

# The Influence of Leadership Style and Rewards on Employee Performance with Self-Efficacy as a Mediation Variable in Pramita Manado Clinic Laboratory

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ARTICLEINFO	A B S T R A CT
Keywords: Leadership Style,	Changes in today's times that are getting faster
Rewards, Self-Efficacy,	bring company changes to be a challenge in itself.
Employee Performance	The company's success is inseparable from the
	importance of a leader in leading the company,
	besides that the awards given by the company will
Received , 00 Inter	affect employee performance. The purpose of this
Received : 09, July	study was to analyze the effect of leadership style
Revised : 30 July	and appreciation on employee performance with
Accepted: 22, July	self-efficacy as a mediating variable at the Pramita
	Clinical Laboratory in Manado. The number of
©2023 Kong,Tj,Fushen: This is an	samples in this study were 80 respondents. The data used is a type of quantitative data obtained
open-access article distributed	from filling out questionnaires by selected
under the termsof the <u>Creative</u>	respondents through the total sampling method.
Commons Atribusi 4.0	The analytical method used in this research is
Internasional.	through the Structural Equation Model (SEM)
<b>(i)</b>	approach using the SmartPLS program. The
BY	results of this study indicate 1) leadership style
	has a positive and significant effect on self-
	efficacy, 2) rewards have a positive and significant
	effect on self-efficacy; 3) leadership style has no
	effect on employee performance; 4) rewards have
	no effect on employee performance; 5) self-efficacy
	has a positive and significant impact on employee
	performance; 6) leadership style influences
	employee performance through self-efficacy as a
	mediating variable; 7) rewards have an influence
	on employee performance through self-efficacy as
	a mediating variable at the Pramita Clinical
	Laboratory in Manado.

#### INTRODUCTION

The success of a company's growth in the digital era is not exempt from the success of a leader who can interact and facilitate employees in line with the company's vision and mission. This ability is often referred to as leadership style, a leadership style that can motivate, influence, and activate the organization. To produce employees with good performance, there are several factors, one of which is the provision of rewards.

Rewards become a tool that can be used by corporate organizations to improve employee performance. Rewards, or iRewards, are tools used by organizations to enhance employee performance. Rewards play a significant role that can be utilized by companies to improve employee performance. For employees who achieve job accomplishments, it is appropriate to receive appreciation from the company as an expression of gratitude and attention. This is also evident in a study conducted by Edirisooriya (2014), which discusses the influence of rewards on employee performance. Additionally, employee performance can improve because each individual employee has selfefficacy.

Self-efficacy itself is an individual's belief in their ability to organize and carry out a series of activities that demand achievement. Self-efficacy is an important aspect in organizational behavior research, especially related to performance. Individuals with high self-efficacy put greater effort into tasks and are better equipped to face difficulties, thus increasing their chances of success. On the other hand, individuals with low self-efficacy put in less effort to pursue their goals, leading to a tendency to fail in task completion (Tian et al., 2019). According to Jumari (2016), there is a positive and significant influence between self-efficacy and performance. Kristiyana (2016) in their research found that self-efficacy has a significant influence on employee performance, meaning the capability or self-belief of employees in performing tasks has a tangible impact on performance. Klinik Pramita Laboratory is a major laboratory spread across major cities in Indonesia. One of them is the Pramita Laboratory located in Manado.

Table 1. Number of Pramita Manado Laboratory Employees

Number of Pramita Manado Laboratory Employees	
Permanent employees	58
Contract employees	22

Source: HRD Pramita Clinical Laboratory in September 2022

September 2022 Performance Recapitulation Results	
KPI > 80	89 %
KPI 70-80	5 %
KPI <70	6 %

Table 2. Results of employee performance recapitulation.

Source: HRD Pramita Clinical Laboratory in September 2022

Based on the performance assessment results, according to sources, it is stated that good performance is indicated by a score above 80, satisfactory performance by a score between 70-80, and below-average performance by a score below 70. In reality, not all leaders can exhibit good behavior and create a conducive work atmosphere. Many leaders are found to be selfish, uncooperative, and unwilling to provide encouragement and motivation to their employees. This situation can lead to employees feeling unhappy with their superiors, resulting in decreased work motivation and enthusiasm in carrying out their tasks. This data serves as several indications of issues related to employee performance in the Pramita Clinic Laboratory in Manado. The objectives of this research are as follows:

- 1. Does leadership style influence employee performance?
- 2. Does recognition influence employee performance?
- 3. Does leadership style influence self-efficacy?
- 4. Does recognition influence self-efficacy?
- 5. Does self-efficacy influence employee performance?
- 6. Does leadership style influence employee performance with self-efficacy as a mediating variable?
- 7. Does recognition influence employee performance with self-efficacy as a mediating variable?

