The Effect of Leadership Style on Organizational Commitment and Employee Performance: An Empirical Study from Indonesia

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Abstract
This study aims to: 1) analyze the effect of leadership style on job satisfaction and organizational commitment, 2) analyze the effect of leadership style, job satisfaction and organizational commitment on employee performance, 3) examine the indirect effect of leadership style on employee performance mediated by job satisfaction and organizational commitment. The population of this research is all employees who have structural positions totaling 95 respondents. The sample was selected using the census technique, resulting in a total of 95 respondents in the research sample. Methods of data collection was using a questionnaire. The research model is structural so that the research data is analyzed using SEM Smart PLS 2. Research results: 1) leadership style has a positive and significant effect on job satisfaction and organizational commitment, 2) leadership style, job satisfaction, and organizational commitment have a positive and significant effect on employee performance, 3) Job satisfaction and organizational commitment mediates the influence of leadership style on employee performance, and has a positive and significant effect. Indirect influence gives stronger results than direct influence. As a result, it is hoped that university leadership will use an effective leadership style and pay attention to employee work satisfaction and commitment to boost employee performance.

Keywords: Leadership Style, Work Satisfaction, Organizational Commitment, Employee Performance

JEL Classification Code: L31, M12, C30

1. Introduction
Because the leader influences the emotions, attitudes, and conduct of employees, the success of service-oriented businesses is strongly dependent on the function of the leader (Terglav et al., 2016; Avolio et al., 2004). The leader’s task is to influence subordinates’ morals, ideals, interests, and values, motivating them to accomplish better than expected by changing their
decision. According to Oldham and Cummings (1996), leadership style combines three elements: style characteristics, implicit leadership philosophies, and management skill sets that are typical of each style. Emphasis on performance and people is explained through leadership style, whereas leader roles and assumptions about people are explained through leadership philosophy.

Many researchers have looked into the impact of leadership style on employee performance (Ogbeide et al., 2008). Employees will be more loyal and driven to work efficiently if leaders allow them autonomy, according to Kim et al. (2018). This will improve their performance as well as the productivity of the company. However, according to Nur et al. (2021), friendly leadership has no effect on employee performance, whereas forced leadership has a detrimental impact on employee performance. Similarly, Eliyana et al. (2019) discovered that transformational leadership affects organizational commitment but has no influence on employee performance. Leaders that have an excellent leadership style will improve organizational commitment to stay with the company until they retire.

Employee performance is not only influenced by leadership style but is also influenced by organizational commitment. Organizational commitment has an impact on employee performance. Managers think that employee commitment to organizational goals is important (Robbins & Judge, 2017). Research conducted by Hendri (2019) found that organizational commitment positively and significantly affects employee performance. Organizations that develop competitive advantage and achieve organizational goals require positive behavior changes of their employees. Organizations must build a strong commitment to developing the organization’s human resources so that employees have a strong involvement in the organization that reflects employee loyalty to the organization. This employee attitude will make a positive contribution to management in managing its employees and can affect the organization’s success in dealing with changes in the work environment.

Mowday et al. (2013) showed that when individuals have a high level of commitment to an organization, it leads to good outcomes for both the individual and the organization, such as more productive behavior, lower employee turnover, and higher employee retention. Tolentino, (2013) examined the organizational commitment of administrative staff at selected universities, and the result showed that commitment is effectively and significantly correlated with the work performance of academic staff. These findings are different from the results of the research by Kaplan and Kaplan (2018), Suryanto and Prihatiningsih (2016), and Renyut et al. (2017) that organizational commitment has no significant effect on employee performance. This demonstrates that employee commitment isn’t focused on obtaining work results; people want to stay with the company, but their motivation is not aligned with their job goals.

Employees are more engaged in their work and care about the type of work they do when they are satisfied with their jobs. Individuals who are more content with their jobs perform better, and firms with more satisfied employees are more efficient (Robbins & Judge, 2017) (Robbins & Judge, 2017). Research by Eliyana et al. (2019) found that job satisfaction positively and significantly affects employee performance. Employees who feel satisfied with their work will always do their best to make their work successful so that their performance increases. In today’s rapidly changing environment, managing employee performance effectively is the norm and a very important element, especially in organizations in the public sector (McGurk, 2011). This is like in universities, which have employees as educators and education staff.

