The Influence of Job Characteristics, Placement, and Leadership Style on Employee Performance of The Ministry of Trade

[1*]Merdika Agustiasih, [2]Novian Rezka Marthayudha, [3]Dewi Wuisan

Faculty of Economics and Business, Pelita Harapan University, Indonesia
Email : [1]merdika.agustiasih@yahoo.com*

ABSTRACT

This study aims to determine whether job characteristics have a positive effect on employee performance, placement has a positive effect on employee performance, and leadership style has a positive effect on employee performance. This research was conducted at the Ministry of Trade of the Republic of Indonesia through a closed questionnaire with a total of 165 employees, using convenience sampling method and Partial Least Square – Structural Equation Modeling (PLS-SEM) analysis. The results showed that there was a positive and significant effect of job characteristics and leadership style on employee performance. Placement has a positive but not significant effect on employee performance. This research is expected to be input for organizations in an effort to improve employee performance through good management of job characteristics, placements, and leadership styles so that they can realize the goals of the organization.

Keywords: Employee Performance, Job Characteristics, Placement, Leadership Style

INTRODUCTION

The trade sector is a crucial sector in economic activity in Indonesia. As an institution that plays an important role in the Government of the Republic of Indonesia, the Ministry of Trade has 3,694 employees with a composition of 2,703 civil servants and 991 honorary employees spread across several major cities in Indonesia. The Ministry of Trade is tasked with assisting the President in running the Government in the Trade sector. While its function is to make policies in the trade sector.

In order for all of these tasks and functions to be achieved, the Ministry of Trade must have competent, motivated, and well-performing employees. One thing that needs to be considered regarding the drivers of employee performance is the characteristics of the job (Evelyne, Kilika & Muathe, 2018) because it contains responsibilities related to the work itself (Aryani & Widodo, 2020) and creates meaning and motivation for employees (Fatmah, 2017; Sen & Dulara, 2017). Job characteristics that are well understood by employees contribute to the organization through the quality of the work provided (Fatmah, 2017; Hajati, Artiningsih & Wahyuni, 2018; Mendoza, Nasution & Matondang, 2018). In addition, according to Suwarto & Subyantoro (2019), the right placement of employees can also improve performance within the organization. Employees are encouraged to work more optimally because of the suitability of their abilities and expertise with the work unit (Fatmah, 2017). The performance given by employees is influenced by leaders in the organization. According to Mendoza, Nasution & Matondang (2018), the leadership style of each leader is able to influence the performance of his employees. Changes to certain leadership styles, can result in a decrease in employee performance. Furthermore, according to Agarwal (2020), leadership style actually helps organizations understand the needs of employees so that through leadership styles are expected to provide a comfortable work environment and motivate employees to work better.

To measure the work achievement of employees, an evaluation of employees is carried out which is known as a work performance appraisal. The assessment consists of two assessment components, the first is an assessment of employee work targets, namely an assessment by comparing the target/output of work with the realization of the work. Then the second component is the assessment of employee work behavior by looking at aspects of service orientation, integrity, commitment, discipline, cooperation, and leadership. From the data collected by the Bureau of Organization and Personnel, it shows that there is a decrease in the average value in the first component, namely the assessment of employee work targets in 2018 - 2020 as attached in the following

Tabel 1. Nilai rata-rata sasaran kerja pegawai Kemendag

Tahun	2018	2019	2020
Nilai rata-rata sasaran kerja pegawai	97,17	93,36	93,21

Sumber: Biro Organisasi dan Kepegawaian Kemendag, 2021

Although the decrease in the average value is not very significant, it does reflect a decrease in employee performance where the employee's target is not achieved with its realization. If employees can meet the targets that have been determined, the value of the employee's work goals will be better. According to Mangkunegara (2017) performance is the output of a job based on the quality and amount of work carried out by employees who have finished working in accordance with the capacities and responsibilities given to them. Employee performance can be seen from productivity, quality of work, discipline in completing work, length of work process, and use of facilities in completing work (Wibowo, 2017).

Meanwhile, in Government Regulation Number 30 of 2019 Performance Assessment of civil servants has the aim of providing guarantees related to objectivity and guidance for civil servants themselves based on the achievement system and career system. This performance measurement is carried out by juxtaposing the realization of the employee's work targets with the employee's work targets in accordance with the predetermined performance planning. The principles used in this assessment are based on objectivity, accountability, measurability, active participation, and transparency.

