

Convergent Validity Test

<table>
<thead>
<tr>
<th></th>
<th>Cronbach’s Al</th>
<th>rho_A</th>
<th>Composite Rel</th>
<th>Average Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dukungan Org...</td>
<td>0.56</td>
<td>0.62</td>
<td>0.81</td>
<td>0.69</td>
</tr>
<tr>
<td>Gaya Kepemim...</td>
<td>0.23</td>
<td>0.26</td>
<td>0.71</td>
<td>0.56</td>
</tr>
<tr>
<td>Kinerja Karyaw...</td>
<td>0.61</td>
<td>0.65</td>
<td>0.83</td>
<td>0.72</td>
</tr>
</tbody>
</table>

After processing the data again, the researcher got the results of the new validity test. Based on the results of the convergent validity test in the table above, each research variable has an AVE value of 0.5. With the Organizational Support variable of 0.69; Leadership Style of 0.56; and Employee Performance of 0.72. From these AVE values, it can be concluded that each variable...
passed the convergent validity test. After the research variables have passed the convergent validity test, the researcher will conduct a discriminant validity test.

In testing discriminant validity, the examiner will use the loading of an indicator variable which is compared with the loading of other variables. This comparison can also be called the cross-loading value, where the loading of the initial variable indicator must be greater than the loading of other variables. The results of the comparison are presented in the table above. The table shows that the discriminant validity test requirements have been met with the loading of the initial indicator being greater than the loading of the other indicators (Hair et al., 2014).

<table>
<thead>
<tr>
<th>Table 7</th>
<th>Reliability Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cronbach's Al...</td>
<td>rho_ A</td>
</tr>
<tr>
<td>Dukungan Organisasi...</td>
<td>0.56</td>
</tr>
<tr>
<td>Gaya Kepemimpinan...</td>
<td>0.23</td>
</tr>
<tr>
<td>Kinerja Karyawan...</td>
<td>0.61</td>
</tr>
</tbody>
</table>

Based on the results of the reliability test in the table above, the Organizational Support variable has a Composite Reliability of 0.69; Leadership Style has a Composite Reliability of 0.56, and Employee Performance has a Composite Reliability of 0.72. This proves that each variable of this study passed the reliable test. In other words, the variables of this study can be said to be reliable.

Hypothesis testing H1, H2, H3, and H4 was conducted using path analysis to test the effect of Organizational Support, Leadership Style, and Employee Performance. The test results are shown as follows:

<table>
<thead>
<tr>
<th>Table 8</th>
<th>R² Value Test</th>
</tr>
</thead>
<tbody>
<tr>
<td>R Square</td>
<td>R Square Adjus...</td>
</tr>
<tr>
<td>Gaya Kepemimpinan...</td>
<td>0.08</td>
</tr>
<tr>
<td>Kinerja Karyawan...</td>
<td>0.26</td>
</tr>
</tbody>
</table>

Based on the table above, it can be seen that the R-Square value shows a value of 0.08 for the Leadership Style variable and 0.26 for the Employee Performance variable. In this regard, the R-Square can be used to measure the magnitude of influence and the relationship between research variables. Thus, the R-Square in this study describes the magnitude of the influence of the Organizational Support variable on Leadership Style, which is 8%. In addition, organizational support and leadership style can affect employee performance by 26% (Sugiyono, 2018).

Based on the table above, it is explained that there is an influence of organizational support on leadership style and organizational support on employee performance. This is evidenced by the
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Table 10
Total Indirect Effects Test

<table>
<thead>
<tr>
<th>Dukungan Organisasi (X) → Gaya Kepemimpinan (Z)</th>
<th>Original Sample Mean ( )</th>
<th>Sample Mean ( )</th>
<th>Standard Deviation ( )</th>
<th>T Statistics ( )</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dukungan Organisasi (X) → Kinerja Karyawan (Y)</td>
<td>0.05</td>
<td>0.18</td>
<td>0.18</td>
<td>0.51</td>
<td>0.61</td>
</tr>
<tr>
<td>Gaya Kepemimpinan (Z) → Kinerja Karyawan (Y)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

P-Value which is smaller than 0.05. In contrast to the influence of the Leadership Style variable on Employee Performance, it is proven that there is no effect between the two variables. This is evidenced by the P-Value greater than 0.05 (Hair et al. 2014). In other words, Hypotheses 1 and 3 in this study can be accepted. While Hypothesis 2 in this study was rejected. Thus, Organizational Support is proven to affect Leadership Style, Organizational Support is proven to have an effect on Employee Performance, and finally Leadership Style cannot affect Employee Performance.

5. Discussion

H1: Organizational Support Affects Leadership Style

Based on the hypothesis testing in the previous section, it is proven that Organizational Support affects the Leadership Style of a supervisor at PT. Maybank Indonesia Finance. This is evidenced by the P Value of 0.00, which is less than 0.05.

The arguments and results of this study are supported by research conducted by Taruno and Zain (2012). The research proves that when an organization increases Organizational Support for innovation and risk taking, a manager will also transform his or her Leadership Style.

H2: Leadership Style has no effect on Employee Performance

Based on the hypothesis testing in the previous section, it is proven that a supervisor has no effect on employee performance at PT. Maybank Indonesia Finance. This is evidenced by the P-Value of 0.49, which is greater than 0.05.

In a different direction from the researcher’s statement, Rahman et al. (2019) explain that a supervisor can provide stimuli to increase employee performance. Haq & Kuchinke (2016) also add that the willingness of employees in the Pakistani state banking sector to make extra efforts is strongly influenced by the Leadership Style in each of these banks. Finally, Tiraastittam et al (2020) also proves that when a supervisor takes personal approaches to his employees, these employees will also improve their work results.

H3: Organizational Support affects Employee Performance.

Based on the hypothesis testing in the previous section, it is evident that the Organizational Support conducted by PT. Maybank Indonesia Finance will affect the performance of employees in the company. This is evidenced by the P Value of 0.00, which is less than 0.05.

In line with this argument, Zaman et al. (2019) and Karabulut and Karabulut (2019) prove that the support that organizations provide to employees will make employees more enthusiastic at work. Where this enthusiasm for work will result in increased employee performance as well. In addition, research conducted by Vatankhah, Javid, & Raoofi (2016) also proves the same thing.
results of this study explain that Perceived Organizational Support harms the counter-productive work behavior of employees who work in the aviation industry sector. This negative effect is when an organization is judged by its employees as supporting the work of these employees, then these employees will minimize behaviors that can interfere with the performance of these employees.

**H4: Leadership Style cannot Mediate the Effect of Organizational Support on Employee Performance**

Based on the results of Total Indirect Effects in the previous section, it is proven that the Leadership Style of a supervisor who works at PT. Maybank Indonesia Finance was unable to mediate the Effect of Organizational Support on Employee Performance. This can be proven with a P-Value that is greater than 0.05, which is 0.61.

In this regard, the researcher can draw an argument based on the results of the Total Indirect Effects.'s leadership style supervisor cannot mediate the effect of organizational support that is carried out by a company on the work of its employees.

### 6. CONCLUSION

This research has been conducted on 120 employees of PT. Maybank Indonesia Finance (Maybank Finance). The purpose of this study is to provide empirical evidence on whether Organizational Support and Leadership Style affects Employee Performance. Based on the test results indicate that Organizational Support affects Leadership Style, while Leadership Style does not affect Employee Performance. In addition, this study also proves that organizational support can improve employee performance, while leadership style as a mediating variable cannot mediate the effect of organizational support on employee performance.

### REFERENCES


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