## THEORETICAL REVIEW

## Leadership Style

Mulyadi (2015) states that leadership style is a particular way possessed by a leader that demonstrates a certain attitude to influence their employees in achieving organizational goals. Robbins (2016) defines a leader as someone who can influence others and possesses managerial authority. Leadership is a process of guiding a group towards its objectives. According to Joseph Reitz, as cited in Rahayu (2017), there are several factors that influence leadership style, which include:

- 1. Personality, past experiences, and leader's expectations. This encompasses values, background, and experiences that will impact the leader's choice of leadership style.
- 2. Expectations and behaviors of superiors.
- 3. Characteristics, expectations, and behaviors of subordinates that influence which leadership style to adopt.
- 4. Task requirements, where each subordinate's task will also affect the leadership style.
- 5. Organizational climate and policies influencing expectations and behaviors of subordinates.
- 6. Expectations and behaviors of peers.

Leadership styles can be categorized into five types according to Siagian as cited in Busro (2018):

1. Autocratic Leadership Style

This style of leadership tends to exhibit characteristics of a leader who holds complete authority within the organization and disregards the needs of employees. They often align personal goals with organizational goals.

2. Militaristic Leadership Style

Militaristic leadership involves motivating employees through commands based on their position, demanding high and rigid discipline from them.

3. Paternalistic Leadership Style

This leadership style is characterized by a protective and nurturing approach, where leaders believe that employees cannot make decisions independently and constantly depend on leaders for guidance and protection.

4. Charismatic Leadership Style

Charismatic leadership has a strong magnetic pull, usually attracting a large following of loyal and devoted members who often blindly follow the leader's vision.

5. Democratic Leadership Style

Democratic leadership prioritizes discussions and aims to foster collaboration in achieving organizational goals. Leaders possessing this style are open to receiving suggestions and criticism, and they understand the needs of employees.

According to Kartono and Lisa Paramita (2017), the indicators of leadership styles are as follows:

1. Decision-Making Ability

Decision-making is a systematic approach to the nature of alternatives faced and taking action that is calculated to be the most appropriate course of action.

2. Motivational Ability

Motivational ability is the driving force that causes a member of the organization to willingly and willingly mobilize their abilities (in the form of skills or expertise), energy, and time to carry out various activities that are their responsibility and fulfill their obligations. This is done to achieve the predetermined goals and objectives of the organization.

3. Communication Ability

Communication ability is the skill or capacity to convey messages, ideas, or thoughts to others with the aim that the other person understands what is meant well, whether directly, verbally, or indirectly.

4. Subordinate Control Ability

A leader must have the desire to make others follow their wishes using personal strength or authority effectively and appropriately.

5. Responsibility

A leader must have responsibility towards their subordinates. Responsibility can be understood as an obligation to bear, shoulder the responsibility, bear everything, or provide an answer and bear the consequences.

6. Emotional Control Ability

The ability to control emotions is essential for our success in life. The better we are at managing our emotions, the easier it becomes to achieve happiness.

# Rewards

According to experts, rewards or recognition are forms of appreciation given to employees who achieve specific accomplishments that benefit the company or organization, whether in financial or non-financial terms. The purpose of rewards is to enhance enthusiasm, motivation, and the drive to excel in order to achieve organizational goals. According to Moh Zaiful Rosyid (2018), the objectives of giving rewards include the following:

1. Attract

Rewards should attract high-quality individuals to become members of the organization.

2. Retain

Rewards also aim to retain employees from being recruited by other organizations. An effective and appealing reward system can minimize employee turnover. 3. Strengthen

Participants should possess the strength to maintain their achievements.

4. Motivate

A good reward system should enhance employees' motivation to achieve high levels of performance.

5. Habituation

After achieving the first four objectives of rewards, the equally important aspect is the habituation of consistently performing well, leading to continuous improvement.

Employee Performance

Performance can be known and measured when an individual or a group of employees meet the criteria or benchmarks for success set by the organization. Therefore, without established goals and objectives in measurements, one's performance might not be discernible without measures of success (Winoto, 2022). According to Nursalam (2015), performance is the result of an individual's or a group's work within an industry to achieve their goals in accordance with their responsibilities and authority, adhering to moral standards and not violating the law. Performance is the outcome produced by a group during a specified period of time, whether positive or negative (Fahmi, 2013). According to Prawirosentono, the factors that influence employee performance include:

1. Effectiveness and Efficiency

Organizational performance is measured by effectiveness and efficiency. Effectiveness means achieving goals, while efficiency means satisfying as a motivator to achieve goals, regardless of whether it is effective or not. An organization is effective when its goals are achieved according to the planned needs. Efficiency, on the other hand, relates to the amount of sacrifice expended in the effort to achieve organizational goals.

2. Authority and Responsibility

Each employee within an organization should be aware of their rights and responsibilities in order to achieve organizational goals. Clarity of authority and responsibilities for each person within an organization supports employee performance.

3. Discipline

Discipline includes obedience and respect for agreements made between the company and employees. If the company's regulations are violated or neglected, the employees have poor discipline. Conversely, if employees adhere to company regulations, it signifies good discipline.

4. Initiative

Initiative is a creative way of thinking involving generating ideas to plan something related to the organization's goals. It shows the proactive approach of individuals in contributing to organizational objectives.

According to Mangkunegara, performance indicators are as follows (Mangkunegara, 2017):

1. Quality

Quality refers to the excellence achieved in one's work.

2. Quantity

Quantity refers to the amount achieved in one's work.

3. Dependability

Dependability indicates whether an employee can follow instructions, show initiative, exercise caution, and be diligent in performing their tasks.

4. Attitude

Attitude encompasses an employee's disposition towards the company, colleagues, and their work.

Self-Efficacy

Self-efficacy is the self-assessment of one's ability to organize and execute actions necessary to achieve predetermined performance (Hidayat, 2015). Bandura, as cited in the research of Rohmatun and Taufik (2014), states that self-efficacy is essentially the outcome of cognitive processes, involving decisions, beliefs, or expectations about an individual's estimation of their ability to carry out specific tasks or actions needed to achieve desired outcomes.

Stajkovic and Luthans, as mentioned in Fattah (2017), describe selfefficacy as the ability that refers to an individual's belief in generating selfmotivation, cognitive resources, and actions to successfully perform their responsibilities. According to Bandura, self-efficacy consists of three aspects:

1. Magnitude

This aspect is related to the level of task difficulty. With varying task difficulties, individuals tend to choose tasks that align with their abilities. Individuals with high self-efficacy will have strong confidence in their abilities to carry out tasks, while those with low self-efficacy will have correspondingly low confidence.

2. Strength

This aspect pertains to how confident individuals are in utilizing selfefficacy when performing tasks. It is related to the behavior required to achieve task completion when needed. Self-efficacy provides the strength to put in greater effort.

3. Generality

Generality explains an individual's belief in completing specific tasks thoroughly and effectively. Individuals with low self-efficacy are more likely to give up or complain when faced with multiple tasks together or in different conditions than usual. On the other hand, individuals with high self-efficacy perceive challenges in threats and exhibit fewer doubts.

The following is one of the four sources of self-efficacy:

1. Performance Accomplishments

Performance accomplishments refer to achievements and successes from one's past experiences. This source of self-efficacy has the strongest influence. Positive past achievements enhance self-efficacy expectations, while failures can lower self-efficacy.

2. Vicarious Experience

Vicarious experience involves learning from observing the successes and failures of others. Self-efficacy can increase when witnessing others' successes and decrease when observing their failures.

3. Social Persuasion

Self-efficacy can be influenced, reinforced, or weakened through social persuasion. The impact of this source is limited, but under certain conditions, persuasion from others can affect self-efficacy.

4. Emotional Arousal

Emotions experienced during an activity can affect self-efficacy in that particular domain. Strong emotions such as fear, anxiety, and stress can reduce self-efficacy.

Research Framework

Based on the literature review, several factors that can influence the formation of the research framework can be depicted as follows:

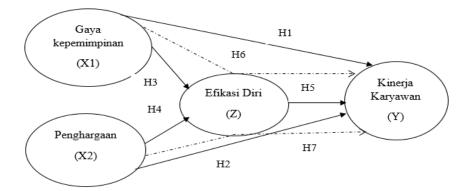


Figure 1. Conceptual Framework

The formulated hypotheses for this research, based on the background of the problem, research questions, and the conceptual framework outlined, are as follows:

H1: There is an influence of leadership style on the performance of employees at Laboratorium Klinik Pramita in Manado.

