



The Influence of Leadership Style and Work Discipline on Employee Performance with Work Motivation as an Intervening Variable at PT. Permodalan Nasional Madani Bogor Branch Office

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ABSTRACT

Employees and work discipline are the main factors that affect performance. The influence of leadership style and work discipline on employee performance at PT Permodalan Nasional Madani (PT PNM) Bogor Branch, with work motivation as an intervening variable. This study intends to investigate the influence of leadership style, work discipline, and work motivation on employee performance at the Bogor Branch Office of PT Permodalan Nasional Madani. The study population was all employees who occupied certain positions at PT PNM Bogor Branch with a total of 120 respondents selected using the random sampling method. Data analysis uses the PLS SEM method as an analysis tool. The results of research at PT PNM Bogor Branch Office show that (1) Leadership Style has a positive and significant influence on Work Motivation. (2) Work Discipline has a positive and significant influence on Work Motivation. (3) Work Motivation has a positive and significant influence on Employee Performance. (4) Leadership Style does not have a significant direct influence on Employee Performance. (5) Work Discipline has a positive and significant influence on Employee Performance. (6) Leadership Style does not have a significant influence on Employee Performance through Work Motivation and (7) Work Discipline has a significant influence on Employee Performance through Work Motivation at PT PNM Bogor Branch Office. The role of intervening variables in Work Motivation is classified as a type of partial mediation

INTRODUCTION

Every company has several strategies and aspects that influence in an effort to achieve its goals in achieving profits, including updating technology, managing funds or finances appropriately, improving the quality of human resources and other aspects (Hailudin, 2021). Human resources in the form of humans employed in an organization as planners and implementers as a driving force to achieve the goals of the organization (Andriani, 2022). Human resources are indispensable to an organization as the driving force and determining factor of its success (AFA & Fahrurozi, 2020). The success and failure of the organization depends on the success in managing HR, so how important HR is to the organization.

In the era of the 4.0 industrial revolution, employee performance is crucial to a company's success (Hendriyadi, 2019). An employee or team's performance is the end outcome of their efforts on behalf of the business or organisation. With processes that are in line with the company's or organization's vision and goal, (Mahfud, 2019) as per their assigned roles and duties. Performance, as defined by Handayani et al., (2019) the term "performance" refers to how well an individual or group did during a defined as " a comparison of the result or level of success attained by an individual or group during a specified time period in completing tasks relative to numerous alternatives, including but not limited to standards of work results, targets, objectives, or criteria."

Basically, every company established has goals that are expected to experience rapid development in the scope of its business as stated in the vision and mission of an organization or company, among them PT Permodalan Nasional Madani (PNM). PT PNM is an organization engaged in non-bank financing. MSMEs are also the spearhead of the Indonesian economy (Aldi Khairy Rusli, 2019).

By virtue of Minister of Justice Regulation No.C-11.609.HT.01.TH.99 dated June 23, 1999, and Minister of Finance Decree No.487/KMK.017.1999 dated October 13, 1999, PT PNM was formally established as a special financial institution on June 1, 1999. POJK. NO.16/POJK.05/2019 about Supervision of PT PNM (Persero) places PT PNM under the watchful eye of the Financial Services Authority (OJK). As of June 2023, PT PNM had over 67 thousand personnel in Indonesia working in its 62 Branch Offices, 3,834 Mekaar Unit Offices, and 643 ULaMM Unit Offices to assist its customers in 35 Provinces, 432 Regencies / Cities, and 6,018 Districts. PT PNM Bogor Branch Office is one of 62 PNM branches located in Bogor City, West Java. Currently, the Bogor branch has around 1,260 employees (PNM, 2023).

Currently, the attendance problem faced by PT PNM Bogor Branch Office can be a serious issue in the company's performance. Budiyanto & Mochklas conveyed (Budiyanto & Mochklas, 2020) that the level of absenteeism concerns employee motivation to be more disciplined at work so that employee performance can be better. The number of employees who do not enter and arrive late tends to change every month without any significant changes for the better. This high fluctuation can be an indication of performance problems at PT PNM Bogor Branch Office.

The first factor that affects performance is leadership style. Conveyed by Handayani et al., (2019) leadership is a set of interacting factors, including but not limited to procedures, personality, behaviour, influence, authority, interaction goals, role differentiation, structure creation, and direction-based communication. The company must pay attention to, and find ways to improve upon, a number of factors that are contributing to the decline in employee performance. These include the quality of leadership provided, the presence of good and correct work discipline in employees' daily work activities, and the consistency with which the company manages its human resources. On the other hand, if a leader doesn't tailor their approach to fit the specifics of their team and the tasks at hand, they risk seeing a decline in morale and productivity among their colleagues. A leader's ability to motivate, inspire, and coordinate the various parts of his team towards the accomplishment of a common goal is central to the concept of leadership. High employee performance, in turn, is crucial to the success of any enterprise.

A company or organisation requires a leader who can keep things on track and make it competitive in the marketplace. This is connected to the value of a leader in advancing the organization's goals and objectives. Organisations can only perform at their best under the guidance of capable leaders (Bagis *et al.*, 2020). Various ways will be taken by companies in improving the performance of their employees, including by paying attention to the leadership style of superiors seen from the aspects of how to communicate leadership with subordinates, how to provide leadership motivation to subordinates, how leadership creates a good and pleasant work atmosphere, and how leadership makes decisions (Kusumadewi *et al.*, 2018).

