

**THE EFFECT OF EMPOWERING LEADERSHIP, JOB
MOTIVATION, AND WORK STRESS ON EMPLOYEE
PERFORMANCE WITH JOB SATISFACTION AS A
MEDIATION VARIABLE AT PT BCA FINANCE AREA
TIMUR JAVA ONE**

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Abstract

The purpose of this study is to determine and analyze the effect of Empowering Leadership, Work Motivation, and Job Stress on Employee Performance and to analyze the mediating role of Job Satisfaction. The method used in this study uses a quantitative method of hypothesis testing. The sample in this study were 61 employees of PT BCA Finance Area East Java Satu with saturated sampling. Meanwhile, the data analysis used was SEM-PLS data analysis. The results of the research conducted showed that Empowering Leadership, Work Motivation, and Job Stress had a significant influence on employee performance, while job satisfaction in mediating relationships was able to quasi-mediate.

Keywords : *Empowering Leadership, Work Motivation, Work Stress, Employee Performance, Job Satisfaction*

INTRODUCTION

PT BCA Finance is a finance company that was established in 1981. The first financing company that is able to compete in running the financing business that has existed in Indonesia for a long time. The vision conveyed is to make a leading company in the financing industry in Indonesia that provides the best value to stakeholders. In this case, the management team at PT BCA Finance is the main spearhead in providing existing services.

The success of PT BCA Finance in competing in the world of financing is also inseparable from the role of the relevant departments. All existing departments work optimally in achieving each of the existing targets. This is especially the case in the Account Solution department. In 2021 the performance of the account solution department of PT BCA Finance showed results with a positive trend in the midst of the turmoil of the covid-19 pandemic that was developing in Indonesia. However, the existing level of consistency also needs to be continuously evaluated by the management in order to continue to provide better

value in the following year. The following is a graph of the achievements that have been obtained by researchers and processed

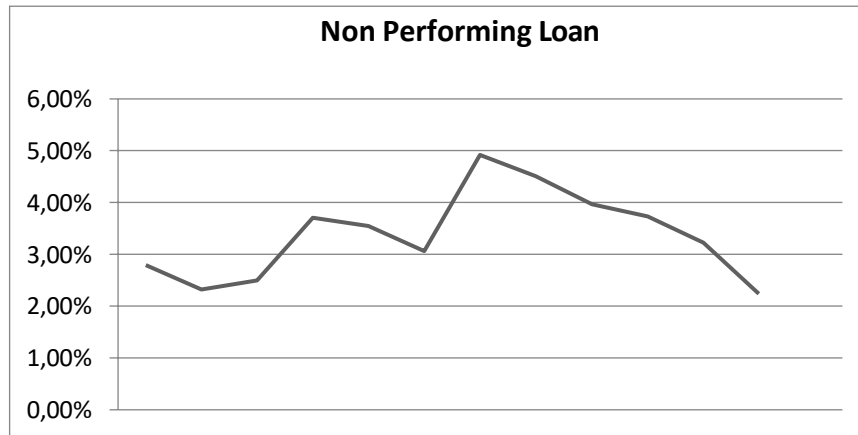


Figure 1.1 Non-Performing Load

Based on the existing Non-Performing Loan data during 2021 in the account solution department, it shows a fluctuating graph. This is because there are unstable conditions in productivity provided by all employees of PT BCA Finance. This unstable employee performance needs to be evaluated by the management leadership. Evaluation of the factors that affect the success of productivity will be able to encourage employees to continue to improve the results that are carried out. The role of the leader in this case is very influential on the performance carried out, employees must also continue to have a high level of work motivation in order to be able to manage their level of work stress. Therefore, the success of the employees of PT BCA Finance needs the contribution of all parties, both the leadership and the employees themselves.

Empowering Leadership is a leadership style in channeling or delegating employees under him. Empowering Leadership can also be interpreted as a leadership style process in providing trust to employees by providing insight into the importance of the work being done and also the involvement of these employees in the decision-making moments that exist. In this case, the Empowering Leadership leadership style is a service provided by a leader to employees. According to Damayanti Y (2021), Empowering Leadership is proven to have a positive influence on teacher performance. Therefore, Empowering Leadership can make employees continue to think in increasing their creativity and innovation in providing positive things for the company. In addition, the leader must be able to provide an encouragement in making something, namely motivation. Improving the quality of employees will also affect the company's success in providing good quality to stakeholders. Amundsen & Martinsen (2014), divide empowering leadership into two dimensions, namely

1. *Autonomy support* and
2. *Development support*.

Autonomy Support means that a leader can influence employees in carrying out work activities that are both task and function. Meanwhile, development support is defined as the influence of a leader in developing the talents and knowledge possessed by employees to continue to be developed.

In addition to the above factors, there are several other factors that can influence performance, namely motivation. According to Utari W etc. (2021), work motivation is able to provide encouragement to employees in achieving company goals and producing appropriate performance. As an employee in carrying out activities in a company, there should be one factor, namely motivation, the role of employee motivation in a company so that it is positively beneficial. In this case, motivation provides a sense of enthusiasm and a form of commitment to an employee to carry out activities carried out in accordance with their duties and functions. The theory of needs put forward by McClelland (1961), states that there are three important things that become human needs, namely (Robbins, 2016):

1. The need for achievement is the desire for more in terms of achievement from within.
2. The need for power is a need that someone does without any coercion in oneself or the art of influencing someone.
3. The need for groups, namely the need to make friends more closely with people around them.

According to Steven HJ and Prasetio A. P (2020), management of work stress in the company must be carried out in order to minimize obstacles to the work carried out by employees. As an employee, not all employees continue to work actively and productively on the company's performance. It is also a factor of a high level of pressure on the job and it causes employees to experience stress on their work. This factor can cause the employee's performance to decrease due to too many activities being carried out. This behavior makes a leader must continue to encourage employees to be active and active in carrying out their duties and functions. According to Luthans F (2011), the impact of work stress on employees are:

1. Physical health problems
 - a. immune system problems,
 - b. Cardiovascular system problems, for example high blood pressure
 - c. Problems with the musculoskeletal system, for example headaches
2. Psychological Problems
It is easy to stress at work and emotions, in this example, anxiety at work to cause anger in oneself.
3. Behavioral problems
Behavioral problems here for example, such as overeating or not eating and difficulty sleeping.

According to Mangkunegara (2017: 67) The definition of performance is the results obtained by employees in terms of quality and quantity in carrying out their duties in accordance with the responsibilities given to them. According to Robbins (2016: 260) several indicators on employee performance include work quality, work quantity, timeliness, and effectiveness.

According to Bhastary (2020), job satisfaction can encourage employees to be even better for achievement, good performance will provide encouragement to get rewards and employees will feel even more in carrying out existing activities. Meanwhile, Mangkunegara (2017), job satisfaction can provide more enthusiasm for the performance that will be carried out by employees. According to Haryanni et al (2020), there are several indicators contained in job satisfaction, namely the quality of supervision, the work itself, the relationship between co-workers, and promotion opportunities.

Based on a review of the existing literature, the researcher tries to create a conceptual framework for the research as follows:

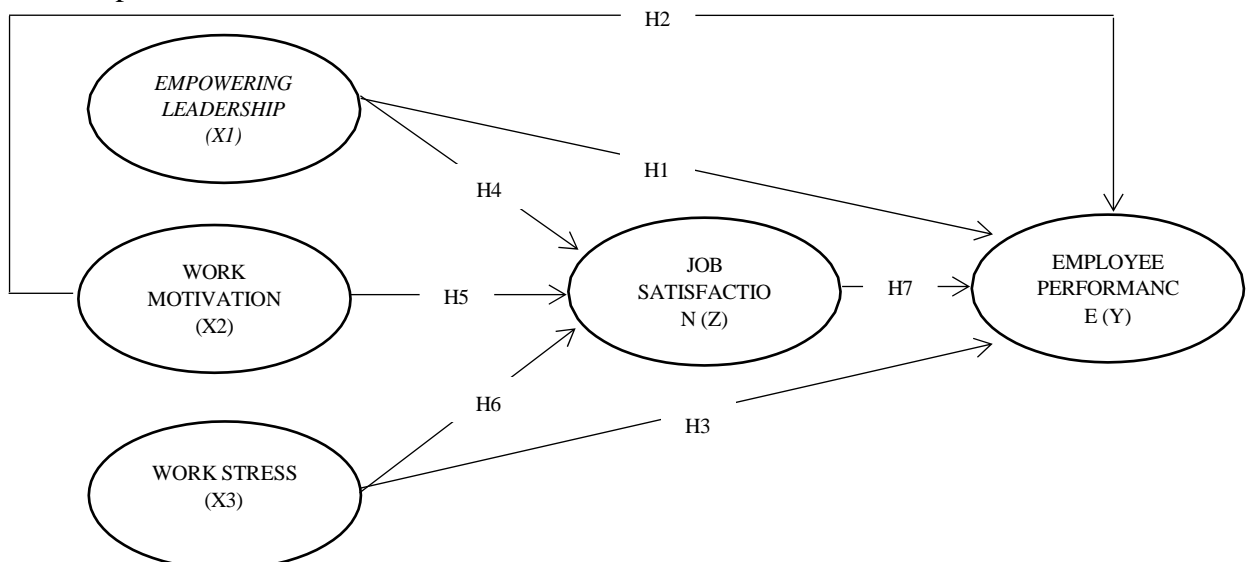


Figure 3.1 Conceptual Framework

Based on the conceptual framework created, the researcher tries to provide several hypotheses as follows:

H1: Empowering Leadership Has a Significant Influence on Employee Performance at PT BCA Finance Area East Java Satu

H2: Work Motivation Has a Significant Influence on Employee Performance at PT BCA Finance Area East Java Satu

H3 : Work Stress Has a Significant Effect on Employee Performance at PT BCA Finance Area East Java Satu

H4 : Job Satisfaction Mediates the Relationship between Empowering Leadership and Employee Performance at PT BCA Finance Area East Java Satu

H5 : Job Satisfaction Mediates the Relationship between Work Motivation and Employee Performance at PT BCA Finance Area East Java Satu

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H6 : Job Satisfaction Mediates the Relationship between Job Stress and Employee Performance at PT BCA Finance Area East Java Satu

H7: Job Satisfaction Has Significant Influence On Employee Performance At PT BCA Finance Area East Java Satu

METHOD

Quantitative research is usually used in certain sample research, data analysis uses statistical data to test established hypotheses (Sugiyono: 2016). The population used is all staff of PT BCA Finance Area East Java One Account Solution Department as many as 61 employees. The sample used in this study were all staff employees at PT BCA Finance Area East Java One Account Solution Department.

The source of the data obtained is primary data. The primary data was obtained directly from the results distributed through a questionnaire questionnaire. The data obtained are data about Empowering Leadership, Work Motivation, Job Stress, and Job Satisfaction at PT BCA Finance Area East Java One Account Solution Department.

The data collection technique in this research is using field study techniques. The field study technique is a technique that is collected directly by researchers by searching for data directly in the field through a questionnaire questionnaire. From the questionnaire, the measuring instrument used is the Likert scale. According to Sugiyono (2016), the Likert scale is a scale used to measure attitudes, perceptions of people or groups towards a phenomenon.

Analysis of the data used using SEM data analysis with PLS statistical tools. According to Ghozali (2015) SEM-PLS aims for the development of existing theories or theory development. This SEM-PLS analysis has a comprehensive model with a limited number of samples. The following is a test of the existing hypotheses in this study:

1. Test Outer Model

The measurement model has a purpose to measure each indicator related to other variables. Evaluation of the measurement model here is through confirmatory factors by testing Convergent Validity and Discriminant Validity. Furthermore, to test the reliability through Cronbach's Alpha and Reliability.

2. Inner Model Test

Structural models have the aim of showing the relationship or strength between variables. The structural model in this study includes the R-Square,

3. Indirect Effect Test

The indirect effect test aims to show whether or not what is happening in the mediating variable. Testing the effect in this study using the Bootstrapping method. If the T-table is smaller than the T-statistic, it means that it is able to mediate and the P-value is less than 0.05.

RESULTS AND DISCUSSION

Based on the results of the validity test above, it shows that each statement item has a positive value and thus the statement item is declared valid. While the results of the reliability test above indicate that each variable has a value above 0.6 and thus can be declared reliable.

Table 5.2 Reliability Test

Variable	Cronbach Alpha	Information
Empowering Leadership (EL)	0.984	Reliable
Work Motivation (MK)	0.953	Reliable
Job Stress (SK)	0.977	Reliable
Job Satisfaction (KP)	0.978	Reliable
Employee Performance (KK)	0.976	Reliable

Source: Data Processed by Researchers (2022)

1. Test Outer Model

The measurement of the outer model test here aims to determine whether or not the statement items in measuring the properties and concepts of the variables being measured are good or not. The following is an image of the research model that has been processed by researchers through SmartPls 3.0:

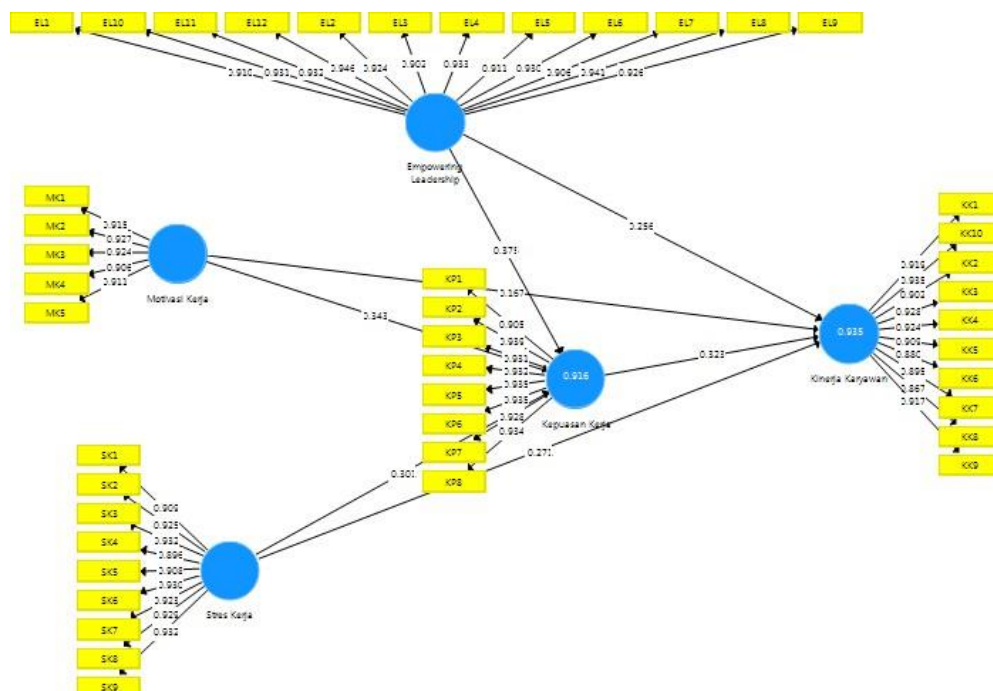


Figure 5.1 Outer Path Diagram Model

According to Abdillah (2016: 24), if the Average Variance Extracted (AVE) is above 0.5 from Construct Validity, it can be said that the construct is good. This means that the probability that the construct has a value above 50 percent.

Table 5.7 Average Variance Extracted (AVE)

Variable	Average Variance Extracted
Empowering Leadership (EL)	0.854
Work Motivation (MK)	0.840
Job Stress (SK)	0.847
Job Satisfaction (KP)	0.865
Employee Performance (KK)	0.824

Source: Data Processed by Researchers (2022)

Based on the table above, the results show that the AVE in each variable has a good value, which is more than 0.5.

2. Inner Model Test

Inner model testing has the aim of predicting causal relationships between variables or testing hypotheses.