H2: There is an influence of rewards on the performance of employees at Laboratorium Klinik Pramita in Manado.

H3: There is an influence of leadership style on self-efficacy of employees at Laboratorium Klinik Pramita in Manado.

H4: There is an influence of rewards on self-efficacy of employees at Laboratorium Klinik Pramita in Manado.

H5: There is an influence of self-efficacy on the performance of employees at Laboratorium Klinik Pramita in Manado.

H6: There is an influence of leadership style on employee performance with self-efficacy as a mediating variable at Laboratorium Klinik Pramita in Manado.

H7: There is an influence of rewards on employee performance with selfefficacy as a mediating variable at Laboratorium Klinik Pramita in Manado.

# **RESEARCH METHODOLOGY**

## Research Object

The objective of this study is to examine how employee performance is influenced by leadership style and rewards, with self-efficacy as a mediating variable. The research aims to explore the extent to which the independent variables impact the mediating variable, which subsequently affects the dependent variable. The study is conducted at Laboratorium Klinik Pramita in Manado, which is a significant clinical laboratory in the region.

## **Population and Sample**

## Population

The population refers to the entire group of subjects/objects with specific characteristics set by the researcher for study and subsequent conclusions (Sugiyono, 2016). The population for this research consists of all 80 employees at Laboratorium Klinik Pramita in Manado.

Sample

A sample is a subset of the population that is taken using specific methods to represent certain characteristics in a clear, comprehensive, and representative manner (Sugiyono, 2016). The sample in this study consists of 58 permanent and 22 contract employees at Laboratorium Klinik Pramita in Manado.

The sampling technique used is total sampling. Total sampling, also known as a census, is a method where the entire population is included in the sample (Sugiyono, 2018). The total sample size used is 80 employees. The criteria for selecting the sample are as follows:

Inclusion Criteria:

1.		Employees	working	at	Laboratorium	Klinik	Pramita
	in Manado.						
2.		Employees	who agre	e to	participate as	respon	dents.

Exclusion Criteria: Employees who refuse to participate, are sick, on leave, on vacation, or absent during the research period.

#### **Data Collection Techniques**

In this research, the data source is primary data, meaning that the data is collected directly by the researcher. The data collection techniques that will be employed are questionnaire surveys and literature review. Based on the questionnaire, employees' opinions on leadership style, rewards, and selfefficacy as a mediating variable will be assessed.

The assessment of respondents will be measured using a Likert scale ranging from 1 to 5. This scale is used to measure the extent to which respondents agree with the indicators in the questionnaire. The Likert scale is a method of measurement aimed at assessing a person's opinions, perceptions, or attitudes towards a particular situation or condition.

#### Data Analysis Technique

The data analysis method used in this research is the Structural Equation Model (SEM) approach, utilizing SmartPLS 3.0 software. According to Ghozali (2015), SEM is an analysis tool used to examine cause-and-effect relationships with latent variables. SEM analysis consists of two models: the measurement model (outer model), which addresses how manifest variables represent the measurement of latent variables, and the structural model (inner model), which estimates the relationships between latent variables or constructs (Ghozali, 2020).

## **Evaluation of Measurement Model (Outer Model)**

The evaluation of the measurement model aims to assess the validity and reliability of the model. The purpose of validity testing is to determine how well

a measurement instrument can measure what it intends to measure. Reliability, on the other hand, aims to assess the consistency of measurement results when the same phenomenon is measured multiple times using the same measurement instrument (Siregar, 2017). The tests conducted on the outer model include:

1. Convergent Validity:

According to Ghozali and Latan (2015), to assess convergent validity, the Rule of Thumb can be used, where loading factors should be greater than 0.7. Additionally, convergent validity can be determined by looking at the Average Variance Extracted (AVE) for each construct and the correlation between constructs. The expected AVE value should be above 0.7.

2. Discriminant Validity:

The measurement model is related to reflective indicators, which can be seen through cross-loading values. Discriminant validity is achieved when the discriminant validity of an indicator is greater than its crossloadings on other constructs. Another way to assess discriminant validity is by comparing the square root of the AVE value with the correlations between latent variables. The square root of AVE should be greater than the highest correlation with other constructs.