Previous research has demonstrated that leadership style influences employee performance (Handayani et al., 2019; Sabastian, 2021). However, According to other studies, leadership style has no effect on employee performance (Inna Nisawati Mardiani & Yon Darwis Sepdiana, 2021). The impact of a leader's approach on staff productivity has been studied to varying degrees of success. The contradictory findings of earlier studies highlight the need for additional investigation into the link between leadership style and employee performance.

Discipline in the workplace is another aspect that can have an impact on productivity. Supervisors implement disciplinary measures in the workplace when they want to get workers to improve their behaviour or to raise their understanding of and compliance with all workplace policies and procedures. Discipline in the workplace refers to the conformity of one's demeanour, outlook, and actions with the norms established by the company. In general, all workers are expected to exhibit strict discipline, from showing up to work on time to putting in the necessary effort to complete the duties at hand and reach the goal (Sudarsih & Supriyadi, 2019). Work discipline also has aspects that affect the decline in employee performance. The success or failure of discipline depends on how well the leader performs his or her duties. Employees whose relationships with their managers are strained don't put forth their full potential on the job, and their managers tend to have a negative impression of them as a result of their

lack of dedication to their work. The worker ended up deciding to leave the business (Kristanto & Edward, 2020). Work discipline is beneficial for the firm and its employees because it ensures that responsibilities and policies are carried out consistently and efficiently (Jayanti *et al.*, 2020) found that when workers are disciplined at work, they are more productive and happier. Discipline in the workplace is the practise of enforcing rules and procedures consistently so that employees know they will be held accountable for their actions if they deviate from the established norm. Therefore, this form of discipline cannot be administered hastily and requires careful thought (Priyandi *et al.*, 2020). Researchers believe that in addition to concentrating on leadership style, workplace discipline, and the phenomenon of employee performance issues, they need other variables as mediation that bridges between the aforementioned factors in order to help existing problems, Consequently, this study uses work motivation as an intervening or mediating variable that can influence the aforementioned domains.

Previous research has demonstrated that workplace discipline affects employee performance (Sudarmanto, et al, 2022; Wiranata, et al, 2022). But in other studies, It was explained that workplace discipline had little impact on employee performance (Arisanti, et al, 2019). Results from previous research on the correlation between workplace discipline and productivity have been inconclusive. Since prior studies have yielded contradictory findings, it is crucial to dig deeper into the connection between work discipline and employee performance.

After first research showed inconclusive results, we expanded our focus to include work motivation as the moderating factor in the relationship among leadership style, work discipline, and performance. It may be helpful to incorporate work motivation qualities as intervening or intermediary variables in order to explain why some studies have found Others have not found a positive correlation between leadership style, work discipline, and employee performance.

Motivation is a process of demonstrating individual ability, perseverance from effort towards goal achievement. Without motivation, an employee cannot reach the standard or can exceed the standard because what is his motive and motivation is not met. According to Rukmana, (2020) motivation is an important factor that every employee must have. Every employee has different types of interests in work, motivation can be an impetus for a person to complete his duties and responsibilities at work and a person can happily do his job well. It is well acknowledged that boosting employee performance relies heavily on internal elements like job happiness, motivation, and organizational commitment, all of which originate with the individual employees themselves.

Previous studies have found that leaders' styles indirectly affect employees' motivation to do their best at work, which in turn improves productivity. (Nuraeni, 2019). Furthermore, it is demonstrated that work motivation can mediate the relationship between work discipline and leadership and performance (Arifa & Muhsin, 2018). According to previously cited research,

there is evidence that work motivation can serve as an intermediary variable between leadership style and work discipline and employee performance.

LITERATURE REVIEW

1. Understanding Leadership Style

Leadership style is a way that a person uses to influence the group towards achieving goals (Agustin et.al, 2019). In order to increase employee motivation carried out by leaders, It has an effect on enhancing employee performance and productivity, so that the main goals desired to be achieved by the company can be realized (Agustin et al., 2019).

The ability of a leader to inspire his or her followers to take action and reach a common goal is strongly influenced by the leader's own manner of inspiring that action in others (Handayani et al., 2019). When a leader exerts influence on the actions of followers, he or she is exhibiting a leadership style, which is a pattern of behaviour that is well-known to followers (Bukit et al., 2019).

2. Understanding Work Discipline

According to Supomo and Nurhayati (2018), for the purposes of accomplishing organisational objectives, "work discipline" refers to an employee's willingness to always obey, respect, and respect the rules and norms established by the organisation. Discipline in the workplace is an indication of how seriously one takes his responsibilities. This will boost morale and productivity, helping the company get closer to its goals.

Additionally, Sutrisno noted that work discipline is a person's attitude, behaviour, and actions in accordance with the written and unwritten norms of an organisation. Mangkunegara emphasised that management's implementation of strengthened organisational principles constitutes "work discipline." (Burhannudin, et al, 2019).

3. Understanding Work Motivation

Work motivation is defined as something that invigorates or encourages work. Therefore, motivation is commonly referred to as encouragement or enthusiasm for work (Rotua Situmorang & Sarjono, 2013).

