The Effect of Training and Leadership Style on the Performance of Employees of Herbal and Spice Businesses in Bangkalan Sub-District

IRIANI ISMAIL¹, AFIFATUL KHOIRIYAH²

¹Management, Faculty of Economics and Business, Tunjoyo University Madura, Indonesia
²Management, Faculty of Economics and Business, Tunjoyo University Madura, Indonesia

Abstract

The growth of the herbal medicine industry is increasing from year to year. The market opportunities for the herbal industry both at the national and international levels are getting bigger, but the facts on the ground are that the performance of the herbal industry is decreasing over time. The decline and improvement of an industry cannot be separated from the quality of its human resources. This study aims to determine the effect of training, leadership style on employee performance both simultaneously and partially. This research uses quantitative methods. The population of this study were 53 employees in the herbal medicine industry in Bangkalan District. Based on this population, the determination of the sample using saturated sampling technique. The results of this study indicate that: (1) partially training and leadership style have a positive and significant effect on employee performance (2) training and leadership style simultaneously or together have a positive and significant effect on employee performance.

Keywords

Training; Leadership Style; Employee Performance

INTRODUCTION

One of the centers of herbal medicine production is the island of Madura, especially in Bangkalan Regency. Madurese herbs are known as ingredients that have various benefits for health, both for care and treatment. Madurese herbs are not only known in the Madura region, but also known in the local area of East Java, various regions and islands in Indonesia, and even abroad such as Brunei Darussalam, Saudi Arabia, Hong Kong, Malaysia, Singapore, Korea and Japan. This Madurese herbal medicine has its own uniqueness compared to other herbal medicines, namely its fresh bitter taste, the smell is typical of spices (Mudijijono et al., 2014:1).

The table above shows that the growth of the herbal medicine industry in Bangkalan Regency continues to increase every year. Especially the largest is in Bangkalan sub-district, where there are 28 herbal medicine industries. Although the growth of the herbal medicine industry in Bangkalan District continues to increase, the facts on the ground show that the performance of the herbal medicine industry has decreased after the Covid 19 pandemic. This declining performance is characterized by a decrease in sales, as shown in the following diagram.

Figure 1. Sales Performance

Most of the herbal medicine industry in Bangkalan sub-district is still conventional, both the production process, marketing, operations and even recording still use conventional methods. So that the development of the industry is slower in keeping up with the times. This causes the herbal medicine industry to compete with other herbal medicine companies, due to different levels of efficiency and more sophisticated management and equipment. The success or
decline of an organization is inseparable from the activities and quality of human resources, especially employees in this industry. Therefore, improving the performance of human resources is necessary to overcome the problems that occur.

Performance is the ability of an organization to achieve its goals by utilizing resources effectively and efficiently. (Bukit et al., 2017: 85). Poor employee performance will directly affect company performance, thus disrupting company stability. In order for an organization to have good performance, it is very necessary to improve the quality of human resources. Quality human resources can be realized by implementing human resource development that leads to training, coaching and education. (Ismail, 2016).

Training can help overcome performance problems caused by a lack of adequate job knowledge on the part of employees. (Bin Othayman et al., 2022).

The training available in the herbal medicine industry is generally training by providing instructions to employees on how to carry out work or also called training with the on the job training method. There are also herbal medicine industries that carry out training both in the house and public training types. In the house training is training by inviting instructors from both internal and external organizations to provide training to employees. Meanwhile, public training is training by sending selected employees to attend training organized by external parties, such as BLK and so on. Good human resource training will improve employee performance, and conversely inadequate resource training will reduce productivity and ultimately reduce company revenue. (Yuniawati, 2022).

