



# The Effect of Situational Leadership and Compensation Style on Employees 'Performance with Job Satisfaction as Intervening Variables In Pt. Bank Rakyat Indonesia (Persero) Tbk. Branch Of Denpasar

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ARTICLE INFO	ABSTRACT
Published Online: 29 August 2018	This study aims to analyze the influence of situational leadership style and compensation for employee performance with job satisfaction as an intervening variable at PT. Bank Rakyat Indonesia (Persero) Tbk. Denpasar Branch. PT. Bank Rakyat Indonesia (Persero) Tbk. The Denpasar branch is one of the financial service providers in the city of Denpasar with a total of 52 employees. This research is a quantitative research using primary data obtained from questionnaires and measured using a Likert scale. Based on data taken from PT. Bank Rakyat Indonesia (Persero) Tbk. Denpasar Branch where employees number 52 people, which is less than 100, then taken entirely so that the research is a saturated sample population research. The data analysis technique used in this research is Path Analysis.
Corresponding Author: <b>Novia Ari Sandra</b>	The conclusions that can be drawn in this study are (1) situational leadership has a positive and significant effect on job satisfaction, (2) Compensation has a positive and significant effect on job satisfaction, (3) situational leadership has a direct influence on employee performance, (4) compensation positive and significant direct effect on employee performance, (5) Job satisfaction has a positive and significant effect on employee performance, (6) Job satisfaction does not play a role in mediating the influence of situational leadership on employee performance, (7) Job satisfaction does not play a role in mediating the effect of compensation towards employee performance.
<b>KEYWORDS:</b> Situational Leadership Style, Compensation, Job Satisfaction, and Employee Performance	

## 1. INTRODUCTION

An effective leader is not only indicated by the amount of power that is owned and how to use it, but is shown by the leader's attention to the welfare of subordinates, commitment to subordinate growth, especially nurturing attitudes which are shown to strengthen subordinates' willingness and work performance to improve performance. If the employee feels alienated both with the social environment and work, then the possibility that the employee's performance can be decreased (Hersey and Blanchard, 1995: 178). Some types of leadership styles include transformational leadership, transactional leadership and leadership styles resulting from the development of previous leadership styles called situational leadership styles developed by Hersey and Blanchard. The leadership style of a leader who always tries to adjust to the situation and condition of the organization, and is flexible in adjusting to the maturity of subordinates and their work environment.

This is consistent with the changing conditions of global competition, so that it is required to be more adaptive to the environment. Leadership plays an important role in planning and developing corporate strategies (Yukl, 2006; Pratt, 2004 in Yuliana, 2010), because different leadership styles will influence the way managers use and develop accounting systems and company data. Therefore, leaders must be able to use the right leadership style so that employees can directly improve performance.

Simamora (2010: 442), compensation is what employees receive in exchange for their contribution to the organization. Providing compensation is done by companies to respect employee performance, retain employees, get better quality employees and compensation systems must be able to motivate employees so that their performance is always increasing. According to Michael and Harold in Wulandari (2010), compensation can be divided into material compensation in the form of wages, salaries, facilities provided by the company. Social compensation in

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the form of dans tatus rewards, and activity compensation in the form of compensation in addition to work responsibilities to treat the saturation of the work routine.

One important tool in human resource management in organizations is the creation of employee satisfaction. Job satisfaction is basically one of the psychological aspects that reflects one's feelings towards their work, workers will feel satisfied with the suitability between their abilities, skills and expectations with the work that workers face. (Hasibuan, 2011: 132), Job satisfaction is one of the factors that is very important to get optimal results when a person feels satisfaction in working, of course he will make every effort possible with all his abilities to produce his work assignments. Satisfaction received and felt by an employee will affect the results obtained from his work. (Luthans, 2008: 98).

Satisfaction is actually a subjective condition which is the result of conclusions based on a comparison of

what employees receive from their work compared to what is expected, desired, and thought of as something that deserves or deserves it. While each employee subjectively determines how satisfying the work is. (Martoyo, 2012: 167)

Job satisfaction is a pleasant emotional attitude and loves his job. This attitude is reflected by work morale, discipline and work performance. Job satisfaction is enjoyed in work, outside work, and a combination of inside and outside work. (Hasibuan, 2010: 122).

Every company always strives to improve employee job satisfaction as much as possible within the limits of the company's capabilities. According to Riduwan, (2005: 35), To achieve good job satisfaction in the organization or company, there must be a leadership policy in providing compensation or rewards to employees that are expected to motivate employees to further improve their performance so that they can achieve the goals set.