An individual's drive, focus, and persistence at work can all be explained by the process of motivation. A person's inner or psychological milieu in society, organisation, or company that constitutes his work milieu has a significant impact on his work results. The inner climate is reflected in the motivation or love of work that results in actions at work that further organisational objectives (Hastuti Mulang, 2022).

4. Understanding Employee Performance

Success in accomplishing objectives and meeting targets is what is meant by "performance" (Ladianto Candra, 2018).

Quantitative and qualitative indicators are used to assess performance, which is depicted as a contribution to the organization's final results in relation to its expenditures of resources (Irma Kusuma Fitri, 2021).

In this study, here is a picture of the research framework:

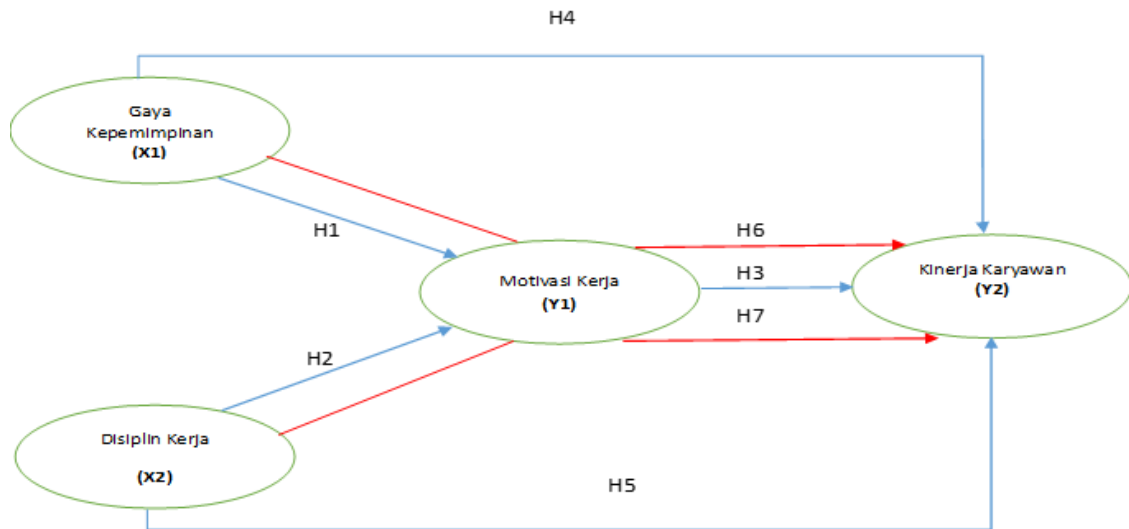


Figure 1. Frame of Mind

Hypothesis

A hypothesis is a temporary conjecture, whose truth must be retested. Based on the framework of thinking, researchers can put forward hypotheses (Temporary conjectures) as follows:

- Leadership Style has a positive and significant effect on the Motivation of *PT PNM Bogor Branch Office Employees*
- Work Discipline has a positive and significant effect on the Motivation of *PT PNM Bogor Branch Office Employees*
- Motivation has a positive and significant effect on the Performance of *PT PNM Bogor Branch Office Employees*
- Leadership Style has a positive and significant effect on the Performance of *PT PNM Bogor Branch Office Employees*
- Work Discipline has a positive and significant effect on the Performance of *PT PNM Bogor Branch Office Employees*
- Leadership Style affects the Performance of *PT PNM Bogor Branch Office Employees* through Work Motivation
- Work Discipline affects the Performance of *PT PNM Bogor Branch Office Employees* through Work Motivation

METHODOLOGY

Population is a collection of individuals with predetermined qualities and characteristics (Wahyudi, Umi Rusilowati, 2021). In this investigation, the population consists of all *PT PNM Bogor Branch Office employees* who hold specific positions. The number of samples equals the number of formation variable indicators multiplied by 5 to 10 (Siregar et al., 2021).

In this study, the variables measured were Leadership Style (X1), Work Discipline (X2), Work Motivation (Y1), and Employee Performance (Y2). Each variable has 3 indicators. With a total of 12 indicators, the number of research samples was decided by the researcher to multiply by 10 from the number of indicators. Therefore, the number of samples selected is 120.

The following are some of the data collection methods employed in this study:

1. Questionnaire

Questionnaire, also known as questionnaire or self-administered questioner, is a technique for collecting data by sending respondents a list of queries to complete (Sidik Priadana, 2021). In this study, closed and items were used

2. Document

Anecdotal notes, letters, diaries, and other papers all fall under the broad category of "documents," which can be thought of as written or printed records of previous events. Internal sheets, communications for various audiences, staff and student records, programme descriptions, and educational statistics are all examples of office documents (Sidik Priadana, 2021). In this study, the documents used include various sources relevant to the research topic. Document sources include documents from PT PNM Bogor Branch Office, scientific journals, related books, and other scientific papers.

Analysis Techniques

The Structural Equation Model (SEM) was used for hypothesis testing in this study's data analysis. The SEM technique builds on multivariate analyses like path analysis and multiple regression (Haryono, 2019). The SEM method is superior to route analysis and multiple regression because it provides a more in-depth investigation of the data.

Some of the stages of PLS analysis are as follows (Haryono, 2017):

1. Model Evaluation

Model evaluation in SmartPLS is divided into two, namely *outer model* and *inner model* (Dr. Duryadi, 2021).