3. Composite Reliability:

Reliability of a construct in the PLS-SEM method using SmartPLS 3.0 can be tested by examining the values of Cronbach's Alpha and Composite Reliability. Cronbach's Alpha is used to determine the lower limit of a construct's reliability, while Composite Reliability is used to assess the reliability of a construct (Ghozali, 2020). The Rule of Thumb in evaluating construct reliability is based on the value of composite reliability, which is expected to be above 0.7 (Hair et al., 2017). The Cronbach's Alpha value is considered reliable if it is greater than 0.7 (Ghozali, 2018).

- 4. Second Order Confirmatory Factor Analysis: In SEM-PLS, this is used as a second-order analysis to compare the indicator sizes, ensuring that indicators have high values (Abdillah &
  - Jogiyanto, 2015).

## **Structural Model Evaluation (Inner Model)**

The purpose of evaluating the inner model is to predict the relationships between variables. The significance of relationships between variables is assessed based on the path coefficient values. Path coefficient values are obtained through the bootstrapping process. The direction of path coefficients should align with the hypothesized theory. The tests conducted on the inner model include:

1. Coefficient of Determination (R2):

The coefficient of determination (R2) measures the model's ability to explain the variation in the dependent variable. The value of the coefficient of determination ranges from 0 to 1. A strong coefficient of determination has a value of 0.75. A value of 0.50 indicates moderate strength, while a value of 0.25 is considered weak.

2. Bootstrapping:

In bootstrapping, critical t-values are used, such as 1.65 for a significance level of 10.5%, 1.96 for a significance level of 5%, and 2.58 for a significance level of 1%, with two-tailed significance values.

3. Hypothesis Testing:

This study involves multiple variables, including leadership style, rewards, employee performance, and the mediating variable of self-efficacy. Hypothesis testing is performed using multivariate analysis with the PLS-SEM test, using the SmartPLS software. The t-test statistic is used to indicate the extent to which an independent variable influences the variation in the dependent variable (Ghozali, 2018). The p-value is then examined with a significance level of  $\propto = 5\%$ . If the p-value is < 0.05, then the null hypothesis (Ho) is rejected. Conversely, if the p-value is > 0.05, then Ho is accepted. The decision-making process is as follows:

- If the calculated t-statistic < the critical t-value, then Ho is accepted and Ha is rejected.
- If the calculated t-statistic > the critical t-value, then Ho is rejected and Ha is accepted.

# **RESULTS AND DISCUSSION**

# Profile of Pramita Clinic Laboratory Manado:

Pramita Clinic Laboratory is a comprehensive and high-quality healthcare facility. The laboratory has received several awards such as the Top Brand Award, Wow Brand Award, and Service Quality Award. Pramita Clinic Laboratory Manado is one of the branches of the Pramita Clinic Laboratory network in Indonesia. It is located at Jl. Garuda No. 79, Wenang District, North Sulawesi. Pramita Clinic Laboratory Manado provides various sample testing and clinical specimen examination services. These services are essential for disease detection, diagnosis, and other health conditions. The laboratory is equipped with advanced equipment and qualified medical professionals to support high-quality services.

## **Characteristics of Respondents**

Respondents in this study are employees of Pramita Clinic Laboratory Manado. Here are several characteristics of respondents based on their attributes:

Gender	Frequency	Percentage
Male	33	41,2%
Female	47	58,8%
Total	80	100%

Table 3. Characteristics of Respondents Based on Gender

Table 4. Characteristics of Respondents by Age

Age	Frequency	Percentage
< 25 year	38	47,5%
26-35 year	39	48,8%
36-45 year	2	2,5%
46-55 year	1	1,2%
Total	80	100%

Table 5. Characteristics of Respondents by Education Level

Level of Education	Frequency	Percentage
S1	21	26,2%
D IV	5	6,2%
D III	40	50%
SMA/SMK	14	17,5%
Total	80	100%

Table 6. Characteristics based on length of work

Length of work	Frequency	Percentage
<1 year	1	1,25%
1-2 year	41	51,25%
3-4 year	28	35%
>4 year	10	12,5%
Total	80	100%

Job Status	Frequency	Percentage
Permanent employees	50	62,5%

## Kong,Tj,Fushen

Contract employees	30	37,5%
Total	80	100%

Data Analysis

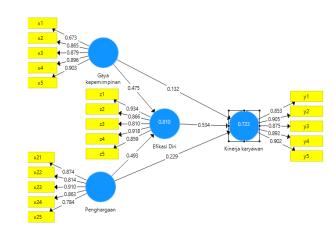


Figure 2. Stage 1 Causal Relations

# Measurement Model Evaluation (Outer Model)

## **Convergent Validity**

In this study, there are 20 indicators from the variables used. Indicators are considered valid when the loading factor is > 0.7. Below are the loading values of 34 indicators in this study.