In addition, the success of an organization in improving employee performance is none other than the success of the leadership style carried out by a leader. According to Handoko (2013: 292) leadership is the ability a person has to influence other people to work towards achieving goals and objectives. Leadership values are closely related to a person’s ability to influence others to work in accordance with the expected goals. Leadership is the style of a leader to direct, coordinate and foster subordinates to cooperate and work productively to achieve company goals. (Ansory & Indrasari, 2018: 82). The leadership style of a company is expected to provide the necessary approach and supervision of employee performance and reduce negative stress for employees (Kurniawati & Troena, 2013).Kurniawati & Troena, 2013).

A leader must be able to understand the type of leadership style, and adjust his leadership style to the conditions of the organization he leads, so that the leadership style used can increase work motivation and employee performance. (Hanafi, Almy, & Siregar, 2018). The research conducted by Basuki, Setyawan, & Wajdi (2017) showed that leadership style has a positive effect on employee performance.) shows that leadership style has a positive and insignificant effect on employee performance, thus the superior's leadership style positively affects employee performance.

In a direct interview conducted by researchers in the Jamu and Spice industry in Bangkalan sub-district which still survives today, it shows that the communication between leaders and employees is quite good. Employees are often considered as their own family so that they feel comfortable and at home working in this herbal medicine industry. In addition, leaders are also quick to respond to problems faced by employees, such as work accidents and personal problems. So that employee performance is not disturbed even though they have various problems, because leaders are responsive in helping employees to overcome these problems. Based on the information obtained, this study aims to determine the effect of training and leadership style on employee performance both partially and simultaneously.

RESEARCH METHODS

This research uses quantitative research. Quantitative research is research that is structured and quantifies data to be generalized. (Kurniawan & Puspitaningtyas, 2016: 19). The location of this research is carried out at IKM Jamu and Spices in Bangkalan District. The object of this research was conducted to employees of the Jamu industry in Bangkalan District. The data sources of this research are primary data sources and secondary data. The population in this study amounted to 53 employees of herbal and spice SMIs in Bangkalan sub-district. For sampling, researchers used saturated sampling technique, which is a sampling technique in which all members of the population are sampled (Sugiyono, 2017: 85). (Sugiyono, 2017: 85)

This study uses three instruments used in measuring training, leadership style and employee performance. The training variable
is measured using a questionnaire with a total of 10 item statements with reference to the indicators put forward by Mangkunegara (2014: 51) namely trainers, participants, materials, methods, goals and objectives. Then the leadership style variable was measured using a questionnaire with a total of 9 statements. The indicators used in this study refer to Hersey and Blanchard in Ansory & Indrasari (2014: 51). Ansory & Indrasari (2018: 92) namely directing, consultative, participative and delegative. The performance variable is measured using a questionnaire with a total of 8 statements. The indicators used as a reference for this study refer to the indicators of Mangkunegara (2015). Mangkunegara (2015:78) namely quantity, quality, task execution and responsibility. All statement instruments are measured using a five Likert scale, namely 1 = strongly disagree to 5 = strongly agree.

The data collection technique used by researchers is in the form of a questionnaire or questionnaire method technique distributed to the sample and also in the form of direct interviews. The data analysis used is statistical analysis of validity and reliability tests to test the research instrument, classical assumption test, coefficient of determination and multiple linear regression analysis test to test the hypothesis.

From the research model, it can be seen that the independent variables or independent variables (X) are training and leadership style. While the dependent variable or dependent variable (Y) is employee performance. With the hypothesis used is as follows

H1: it is suspected that training partially affects employee performance.
H2: it is suspected that leadership style partially affects employee performance.
H3: it is suspected that training and leadership style simultaneously affect employee performance.

RESULTS AND DISCUSSION

The questionnaire in this study was tested for validity and reliability. The validity test is a test to determine the validity of a question item used to measure the variable to be studied. (Kurniawan & Puspitaningtyas, 2016: 97). In testing the validity and reliability of each variable, using the spss 21.0 for windows program. Validity is measured by comparing the correlation coefficient value with the r table value. The value of r product moment table at α = 0.05 and n = 51 (53-2) is 0.2706. From the data processing, it is known that all indicators have a positive correlation coefficient and are greater than r table and have a probability smaller than α = 5%. This means that there is a significant relationship between the scores of each indicator. A significant correlation indicates that the existing indicators can really be used to measure the variables to be measured because the instruments used are valid. Thus it can be used in research.