**Table 1.** Amount of loan funds and third party funds PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch In 2015 (in million rupiah)

No	Data Type	Target for 2015			Realization of 2015			Information
		Catur wulan I	Catur wulan II	Catur Wulan III	Catur wulan I	Catur wulan II	Catur wulan III	
1	Loan	750.000	800.000	800.000	642.000	586.000	680.000	Not according to the target
2	Third-party funds	800.000	800.000	850.000	710.000	680.000	735.000	Not according to the target

**Source :** Source : PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch

Table 1 above PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch in the first Wulan Chess to the third Wulan Chess in 2015 loan and third party funds are not in accordance with the targets set by the company, this is evidence that the performance of employees at PT. Bank

Rakyat Indonesia (Persero) Tbk Denpasar Branch is not performing well. Whereas for 2016 the amount of loan funds and the amount of third party funds from the first quarter Chess to the third Wulan Chess in 2016 can be seen in Table 1.2:

**Table 2.** Amount of loan funds and third party funds PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch in 2016 (in million rupiah)

No	Data Type	Target for 2016			Realization of 2016			Information
		Catur wulan I	Catur wulan II	Catur Wulan III	Catur wulan I	Catur wulan II	Catur wulan III	
1	Loan	850.000	870.000	870.000	655.000	775.000	650.000	Not according to the target
2	Third-party funds	850.000	850.000	850.000	620.000	740.000	715.000	Not according to the target

**Source :** PT. Bank Rakyat Indonesia (Persero) TbkCabang Denpasar

Table 2 shows that PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch in the first Wulan Chess until the third Wulan Chess in 2016 loan and third party funds are not in line with the target, this is evidence that the performance of employees at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch is not performing well.

Tables 1 and 2 show an employee's performance at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch is not good, achievement of employee targets in loans and third party funds is not achieved, one of which is the lack of hard work of all employees at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch and cannot be separated

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from the role of leadership in motivating its employees namely holding meetings regularly.

With the performance of employees that are not in accordance with the goals of the company, this is a challenge for the leadership elements in the company PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch. In

an effort to achieve the goals of the company as a microfinance institution, it is carried out by providing the best services for customers and in addition PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch takes a policy that is by holding a meeting as in Table 1.3.

**Table 1.3.** Types of Communication, Communication Frequency At Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch In 2016

No.	Types of Communication	Frequency Communication	Information
1.	Branch Manager Branch with staff namely Marketing Manager, Assistant operational manager and Micro Business Assistant Manager.	12 times	<ul style="list-style-type: none"> <li>- Improve the quality and quality of service</li> <li>- Troubleshooting arising in work</li> </ul>
2.	Manager with Employee	24 time	<ul style="list-style-type: none"> <li>- Improved employee performance</li> </ul>

**Data Source :** PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch 2016

Table 1.3 shows PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch held meetings (meetings) between Branch leaders and staff both with marketing managers, operational managers and Micro Business Assistant Managers with the aim of improving quality and providing the best service for customers and also meeting manager with employees that is discussing about improving employee performance.

In this study will focus more on the conditions experienced by employees or employees at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch, employees feel dissatisfied with the condition of a narrow office building, placement of employees in the same section or field of work for a long period of time, will affect the job satisfaction of these employees in the work, because of employees very susceptible to experiencing saturation due to the monotonous work undertaken. Until now there are still frontliners who work in the same position for more than ten years, they have become frontliners, without ever being transferred. Even if there is a mutation, only the place of work is mutated without being accompanied by mutations in the type of work.

Working in the same field of work for a long time will cause employees to feel bored. Monotonous work routines every day, at a certain time will arrive at the point of saturation, which can cause employees to not be able to maximize the ability possessed for the progress of the company, because maybe they no longer have enough motivation to need to do that. Knowing their position will not change, this can cause employees no longer have interest and willingness to develop themselves.

This condition, if not addressed and managed properly by the leaders in the company, will be a boomerang that can harm the company. Because as a spearhead, frontliners are actually the company's storefront in the eyes of consumers (customers). For ordinary people, the behavior and appearance shown by frontliners is a representation of

the company in their minds. Therefore management in the front liners section should be made a strategic thing by all service companies, including by PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch, as well as employees working at the back office.