Halu Oleo University, one of Indonesia’s universities, was founded in 1981. It had 53,969 active students in 2020. There are 15 faculties, one vocational education program, and one postgraduate program. To support the educational process in educational units, educational personnel are required to perform administrative management, development, supervision, and technical services. Along with the duties of educational staff in higher education, leadership is required to direct personnel to carry out tasks to the best of their abilities to improve services. Employees’ job satisfaction and commitment are required to carry out their responsibilities and increase their performance while using effective leadership. This supports the study of Maartje (2020), who found that appropriate leadership for subordinates has a significant impact on their performance by allowing them to feel satisfied with their work, making employees feel more secure and protected. Similarly, Eliyana et al. (2019) found that while leadership style does not directly improve employee performance, it does have an impact when job satisfaction and organizational commitment are included.

2. Literature Review and Hypothesis

2.1. Leadership Style

According to Rivai (2017), leadership style is a set of characteristics used by leaders to influence subordinates so that organizational goals are achieved. Leadership is the act of leading a group of people towards the achievement of a set goal. It is the art of inspiring, influencing, and motivating people to bring about beneficial change in organizations. This helps employees to respond in the same direction when they are influenced by their leader (Dubrin, 2019). The indicators of leadership style in this study refer to the opinions of Armstrong (2012), Northouse (2016), and Gibson et al. (1997), namely: a) transformational, and b) situational.

According to Robbins and Judge (2017), leadership theory relies on the ability of leaders to inspire followers
to believe in them. In contrast, Fiedler’s model, situational leadership theory, and path-goal theory describe transactional leaders who guide their followers toward set goals by clarifying roles and task requirements. Transformational leaders inspire followers to go beyond their self-interest for the good of the organization. Transformational leaders can have a tremendous effect on their followers, who respond with increased levels of commitment. Transformational leaders are most effective when their followers can see the positive impact of their work through direct interactions with customers or other beneficiaries.

Leaders in organizations must know about the organization, master organizational science, and control the people in the organization (Soekarso et al., 2010). Research on leadership provides empirical evidence that leadership variables positively affect employee performance (Fuller et al., 1996). Research by Basit et al. (2017) also revealed that leadership style significantly affects employee performance. Research by Chua et al. (2018) revealed that leadership style has a positive and significant impact on employee performance. Research by Dolly and Nonyelum (2018) revealed that leadership style positively affects employee performance. Maartje (2020) found appropriate leadership for subordinates has a significant impact on their performance.

Satisfied employees achieve positive results in their work, in general, or in certain personal elements, and they are more willing to explore new ideas and participate more in decision-making (Kivimäki et al., 1994). This is the result of effective leadership strategies aimed at improving employee communication and worker support for organizational commitment and job satisfaction (Lok & Crawford, 2004; Rosenfeld, 1999). Research by Putu et al. (2021), Eliyana et al. (2019), and Çakmak et al. (2015) revealed that leadership style has a positive and significant effect on organizational commitment.

Employees with high job satisfaction are able to work effectively and pursue organizational interests. Effective leaders provide proper direction and direct followers to attain desired goals (Sarwar et al., 2015). Several studies have looked into the relationship between these two factors, and they all agree that leadership has a major impact on employee job satisfaction (Valentine et al., 2011). Leaders use several leadership styles to deal with employees depending on the organizational setting. Research by Eliyana et al. (2019), Al Khajeh (2018), Saleem (2015), and Khalid et al. (2015) revealed that leadership style has a positive and significant effect on employee job satisfaction.

**H1:** Leadership style has a positive and significant effect on employee job satisfaction.

**H2:** Leadership style has a positive and significant effect on organizational commitment.

**H3:** Leadership style has a positive and significant effect on employee performance.

### 2.2. Organizational Commitment

According to Allen and Meyer (1996), “organizational commitment is commonly defined as a “psychological link between the employee and his or her organization that makes it less likely that the employee will voluntarily leave the organization” (p. 64). Organizational commitment is the extent to which employees identify their goals and desires with a particular organization to maintain membership in the organization (Robbins & Judge, 2017).