Based on the calculation, it can be seen that 10 statement items on the training variable (X1) are declared valid because rcount > r tabel (rcount > 0.2706) with a range of 0.655 to 0.843 which means it exceeds the significant limit. Furthermore, the leadership style variable (X2) is declared valid because rcount > r tabel (rcount > 0.2706) with a range of 0.520 to 0.733 which means it exceeds significant limits. And finally, based on calculations, it can be seen that 8 statement items on the employee performance variable (Y) are declared valid because rcount > r tabel (rcount > 0.2706) with a range of 0.509 to 0.746 which means it exceeds significant limits.

Reliability testing is carried out on question items that are already valid. The instrument is said to be reliable if the Cronbach’s Alpha value or reliability value is more than 0.6. The reliability test results in the table show that Cronbach’s Alpha is greater than 0.6 so that
the instrument is declared reliable. The reliability test results obtained are as follows:

Next is the data normality test. A data that will be processed in a study can be known to be normal or not by doing a normality test. The Kolmogorov Smirnov test is used to test whether a data is normal or not. Data is said to be normal if the probability is less than 0.05, while it is abnormal if the probability is more than 0.05 (Sudarmanto in Gunawan, 2017). Gunawan, (2017). Based on the table above the sig value. 0.473 ≥ 0.05, then the data is said to be normally distributed.

In testing for a strong relationship between independent variables, a multicollinearity test is performed. If VIF <0.10, multicollinearity occurs, otherwise multicollinearity does not occur if the VIF value is> 0.10 (Karim and Hadi in Gunawan, 2017: 103). The results of this research analysis show the VIF (Variance Inflation Factor) value <10 and tolerance> 0.1, thus explaining that there is no multicollinearity in the regression model used.

To detect whether there is heteroscedasticity or not, a heteroscedasticity test is carried out using scatterplots. A model can be said to be free from the suspicion of heteroscedasticity if the points in the plot do not form a certain pattern. (Gunawan, 2017). The heteroscedasticity test in this study shows that the data is spread randomly and does not form a certain pattern. So it can be concluded that heteroscedasticity does not occur.

The following is the coefficient of determination test table to see the effect of leadership style on employee performance.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.732a</td>
<td>.535</td>
</tr>
</tbody>
</table>

Source: Data Processed 2022

The R value (correlation coefficient) obtained from the table above is 0.732. Thus it can be concluded that the relationship between training and employee employment has a high correlation with R² (coefficient of determination) 0.535 (53.5%). From these results it can be concluded that the training and leadership style variables have an influence of 53.5% on employee performance. In contrast, the remaining 46.5% is caused by other variables not examined in this study.

The training variable has a positive effect on performance with a regression coefficient of 0.260 and a tcount> table value (3.178> 2.008). This coefficient value is positive, meaning that H1 in this study is accepted. Because there is a positive influence between training and employee performance. If training is improved, it can improve employee performance. Conversely, if the training is not good, it will cause a decrease in employee performance.

The results of this study are in accordance with research F. Yusuf et al. (2020) with the title The Influence of Training on Employee Performance in PT Pelni (Persero) Jakarta. From the results of the study it was concluded that training had an impact on employee performance at PT Pelni (Persero) Jakarta. The correlation calculation result of 0.838 shows that training has a strong relationship with employee performance at PT Pelni (Persero) Jakarta. The coefficient of determination is 0.702, meaning that the training variable (X) affects employee performance (Y) by 70.2% and the remaining 29.8% is influenced by other variables. Then the linear regression equation is known to be 0.816, indicating that training has a positive influence on employee performance. Then the research Sihotang, Hermani, & Wijaartanto (2014) showed that compensation, job training, and employee performance have a positive influence on employee performance.) shows that compensation, job training, and organizational culture have a strong, significant and also positive influence on the performance of marketing department employees both simultaneously and partially. Based on these results, companies should increase the variety of types of compensation, increase the amount of compensation, organize job training more often, adjust training materials according to needs and support and encourage employees in decision making and work risks.