Considering the duties and functions of Government Agencies as public servants, it is appropriate for the Ministry of Trade to produce good performance in the eyes of the community. Because in modern times like today, people are very smart in assessing and criticizing the services provided by government agencies. Therefore, increasing employee performance is directly proportional to the level of public trust in the Ministry of Trade.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT
1. **Relation of Job Characteristics with Employee Performance**

Job characteristics are a specialty in a job. So that every job done by employees can be different in character and identity. Therefore, employees need to have skills in carrying out the tasks for which they are responsible. Differences in characteristics in a job require someone who fits and fits the job description. If every employee already understands the type of work he will be facing, whether it's how to do it, handle it, and ways to complete the job, then this can have an impact on his work performance. The large dimensions of job characteristics will be responded positively by employees, because it will increase the motivation of the employees themselves and have the opportunity to improve and develop the careers of the employees themselves (Kahya, 2007; Lydia, 2014; Moses, Astuti, & Hakam, 2014; Narottama, 2015). ; Tulandi, 2015; Sudja & Mujiati, 2017; Rahman, Rahmawati, & Utomo, 2020; Puspita, 2020). Characteristics of work that are in accordance with the skills and expertise of employees can encourage an increase in employee performance which in turn will affect the

increase in organizational performance. Thus, the proposed hypothesis is:

H1: Job characteristics have a positive effect on employee performance.

2. Relation of Placement with Employee Performance

Placement is the provision of employees in certain job positions. This employee allocation can be for employees who have just entered and joined the organization as well as old employees who are assigned to a new workplace so that it takes time to adapt and be oriented. In the placement there are requirements and qualifications for employees to be able to carry out the assigned tasks and be responsible for carrying them out. In the process, placement is the most important way to determine whether the employee is competent for his job or not. Because the appropriate and appropriate placement has an impact on improving the performance of the employees themselves (Fatra & Magdalena, 2020). According to Helena in Sudja & Mujiati (2017) placement is appointing an employee to sit in the right position, so that the employee fits in his new position which results in an increase in the number and quality of his work. However, in placement, it is also advisable to consider the condition of the employee who will be placed, both physically and mentally. This is to minimize the possibility of the employee's low productivity (Bagus, 2013; Aisyah, 2014; Montolalu, Kawet,

& Nelwan, 2016; Runtuwene, Tewal, & Mintardjo, 2016; Sudja & Mujiati, 2017). So the proposed hypothesis is:

H2: Placement has a positive effect on employee performance.

3. The Relationship of Leadership Style with Employee Performance

Leadership and employee performance are two interrelated things (Alfanny, 2018; Setiawan & Pratama, 2019; Junaidi & Susanti, 2019). Good leadership is able to direct and motivate employees to give their best (Alfanny, 2018). In leading, leaders have certain styles or characteristics that come from the nature of themselves and the results of learning from experience. Leadership style is a leader's way of giving influence to his subordinates which in practice can continue to change according to the situation (Fabio, Hubeis & Puspitawati, 2016; Suwarno & Bramantyo, 2019). A good leadership style is an important thing for an organization to have (Ohemeng, Amoaks-Asiedu & Darko, 2018) considering its effect on organizational sustainability and performance (Makambe & Moeng, 2019). Several studies have proven that employee performance is influenced by leadership style (Siswanto & Hamid, 2017; Jamaludin, 2017; Siagian & Khair, 2018; Batubara, 2020). Based on this description, the proposed hypothesis is:

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

METHOD

This study was conducted to test the hypothesis of the effect of job characteristics, placement, and leadership style on the performance of employees of the Ministry of Trade. The population of respondents was 3,694 employees and then a sample of 165 employees was taken considering the large number of existing populations. Data was collected through a survey method by distributing questionnaires to all employees of the Ministry of Trade. The questionnaire contained statements from each construct which were then filled out using a Likert Scale of 1-5, where 1 = strongly disagree, 2 = disagree, 3 = quite agree, 4 = agree, and 5 = strongly agree. The sampling technique used was convenience sampling, that is, the sample was given to the member of the population who was the easiest to find and access and who was pleased to be the research sample. Furthermore, data analysis was carried out using the statistical method of partial least square-structural equation modeling (PLS-SEM) to determine the prediction of the relationship between constructs (Ghozali & Latan, 2015) using the help of the SmartPLS 3.0 application in data processing. The entire questionnaire item on the variables of job characteristics, placement, leadership style, and employee performance is an adaptation of the research of Sudja and Mujiati (2017) and the results of the scale development.
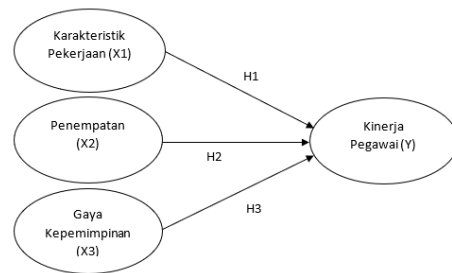

Figure 1. Research Model

Validity test is done by testing convergent validity and discriminant validity. Convergent validity is met if the AVE value is less than 0.5 and the loading factor is less than 0.7, while discriminant validity is met if the AVE square root value > correlation between latent constructs. The reliability test was carried out by looking at the Composite Reliability value > 0.7 (Ghozali & Latan, 2015).

RESEARCH RESULT

The population of respondents in this study were 3,694 employees with a composition of 2,703 employees with Civil Servant status and 991 employees with Honorary status spread across several big cities in Indonesia who worked in nine Echelon I work units. differences and can be used as the same reference as respondents in this study. Based on the recommendations of Kock and Hadaya (2018), the number of samples was calculated using the inverse square root method as a fair value for the minimum sample size. Where this method produces the minimum required sample size of 160. Therefore, the number of respondents in this research is 165 employees who work in the Ministry of Trade and representative offices abroad. However, this does not

include employees who are seconded in other ministries/institutions.

Table 1. Profile of Respondents

Pernyataan	Jumlah	Persentase
Jenis Kelamin		
Pria	90	54.5%
Wanita	75	45.5%
Usia		
20-25 Tahun	3	1.8%
26-30 Tahun	30	18.2%
31-35 Tahun	43	26.1%
36-40 Tahun	53	32.1%
> 40 Tahun	36	21.8%
Pendidikan Terakhir		
SMA	2	1.2%
D3	20	12.1%
S1	65	39.4%
S2	76	46.1%
S3	2	1.2%
Lama Bekerja		
< 1 Tahun	6	3.6%
1-5 Tahun	22	13.3%
5-10 Tahun	56	33.9%
> 10 Tahun	81	49.1%

Sumber: Hasil Pengolahan Data

Outer Model

Measurement test (outer) was conducted to test the validity and reliability of the model or construct of each indicator. According to Sarwono & Narimawati (2015) Convergent Validity is a set of parameters that forms the basis of one latent variable. Convergent Validity is displayed in the form of average variance extracted (Average Variance Extracted). An adequate AVE value must be at least 0.5, which means that one latent variable can describe more than half the variance of the average indicator. Meanwhile, to prove that the construct has accuracy, consistency and the right measuring tool. This reliability is measured using two indicators, namely Cro*nbach's Alpha and Composite Reliability where both values are above 0.6.*

Table 2. *Outer Loading value*

Konstruk	Butir Item	*Outer Loading*
Karakteristik Pekerjaan	X1.1	0.62
	X1.2	0.776
	X1.3	0.759
	X1.5	0.834
	X1.6	0.817
Penempatan	X2.1	0.766
	X2.2	0.805
	X2.3	0.858
	X2.4	0.849
	X2.5	0.784
	X2.6	0.774
	X2.7	0.77
	X2.8	0.838
	X2.9	0.634
Gaya Kepemimpinan	X3.1	0.857
	X3.2	0.906
	X3.3	0.93
	X3.4	0.937
	X3.5	0.875
	X3.6	0.934
	X3.7	0.929
	X3.8	0.867
	X3.9	0.879
	X3.10	0.851
Kinerja Pegawai	Y1.1	0.724
	Y1.2	0.711
	Y1.3	0.712
	Y1.4	0.738
	Y1.5	0.73
	Y1.6	0.698
	Y1.7	0.832
	Y1.8	0.711
	Y1.9	0.811
	Y1.10	0.792

Sumber: Hasil Pengolahan Data

The results of the Discriminant Validity test use the "crossloadings" criterion with an indication that the correlation of a latent variable must be greater than its correlation with other variables. The following AVE table corresponds to the statement items that correlate well with the research construct.