According to Robbins and Judge (2017), the effect of commitment on performance concludes that commitment impacts performance. Many managers think that employee commitment to organizational goals is important. For example, accepting goals often implies that workers accept the values and goals of the organization. Armstrong (2012) also revealed that increasing employee commitment will lead to increased performance. Improved performance will result if the organization shifts from a traditional control-oriented approach to workforce management that relies on establishing order, exercising control, and achieving efficiency.

Organizational commitment has become one of the most popular work attitudes studied by practitioners and researchers (Meyer et al., 1993; Mowday et al., 2013) because of its considerable impact on organizational outcomes such as employee performance (Dirani, 2009; Yousef, 2000). Research by Al Zefeiti and Mohamad (2017) revealed that empirical results show that all subscales of organizational commitment (affective, normative, and sustainability) significantly impact employee performance. Similarly, research by Minh and Thanh (2020) and Kristianto et al. (2018) found that organizational commitment has a positive and significant effect on employee performance. Based on the theoretical basis and previous research, the research hypothesis is as follows:

**H4:** Organizational commitment has a positive and significant effect on employee performance.

### 2.3. Work Satisfaction

Job satisfaction can be defined as the attitudes and feelings that people have about their jobs. A positive and pleasant attitude towards work indicates job satisfaction. Negative and unpleasant attitudes towards work indicate job dissatisfaction (Armstrong, 2012). According to Robbins and Judge (2017), happy workers are generally more likely to be productive workers. Several previous researchers found a fairly strong relationship between job satisfaction
and job performance. Individuals with higher job satisfaction perform better, and organizations with more satisfied employees tend to be more effective compared to those who were less satisfied. According to Armstrong (2012), an increase in job satisfaction results in increased performance.

Employee satisfaction is a crucial factor in organizational performance since it reflects an employee’s feelings about his job duties, as seen by positive behavior toward all things encountered in the workplace. Employees who are satisfied with their duties increase the overall performance of the organization. Because job satisfaction is individualistic and dependent on each employee, it is determined by what individuals expect and get at work. Research by Eliyana et al. (2019) and Salih et al. (2021) revealed that job satisfaction has a positive and significant effect on employee performance. Based on these findings, this study proposes the following hypotheses:

\textbf{H5: Job satisfaction has a positive and significant effect on employee performance.}

2.4. Employee Performance

According to Robbins and Judge (2017), performance is a combination of effectiveness and efficiency in performing core work tasks. All of these types of performance relate to the core duties and responsibilities of a job and are often directly related to the functions listed in the formal job description. According to Mathis and Jackson (2004), performance appraisal is the process of evaluating how well employees do their jobs when compared to a set of standards and then communicating that information. Performance is the level of success in carrying out tasks and the ability to achieve the goals that have been set (Gibson & Walters, 2012).

According to Emery and Barker (2007), leadership styles that encourage and motivate their followers to take on additional responsibility will improve their job satisfaction. According to Voon et al. (2011), transformational leadership has a stronger link to job satisfaction than transactional leadership. According to Eliyana et al. (2019) and Ali and Tang (2016), job satisfaction has a significant impact on performance.

Employees who are committed are accountable for improving their performance and dedicating their time to the company (Raju & Srivastava, 1994). This is the result of good leadership practices to improve communication between employees and workforce support for organizational commitment and job satisfaction (Lok & Crawford, 2004; Rosenfeld, 1999). Because of its significant impact on organizational outcomes like as employee performance (Dirani, 2009), organizational commitment is becoming one of the most popular work attitudes studied by researchers and academics (Meyer et al., 1993; Mowday et al., 2013; Yousef, 2000). Research by Kristianto et al. (2018) and Eliyana et al. (2019) revealed that leadership style affects employee performance mediated by organizational commitment. Considering these results, this study will develop a hypothesis:

\textbf{H6: Leadership style has a significant effect on employee performance mediated by job satisfaction.}

\textbf{H7: Leadership style has a significant effect on employee performance mediated by organizational commitment.}

3. Research Method

3.1. Variables and Measurements

In this study, the exogenous variable is the leadership style variable, with measurements: a) transformational, measured by: ideal influence, inspirational motivation, intellectual stimulation, individual considerations. These items refer to the opinion of Northouse (2016) and Armstrong (2012), b) situational, measured by: telling, selling, participatory, delegative. These items refer to the opinion of Gibson et al. (1997) and Thompson and Vecchio (2009).