2. Outer Model Evaluation (Measurement Evaluation)

Outer model evaluation is an evaluation of the tools used to collect research data. This evaluation is used to determine the validity and reliability of data collection tools (*Measurement*). The following are the norms used to measure the validity and reliability of *measurement* (Dr. Duryadi, 2021).

3. Evaluation of the Inner Model (Structural Model)

Evaluation of the structural model (*Interior model*) is the second step in model evaluation. Several component items serve as criteria for evaluating the structural model (*Interior model*), including the *R-Square* and Significance values.

RESULT

1. Data Analysis

a. Respondent Answer Analysis

Analysis of respondents' answers in the study aims to identify the average value (Mean), highest score, and lowest score from the score choices given by respondents. Those score options can include values such as 1 (STS), 2 (TS), 3 (N), 4 (S), 5 (SS), which are typically used to measure respondents' perceptions, views, or attitudes toward a topic or question in research. The following are the results of the analysis of respondents' answers in this study:

Table 1. Answer Scores of Research Respondents

Indicators	Category Score					Average	Total Average
	1 (STS)	2 (TS)	3 (N)	4 (S)	5 (SS)		
Leadership Style Variable (X1)							
X1.1	2	8	14	28	68	4,27	4,29
X1.2	3	4	14	37	62	4,26	
X1.3	2	3	11	40	64	4,34	
Total	7	15	39	105	194	12,87	
Work Discipline Variable (X2)							
X2.1	13	11	19	17	60	3,83	3,88
X2.2	10	10	21	20	59	3,90	
X2.3	13	8	17	22	60	3,90	
Total	36	29	57	59	179	11,63	
Work Motivation Variable (Y1)							
Y1.1	9	13	16	18	64	3,96	3,92
Y1.2	9	14	17	19	61	3,91	
Y1.3	12	14	11	20	63	3,90	
Total	30	41	44	57	188	11,77	
Employee Performance Variable (Y2)							
Y2.1	8	10	14	32	56	3,98	3,93
Y2.2	10	10	7	37	56	3,99	
Y2.3	14	13	7	35	51	3,80	
Total	32	33	28	104	163	11,78	

Source : Primary Data 2023

Table 1 above presents the results of the analysis of respondents' answers related to the variables Leadership Style (X1), Work Discipline (X2), Work Motivation (Y1), and Employee Performance (Y2).

b. Designing Structural Models

In this study, there are seven problem formulations with two independent construct variables (X), one intervening variable (Y1) and one dependent construct variable (Y2). To facilitate and understand the flow of data testing, there is a structural model design. The following structural model of the research construct variable:

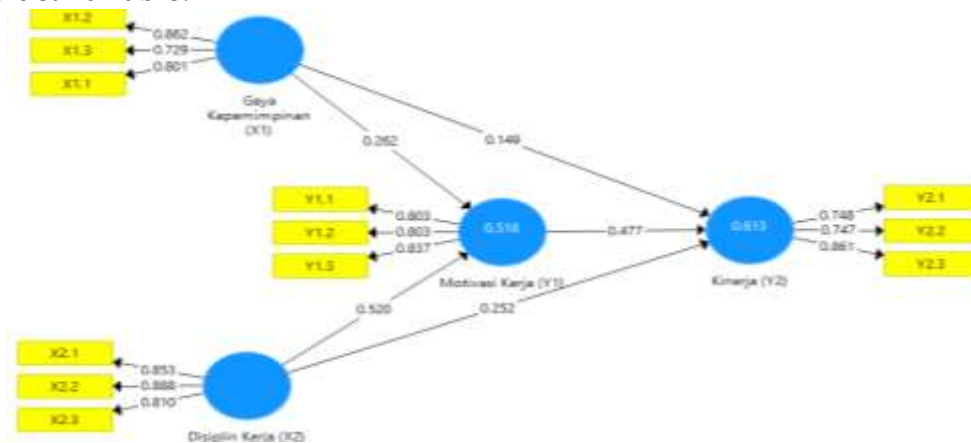


Figure 2. Structural Model of Research Construct Variables

Source : SmartPLS

Information:

X1 : Leadership Style

X2 : Work Discipline

Y1 : Work Motivation

Y2 : Performance

c. Designing the Outer Model

1) Convergent Validity

Loading factor values between 0.6 and 0.7 are indicative of exploratory research validity, whereas values greater than 0.5 indicate confirmatory research validity when testing reflective indicators with the SmartPLS software (Rahmad Solling Hamid, 2019). The following are the results of Convergent Validity:

Table 2. Convergent Validity Test Results

Indicators	Work Discipline (X2)	Leadership Style (X1)	Employee Performance (Y2)	Work Motivation (Y1)
X1.1		0.801		
X1.2		0.862		
X1.3		0.729		
X2.1	0.853			
X2.2	0.888			
X2.3	0.810			
Y1.1				0.803
Y1.2				0.803
Y1.3				0.837
Y2.1			0.748	
Y2.2			0.747	
Y2.3			0.861	

Source : SmartPLS

The results of the convergent validity test in Table 4.8 show that all loading factor values for construct indicators are above 0.7. This suggests that the indicators have strong convergent validity, corresponding to the criteria recommended in the confirmatory analysis.