The leadership style variable with a coefficient level of around 0.314 and a tcount level above the table (3.324> 2.008) has a positive effect on employee performance. The positive coefficient value indicates that the relationship between the leadership style variable and employee performance is good. H2 in this study is accepted. Because there is an effect of leadership style on employee performance partially. A better leadership style will improve employee performance and a less good one will make employee performance decrease.

This research is in accordance with research Rindyantama & Astuti (2017). His research explains that the leadership style perceived by employees has a positive and
significant effect on employee performance. This leadership style prioritizes respect for individual goals, so that individuals are confident to meet their expectations. This means that if the manager's leadership style is good and accepted by teachers and employees, then employee performance will be good and able to achieve goals. The results of this study also confirm the research of Utama (2015) that professional training, leadership and work environment have a significant effect on employee performance.

F count has a value of 28.779. Fcount > Ftable, so H0 is rejected and Ha is accepted. Sig. (p = 0.000) < sig. (p=0.05) means H0 is rejected. There is a simultaneous influence between training and leadership style on employee performance. This research is in accordance with research Purba (2016) training and leadership style can simultaneously or partially affect employee performance, so that the 3rd hypothesis in this study can be accepted.

CONCLUSION

Based on the results of the study and the explanation above, the analysis of the study is that there is a positive and significant influence on employee performance in IKM herbs and spices in Bangkalan District. Thus, employee employment will increase along with the improvement of training quality. Then, partially, leadership has a positive and significant effect on employee performance in herbal and spice SMIs in Bangkalan District. The findings show that performance increases when the leadership style used is in accordance with company conditions.

Then training and leadership style together affect employee performance. This means that training plays an important role in improving employee performance and it should also be noted that the appropriate leadership style can also improve the performance of IKM Jamu and spices employees in Bangkalan District.

Based on these conclusions, researchers provide suggestions to the herbal medicine industry with the aim of improving performance, including for the herbal medicine industry, it is hoped that the training held later can be evenly distributed to all employees, not only employees who have less skills, but to all employees in order to improve skills so that employees can develop. Then a leader needs to adjust his leadership style to the ongoing situation in order to form good working conditions, so that employee performance can improve because leadership style greatly affects subordinate performance.

The limitations of this study on the number of samples of only 53 people so that it does not describe the actual situation and in the process of collecting data the information provided by the respondents does not show the actual situation of the respondents due to different assumption or understanding factors or due to honesty factors. Suggestions for further researchers are to increase the number of samples so that the accuracy of the data is even better and it is hoped that researchers will add other variables that affect many things in this study.

REFERENCES


List of Tables

Table 1. The t-test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>10,298</td>
<td>2,868</td>
<td>3,590</td>
<td>.001</td>
</tr>
<tr>
<td>1</td>
<td>Training</td>
<td>.260</td>
<td>.082</td>
<td>3,178 .003</td>
</tr>
<tr>
<td></td>
<td>Leadership Style</td>
<td>.314</td>
<td>.094</td>
<td>3,324 .002</td>
</tr>
</tbody>
</table>

Table 2. Test f

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>559,810</td>
<td>2</td>
<td>279,905</td>
<td>28,779</td>
<td>.000p</td>
</tr>
<tr>
<td>Residuals</td>
<td>486,303</td>
<td>50</td>
<td>9,726</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1046,113</td>
<td>52</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance
b. Predictors: (Constant), Leadership Style, Training
Source: Data Processed 2022