The intervening variables in this study are job satisfaction and organizational commitment variables. Job satisfaction variables with measurements: a) Satisfaction with the work itself, b) satisfaction with the job rewards, c) satisfaction with supervision from superiors, d) satisfaction with colleagues, e) promotion opportunities. This measurement refers to the opinion of Robbins and Judge (2017) and Khalid et al. (2015). Organizational commitment variables with measurements: a) affective commitment, b) continuance commitment, c) normative commitment. This measurement refers to the opinion of Allen and Meyer (1996) and Raveendran and Gamage (2018). While the endogenous variable is employee performance, with measurements a) quantity, b) quality, c) time, d) cost, e) service orientation, f) work initiative, g) cooperation. Measurement of employee performance variables refers to Government Regulation of the Republic of Indonesia No. 30 of 2019 concerning the Performance Assessment of Civil Servants.

3.2. Samples and Data Sources

All elements of the leadership of all work units at Halu Oleo University with the level of echelon III and IV, comprising 96 people, were included in this study. Because the population is just 95 people, the sample size is determined using the census/saturation technique, which means that the entire population is sampled, resulting in a study sample of 95 persons. The number of samples in this study is still larger.
than the research of Eliyana et al. (2019) with a sample of only 30 respondents and is close to the sample size of Nur et al. (2021) research which was 106 respondents. Data was collected through a questionnaire and measured using a five-point Likert scale. This is referred to as data collection (Nur et al., 2021; Raveendran & Gamage, 2018).

4. Results and Discussion

4.1. Results

The measurement model may be seen from the value of composite reliability, AVE, and Cronbach Alpha, as well as the results of assessing the model’s goodness-of-fit. Table 1 shows that all constructs namely: transformational leadership style, situational leadership style, job satisfaction, organizational commitment, and employee performance provide values that meet the fit model criteria so that the measurement model can be declared as good.

This study has four latent variables and 20 indicators. Evaluation of the latent variable measurement model is based on substantive content, namely by comparing the magnitude of the relative loadings and seeing the significance of the size of 8he loadings. Based on Table 2, it can be seen that of the eight indicators that reflect the leadership style variable, five indicators that reflect the job satisfaction variable, three indicators that reflect the organizational commitment variable, seven indicators that reflect the employee’s performance are declared significant because the p-value is smaller than 0.05. Based on the value of outer loadings and p-value, it is known that the eight indicators are very dominant in forming the leadership style variable, five indicators are very dominant in forming the job satisfaction variable, the three indicators are very dominant in forming the organizational commitment variable, and the seven indicators are very dominant in shaping employee performance.

Table 3 shows that the R-square value of the influence of leadership style on job satisfaction is 0.432. The R-square value of the influence of leadership style on organizational commitment is 0.346, the R-square value of the influence of leadership style, job satisfaction, and organizational commitment on employee performance is 0.690. This means the variability of employee performance constructs can be explained by leadership style, job satisfaction, and commitment. This model can explain organizational commitment by 69.0% while the remaining 31.0% is explained by other variables outside the model. While the value of Q-Square (predictive relevance) is 0.885 or the leadership style variable is explained by the influence of leadership style, the mediating role of job satisfaction and the mediating role of organizational commitment is 0.885 or 88.5%. The remaining 11.5% is influenced by other variables outside the model.

Table 4 shows that the influence of leadership style on job satisfaction with a path coefficient of 0.658 and a p-value of 0.000 or less than 0.05 is significant (Figure 1). The influence of leadership style on organizational commitment with a path coefficient of 0.588 and a p-value of 0.000 or less than 0.05 is declared significant. The influence of leadership style on employee performance with a path coefficient of 0.199 and a p-value of 0.012 or less than 0.05 is declared significant. The effect of organizational commitment on employee performance with a path coefficient of 0.373 and a p-value of 0.000 or less than 0.05 is declared significant. While the influence of leadership style on employee performance mediated by job satisfaction with a path coefficient of 0.271 and a p-value of 0.000 is significant. The influence of leadership style on employee performance mediated by organizational commitment with a path coefficient of 0.220 and a p-value of 0.05 is declared significant. The direct effect of leadership style on employee performance is significant at the 5% level, while the influence of leadership style on employee performance mediated by job satisfaction and organizational commitment is significant at the 1% percent level. Thus, the role of mediation strengthens the influence of leadership style on employee performance.