Following are the results of previous studies, namely the results of research on employee performance conducted by Acha (2015) on research on the effect of work discipline and compensation for the performance of employees of PT. Slamet Jaya, with job satisfaction as an intervening variable, the results of his research that work discipline and compensation have a positive and significant effect on performance and compensation indirectly affect performance through job satisfaction.

Solistyawati (2015) in her research on the influence of situational leadership style and organizational culture on employee performance through job satisfaction as an intervening variable (case study on CV. Semangat Morning Indonesia). The results of this study indicate that situational leadership style and organizational culture have insignificant influence on performance. employees through job satisfaction. Research results Syahfa (2013) about his research on the influence of organizational culture and situational leadership on employee performance with job satisfaction as a moderating variable on PD. BPR in Bandung Regency Reward Branch. The results of his research show that organizational culture and situational leadership have a positive and significant effect on employee performance with variable job satisfaction as a moderating variable. Sariningsih's (2015) research on the effect of compensation and career development on the performance of employees of PT. Trakindo Utama Samarinda with job satisfaction as an intervening variable, the results of his research that compensation and career development have no significant effect on performance through job satisfaction.

Based on the description of the background of the problem and research gap, it is necessary to do research on the effect of situational leadership, compensation for employee performance with job satisfaction as an intervening variable at PT. Bank Rakyat Indonesia (PERSERO) Tbk Denpasar Branch, while this research includes a replica modified from previous research.

## 2. LITERATURE SITUATIONAL LEADERSHIP

There are differences in meaning in interpreting leaders and leadership. Leadership according to Yukl (1994: 14) is a process of social influence with intentional influence used by someone against others to structure activities and relationships within a group of organizations. According to Hadari and Nawawi (2008: 9) the meaning of the leader is the person who leads, while the meaning of leadership is the ability / intelligence to encourage a number of people (two or more people) to work together in carrying out activities directed at a common goal. This study examines the situational leadership style proposed by Hersey and Blanchard (1995: 179) which is supported by Korman and Sanford (2006) which focuses on the behavior of leaders in relation to followers (chairman and members). More than previous theories, this approach focuses a lot of attention on employee characteristics, meaning that employees have different levels of readiness. People who have a low level of readiness due to lack of ability or training, or feelings of insecurity require a different leadership style than people who have a high level of readiness. Situational leadership style also bases on the relationship between the level of guidance and direction (task behavior) given by the leader and the level of socio-emotional support (relationship behavior) provided by the leader in carrying out certain tasks, functions or goals. This concept was developed to help people who carry out the leadership process, without questioning their role, to be more effective in the relationship between effective leadership styles and the level of maturity of their followers, for leaders.

## COMPENSATION

Compensation is an important factor that influences how and why people choose to work in an organization. Compensation is an award or reward for workers who have contributed in realizing their goals through activities called work (Nawawi, 2009: 315). The financial compensation in question can be in the form of benefits and incentives, while for non-financial compensation can be in the form of praise, appreciation and even facilities provided by the company to provide working comfort. In an organization the problem of compensation is very complex, but most important for employees and the organization / company itself, for that in determining compensation policies the company must pay attention to the principles of good compensation.

## JOB SATISFACTION

Job satisfaction theory tries to reveal what makes some people more satisfied with their work than some others. This theory is also looking for a basis for people's feelings about job satisfaction. In this study the theory used is the Two-factor theory by Herzberg. Furnham et al. (2009) states that the theory of two factors is a theory of job satisfaction which suggests that satisfaction and dissatisfaction are part of a different group of variables, namely the motivators and hygiene factors. In general, people expect that certain factors provide satisfaction when available and cause dissatisfaction if there is no. In this theory, dissatisfaction is related to the conditions around the work rather than to the work itself. Because this factor prevents negative reactions, it is named as hygiene or maintenance factors. Conversely, satisfaction is drawn from factors related to the work itself or direct results thereof, promotions and opportunities for self-development and recognition. Because this factor is related to high levels of job satisfaction, it is called motivators. Research with the title Personality, motivation and job satisfaction: Herzberg meets the Big Five, conducted by Furnham et al. (2009) where this study investigates the extent to which motivators and hygiene factors explain the variance in job satisfaction as defined in the two-factor theory by Herzberg. The results of this study indicate that motivators and hygiene factors are prerequisites for job satisfaction.