Table 3. Value of Average Variance Extracted (AVE)

Konstruk	AVE	Akar AVE
Karakteristik Pekerjaan	0.585	0.76500
Penempatan	0.623	0.78900
Gaya Kepemimpinan	0.805	0.89700
Kinerja Pegawai	0.558	0.74700

Sumber: Hasil Pengolahan Data

The discriminant validity test has reached the Fornel-Larcker criteria where the square root value of AVE must be greater than the value of the relationship between constructs, as shown in the following table:

Table 4. Table of Discriminant Validity Test Results

Konstruk	Karakteristik Pekerjaan	Penempatan	Gaya Kepemimpinan	Kinerja Pegawai
Karakteristik Pekerjaan	0.765			
Penempatan	0.762	0.789		
Gaya Kepemim-pinan	0.377	0.514	0.897	
Kinerja Pegawai	0.57	0.589	0.596	0.747

Sumber: Hasil Pengolahan Data

The reliability test was carried out using the composite reliability value where >0.7 (Ghozali & Latan, 2015). The value of the composite reliability calculation is shown in the following table:

Table 5. *Table of Composite Reliability Value*

Konstruk	Nilai *Composite Realibility*
Kinerja Pegawai	0.926
Karakteristik Pekerjaan	0.875
Penempatan	0.937
Gaya Kepemimpinan	0.976

Sumber: Hasil Pengolahan Data

Inner Model

In the inner model, an R-square test (R^2) was performed to see the relationship and effect of exogenous constructs on endogenous constructs. Based on the results of the analysis, the R^2 value of 0.503 or 50.3% means that employee performance is influenced by job characteristics, placement, and leadership style by 50.3% and the remaining 49.7% is the influence of other constructs.

Table 6. Table of R-square (R^2) Values

Konstruk	Nilai *R-square*
Kinerja Pegawai	0.503

Sumber: Hasil Pengolahan Data

Hypothesis testing is processed through path coefficient values, t-test (t-test) and p-value because this study uses samples as data or census. The three values can be explained as follows:

Table 7. Hypothesis Testing Results

Hipotesis	Koefisien Jalur	Uji t	p-value	Arah
H1: Karakteristik pekerjaan berpengaruh positif terhadap kinerja pegawai	0.303	2.841	0.002	Positif
H2: Penempatan berpengaruh positif terhadap kinerja pegawai	0.151	1.242	0.107	Positif
H3: Gaya Kepemimpinan berpengaruh positif terhadap kinerja pegawai	0.405	6.527	0.000	Positif

Sumber: Hasil Pengolahan Data

Table 7 shows that the direction of the path coefficients for the three exogenous constructs is positive, in accordance with the hypothesis. The construct that has the greatest influence on employee performance is leadership style with a value of 0.405 and followed by job characteristics with a value of 0.303. While the construct that has the least effect on employee performance is placement with a value of 0.151.

Based on the t-test and p-value, only job characteristics and leadership style are significant constructs because the t-test value is greater than 1.96 (2.841 and 6.527) and the p-value is less than 0.05 (0.002 and 0.000). The placement construct has a t-test value below 1.96 which is 1.242 and a p-value above 0.05 which is 0.107 so that the construct can be said to be insignificant.
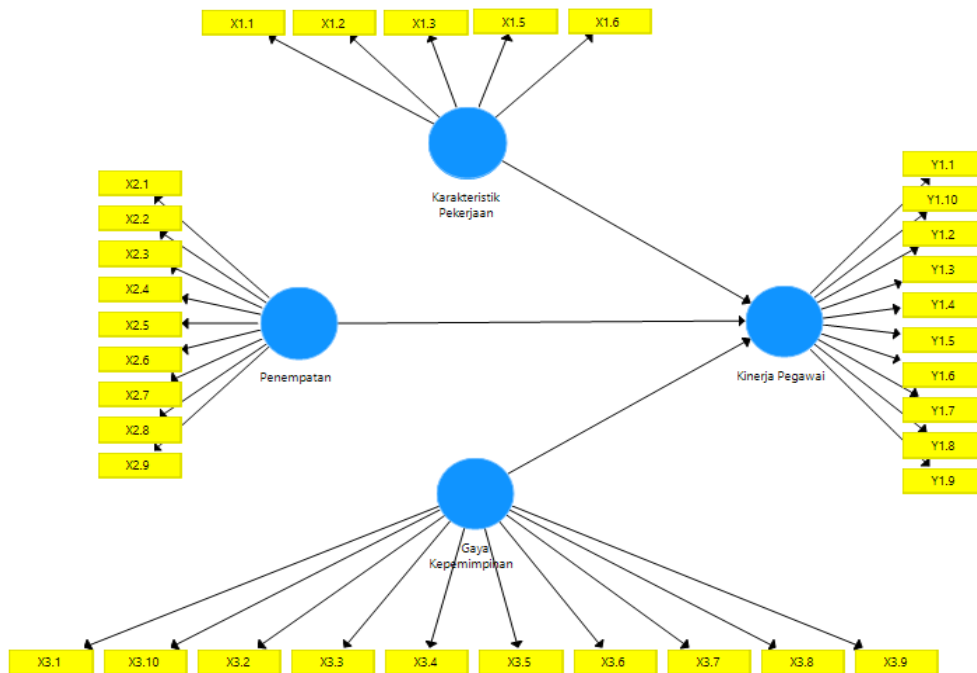