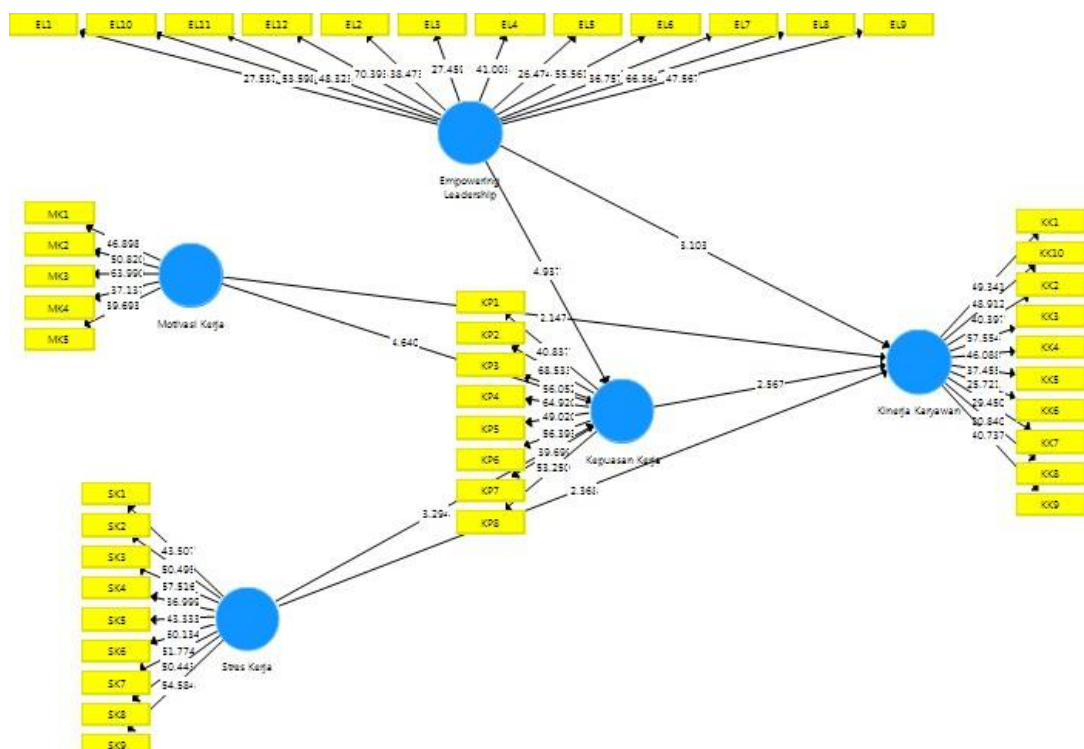


Figure 5.2 Inner Path Diagram Model

According to Ghozali (2011: 24), if the R-square above 67% has a good meaning, if it is below 67% but not less than 33% it has a moderate meaning, while below 33% it means weak.

Table 5.10 R-Square

	R Square
Job satisfaction	0.916
Employee performance	0.935

Source: Data Processed by Researchers (2022)

Based on the R-square value in the table above and multiplied by 100%, it has a coefficient value of 91.6% on satisfaction and 93.5% on performance.

3. Hypothesis test

a. Path Coefficient

Hypothesis testing with path coefficient estimation can be seen through T-statistics. The value of T-statistics is obtained by using the bootstrapping method. The results of the T-statistical value can be said to be significant, namely if it has an over value of 1.96 and a P-value of less than 0.05 (Ghozali, 2011:27).

Table 5.11 Path Coefficient

	T Statistics (O/STDEV)	P Values	Note.
Empowering Leadership -> Job Satisfaction	4.937	0.000	Sig
Empowering Leadership -> Employee Performance	3.103	0.002	Sig
Job Satisfaction -> Employee Performance	2,567	0.011	Sig
Work Motivation -> Job Satisfaction	4.640	0.000	Sig
Work Motivation -> Employee Performance	2,147	0.032	Sig
Job Stress -> Job Satisfaction	3.294	0.001	Sig
Job Stress -> Employee Performance	2,368	0.018	Sig

Source: Data Processed by Researchers (2022)

Based on the table above, the results show that in looking at the relationship between constructs using the T-statistical test > 1.96 and P-value < 0.05 ..

b. Specific Indirect Effect

The indirect effect test aims to show whether or not what is happening in the mediating variable. Testing the effect in this study using the Bootstrapping method. The mediating variable is said to be able to mediate if the T statistic is greater than the T table and the P value is less than 0.05.

