# EFFECTS OF A LEADER PASSIONATE PERFORMANCE MODERATION ON THE PERFORMANCE OF FEMALE MARKETING EMPLOYEES IN STATE-OWNED COMMERCIAL BANKS IN MEDAN CITY — INDONESIA

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#### ABSTRACT

Leader Passionate Performance is about how leaders lead themselves (directly) the process of developing their employees. This is demonstrated by setting an example, directing, attending every employee management discussion, encouraging each employee's employer to dare to take the risk of differentiating employees, and applying superior leadership standards. In addition, Leader Passionate Performance will help employees to have a pleasant experience. The Leader Passionate Performance will help shape the level of employee engagement even higher in order to improve employee performance.

. High capability and high commitment will produce very high performance. This research was conducted on female state bank commercial marketing employees in Medan city involving 215 employees with a purposive sampling. The results of this study are that Leader Passionate Performance has a positive and significant effect on moderating employee engagement towards employee performance

Keywords: enjoyable employee engagement, a leader passionate performance, employee performance

#### INTRODUCTION

According to Ilara (2015), changes in job desk, work pressure, family conflict and working environment conditions can shave a significant influence on work stress. So to prevent this from happening, efforts are needed by every company leader to initiate and implement organizational management comprehensively and consistently, especially on how the organization gets a pleasant work experience (enjoyable employee experience).

Experience a decrease or even lose engagement if they face work stress and do not get a pleasant experience at work. Employees have an enjoyable experience for an organization is very important, because employees with high enjoyment levels will be able to provide superior service, reduce turnover opportunities, and to increase long-term benefits for the organization, and increase employee engagement.

The results of a survey from Gallup (2015) show that organizations whose employees have a high level of engagement have an impact on decreasing: absenteeism by 37%, a turnover rate of 65%, work accidents 48%, product defect rate 41%, and an increase in the number of customers by 10%, higher productivity (21%) and profit 22%. Based on this, getting employees who have high engagement is very desirable by the company. However, during highly competitive market conditions and the mismatch between the needs and supply of labour, efforts to find employees with these characteristics are not natural. Crant (2014) suggested that recruitment is not the only way to find employees who have engagement. There are two dimensions of engagement behaviour, namely personal and situational. Where own concerns a person's natural tendencies, and the situational aspect includes all factors related to the working environment.

To achieve a high level of engagement, the leading role that is most important and cannot be ignored is the Leader. Leaders not only governor merely approve the application of employee management processes and create a conducive work environment, but leaders must involve themselves actively in the processor known as "Leader passionate performance (LPF)". LPF is where a leader leads himself (directly) the process of developing his employees. LPF demonstrated by setting an example, directing, attending every employee management discussion, encouraging each employee's employer to dare to take the risk of differentiating employees, and applying superior leadership standards. Also, LPF will help employees to have a pleasant experience.

The LPF will help shape the level of employee engagement even higher to improve employee performance. High capability and high commitment will produce very high throughput (Result Based Leadership, 1999). While the same ability, if balanced with self-motivation for employee achievement or motivation is generally considered to have a significant impact on employee performance and job satisfaction

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(Shantakumary, 2012). Some individuals seem to have intrinsically high self-motivation for achievement, while others are low in the same job. These people usually do not need to use external incentives to encourage them to work towards their goals because they already have the desire to do so.

People who are motivated primarily by a high need for achievement will look for challenging tasks and work hard to achieve results successfully. People who are low in selfmotivation for performance tend to pursue straightforward jobs or where the chances of success are high. But other extreme people choose challenging tasks, where no one can be expected to succeed.

Therefore, employees who have higher self-motivation for achievement will tend to be very satisfied at work. Because of this nature, choosing the right person for a job is crucial for business success, because to achieve maximum employee performance requires job satisfaction, motivation, and commitment. Employees must be able to understand the need for achievement motivation/achievement possessed by employees and to know how to improve and utilize them. If future policymakers consider this critical factor in the selection phase, there is no doubt that the Bank will show higher productivity.

Even though the Bank has been strict in selecting and providing attractive compensation, the employee is still vulnerable to being hijacked and persuaded by other companies. So to reduce this tendency, corporate leaders such as Starbucks, Google, and Southwest Airlines, strive to identify the basic needs of their employees. Namely: Intellectual (Mind) Needs and Emotional (Heart) Needs which engaged mind will build employee performance and engage in reviving passion the employee.

Banks that have succeeded in building positive experiences for their employees make employees more engaged, and help employees to achieve (achievements), which ultimately results in magical boldness and genius power for these companies. According to Collan (2017), not many companies pay attention to this field. However, several government banks such as Bank Rakyat Indonesia (BRI), Bank Negara Indonesia (BNI), Bank Mandiri and Bank Tabungan Negara (BTN) have established standards to improve the performance of their employees with an active role from LPF. The leadership of the company has a significant role in increasing the work of its employees. The ability of leaders in managing their employees is a benchmark for employees to develop, so that company goal is more easily achieved.

## LITERATURE REVIEW

Performance is a multi-dimensional concept. At the most basic level, Borman and Motowidlo (1993) distinguish between task and contextual performance. Task performance refers to the ability of the individual with whom the individual performs activities that contribute to the 'technical core' of the organization. This contribution can be direct (e.g. in the case of production workers), or indirect (e.g., in the case of managers or staff personnel).

#### CONTEXTUAL PERFORMANCE

Contextual performance refers to activities that do not contribute to the technical core of the but, organization which support the organizational, social, and psychological environment in which organizational goals are pursued. Contextual performance includes not only behaviours, such as helping co-workers or becoming a reliable member of the organization but also making suggestions on how to improve work procedures.

Three underlying assumptions are associated with differentiation between task and contextual performance (Borman & Motowidlo, 1997; Motowidlo & Schmit, 1999):

1. Activities relevant to task performance vary between jobs while contextual performance activities are relatively the same across all posts; 2. task performance is related to ability, whereas contextual performance is related to personality and motivation;

3. Task performance is more determined and is a behaviour in the role, while contextual performance is more discretionary and has extra pean-ops

#### JOB PERFORMANCE

The performance of the task itself is multidimensional. For example, among the eight performance components proposed by Campbell (1990), five factors refer to task performance (Campbell, Gasser, & Oswald, 1996; Motowidlo & Schmit, 1999) including:

(1) proficiency in special job duties,

(2) job skills that are not specific to the job,

(3) proficiency in written and oral communication,

(4) supervision - in the case of supervisory or leadership positions - and part

(5) management / administration.

Each of these factors consists of several subfactors that may differ between jobs. For example, management/administration factors include of subdimensions such as:

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(1) planning and organizing,

(2) guiding, directing, and motivating subordinates and giving feedback,

(3) train, and develop subordinates,

(4) communicating effectively and informing others (Borman & Brush, 1993).

In recent years, researchers have paid attention to specific aspects of task performance. For example, innovation and customer-oriented behaviour becomes increasingly important when organizations emphasize customer service (Anderson & King, 1993; Bowen and Waldman, 1999)

Individual performance is not stable over time. Variability in a person's performance over time reflects (1) learning processes and other longterm changes and (2) temporary changes in performance. Individual performance changes as a result of learning. Studies show that performance initially increases with increasing time spent in specific jobs and then reaches the highlands (Avolio, Waldman, & McDaniel, 1990; McDaniel, Schmidt, & Hunter, 1988; Qui<sup>°</sup>nones, Ford, & Teachout, 1995). Besides, the processs that underlies changes in performance over time.

During the initial skill acquisition phase, performance is very dependent on 'controlled processing', the availability of declarative knowledge and optimal allocation of limited attention resources. