The Effect of Leadership Style and Work Motivation on Financial Performance at PTPN 1 Langsa City

Nasrul Kahfi Lubis

Email: nasrulkahfi@unsam.ac.id
Fakultas Ekonomi, Universitas Samudra

ABSTRACT

This research aims to find out the influence of leadership style and work motivation on financial performance at PTPN 1 Kota Langsa. The sample used amounted to 84 respondents. The data analysis methods used are multiple linear regression analysis, and hypothesis proof using t test, F test, and determination coefficient analysis. Multiple linear regression analysis results obtained Y = 1.549 + 0.191X1 + 0.258X2. Adjusted R Square value is 0.664 or when percentage is 66.4%. This shows the variable leadership style and work motivation affects the financial performance at PTPN 1 Langsa City by 66.4%, while the rest by 33.6% (100% - 66.4%) influenced by other variables not studied in this study. T test results obtained that the variable leadership style and work motivation significantly affect the financial performance of PTPN I Langsa City. F test results obtained leadership style and work motivation significantly affect the financial performance of PTPN I Langsa City.

Keywords: *Leadership Style, Work Motivation, Financial Performance*

INTRODUCTION

In today's era of globalization many companies are doing various ways to improve the company's achievements so that the company's profits continue to increase. Generally the purpose of the company's operations is to obtain profit or profit, but the profit generated in the company changes. According to Kurniawan's research (2017) improving the company's profit and maximizing the company's value is an interrelated corporate goal to improve the welfare of shareholders, so that the goal will be an important criterion to maintain the company's survival. Achieving the success of the company's goals is a management achievement. In discussing financial performance assessment methods, companies should be based on published financial data created in accordance with generally accepted financial accounting principles.

This report is the most common data available for that purpose. The information presented must be analyzed and interpreted further in order to have value for the management of the company. For management, in conducting analysis of financial performance in the form of fundamental and intergrative analysis that will provide a fundamental and comprehensive picture of financial position and achievement. PT Perkebunan Nusantara I (PTPN I) Langsa is one of the state-owned enterprises (SOEs) that do various ways to improve the company's performance so that the company's profits continue to increase every year. However, this does not always go as smoothly as planned. Recorded, ptpn 1 financial statements show that during 2012-2018 the company obtained some decreases to profit losses described in table I-1 as follows:

Table 1. Penurunan dan Kerugian Laba

Tahun	Laba/Rugi Bersih (Rupiah)	Perkembangan (%)
2012	36.434.000.000	-27,43
2013	22.921.000.000	-37,09
2014	697.000.000	-96,96
2015	(14.439.000.000)	-2171,59
2016	(9.073.000.000)	-37,16
2017	(95.069.417.619)	947,83
2018	(123.698.397.975)	30,11

The phenomenon caused the company's financial condition to worsen so that to carry out all the company's operational activities, PTPN 1 Langsa again added to the company's debt. This makes the company's debt higher year after year and makes the company's financial performance unhealthy. Unhealthy financial conditions require the company to lay off as many as 452 contract employees to reduce the company's burden and multiply BHL employees (freelance daily laborers) in the field of harvesters so that palm oil production can increase and the salary burden incurred for BHL employees in accordance with the production performance of each harvester so as to save the company's expenses (www.globalaceh.com).

Many factors that affect a company experience an increase and decrease in profit one of which is a leadership. According to Dubrin (2012), leadership is a way of influencing many people through communication in order to achieve a goal, such as how to influence people with commands or instructions, an action that can make others act or respond that causes positive changes and then motivates to achieve goals, the ability to create confidence and support between subordinates for organizational goals can be achieved. Good leadership in an organization is supported by a good organizational culture as well. In addition, Robbin (2002:55) suggests that motivation is the desire to do as a willingness to spend a high level of effort for organizational goals, conditioned by the ability of that effort to meet an individual's needs. In this case a manager needs to direct motivation by creating organizational conditions through the establishment of a work culture or organizational culture so that employees feel encouraged to work harder so that the performance achieved is also high.

However, based on the initial observations in the field known leadership style and work motivation in PTPN 1 Langsa felt still need to be evaluated. This is due to the lack of leadership attitude in taking steps or policies that can improve the financial condition of the company. This condition causes the organizational culture in the company to feel less encouraged to create productive employees because even though employees have tried to improve their performance, the motivation in the form of compensation given is not timely causing employees to lack morale. Therefore, leaders must be able to take policies by creating a better organizational culture and be able to motivate all employees so that the company's goals can be achieved, namely to improve the company's performance.

LITERATURE REVIEW
Leadership

Leadership is the process of influencing organized group activities to achieve organizational goals (Yukl, 2015). Leadership is the process of understanding what people do together, so they will understand and want to do it Drath &Paul in (Yukl,2015). The definition of leadership varies greatly depending on the concept of the individual. Some definitions of leadership have the assumption that leadership relates to a deliberate process by a person to emphasize his or her strong influence in order to guide, structure and facilitate relationships within a group or organization.

Leadership has a close relationship with leadership styles and influences each other. From the above opinion, it can be concluded that leadership is one's ability to influence others to be motivated in doing a job to achieve organizational goals. An organization needs a leader who has a good leadership style, so as to motivate its subordinates to work better and maximally so that the goals of the organization can be realized in accordance with the expectations of the organization. Because the achievement of organizational goals depends on how the management in the organization can run well.

Leadership is a process of instructing and influence to members of a group or organization in carrying out tasks. Based on the understanding of leadership from some of the expert opinions above, it can be concluded that leadership is a process of influencing the behavior of others in order to behave as desired. In addition, leadership is the ability to influence a group towards achieving goals. (Hamalik, 2007).

Leadership Style

Leadership style is a way for leaders to influence employees to work better in order to achieve organizational goals according to Eva Wahyuni's 2015 research. Leadership style is often called leadership behavior or leadership type. Leadership style, basically, contains understanding as an embodiment of the behavior of a leader, which concerns his ability to lead. These embodiments usually form a certain pattern or shape. This sense of leadership style is consistent with the opinions expressed by Davis and Newstrom (1995). Both state that the overall pattern of actions of the leader as perceived or by the subordinate is known as the leadership style. The leadership style of a leader, can basically be explained through the following three theoretical traditions.

Genetic Theory (Descendants), the essence of the theory states that the Leader is born and nor made.) Social Theory if the first theory above is an extreme theory on the one hand, then this theory is also extreme on the other. The essence of this social theory is that "Leader are made and not born." So this theory is the core opposite of genetics theory. Adherents of this theory have an opinion that everyone can be a leader if given enough education and experience.

Ecological theory, the two extreme theories above do not all contain the truth, so in reaction to both theories arise the flow of the third theory. This theory called ecological theory basically means that a person will only succeed in becoming a good

leader if he already has leadership talents. The talent is then developed through regular education and experience that allows it to be further developed. This theory combines the positive aspects of the two previous theories so that it can be said to be the closest theory to truth. However, much more in-depth research is still needed to be able to say for sure what are the factors that cause the emergence of a good leader.

Work Motivation

An organization is intended to achieve a predetermined goal, in general it is a long-term, medium and short-term goal, here there will be a positive correlation between motivation and goals where a group of people in a work entity who have a clear target, have a higher work motivation, than a group of people who work without a clear target. The motivation of work is to question how to encourage the passion of the work of subordinates, so that they will work hard by giving all the skills and skills to realize the company's goals. (Sutrisno, 2015:110). Work motivation is the process of influencing or pushing from the outside towards someone or a working group so that they want to carry out something that has been set. (Samsudin, 2010:281). While according to Fahmi (2016:100) work motivation is a behavioral activity that works in an effort to meet the desired needs.

Work motivation theory is divided into two categories, namely: Work motivation theory and Work motivation process theory. This research will focus more on several theories that are closely related to the characteristics of employees in the research environment, namely:

1. Maslow's theory of need

   Maslow, quoted by Gibson et al (1996: 189), states that some hierarchy of needs are related or closely related to his motivation. The levels of need based on the hierarchy are as follows:

   a. Physiological needs, these needs include food, beverages, shelter, and recovering from pain.

   b. Security and safety needs, these needs include the need for independence from threats such as: security from events or threatening environments.

   c. The need for a sense of belonging, social, and compassion, these needs include: the need for friendship, grouping, interaction and compassion.

   d. Needs of appreciation (esteem), this need consists of: the need for self-esteem, and the need for appreciation from other parties.

   e. The need for self-actualization, is the need to fulfill oneself through optimizing the use of abilities, skills and potentials.Teori ERG-Adelfer

2. This theory states its agreement with Maslow. Adelfer states that individual needs are arranged in a hierarchy. However, the needs he proposed consisted of only three levels:

   a. Existence, this need includes needs that are satisfied by factors such as: food, air, water, salary and employment conditions.

   b. Interconnectedness, this need includes needs that are satisfied with the existence of meaningful social and interpersonal relationships.

c. Growth, these needs are needs that are satisfied by an individual creating creative or productive contributions.