## EMPLOYEE PERFORMANCE

According to Hubies (2007: 153) Employee performance is the result of certain work processes planned at the time and place of the employee and organization concerned. According to Hasibuan (2010: 160), the performance of employees is a result of work achieved by a person in carrying out his duties on skills, effort and opportunity. Based on the above explanation, performance is a result achieved by a person in performing tasks based on skills, experience and sincerity and time according to predetermined standards and criteria. According to Umar (2008: 104), Performance is the implementation of functions guided by a person or company, an achievement, a general exhibition of skills or performance is a condition that must be known and confirmed to certain parties to determine the level of achievement of an agency's results are linked with the vision carried out by a company organization and knowing the positive and negative impacts it has. According to Hariandja (in Yulissari, 2013: 24), performance is the result of work produced by employees is an important thing in an organization to achieve goals. Performance can be interpreted as the achievement of the planned goals. Based on some of these definitions the writer can conclude that performance is output or work results produced both in terms of quality and quantity of work and can be accounted for in accordance with its role in the organization or

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company accompanied by the ability, skills and skills in completing the work.

**3. METHOD**

This research was conducted at PT. Bank Rakyat Indonesia (PERSERO) Tbk Denpasar Branch located at Jalan Gajah Mada No. 6 Denpasar. The scope of the research is to examine the influence of Situational Leadership Style and Compensation on Employee Performance with Job Satisfaction as an intervening variable. The population in this study is all permanent employees at PT. Bank Rakyat Indonesia (PERSERO) Tbk Denpasar Branch totaling 52 people. Based on the data obtained at PT. Bank Rakyat Indonesia (PERSERO) Tbk Denpasar Branch of its permanent employees amounted to 52 people, which is less than 100, then taken entirely so that the research is a population research (saturated sample). To test the proposed

hypothesis, the analytical method is used that is path analysis.

**4. RESULT AND DISCUSSION**

**Path Analysis**

**1. Effect of Situational Leadership Style and Compensation on Job Satisfaction**

To determine the effect of situational leadership style and compensation for job satisfaction, SPSS / Windows version 19.00 analysis tools are used and the results of the analysis can be seen in Annex 6. The magnitude of the effect of situational leadership style and compensation for job satisfaction can be seen from Table 3

**Table 3.** Influence of situational leadership and compensation . for job satisfaction

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.297	.741		.401	.691
X1	.414	.138	.375	3.004	.005
X2	.519	.110	.590	4.729	.000

Based on Table 1, the influence of situational leadership style and compensation for job satisfaction can be seen from the standardized beta (β) value.

Based on Table 3 it can be seen:

- a) The amount of standardized beta (β) for the situational leadership variable is 0.375 so that it can be seen that the value of path 1 (path 1) is equal to 0.375 and significant at 0.005 is smaller than 0.05 (5%), which means situational leadership has a positive and significant effect on satisfaction. work at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch and H1 are accepted.

- b) The amount of standardized beta (β) value for the Compensation variable is 0.590 so that it can be seen that the value of line 2 (path 2) is that 0.590 and significant at 0.000 is less than 0.05 (5%) which means that Compensation has a positive and significant effect on job satisfaction at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar and H2 Branches are accepted.

The amount of e1 can be known from the results of the F test analysis of the influence of situational leadership and compensation for job satisfaction. The F test results are as follows:

**Table 4.** F test results influence situational leadership and compensation towards job satisfaction

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.709 <sup>a</sup>	.502	.471	.25417	2.415

a. Predictors: (Constant), X2, X1

b. Dependent Variable: Y1

Based on the results of the F test in Table 4 it is known that the magnitude of R Square is 0.502 so that the magnitude of

e1 is  $\sqrt{1 - 0.502} = 0.706$ . Based on calculations in Table 3 and the following formula can be arranged:

$$Y1 = 0.375X1 + 0.590X2 + 0.706$$



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The above equation implies that:

- a. The amount of e1 is 0.706. This means that if the values of X1 and X2 are zero, then the value of Y1 is 0.706.
- b. The magnitude of the X1 coefficient of 0.375 means that increasing the value of X1 by one unit will affect the Y1 value of 0.375.
- c. The magnitude of the X2 coefficient of 0.590 means that the increase in the X2 value of one unit will affect the Y1 value of 0.590.

**2. Effect of Situational Leadership Style, Compensation and Job Satisfaction on employee performance.**

The magnitude of the effect of situational leadership style, compensation and job satisfaction on performance on employee performance can be seen from Table 5.