Table 8. Outer loading Factor	Table 8.	Outer	loading	Factor
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Variable	Indicator	Loading Factor	Rule of thumbs	Conclusion
Leadership	X1	0,673	0,700	Not valid
Style	X2	0,865	0,700	Valid
	X3	0,879	0,700	Valid
	X4	0,896	0,700	Valid
	X5	0,903	0,700	Valid
Reward	X21	0,874	0,700	Valid
	X22	0,814	0,700	Valid
	X23	0,910	0,700	Valid
	X24	0,863	0,700	Valid
	X25	0,784	0,700	Valid
Self-Efficacy	Z1	0,934	0,700	Valid
	Z2	0,866	0,700	Valid
	Z3	0,810	0,700	Valid
	Z4	0,918	0,700	Valid

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	Z5	0,859	0,700	Valid
Employee	Y1	0,853	0,700	Valid
Performance	Y2	0,905	0,700	Valid
	Y3	0,875	0,700	Valid
	Y4	0,892	0,700	Valid
	Y5	0,902	0,700	Valid

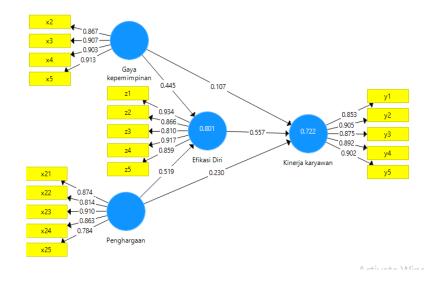


Figure 3. Data processing Stage 2

Variable	Indicator	Loading	Rule of	Conclusion
		Factor	thumbs	
Leadership	X2	0,867	0,700	Valid
Style	Х3	0,907	0,700	Valid
	X4	0,913	0,700	Valid
	X5	0,903	0,700	Valid
Reward	X21	0,874	0,700	Valid
	X22	0,814	0,700	Valid
	X23	0,910	0,700	Valid
	X24	0,863	0,700	Valid
	X25	0,784	0,700	Valid
Self-	Z1	0,934	0,700	Valid
Efficacy	Z2	0,866	0,700	Valid
	Z3	0,810	0,700	Valid
	Z4	0,918	0,700	Valid

Table 9. Leadership Style

	Z5	0,859	0,700	Valid
Employee	Y1	0,853	0,700	Valid
Performanc	Y2	0,905	0,700	Valid
e	Y3	0,875	0,700	Valid
	Y4	0,892	0,700	Valid
	Y5	0,902	0,700	Valid

# Table 10. Discriminant Validity (Cross Loading)

		Leadership	Reward	Self-	Employee
		Style		Efficacy	Performance
Leadership Style	X2	0,867	0,636	0,716	0,626
	X3	0,907	0,648	0,737	0,701
	X4	0,903	0,611	0,692	0,640
	X5	0,913	0,690	0,794	0,647
Reward	X21	0,561	0,874	0,725	0,661
	X22	0,655	0,814	0,655	0,720
	X23	0,692	0,910	0,692	0,595
	X24	0,700	0,863	0,700	0,608
	X25	0,780	0,784	0,780	0,688
Self-Efficacy	Z1	0,810	0,790	0,934	0,803
	Z2	0,734	0,718	0,866	0,733
	Z3	0,583	0,767	0,810	0,635
	Z4	0,765	0,712	0,917	0,731
	Z5	0,690	0,703	0,859	0,762
Employee	Y1	0,588	0,641	0,687	0,853
Performance	Y2	0,604	0,649	0,740	0,905
	Y3	0,649	0,732	0,707	0,875
	Y4	0,618	0,616	0,708	0,892
	Y5	0,747	0,77	0,846	0,902

Variable	Composite	Average	Cronbach
	Reliability	Variance	alpha
		Extracted	
Leadership Style	0,943	0,806	0,920
Reward	0,903	0,723	0,903
Self-Efficacy	0,944	0,771	0,925
Employee Performance	0,948	0,784	0,931

## **Structural Model Evaluation (Inner Model)**

Below is the structural model of this study, obtained through the bootstrapping process.