Table 3. Average Variance Inflation Factor (AVE) Value

Construct	AVE
Work Discipline (X2)	0.724
Leadership Style (X1)	0.639
Employee Performance (Y2)	0.620
Work Motivation (Y1)	0.663

Source : SmartPLS

From AVE test results Table 3, all constructs in this study meet the convergent validity standard, because the AVE value for each construct is above 0.5. This shows that the indicators on the construct have a good ability to measure the variability of the construct.

2) Discriminant Validity

The cross loading value can be used to verify the reliability of the discriminant when using reflecting indicators. Each of these numbers must be bigger than 0.70. (Rahmad Solling Hamid, 2019). The following are the results of Discriminant Validity :

Table 4. Discriminant Validity Test Results

Indicator	Work Discipline (X2)	Leadership Style (X1)	Employee Performance (Y2)	Work Motivation (Y1)
X1.1	0.474	0.801	0.469	0.413
X1.2	0.576	0.862	0.528	0.557
X1.3	0.518	0.729	0.440	0.464
X2.1	0.853	0.592	0.582	0.620
X2.2	0.888	0.549	0.608	0.524
X2.3	0.810	0.532	0.543	0.618
Y1.1	0.570	0.545	0.569	0.803
Y1.2	0.624	0.495	0.618	0.803
Y1.3	0.489	0.430	0.621	0.837
Y2.1	0.516	0.383	0.748	0.574
Y2.2	0.532	0.476	0.747	0.493
Y2.3	0.558	0.553	0.861	0.670

Source : SmartPLS

From the data of Table 4, it can be seen that all *cross loading* values for each variable exceed 0.70. This shows that each indicator has strong discriminant

validity, which indicates that it can effectively distinguish one construct from another.

3) Reliability Test

There are two techniques to calculate the trustworthiness of a construct using reflecting indicators: Cronbach's Alpha and Composite Reliability. Composite reliability, a common method for evaluating construct validity, should be better than 0.7 for confirmatory research although values between 0.6 and 0.7 are fine for exploratory studies (Rahmad Solling Hamid, 2019). The following are the results of the Reliability Test :

Table 5. Reliability Test Results

Construct	Cronbach's Alpha	Composite Reliability
Work Discipline (X2)	0.809	0.887
Leadership Style (X1)	0.716	0.841
Employee Performance (Y2)	0.691	0.829
Work Motivation (Y1)	0.746	0.855

Source : SmartPLS

The results of the Reliability Test in Table 5 show that all constructs have good reliability values, both through *Cronbach's Alpha* and *Composite Reliability* measurements. All of *Cronbach's Alpha* and *Composite Reliability* values are above the recommended values for *confirmatory* research, indicating that they have an adequate level of reliability. However, the Performance construct has *Cronbach's Alpha* value of 0.691. Although 0.691 is still within the acceptable range for *exploratory* research, it may indicate that there is little variation in consistency between indicators that measure performance constructs.

2. Designing the Inner Model

Once the outside model has been tested and shown to be satisfactory, the inner model, or structural model, can be put to the test. The structural model, grounded in the study's theoretical underpinnings, provides a descriptive account of the interplay between latent variables. At this point, analysis is performed by calculating the R-squared value of the dependent variable and the values of the path coefficients for the independent variable. Next, t-statistics are used to determine whether or not a given path coefficient is statistically significant. The proposed research model is more reliable the higher the R-squared value. Path coefficient values reveal the degree of significance during hypothesis testing. By comparing the theoretical model to the empirical data, inner model testing can determine whether or not there is a significant relationship between the indicators making up the variables of interest.

a. Variant Analysis (R2) or Determination Test

In a regression model or other type of analysis, R-Square is a coefficient of determination that evaluates how much of the variability of the dependent variable can be attributed to the independent variable. The

table below summarises the classes present in each model level according to their R-Square values:

Table 6. R-Square Value

R-Square Value	Model Level
≥ 0.75	Strong
≥ 0.50	Moderate
≥ 0.25	Weak

Source : (Rahmad Solling Hamid, 2019)

The following are the results of the Determination test in this study:

Table 7. Determination Test Results

Variable	R-Square Adjusted
Employee Performance (Y2)	0.603
Work Motivation (Y1)	0.510

Source : SmartPLS

In the results of the determination test Table 7, the *R-Square Adjusted value* for two variables was found, namely Employee Performance (Y2) of 0.603 and Work Motivation (Y1) of 0.510. This *R-Square Adjusted value* describes the extent to which variations in the dependent variable can be explained by the independent variable in the research model.

The results of Model 1 indicate that Leadership Style (X1) and Work Discipline (X2) together explain about 51% of the variance in Work Motivation (Y1). Model 2's dependent variable, Employee Performance (Y2), is explained by Model 1's Leadership Style (X1), Model 2's Work Discipline (X2), and Model 1's Work Motivation (Y1), as determined by the determination test.