Figure 3. Outer model analysis results
Source: Data Processing Results

The picture above is the output of the outer model of the SemPLS application which shows the R2 value of employee performance of 0.503. The outer loading value ranges from 0.620 to 0.937. While the coefficient value for each path is 0.303 for job characteristics, 0.151 for placement, and 0.405 for leadership style.

DISCUSSION

The results of data processing show that job characteristics have a positive influence on employee performance with a path coefficient value of 0.303 and a positive direction. These results are in accordance with research conducted by Kahya (2007); Lydia (2014); Moses, Astuti, & Hakam (2014); Narottama (2015); Tulandi (2015); Sudja & Mujiati (2017); Rahman, Rahmawati, & Utomo (2020); Puspita (2020). The higher the dimensions of the job characteristics, the higher the employee's performance. Then the

next hypothesis, namely placement has a positive influence on employee performance, is accepted, with a path coefficient of 0.151 and has a positive direction. This is supported by previous research conducted by Bagus (2013); Aisyah (2014); Montolalu, Kawet, & Nelwan, (2016); Runtuwene, Tewal, & Mintardjo (2016); Sudja & Mujiati (2017). The more precise the placement of employees by the organization, the better the performance of employees. Next, the results of the third hypothesis test also show that leadership style has a positive influence on employee performance. These results are in accordance with the research of Siswanto & Hamid (2017); Jamaludin (2017); Siagian & Khair (2018); Coal (2020). The better the leadership style that is implemented, the higher the employee's performance will be.

The direction of the path coefficients of the three hypotheses is positive or moving in the same direction as the construct, the highest being leadership style followed by job characteristics and placement. Therefore, organizations need to pay attention to the leadership style construct as a priority in improving employee performance. When an organization is able to have a leader who has a good leadership style, it has implications for employee performance. However, the organization also needs to pay attention to the characteristics of the job considering that the construct has a direct influence on employee performance. Another aspect that needs to be focused on improving employee performance is employee placement. Because based on

research placement can affect employee performance.

CONCLUSION
Conclusion
Based on the results of data analysis, it can be concluded that:
1. Job characteristics have a positive effect on the performance of employees of the Ministry of Trade.
2. 2. Placement has a positive effect on the performance of employees of the Ministry of Trade.
3. 3. Leadership style has a positive effect on the performance of employees of the Ministry of Trade.

Limitations of the study and suggestions for future research. This study was only conducted at one government agency and did not measure other constructs that might affect employee performance such as work stress and work motivation. In further research, the two constructs can be added to the research model considering that excessive workload can cause stress and ultimately affect employee performance. Likewise, with work motivation, the more employees have high motivation or enthusiasm, the more reflected in the performance they provide.

REFERENCES
Agarwal, S. (2020). Leadership style and performance of employees. International Research Journal of Business Studies. 13(1), 1-14.DOI: 10.21632/irjbs

Alfanny, J. (2018). Analysis of leadership style on performance (Case study employee of directorate of infrastructure investment development,

Ministry of Public Works and Housing). Journal of Social Humanities. 11(1), 19-26. DOI: 10.12962/j24433527.v11i1.3695

Aryani, R. & Widodo. (2020). Exploring the effect of employability and job characteristics on contextual performance: Mediating by organizational commitment. Management Science Letters. 10, 2071-2076. DOI: 10.5267/j.msl.2020.2.004

Coal, S. (2020). The influence of leadership style on employee performance in the procurement department of PT INALUM (Persero). Liabilities (Journal of Accounting Education). 3 (1). 40-58. DOI: 10.30596/liabilities.v3i1.4581