Table 1: Measurement Model Goodness Test Results

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Composite Reliability</th>
<th>AVE</th>
<th>Cronbach Alpha</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership style (Trs_LS)</td>
<td>0.8562</td>
<td>0.6005</td>
<td>0.7741</td>
<td>Fit</td>
</tr>
<tr>
<td>Situational leadership style (Sts_LS)</td>
<td>0.7811</td>
<td>0.4848</td>
<td>0.6148</td>
<td>Fit</td>
</tr>
<tr>
<td>Work Satisfaction (WS)</td>
<td>0.7816</td>
<td>0.4378</td>
<td>0.6609</td>
<td>Fit</td>
</tr>
<tr>
<td>Organizational Commitment (OC)</td>
<td>0.8619</td>
<td>0.6759</td>
<td>0.7645</td>
<td>Fit</td>
</tr>
<tr>
<td>Employee Performance (EP)</td>
<td>0.8926</td>
<td>0.5523</td>
<td>0.8562</td>
<td>Fit</td>
</tr>
</tbody>
</table>
Table 2: Estimated Parameters of Measurement Model

<table>
<thead>
<tr>
<th>Variables</th>
<th>Indicators</th>
<th>Outer Loadings</th>
<th>Mean of Indicators</th>
<th>Standard Errors</th>
<th>T-statistic</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Style</td>
<td>Trs_1</td>
<td>0.6669</td>
<td>0.6594</td>
<td>0.0627</td>
<td>10.64</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Trs_2</td>
<td>0.7264</td>
<td>0.7217</td>
<td>0.0537</td>
<td>13.53</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Trs_3</td>
<td>0.8496</td>
<td>0.8512</td>
<td>0.0263</td>
<td>32.31</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Trs_4</td>
<td>0.8413</td>
<td>0.8405</td>
<td>0.0221</td>
<td>38.11</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Sts_1</td>
<td>0.7737</td>
<td>0.7747</td>
<td>0.0383</td>
<td>20.18</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Sts_2</td>
<td>0.72</td>
<td>0.7114</td>
<td>0.0592</td>
<td>12.16</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Sts_3</td>
<td>0.8096</td>
<td>0.8137</td>
<td>0.0401</td>
<td>20.21</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>Sts_4</td>
<td>0.4087</td>
<td>0.4194</td>
<td>0.1182</td>
<td>3.46</td>
<td>0.001</td>
</tr>
<tr>
<td>Work Satisfaction</td>
<td>WS_1</td>
<td>0.3385</td>
<td>0.361</td>
<td>0.1129</td>
<td>3.00</td>
<td>0.003</td>
</tr>
<tr>
<td></td>
<td>WS_2</td>
<td>0.7797</td>
<td>0.7804</td>
<td>0.0332</td>
<td>23.50</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>WS_3</td>
<td>0.7997</td>
<td>0.7983</td>
<td>0.0314</td>
<td>25.43</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>WS_4</td>
<td>0.7699</td>
<td>0.7635</td>
<td>0.0435</td>
<td>17.70</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>WS_5</td>
<td>0.484</td>
<td>0.4935</td>
<td>0.1233</td>
<td>3.93</td>
<td>0.000</td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>OC_1</td>
<td>0.8343</td>
<td>0.8364</td>
<td>0.0206</td>
<td>40.60</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>OC_2</td>
<td>0.765</td>
<td>0.7631</td>
<td>0.0566</td>
<td>13.51</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>OC_3</td>
<td>0.8639</td>
<td>0.8644</td>
<td>0.028</td>
<td>30.83</td>
<td>0.000</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>EP_1</td>
<td>0.713</td>
<td>0.7122</td>
<td>0.0623</td>
<td>11.44</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>EP_2</td>
<td>0.747</td>
<td>0.7418</td>
<td>0.0497</td>
<td>15.04</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>EP_3</td>
<td>0.7739</td>
<td>0.7725</td>
<td>0.0402</td>
<td>19.24</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>EP_4</td>
<td>0.3922</td>
<td>0.3968</td>
<td>0.0876</td>
<td>4.02</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>EP_5</td>
<td>0.8102</td>
<td>0.8033</td>
<td>0.0384</td>
<td>21.10</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>EP_6</td>
<td>0.8184</td>
<td>0.8191</td>
<td>0.0343</td>
<td>23.85</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>EP_7</td>
<td>0.8491</td>
<td>0.8425</td>
<td>0.0328</td>
<td>25.86</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table 3: Structural Model Goodness Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>R-Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>WS → Work satisfaction</td>
<td>0.432</td>
</tr>
<tr>
<td>OC → Organization commitment</td>
<td>0.346</td>
</tr>
<tr>
<td>EP → Employee Performance</td>
<td>0.690</td>
</tr>
<tr>
<td>Q-Square (Predictive relevance)</td>
<td>0.885</td>
</tr>
</tbody>
</table>