Table 5.12 Specific Indirect Effect

	T Statistics (O/STDEV)	P Values
Empowering Leadership -> Job Satisfaction -> Employee Performance	2.122	0.034
Work Motivation -> Job Satisfaction -> Employee Performance	2.186	0.029
Job Stress -> Job Satisfaction -> Employee Performance	2.101	0.036

Source: Data Processed by Researchers (2022)

1. The results of the existing research in this study, which were processed using smartpls, obtained statistical calculations which could be concluded that empowering leadership had a significant influence on the performance of employees of PT BCA Finance Area East Java Satu. This means that the granting of power or delegation carried out by the company's leadership provides extraordinary value for employees so that it affects employee performance. Thus, this study supports hypothesis 1 which states that empowering leadership has a significant effect on employee performance.
2. The results of the research, which were processed using smartpls statistically, concluded that work motivation had a significant influence on the performance of PT BCA Finance Area East Java Satu employees, so this study supports hypothesis 2 which states that work motivation has a significant effect on employee performance.
3. The results of the study were processed using smartpls statistically to get the conclusion that work stress has a significant effect on employee performance at PT BCA Finance Area Jawa Timur Satu so this study supports hypothesis 3 which states that work stress has a significant effect on employee performance.
4. The results of this study were processed using smartpls statistical calculations to get the conclusion that job satisfaction was able to mediate empowering leadership and employee performance at PT BCA Finance Area East Java Satu, so this study supports hypothesis 4 which states that job satisfaction mediates the relationship between empowering leadership and employee performance.
5. The results of the research, which were processed using smartpls statistically, concluded that job satisfaction was able to mediate all work motivation and employee performance at PT BCA Finance Area East Java Satu, so this study

supports hypothesis 5 which states that job satisfaction mediates the relationship between work motivation and employee performance.

6. The results of research processed using smartpls statistically can be concluded that job satisfaction is able to mediate work stress and employee performance at PT BCA Finance Area East Java Satu so that this study supports hypothesis 6 which states that job satisfaction mediates the relationship between job stress and employee performance.
7. The results of research processed using smartpls statistically can be concluded that job satisfaction has a significant effect on employee performance at PT BCA Finance Area East Java Satu, so this study supports hypothesis 7 which states that job satisfaction has a significant effect on employee performance.

CONCLUSION

The results of the analysis and research results as well as the discussion in this study, get the following conclusions:

1. *Empowering Leadership* proven to have a significant effect on employee performance at PT BCA Finance Area East Java Satu
2. Work Motivation is proven to have a significant effect on Employee Performance at PT BCA Finance Area East Java Satu
3. Work stress has been proven to have a significant effect on employee performance at PT BCA Finance Area East Java Satu
4. Job Satisfaction is able to mediate the quasi-Empowering Leadership and Employee Performance at PT BCA Finance Area East Java Satu
5. Job Satisfaction is able to mediate all work motivation and employee performance at PT BCA Finance Area East Java Satu
6. Job Satisfaction is able to mediate all Job Stress and Employee Performance at PT BCA Finance Area East Java Satu
7. Job Satisfaction has been proven to have a significant effect on employee performance at PT BCA Finance Area East Java Satu

The results of existing research, researchers try to provide suggestions, namely as follows:

1. To the leadership of PT BCA Finance Jawa Timur Satu so that they can explore their role in leading so that they can encourage better employee performance in the future
2. To the leadership of PT BCA Finance Jawa Timur Satu for continuing to provide direction and input so that employees are able to have good work motivation in order to encourage employee performance
3. This research can be used as a reference regarding empowering leadership on employee performance

4. Further researchers can try to make new research of the same type, can try with other variables or expand existing research.

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