**Table 5. Influence** of Situational Leadership, Compensation and Job Satisfaction to Employee Performance Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.340	.280		-1.214	.234
X1	.449	.095	.411	4.738	.000
X2	.343	.111	.348	3.092	.004
Y1	.288	.124	.269	2.325	.027

a. Dependent Variable: Y2

Based on Table 5 can be known:

- a. The amount of standardized beta ( $\beta$ ) for the variable situational leadership is 0.411 so that it can be seen that the value of path 3 (path 3) is 0.411 and significant at 0.000 is less than 0.05 (5%), which means that situational leadership has a direct influence on performance employees at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar and H3 branches are accepted.
- b. The amount of standardized beta ( $\beta$ ) value for the Compensation variable is 0.348 so that it can be seen that the value of path 4 (path 4) is equal to 0.348 and significant at 0.004 is smaller than 0.05 (5%) which means that Compensation has a positive and significant direct effect on performance PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar and H4 branches are accepted.
- c. The amount of standardized beta ( $\beta$ ) value for the variable Job satisfaction is 0.269 so that it can be seen that the value of path 5 (path 5) is equal to 0.269 and is significant at 0.027 smaller than 0.05 (5%) which means that job satisfaction has a positive and significant effect on employee performance at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch and H5 are accepted.
- d. H6 is accepted because X1 affects Y1 and Y1 affects Y2. So it can be concluded that there is an influence between situational leadership on employee performance through job satisfaction PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.
- e. H7 is accepted because X2 affects Y1 and Y1 affect Y2. So it can be concluded that there is an influence between compensation for employee performance through employee job satisfaction at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.

The amount of e2 can be known from the results of the F test analysis of the influence of situational leadership style, compensation and job satisfaction on employee performance. The F test results can be seen in Table 6.

**Tabel 6.** F test results influence situational leadership, compensation and Job Satisfaction to Employee Performance

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.955 <sup>a</sup>	.912	.904	.08371	1.810

a. Predictors: (Constant), Y1, X1, X2

Based on the results of the F test in Table 4 it is known that the magnitude of R Square is 0.912 so that the magnitude of e2 is = 0.297.

Based on table 6 and it can be formulated:  
 $Y2 = 0.411X1 + 0.348X2 + 0.269Y1 + 0.297$ .  
 The above equation implies that:

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- 1) The amount of  $e_2$  is 0.297. This means that if the values of  $X_1$ ,  $X_2$  and  $Y_1$  are zero, then the value of  $Y_2$  is 0.297.
- 2) The magnitude of the  $X_1$  coefficient of 0.411 means that increasing the value of  $X_1$  by one unit will affect the  $Y_2$  value of 0.411.
- 3) The magnitude of the  $X_2$  coefficient of 0.348 means that the increase in  $X_2$  value of one unit will affect the  $Y_2$  value of 0.348.
- 4) The magnitude of the  $Y_1$  coefficient of 0.269 means that increasing the value of  $Y_1$  by one unit will affect the  $Y_2$  value of 0.269.

From the results of the analysis of the influence of situational leadership style and compensation for employee performance and the results of the analysis of the influence of situational leadership style, compensation and job satisfaction on employee performance can be described the results of path analysis.

### Information:

P1 ---> effect of situational leadership on job satisfaction: 0.375

P2 ---> Effect of Compensation on job satisfaction: 0.590

P3 ---> effect of situational leadership on performance: 0.411

P4 ---> Effect of Compensation on performance: 0.348

P5 ---> the effect of job satisfaction on performance: 0.269

P6 ----> effect of situational leadership on performance through job satisfaction:  $0.375 \times 0.269 = 0.1009$

P7 ---> Effect of Compensation on performance through job satisfaction:  $0.590 \times 0.269 = 0.1587$ .

Based on the results of path analysis (path analysis) can be known the magnitude of the indirect effect of situational leadership and compensation for employee performance through job satisfaction as an intervening variable as follows:

### a. Effect of situational leadership on employee performance through job satisfaction.

The influence of situational leadership on direct job satisfaction is 0.375. The influence of job satisfaction on employee performance directly is 0.269, so:

- 1) The influence of situational leadership indirectly on performance through job satisfaction is:  $0.375 \times 0.269 = 0.1009$  or 10.09%. Given the direct influence of leadership on employee performance is

0.411 greater than the indirect effect of 0.1009 this means job satisfaction does not play a role in mediating the effect of situational leadership on employee performance.