4.2. Discussion

The results showed that: first, leadership style had a positive and significant effect on job satisfaction. This demonstrates that if a leader uses the appropriate leadership style in a given setting, the employee will enjoy performing his tasks. Apart from that, employees will like working with their coworkers due to the role of leaders in cementing relationships between employees so that they can effectively perform their jobs. Employees can follow directions and orders from their leaders because they are driven by an attitude of trust from subordinates to leaders, especially leaders who have good morals and are ethical in making decisions. The results of this study support the opinion of Gibson et al. (1997) who stated that transformational leadership style creates change, and are strong role models for subordinates. These leaders have a highly developed set of moral values and a self-determined sense of identity. They are confident, capable, and expressive and have strong beliefs. The results of this study are supported by the results of previous studies such as Nur et al. (2021), Irwan et al. (2020), and Eliyana et al. (2019), who found that leadership style has a positive and significant effect on employee job satisfaction.

Second, leadership style has a positive and significant effect on organizational commitment. The results of
Table 4: Path Coefficient

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path Coefficient</th>
<th>T-statistic</th>
<th>P-value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>LS → WS</td>
<td>0.658</td>
<td>10.48</td>
<td>0.000***</td>
<td>Supported</td>
</tr>
<tr>
<td>LS → OC</td>
<td>0.588</td>
<td>10.59</td>
<td>0.000***</td>
<td>Supported</td>
</tr>
<tr>
<td>LS → EP</td>
<td>0.1991</td>
<td>2.55</td>
<td>0.012**</td>
<td>Supported</td>
</tr>
<tr>
<td>WS → EP</td>
<td>0.4129</td>
<td>8.07</td>
<td>0.000***</td>
<td>Supported</td>
</tr>
<tr>
<td>OC → EP</td>
<td>0.3739</td>
<td>5.44</td>
<td>0.000***</td>
<td>Supported</td>
</tr>
<tr>
<td>LS → WS → EP</td>
<td>0.271</td>
<td>6.428</td>
<td>0.000***</td>
<td>Supported</td>
</tr>
<tr>
<td>LS → OC → EP</td>
<td>0.220</td>
<td>4.880</td>
<td>0.000***</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Notes: *P-value < 0.1; **P-value < 0.05; ***P-value < 0.01. Significant at the 0.05 level.

Figure 1: The Result of the Full Model

This study indicate that leadership plays an important role in creating and sustaining employee commitment. Furthermore, leaders who use an effective leadership style in a circumstance will be glad to work in the organization, which will strengthen their commitment to stay with the company for the duration of their employment. This supports the opinion of Avolio et al. (2004) and Baek (2012) and supports the results of previous studies that leadership style has a positive and significant effect on organizational commitment (Eliyana et al., 2019).