3. Interpretation

a. Hypothesis Testing

In order to strengthen confidence in the value of the path coefficient found, a significance test was carried out using the *bootstrapping* method. The results of this significance test are then illustrated through the following figure. With *the bootstrapping* method, it can be more convincing that the values of the path coefficients obtained are not only the result of chance, but have a reliable level of significance in measuring the influence between variables and the results are shown in the figure as follows:

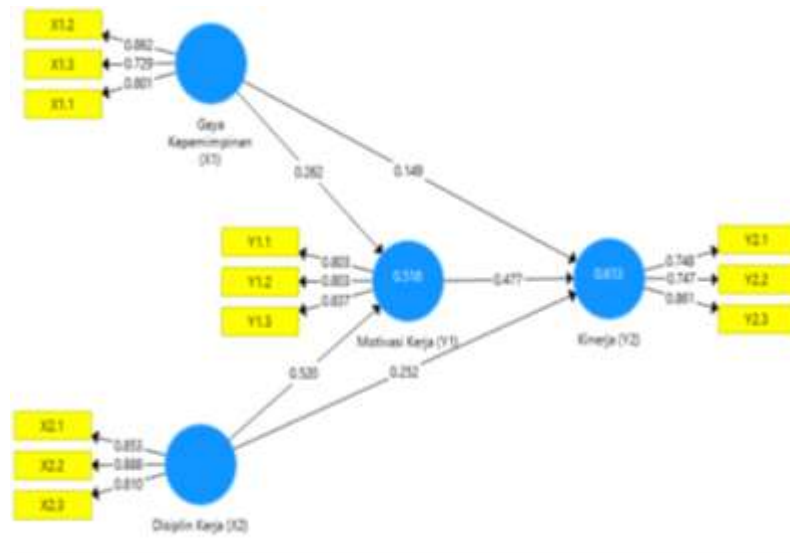


Figure 3. Significance Test Results
 Source : SmartPLS

4. Hypothesis Testing of Direct Influence

The following are the results of the test of the influence of the direct hypothesis on the influence of variables X1, X2 on variables Y1 and X1, X2, and Y1 on variable Y2:

Table 8. Direct Influence Hypothesis

Variable	Original Sample	Mean	Standard Deviation	T Statistics	P Values
Leadership Style (X1) on Work Motivation (Y1)	0.262	0.273	0.110	2.386	0.009
Work Discipline (X2) on Work Motivation (Y1)	0.520	0.516	0.106	4.892	0.000
Work Motivation (Y1) on Employee Performance (Y2)	0.477	0.484	0.090	5.305	0.000
Leadership Style (X1) on Employee Performance (Y2)	0.149	0.141	0.125	1.190	0.117
Work Discipline (X2) on Employee Performance (Y2)	0.252	0.259	0.098	2.554	0.005

Source : SmartPLS

5. Interpretation of the Significance of the Hypothesis of Direct Influence

To test the hypothesis of direct influence, a comparison was made against the statistical T value (Dr. Duryadi, 2021). The testing criteria are as follows:

- a. If the statistical T value is greater than or equal to of 1.96 and the P-Value value is less than or equal to of 0.05, then the hypothesis is acceptable.
- b. If the statistical T value is smaller than 1.96 or if the P-Value is greater than

0.05, then the hypothesis can be rejected.

The following is a summary of the results of the Direct Effect Hypothesis Test that will be used for the significance test:

Table 9. Summary of Direct Influence Hypothesis Test

Variable	Original Sample	T Statistics	P Values
Leadership Style (X1) on Work Motivation (Y1)	0.262	2.386	0.009
Work Discipline (X2) on Work Motivation (Y1)	0.520	4.892	0.000
Work Motivation (Y1) on Employee Performance (Y2)	0.477	5.305	0.000
Leadership Style (X1) on Employee Performance (Y2)	0.149	1.190	0.117
Work Discipline (X2) on Employee Performance (Y2)	0.252	2.554	0.005

Source : SmartPLS

Table 9 presents the results of hypothesis tests regarding direct influence. Each result is interpreted as follows:

1. The Leadership Style variable (X1) has a positive and significant influence on Work Motivation (Y1). This is evidenced by the value of T Statistics ($2.286 > 1.96$). According to the results of this statistical calculation, it is concluded if H1 is accepted.
2. The Work Discipline variable (X2) has a positive and significant influence on Work Motivation (Y1). This is evidenced by the value of T Statistics ($4.892 > 1.96$). According to the results of this statistical calculation, it is concluded if H2 is accepted.
3. The Work Motivation variable (Y1) has a positive and significant influence on Employee Performance (Y2). This is evidenced by the value of T Statistics ($5,305 > 1.96$). According to the results of this statistical calculation, it is concluded if H3 is accepted.
4. The Leadership Style variable (X1) has no significant effect on Employee Performance (Y2). This is evidenced by the value of T Statistics ($1,190 < 1.96$). According to the results of this statistical calculation, it is concluded that H4 is rejected.
 - a. The Work Discipline variable (X2) has a positive and significant influence on Employee Performance (Y2). This is evidenced by the value of T Statistics ($2,554 > 1.96$). According to the results of this statistical calculation, it is concluded if H5 is accepted.

6. Testing the Indirect Influence Hypothesis

Testing the indirect hypothesis through intervening variables of work motivation can be seen through the results of the specific indirect effect listed in

the following table. This table presents the values of specific indirect effects and their explanations as follows:

Table 10. Results of Hypothesis Testing No Effect

Variable	Original Sample	Mean	Standard Deviation	T Statistics	P Values
Leadership Style (X1) on Employee Performance (Y2) through Work Motivation (Y1)	0.125	0.135	0.067	1.875	0.031
Work Discipline (X2) on Employee Performance (Y2) through Work Motivation (Y1)	0.248	0.247	0.060	4.112	0.000

Source : SmartPLS

7. Interpretation of the Significance of the Direct Influence Hypothesis (Mediation)

To test the hypothesis of indirect influence, a comparison was made against the statistical T value (Duryadi, 2021). The test criteria are as follows:

- a. If the statistical T value is greater than or equal to of 1.96 or the P-Value value is less than or equal to than 0.05, then the hypothesis is acceptable.
- b. If the statistical T value is smaller than 1.96 or if the P-Value is greater than 0.05, then the hypothesis can be rejected.