## Table 12. R-Square

	R-Square	R-Square Adjusted
Self-Efficacy	0,801	0,795
Employee Performance	0,722	0,711

Hypothesis	Effect	Original	Т-	P-	Result
		Sample	Statistic	Value	
	Leadership Style				
H1	=> Self-Efficacy	0,445	5.720	0,000	accepted
	Reward => Self-				accepted
H2	Efficacy	0,519	6.504	0,000	
	Leadership Style				
H3	=> Employee	0,107	0,984	0,328	Not
	Performance				accepted
H4	Reward =>				
	Employee	0,230	1,892	0,062	Not
	Performance				accepted
H5	Self-Efficacy =>				
	Employee	0,557	3.630	0,000	accepted
	Performance				
H6	Leadership Style				
	=> Self-Efficacy				
	=> Employee	0,248	2.811	0,006	accepted
	Performance				
H7	Reward => Self-				accepted
	Efficacy =>	0,289	3.261	0,002	
	Employee				
	Performance				

Table 13. Path Coefficient

- a. The value of R-Square for employee self-efficacy is 0.801, which means that 80.1% of the variability in employee self-efficacy can be explained by the variability in leadership style, rewards, and employee performance, while the remaining portion is explained by other factors not studied.
- b. According to Ghozali and Latan (2015), the R-Square values of 0.67, 0.33, and 0.19 can be interpreted as a strong, moderate, and weak model strength respectively. It can be concluded that their influences are strong or high.
- c. The R-Square value for employee performance is 0.722, indicating that 72.2% of the variability in employee performance can be explained by the variability in leadership style, rewards, and self-efficacy, while the remaining portion is explained by other factors not studied. It can be said that the influence is strong.

# **Hypothesis Testing**

Hypothesis testing in this study is conducted using the Structural Equation Model (SEM) approach through the Smart PLS program. Below are the results of the hypothesis testing for each hypothesis.

H1: Leadership style has a positive influence on self-efficacy, where the path coefficient value resulted in 0.445. In this study, the t statistic value is greater than the t-table value (1.99), which is 5.720, and the p-value is less than 0.05, which is 0.000. Thus, hypothesis (H1) is accepted.

H2: Rewards have a positive influence on self-efficacy, where the path coefficient value resulted in 0.519. In this study, the t statistic value is greater than the t-table value (1.99), which is 6.504, and the p-value is less than 0.05, which is 0.000. Thus, hypothesis (H2) is accepted.

H3: Leadership style does not have a significant influence on employee performance, where the path coefficient value resulted in 0.107. In this study, the t statistic value is smaller than the t-table value (1.99), which is 0.984, and the p-value is greater than 0.05, which is 0.328. Thus, hypothesis (H3) is rejected.

H4: Rewards do not have a significant influence on employee performance, where the path coefficient value resulted in 0.230. In this study, the t statistic value is smaller than the t-table value (1.99), which is 5.720, and the p-value is greater than 0.05, which is 0.062. Thus, hypothesis (H1) is accepted.

H5: Self-efficacy has an influence on employee performance, where the path coefficient value is 0.557. In this study, the t statistic value is greater than the t-table value (1.99), which is 3.630, and the p-value is less than 0.05, which is 0.006. Thus, hypothesis (H5) is accepted.

H6: Self-efficacy mediates the influence of leadership style on employee performance, where the path coefficient value is 0.248. In this study, the t

statistic value is greater than the t-table value (1.99), which is 2.811, and the p-value is less than 0.05, which is 0.006. Thus, hypothesis (H6) is accepted.

H7: Self-efficacy mediates the influence of rewards on employee performance, where the path coefficient value is 0.289. In this study, the t statistic value is greater than the t-table value (1.99), which is 3.261, and the p-value is less than 0.05, which is 0.002. Thus, hypothesis (H7) is accepted.

# Discussion

H1: (Katz, 2017) proposed that a leader's ability in leading and managing an organization consists of technical skills, human relation skills, and conceptual skills. This research aligns with a study conducted by RSUD Dr. R. Goeteng Purbalingga, Taroenadibrata which found а relationship between transformational leadership style of the head of the inpatient ward and nurse self-efficacy. Based on the influence of leadership style on self-efficacy, it is advisable for the leadership of Pramita Clinic Laboratory Manado to motivate employees to better understand and pay attention to each employee's abilities in completing tasks. These findings are in line with the previous study by (Chan, 2014) who suggested a significant positive influence of transformational leadership on self-efficacy.