Third, leadership style influences employee performance in a positive and significant way. The findings revealed that the more effective the application of the leadership style, the more loyal employees will be to their duties and responsibilities, allowing them to complete their tasks on time and improving employee performance. Empirical studies suggest that the Halu Oleo University’s leadership element can inspire followers/subordinates to be more creative and innovative, as well as stimulate their own views and ideals. This is very important for every employee to develop his or her enthusiasm to work well so that employees will complete all of their responsibilities and their performance will improve. The results of this study also support the opinion of Robbins and Judge (2017) that leadership style affects employee performance. The results of this study support previous research that leadership style has a positive and significant effect on employee performance (Basit et al., 2017; Chua et al., 2018; Dolly & Nonyelum, 2018).
Fourth, job satisfaction affects employee performance in a positive and significant way. According to the findings of the study, a higher level of employee job satisfaction in terms of advancement, supervision from superiors, coworkers, and work that is in line with their abilities and expertise, will create an extremely happy mood, which will stimulate employee morale, and employees will focus, concentrate, and show perseverance in carrying out the assigned tasks, resulting in increased performance. The findings of this study support Armstrong (2012) that an increase in job satisfaction leads to an increase in performance. Similarly, previous research found that job satisfaction affects employee performance (Irwan et al., 2020; Eliyana et al., 2019).

Fifth, organizational commitment has a positive and significant effect on employee performance. The results of the study show that employees who have an organizational commitment as indicated by their emotional bond, identification, and involvement of employees in an organization will work seriously to complete their duties so that their performance increases. Employees stay at Halu Oleo University because they want to. Organizational commitment at Halu Oleo University is found to be good. Employees will make an effort to develop their skills, and try to complete their tasks so that employee performance increases.

The results of this study support the opinion of Meyer et al. (1993) and Mowday et al. (2013) that organizational commitment has a significant effect on employee performance. Similarly, previous research found that organizational commitment positively and significantly affects employee performance (Al Zefeiti & Mohamad, 2017; Fathia et al., 2018; Rivai, 2017).

Sixth, leadership style has a positive and significant effect on employee performance mediated by job satisfaction. The outcomes of this investigation corroborate previous studies. The findings demonstrate that leaders who use the appropriate leadership style in a given situation will make employees feel satisfied in their work. Employees can carry out their responsibilities well and boost their performance when they are satisfied working with their coworkers due to the function of a leader who is able to glue relationships amongst employees. The results of the study support the leadership concept proposed by Robbins and Judge (2017) that good interactions between leaders and subordinates strengthen the work structure, thus the leadership style in an organization has a positive impact on job satisfaction and has an impact on improving employee performance. According to Eliyana et al. (2019) and Ali and Tang (2016), job satisfaction has a significant impact on performance, which is mediated by job satisfaction.

Seventh, leadership style has a positive and significant effect on employee performance mediated by organizational commitment. The results show that leaders who apply an effective leadership style will increase organizational commitment. An effective leadership style in a situation can create a harmonious atmosphere between employees. Employees will feel happy working in the organization thereby increasing their commitment to remain in the organization for all time. Employees who have high organizational commitment are shown by their emotional ties, identification, and involvement of employees in an organization, thus employees will work seriously to complete their duties so that their performance increases. The results of this study support previous research by Kristianto et al. (2018) and Eliyana et al. (2019) who found that leadership style has an impact on employee performance, which is mediated by organizational commitment.

5. Conclusion and Limitation

This study examines the influence of leadership style on employee performance mediated by job satisfaction and organizational commitment. The results of the study show that leadership style, job satisfaction, and organizational commitment have a direct influence on employee performance, which is positive and significant. Likewise, leadership style, mediated by job satisfaction and organizational commitment, has a positive and significant effect on employee performance. The indirect influence of leadership style on employee performance is stronger than the effect of mediation. Thus, the variables of job satisfaction and organizational commitment can mediate leadership style on employee performance. Based on these findings, the University’s leadership team must implement an effective leadership style that is appropriate for the employees’ time and situation. The leader must set an example so that employees can follow directions from superiors. Furthermore, the leadership element must pay attention to variables that promote employee job satisfaction and foster long-term relationships with employees so that employees enjoy coming to work and have the desire to continue working in the organization.

In terms of the study’s limitations, researchers were unable to delve deeper into the application of leadership style, job satisfaction, organizational commitment, and employee performance through in-depth interviews with respondents, limiting information about research variables to research questionnaires. Intervening variables, such as job satisfaction, are linked. Only the effect of job satisfaction on employee performance is studied, but according to Armstrong (2012), it is not only an increase in job satisfaction that leads to an increase in performance, but it is also an increase in performance that leads to an increase in job satisfaction. Further research can be done on this variable, as well as on the impact of job satisfaction on employee performance.
References