The following is a summary of the results of the Indirect Influence Hypothesis Test:

Table 11. Summary of the No Influence Hypothesis

Variable	Original Sample	T Statistics	P Values
Leadership Style (X1) on Employee Performance (Y2) through Work Motivation (Y1)	0.125	1.875	0.031
Work Discipline (X2) on Employee Performance (Y2) through Work Motivation (Y1)	0.248	4.112	0.000

Source : SmartPLS

Based on the test results of Table 11 , two conclusions can be drawn:

- a. The Leadership Style variable (X1) did not have a significant influence on Employee Performance (Y2) through Work Motivation (Y1). This is evidenced by the value of T Statistics ($1,875 < 1.96$). According to the results of this statistical calculation, it is concluded that H6 is rejected.

- b. The Work Discipline variable (X2) has a significant influence on Employee Performance (Y2) through Work Motivation (Y1). This is evidenced by the value of T Statistics ($4,112 > 1.96$). According to the results of this statistical calculation, it is concluded if H7 is accepted.

8. Types of Mediation

The following test hypothesis 6 and hypothesis 7 types of mediation of Leadership Style (X1) on Employee Performance (Y1) through Work Motivation (Y1) and Work Discipline (X2) on Employee Performance (Y2) through Work Motivation (Y1) in this study:

Table 12. Mediation Type Test 1

Direct Influence		Indirect Influence	
Leadership Style (X1) to Employee Performance (Y2)		Leadership Style (X1) towards Employee Performance (Y2) through Work Motivation (Y1)	
T statistics	P-value	T statistics	P-value
1.190	0.117	1.875	0.031
Hypothesis rejected		Hypothesis rejected	

Source : Processed by Researchers 2023

Based on the information of Table 4. 18, the direct effect of the Leadership Style Variable (X1) on Employee Performance (Y2) concluded that the hypothesis was rejected because there was no significant relationship. Meanwhile, in the test of the indirect influence of Leadership Style (X1) on Employee Performance (Y2) through Work Motivation (Y1), it was concluded that the hypothesis was also rejected because there was no indirect influence. Since in the direct influence test and indirect influence test the hypothesis is both rejected or insignificant, it is concluded that in this hypothesis there is no mediating effect or it can be said that the mediating variable is not able to contribute to Employee Performance.

Table 13. Mediation Type Test 2

Direct Influence		Indirect Influence	
Work Discipline (X2) to Employee Performance (Y2)		Work Discipline (X2) on Employee Performance (Y2) through Work Motivation	
T statistics	P-value	T statistics	P-value
2.554	0.005	4.112	0.000
Hypothesis accepted		Hypothesis accepted	

Source : Processed by Researchers 2023

Based on the results of the mediation type test Table 4. 19, the direct effect of the Work Discipline Variable (X2) on Employee Performance (Y2) concluded that the hypothesis was accepted because there was a significant relationship. Meanwhile, in the test of the indirect influence of Work Discipline (X2) on Employee Performance (Y2) through Work Motivation, it was concluded that the hypothesis was also accepted because there was an indirect influence. Because in the direct influence test and indirect influence test the hypothesis is both accepted

or significant, it is concluded that the role of the intervening variable Work Motivation (Y2) in this hypothesis is classified as a type of partial mediation.

DISCUSSION

1. Leadership Style has a Positive and Significant Influence on Employee Motivation at PT PNM Bogor Branch Office

The results showed that the Leadership Style Variable (X1) had a positive and significant influence on Work Motivation (Y1). This is evidenced by the value of *T Statistics* ($2.286 > 1.96$). According to the results of this statistical calculation, it is concluded if **H1 is accepted**. The results of this study are in line with previous research from Pramudhita & Meirisa, (2019) which demonstrated that leadership approach has a significant and positive impact on employee performance. But this study is not in line with Dewi, (2019) who concluded that leadership style has a marginally positive influence on employee motivation.

2. Work Discipline has a Positive and Significant Influence on Employee Motivation at PT PNM Bogor Branch Office

The results showed that the Work Discipline Variable (X2) had a positive and significant influence on Work Motivation (Y1). This is evidenced by the value of *T Statistics* ($4.892 > 1.96$). According to the results of this statistical calculation, it is concluded if **H2 is accepted**. The results of this study are in line with previous research from Sudarmanto et al., (2022) which explained that work discipline has a positive and significant effect on work motivation. And this study is also in line with Wiranata et al., (2022) who explained that work discipline variables have a positive and significant effect on employee performance

3. Work Motivation has a Positive and Significant Influence on Employee Performance at PT PNM Bogor Branch Office

The results showed that the Work Motivation Variable (Y1) had a positive and significant influence on Employee Performance (Y2). This is evidenced by the value of *T Statistics* ($5,305 > 1.96$). According to the results of this statistical calculation, it is concluded if **H3 is received**. The results of this study are in line with previous research from Arisanti et al., (2019) which explained how work motivation variables affect employee performance significantly. But this study is not in line with Hidayat, (2021) who concluded that Motivation has no effect on Performance.