H2: This aligns with Bandura's theory (2015) that self-efficacy can be influenced by verbal persuasion factors. Verbal persuasion refers to words of praise, encouragement, and valuing the employees' abilities. These words and expressions serve as intrinsic rewards. Based on research in the field of education and adjusted to theory, companies are expected to provide rewards to employees to enhance their self-efficacy, ultimately improving their job performance at Pramita Clinic Laboratory Manado.

H3: This study runs counter to the research by (Guntur et al., 2017) which found no significant relationship between leadership style at Head Office PT. Marifood and employee performance. However, this contradicts the findings of Fitzgerald and Schutte (2012) who discovered a significant positive effect of transformational leadership on employee performance. This outcome also diverges from a study conducted by Dwi Haryanto (2017) who found no influence of leadership style on employee performance at CV. Indyferyto Group Yogyakarta. These conflicting findings suggest that the leadership style implemented at Pramita Clinic Laboratory Manado needs to be adapted to the specific work environment and conditions.

H4: This study coincides with research done by Bilal (2017) that extrinsic rewards have no influence on employee performance. This indicates that the level of extrinsic rewards has no significant effect on employee performance. The research conducted at Pramita Clinic Laboratory Manado demonstrates that salary, allowances, bonuses, and promotions do not affect employee performance since these rewards do not motivate employees to work harder or more efficiently.

H5: Self-efficacy represents an individual's inclination to engage themselves in achieving targeted goals. According to Fadzilah (2015), when behavior is directed toward a goal, tasks can be performed effectively, leading to improved job performance. These results are consistent with previous studies by Indrawati (2014) and Meier (2015) which found a positive and significant mediating effect of self-efficacy on the relationship between leadership style and employee performance. Therefore, Pramita Clinic Laboratory Manado should provide training to enhance employees' confidence in their abilities and assign tasks that match their competencies to achieve higher performance.

H6: According to Harwanti and Kawakib (2016), individuals who are confident in their abilities tend to perform tasks well even in the face of obstacles, while those who doubt their abilities are more likely to struggle with tasks. The direct effect of leadership style on employee performance is not significant in this study. However, the presence of self-efficacy as a positive and significant mediator indicates that self-efficacy mediates the relationship between leadership style and employee performance at Pramita Clinic Laboratory Manado. These findings support previous research by Cavazotte (2016) and Harjono (2015) indicating that self-efficacy as a mediating variable has a positive and significant effect on the relationship between leadership style and employee performance.

H7: The recognition given to employees, both intrinsic and extrinsic, can enhance their self-efficacy and subsequently improve their job performance. This aligns with the study by Jati (2017) that found positive and significant effects of intrinsic rewards on employee performance through mediating effects of self-motivation. Therefore, by acknowledging employees' abilities through rewards, Pramita Clinic Laboratory Manado can improve the quality and quantity of work, in line with the research by Nancy et al. (2019) in the field of education in Pematangsiantar, Medan.

## CONCLUSION AND RECOMMENDATION

Leadership style has a positive and significant influence on employee self-efficacy at Pramita Clinic Laboratory Manado,Rewards have a positive and significant influence on employee self-efficacy at Pramita Clinic Laboratory Manado,Leadership style does not have a significant influence on employee performance at Pramita Clinic Laboratory Manado,Rewards do not have a significant influence on employee performance at Pramita Clinic Laboratory Manado,Self-efficacy has a positive and significant influence on employee performance at Pramita Clinic Laboratory Manado,Leadership style indirectly influences employee performance through self-efficacy as a mediating variable at Pramita Clinic Laboratory Manado,Rewards indirectly influence employee performance through self-efficacy as a mediating variable at Pramita Clinic Laboratory Manado.

For Pramita Clinic Laboratory Manado:

In order to enhance employee performance at Pramita Clinic Laboratory Manado, efforts can be focused on improving employee self-efficacy. This can be achieved by leadership acknowledging and valuing employees' abilities, providing motivation, and recognizing their contributions. Leaders who can effectively lead, understand employee capabilities, and foster self-confidence in the workplace should be encouraged in the leadership approach at Pramita Clinic Laboratory Manado.

For Future Researchers:

Future researchers are encouraged to use this study as a reference for exploring leadership styles, rewards, and self-efficacy in relation to employee performance at Pramita Clinic Laboratory Manado. Additional variables can also be introduced to provide a more comprehensive understanding of factors influencing employee performance, such as work environment, motivation, and training opportunities.

#### ADVANCED RESEARCH

This research still has limitations so further research is still needed on this topic.

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