Financial Performance

Financial performance is an analysis conducted to see the extent to which a company has implemented by using the rules of financial implementation properly and correctly. (Fahmi, 2011). The company's performance is an overview of the financial condition of a company that is analyzed with financial analysis tools, so that it can be known about the good financial condition of a company that reflects the performance of work in a certain period. This is very important so that resources are used optimally in the face of environmental changes.

Fahmi (2014) said that financial performance is an analysis conducted to see the extent to which a company has implemented using the rules of financial implementation properly and correctly. Such as by making a financial statement that has met the standards and provisions in SAK (Indonesian Accounting Standard) or GAAP (General Acepted Accounting Principle) and others. And performance measurement is used by the company to make improvements above its operational activities in order to compete with other companies. Financial performance analysis is a critical assessment process of data review, calculating, measuring, interpreting, and providing solutions to the company's finances at a certain period.

METHODS
Scope and Location of Research

This research was conducted to look at the influence of leadership style, and work motivation as independent variables on financial performance as dependent variables. The location of this study was conducted at PTPN 1 Langsa City.

Types and data sources

1. Data Types

   The type of data used in this study is qualitative data. Qualitative research methods, the main tools or instruments of data collection are humans or researchers themselves by observing, asking, hearing, and retrieving research data. Researchers must obtain valid data so that not just any interviewee. Therefore, the condition of the informant must also be clear in accordance with the needs of the data in order to be recognized for the correctness of the data (Afrizal, 2014).

2. Data sources

   The data source used in this study is primary data, primary data is a data source that directly provides data to data collectors obtained from the dissemination of questionnaires to respondents (Sugiyono, 2012). Qualitative data in this study was obtained by questionnaire distribution.

Population and Sample

Population is a generalization area consisting of subjects / objects that have certain qualities and characteristics set by researchers to be studied and then drawn conclusions (Sugiyono, 2014). While the sample is part of the number and characteristics owned by the population (Sugiyono, 2014).

The study used stratified sampling to determine samples. According to sugiyono (2011) the sample is part of the number and characteristics possessed by the population. While stratified sampling is a way of sampling for populations that have heterogeneous characteristics and are also used when the population has elements or members who are literary (level) (sugiyono, 2010). Thus the sample is a portion of the population whose characteristics are to be investigated, and represents the entire population so that it is less than the population.

The population in this study was all permanent employees at the Head Office of PTPN 1 Langsa which amounted to 382 respondents. The number of this population is too large, therefore the determination of the number of samples in this study using the Slovin formula stated in (Sugiyono, 2011), as follows:

$$n = \frac{N}{1 + N\,(e^2)}$$

n = Sample Size
N = Population Size
e = Percentage of errors due to sampling errors

Based on slovin formula above, for the population of 538 respondents and the desired error limit of 10% then the number of samples is:

$$n = \frac{538}{1 + 538\,(0{,}1^2)}$$

$$n = 84{,}32 \text{ (rounded up to 84 Respondents)}$$

Thus, the number of samples in this study was as many as 84 respondents, it was done to facilitate data processing and for better test results.

Data Collection Techniques

According to Sugiyono (2011), questionnaires or questionnaires are data collection techniques conducted by members of a set of written questions to respondents to be answered with the aim of obtaining information related to research variables. The method of data collection used is to disseminate questionnaires directly at PTPN 1 Langsa City which is processed based on existing criteria.

Data analysis methods

Multiple regression analysis techniques were chosen because they can directly infer the influence of each free variable either partially or simultaneously. Analysis of the data in this study using SPSS 21 program. The regression model used is :

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

Description:
Y   = Financial Performance
a   = Constant
X1   = Leadership Style
X2   = Work Motivation
ε   = error

RESULT AND DISCUSSION
RESULT

Reliability test results can be seen in the following:

Table 2. Reliability Test Results

Variabel	Cronbach's Alpha	Hasil Uji
Gaya Kepemimpinan (X1)	0,772	Reliabel
Motivasi Kerja (X2)	0,701	Reliabel
Kinerja Keuangan (Y)	0,707	Reliabel

Based on the table can be seen the reliability test results of each variable. A variable can be said to be reliable if the value of Cronbach's Alpha is above 0.6. Reliability test results showed variables of leadership style, work motivation and financial performance obtained cronbach's Alpha value above 0.6. Thus, it can be concluded that all variables in this study are declared reliable and can be used to collect the data needed in this study.

Classic Assumption Test

Hasil Uji Validitas

Variabel	Item	Sig	Hasil Uji
Gaya Kepemimpinan (X1)	X1.1	0,000	Valid
	X1.2	0,000	Valid
	X1.3	0,000	Valid
	X1.4	0,000	Valid
	X1.5	0,000	Valid
Motivasi Kerja (X2)	X3.1	0,005	Valid
	X3.2	0,007	Valid
	X3.3	0,000	Valid
	X3.4	0,000	Valid
	X3.5	0,000	Valid
Kinerja Keuangan (Y)	Y.1	0,001	Valid
	Y.2	0,017	Valid
	Y.3	0,000	Valid
	Y.4	0,000	Valid
	Y.5	0,001	Valid

Sumber: Data Primer, Diolah (2019)

Figure 1. Validity Test Result

Table 3. Normality Test
(*One-Sample Kolmogorov-Smirnov Test*)

		Unstandardized Residual
N		84
Normal Parameters[a]	Mean	.0000000
	Std. Deviation	1.08046740
Most Extreme Differences	Absolute	.109
	Positive	.060
	Negative	-.109
Kolmogorov-Smirnov Z		1.065
Asymp. Sig. (2-tailed)		.207
a. Test distribution is Normal.		

35

Based on the table known significance value Asiymp. Sig 0.207. Because the sig value > 0.05, it can be stated that the decision-making in kolmogrov-smirnov normality test is enabled that the data is normally distributed, meaning that the assumptions or requirements of normality in the regression model have been fulfilled.

Multicollinearity Test

Table 4. Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Gaya Kepemimpinan	.599	1.670
Motivasi Kerja	.377	2.652

a. Dependent Variable: Kinerja Keuangan

Based on the table of known multicolerity test results obtained vif values of leadership style variables 1,670 <10, and work motivation VIF values of 2,652<10. Since the vif value of the three variables is smaller than 10, it can be concluded that the data is free of symptoms of multicolerity or no symptoms of multicolerity occur in the regression model.

Heterokedastisity Test
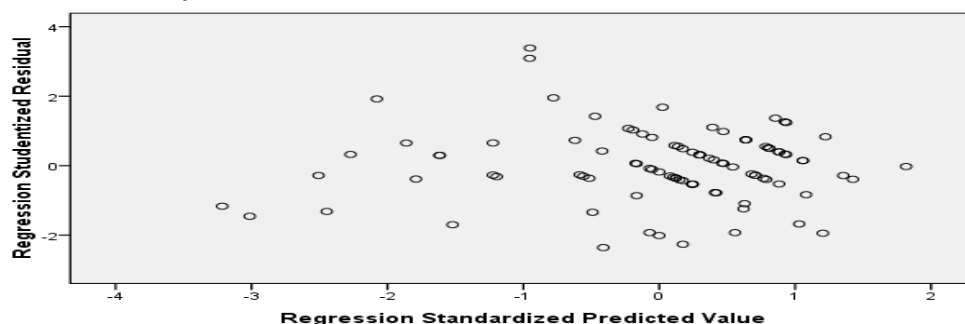
Figure 2. Heteroskedastisity Test Result

Based on the picture in the heteroskedastisity test can be seen the data points spreader above and below or around the number 0 and the spread of data points do not form a clear pattern. In addition, the spread of data points does not form a widening wavy pattern then narrows and widens back. Thus it can be concluded that there is no problem of heteroskedastisitas, meaning that a good and ideal regression model in this study can be fulfilled.

Table 5 Partial Hypothesis Test results (t)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.549	1.387		1.117	.267
	Gaya Kepemimpinan (X1)	.191	.055	.266	3.457	.001
	Motivasi Kerja (X2)	.258	.107	.233	2.410	.018

a. Dependent Variable : Kinerja Keuangan (Y)

Based on the results of the data analysis it appears that:

a. Constant Value of 1.549 means that if the Variable Leadership Style and Work Motivationt is worth 0 then Financial Performance is worth 1.549.

b. The Beta Coefficient value for the Leadership Style variable of .266 means that each increase in the Leadership Style variable then Financila performance will increase by (0.266) assuming other variables are considered constant.

c. Beta Coefficient value for Work Motivation variables of 0.233 means that any increase in Work Motivation variables will increase by 0.233 assuming other variables are considered constant.

Based on the table above obtained multiple linear regression models, namely:
$$Y = 1,549 + 0,191X_1 + 0,258X_3$$

Table 6. Determination Coefficient
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.822[a]	.675	.664	1.09794

a. Predictors: (Constant), Motivasi Kerja, Gaya Kepemimpinan

Based on the Table it can be explained that the value of Adjusted R Square is 0.664 or if the percentage is 66.4%. This shows the variable leadership style and work motivation affects the financial performance at PTPN 1 Langsa City by 66.4%, while the rest by 33.6% (100% - 66.4%) influenced by other variables not studied in this study.