4. Leadership Style has a Positive and Significant Influence on Employee Performance at PT PNM Bogor Branch Office

The results showed that the Leadership Style Variable (X1) did not have a significant influence on Employee Performance (Y2). This is evidenced by the value of *T Statistics* ($1,190 < 1.96$). According to the results of this statistical calculation, it is concluded that H4 is **rejected**. The results of this study are in line with previous research from Inna Nisawati Mardiani & Yon Darwis Sepdiana, (2021) which explained that leadership style variables do not have a significant effect on employee performance. But this research is not in line with Sabastian, (2021) who concluded that leadership style has a direct effect on employee performance

5. Employee Work Discipline has a Positive and Significant Influence on Employee Performance at PT PNM Bogor Branch Office

The results showed that the Work Discipline Variable (X2) had a positive and significant influence on Employee Performance (Y2). This is evidenced by the value of *T Statistics* ($2,554 > 1.96$). According to the results of this statistical calculation, it is concluded if **H5 is accepted**. The results of this study are in line with previous research from Sudarmanto et al., (2022) which indicated that workplace discipline has a significant and positive impact on employee performance. But this study is not in line with Arisanti et al., (2019) who concluded that employee performance is unaffected by workplace discipline.

6. Leadership Style Through Work Motivation has a Positive and Significant Influence on Employee Performance at PT PNM Bogor Branch Office

The results showed that the Leadership Style Variable (X1) did not have a significant influence on Employee Performance (Y2) through Work Motivation (Y1). This is evidenced by the value of *T Statistics* ($1,875 < 1.96$). According to the results of this statistical calculation, it is concluded that H6 is **rejected**. The results of this study are in line with previous research from Lamere et al., (2021) which explains why Leadership Style has no effect on motivational performance.

7. Employee Work Discipline through Work Motivation Has a Positive and Significant Influence on Employee Performance at PT PNM Bogor Branch Office

The results showed that the Work Discipline Variable (X2) had a significant influence on Employee Performance (Y2) through Work Motivation (Y1). This is evidenced by the value of *T Statistics* ($4,112 > 1.96$). According to the results of this statistical calculation, it is concluded if **H7 is accepted**. The role of the intervening variable Work Motivation (Y2) in this hypothesis belongs to the type of *partial mediation*. The results of this study are in line with previous research from Arifa & Muhsin, (2018) which explained that work motivation is proven to be able to mediate the relationship between work discipline and leadership on performance. But this study is not in line with Dewi, (2019) who concluded that leadership style has a marginally positive influence on employee motivation.

CONCLUSION AND RECOMMENDATION

Conclusion

1. Leadership Style has a positive and significant influence on Employee Motivation at PT PNM Bogor Branch Office.
2. Work Discipline has a positive and significant influence on Employee Motivation at PT PNM Bogor Branch Office.
3. Work Motivation has a positive and significant influence on Employee Performance at PT PNM Bogor Branch Office.
4. Leadership Style does not have a significant direct influence on Employee Performance at PT PNM Bogor Branch Office.
5. Work Discipline has a positive and significant influence on Employee Performance at PT PNM Bogor Branch Office.
6. Leadership Style does not have a significant influence on Employee Performance through Work Motivation at PT PNM Bogor Branch Office.

7. Work Discipline has a significant influence on Employee Performance through Work Motivation at PT PNM Bogor Branch Office. The role of intervening variables in Work Motivation is classified as a type of partial mediation.

Recommendations

1. The management of PT PNM Bogor Branch Office can conduct leadership training for managers and superiors to develop an effective leadership style. A supportive leadership style, oriented towards providing motivation, and paying attention to employee needs can improve employee motivation and performance.
2. Management needs to ensure consistent implementation and enforcement of work discipline policies. Workshops or training can be held on the importance of work discipline and its consequences on individual and organizational performance.
3. The development of employee motivation programs such as recognition of achievements, rewards, career development opportunities, as well as improved communication between superiors and subordinates can help increase motivation and directly contribute to performance improvement.
4. The function of management as a mediator in the connection between leadership style, workplace discipline, employee motivation, and performance is critical for effective leadership. Knowing this can help them develop more powerful tactics for boosting performance through inspiration.
5. The results of this study's mediation analysis can serve as a springboard for future studies that aim to delve into the nitty-gritty of the elements that affect employee motivation and performance.

FURTHER STUDY

Implication

1. The findings indicated that leadership style and work discipline had a positive and considerable impact on employee motivation. Therefore, it is important for the management of PT PNM Bogor Branch Office to focus on developing a leadership style that supports and motivates employees, as well as ensuring consistent implementation of work discipline.
2. The fact that employee work motivation significantly and positively affects performance suggests that efforts should be made to keep or boost employee work motivation. Supportive management, opportunity for advancement, and public acknowledgement of employees' efforts are all ways to foster this.
3. Full and partial mediation results reveal that employees' work motivation contributes to the relationship between leadership style and work discipline and performance. Management should be aware of the role that employee motivation plays in productivity gains, and endeavour to develop initiatives that boost it.

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