- 2) Total influence of situational leadership (both directly and indirectly) on employee performance is:  $0.411 + 0.1009 = 0.5119$  or 51.19%.

### b. Effect of Compensation on employee performance through job satisfaction

- 1) The effect of Compensation on job satisfaction directly is 0.590. The effect of job satisfaction on employee performance directly is 0.269. So that the effect of indirect compensation on employee performance through job satisfaction is:  $0.590 \times 0.269 = 0.1587$  or 15.87%. Given the direct influence of compensation for employee performance is 0.348 greater than the indirect effect of 0.1587 it can be said that job satisfaction does not play a role in mediating the effect of compensation on employee performance.

- 2) The total effect of Compensation (either directly or indirectly) on employee performance is:  $0.348 + 0.1587 = 0.5067$  or 50.67%.

## 4.3 Discussion

### 1. Effect of Situational Leadership Style on Job Satisfaction

The results have a positive and significant effect on job satisfaction. This means that the leadership style decreases then the level of satisfaction will decrease. The results of this research are from Hidayati (2015), Fonda (2015), Irham (2017), Jena and Dian (2011) Joko and Titiek (2005).

### 2. Effect of Compensation on Job Satisfaction.

The hypothesis test results from the effect of compensation on job satisfaction is the existence of a positive and significant effect of compensation on job satisfaction. This means that the more compensation increases, the more work satisfaction will increase, and on the contrary if the compensation decreases, the level of job satisfaction will also decrease. This research was also supported by research from Sinollah (2014), Sudarmono and Aris (2016), Wibowo (2014), Wiyanto and Ardi (2014) Teguh (2016).

### 3. Effect of Situational Leadership Style on Employee Performance

The results of hypothesis testing state that Situational Leadership Style has a positive and significant

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effect on Employee Performance. This means that if the Leadership Style increases then Employee Performance will also increase, and vice versa if the Leadership Style decreases then the Performance level will decrease. The results of this study support the results of research found by Syaifulloh (2013), Tetriani (2010) Elastria (2002).

#### 4. Effect of Compensation on employee performance

Hypothesis testing results from the effect of compensation on employee performance states that compensation has a positive and significant effect on employee performance which means that if compensation is increased then the employee's performance will increase and if the compensation decreases then the employee's performance will decrease. this research is also in line with research from Damayanti (2013), Fifit (2007), Fajar (2012), Leonard (2008), Surhayanto (2006).

#### 5. Effect of Job Satisfaction on Employee Performance

Hypothesis test results from the influence of job satisfaction on employee performance states that there is a positive and significant influence on job satisfaction on employee performance. This means that if job satisfaction increases then the employee's performance will increase and if job satisfaction decreases then the employee's performance will decrease. This research is also supported by research from Purwasaputra (2015), Eny (2005), Garry (2006), Dian (2011), Eva (2009), Rindi (2010).

#### 6. Effect of situational leadership style on employee performance with job satisfaction as an intervening variable.

The results of testing the hypothesis of the influence of situational leadership style on employee performance with job satisfaction as an intervening variable states that job satisfaction cannot mediate the influence of situational leadership style on employee performance because the results of direct influence on situational leadership style on employee performance are greater than the indirect influence of leadership style situational to employee performance through job satisfaction as an intervening variable. The results of this study are in line with research from Zuhri (2015), Suwesty (2011), Mahmud (2008), Deswanti (2004), Rani (2009).

#### 7. Effect of compensation on employee performance with job satisfaction as an intervening variable.

The results of testing the hypothesis of the effect of compensation on employee performance with job satisfaction as an intervening variable states that job satisfaction is not able to mediate the effect of compensation on employee performance due to the influence of compensation on employee performance

directly greater influence than indirect influence through job satisfaction as a variable intervening. The results of this test are supported by research from Suryaningsih (2009), Hidayah (2006), Monica (2001), Simon (2005), Haryono (2010).

### 5. CONCLUSION

The conclusions that can be taken in this study are:

- 1) Situational leadership has a positive and significant effect on job satisfaction at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.
- 2) Compensation has a positive and significant effect on job satisfaction at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.
- 3) Situational leadership has a direct influence on employee performance at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.
- 4) Compensation has a positive and significant direct effect on the performance of employees of PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.
- 5) Job satisfaction has a positive and significant effect on employee performance at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.
- 6) Job satisfaction does not play a role in mediating the influence of situational leadership on employee performance at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.
- 7) Job satisfaction does not play a role in mediating the effect of compensation on employee performance at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.

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