DISCUSSION

1. The leadership style variable has a sig t value. 0.001. Because the value of t Sig $<\alpha$ (0.05) indicates a variable leadership style significantly affects financial performance in PTPN 1 Langsa City, the hypothesis is accepted.

2. The working motivation variable has a sig t value. 0.018. Because the value of t Sig $< \alpha$ (0.05) indicates that the variable of work motivation has a significant effect on financial performance in PTPN 1 Kota Langsa, the hypothesis is accepted.
The second hypothesis in this study used the F test.

3. F test results can be seen in the following table. Based on the Table can be known

the value of F Sig. 0.000. Because of the Sig value. F < α (0.05) it can be stated that the variables of leadership style and work motivation have a significant impact on financial performance in PTPN 1 Langsa City.

Table 7. Simultaneous Hypothesis Test results (F)
ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	230.336	3	76.779	63.691	.000^a
	Residual	110.904	92	1.205		
	Total	341.240	95			

a. Predictors: (Constant), Gaya Kepemimpinan, Motivasi Kerja
b. Dependent Variable: Kinerja Keuangan

That is, the hypothesis that states leadership style and work motivation has a significant effect on financial performance in PTPN 1 Kota langsa can be accepted or proven the truth.

CONCLUSION

Based on data analysis and discussion, the following conclusions can be drawn:

1. Regression result obtained Y = 1.549 + 0.191X1 + 0.258X3. The results of multiple linear regression equations are known that leadership style and work motivation positively affect the financial performance of PTPN I Kota Langsa.
2. The result of the Determination Coefficient (Adjusted R2) is 0.664 or when percentage is 66.4%. This indicates that the variable leadership style and work motivation affects financial performance by 66.4%, while the rest by 33.6% (100% - 66.4%) influenced by other variables not studied in this study.
3. T test results obtained that the variables of leadership style and work motivation have a significant effect on the financial performance of PTPN I Kota Langsa.
4. F test results obtained leadership style and work motivation significantly affect the financial performance of PTPN I Langsa City.

REFERENCE

Agus Marimin 2011, Pengaruh Gaya Kepemimpinan, Motivasi Kerja Dan Budaya Organisasi Terhadap Kinerja Karyawan Pada Bank Muamalat Indonesia Cabang Surakarta.**.**

Eva Wahyuni, 2015 Pengaruh Budaya Organisasi Dan Gaya Kepemimpinan Terhadap Kinerja Pegawai Bagian Keuangan Organisasi Sektor Publik Dengan Motivasi Kerja Sebagai Variabel Intervening,

Hasibuan, Malayu S.P. 2013.Manajemen Sumber Daya Manusia Edisi Revisi, Jakarta: Bumi Aksara.

Idris, Amirrudin dan Win Konadi. 2012. "Pengaruh Regulasi Dan Ketersediaan Anggaran Terhadap Kinerja Pelayanan Aparatur SKPD dan Implikasinya pada Kualitas Pelayanan Publik di Provinsi Aceh",Jurnal Kebangsaan Januari,Vol.1,No.1:11-21.

Kurniawan, Muhammad Rizki Nur. 2009. "Pengaruh Komitmen Organisasi, Budaya Organisasi, dan Kepuasan Kerja terhadap Kinerja Organisasi Publik (Studi pada Pemerintah Daerah Kabupaten Demak)", UNDIP.

Muh. Arief Ujiyantho, 2016 Mekanisme Corporate Governance (Transisi Tata Kelola Perusahaan), Manajemen Laba Dan Kinerja Keuangan.

Ni Made Ria Satyawati I Wayan Suartana 2014, Pengaruh Gaya Kepemimpinan Dan Budaya Organisasi Terhadap Kepuasan Kerja Yang Berdampak Pada Kinerja Keuangan, SKRIPSI.

Sugiyono, Melani Dwiyanti. 2010. Metode Penelitian Kuantitatif, Kualitatif, dan R & D. Bandung: Alfabeta.

Rulyanti, et al. 2017. "Faktor-Faktor Yang Mempengaruhi Kinerja Pemerintah Desa Melalui Pengelolaan Keuangan Desa Sebagai Variabel Intervening",Jurnal bisnis dan Manajemen, Vol. 11,No.3:323-335.

Peraturan Pemerintah Republik Indonesia Nomor 60 Tahun 2014 tentang Dana Desa yang Bersumber dari Anggaran Pendapatan dan Belanja Negara.

www.globalaceh.com