Evelyne, N., Kilika, J., & Muathe, S. M. A. (2018). Job characteristics and employee performance in private equity firms in Kenya. IOSR Journal of Business and Management. 20(1), 60-70. DOI: 10.9790/487X-2001026070

Fatra, O. & Magdalena, M. (2020). The effect of career development, position placement and motivation on employee performance at the Kubung Sub-District Office. DOI: 10.31219/osf.io/ts94j

Hajati, D. I., Artiningsih, D. W., & Wahyuni, N. (2018). The influence of individual characteristics, job characteristics and organizational characteristics on employee performance (study at Kotabaru Polytechnic). Journal of

Business and Development. 7 (1).

Jamaludin, A. (2017). The influence of leadership style on employee performance at PT Kaho Indahcitra Garment Jakarta. Journal of Applied Business and Economics. 3(3), 161-169. DOI: 10.30998/jabe.v3i3.1767

Junaidi, R. & Susanti, F. (2019). The influence of leadership style and organizational culture on employee performance at UPTD Baltekkomdik Education Office of West Sumatra Province. DOI: 10.31227/osf.io/bzq75

Kock, N., & Hadaya, P. (2018). Minimum sample size estimation in PLS-SEM: The inverse square root and gamma-exponential methods. Information Systems Journal, 28(1), 227-261.

Makambe, U & Moeng, G. J. M. (2019). The effects of leadership styles on employee: A case of selected commercial bank in Botswana. Annals of Management and Organization Research (AMOR). 1(1), 39-50. DOI: 10.35912/amor.v1i1.274

Mangkunegara, A. P. (2017). Company human resource management. Bandung: PT. Rosdakarya Youth.

Mendoza, M., Nasution, H., & Matondang, N. (2018). Influence of compensation, job characteristics and leadership style through motivation to employee performance. KnE Social Sciences. 587-600. DOI: 10.18502/kss.v3i10.3406

Ohemeng, F. L. K., Amoaks-Asiedu, E., & Darko, T. O. (2018). The

relationship between leadership style and employee performance: An exploratory study of the Ghanaian public service. International Journal of Public Leadership. DOI: 10.1108/IJPL-06-2017-0025

Regulation of the Minister for Empowerment of State Apparatus and Bureaucratic Reform of the Republic of Indonesia Number 1 of 2020 concerning Guidelines for Position Analysis and Workload Analysis. Accessed from https://peraturan.bpk.go.id/Home/Details/143660/permen-pan-rb-no-1-tahun-2020.

Regulation of the Minister for Empowerment of State Apparatus and Bureaucratic Reform of the Republic of Indonesia Number 26 of 2020 concerning Guidelines for Evaluation of the Implementation of Bureaucratic Reform. Accessed from https://peraturan.bpk.go.id/Home/Details/143703/permen-pan-rb-no-26-tahun-2020.

Regulation of the Minister of Trade of the Republic of Indonesia Number 80 of 2020 concerning the Organization and Work Procedure of the Ministry of Trade. Accessed from http://jdih.kemendag.go.id.

Puspita, T. (2020). the effect of perceived job characteristics and organizational support on OCB by mediating employee normative and growth commitment. Infokam Journal. 16(1), 13 – 24.

Rahman, F., Rahmawati, E., & Utomo, S. (2020). The influence of individual characteristics, job characteristics, and organizational characteristics on the performance of contract employees (Study at FISIP ULM Banjarmasin). Journal of Business and Development. 9(1), 69 – 82.

Setiawan, A. & Pratama, S. (2019). The influence of leadership style, effective communication and decision making on employee performance at CV Bintang Anugerah Sejahtera. Journal of Management Tools, 11(1), 19-34.

Siagian, T. S. & Khair, H. (2018). The influence of leadership style and work environment on employee performance with job satisfaction as an intervening variable. Scientific Journal of Management. 1 (1). 59-70. DOI: 10.30596/maneggio.v1i1.2241

Suwarno & Bramantyo, R. Y. (2019). The influence of leadership style on organizational performance. Journal of Legal Transparency. 2(1), 31-44. DOI: 10.30737/transparency.v2i1.338

Suwarto, F. X. & Subyantoro, A. (2019) The effect of recruitment, selection and placement on employee performance. International Journal of Computer Networks and Communications Security. 7(7), 126-134.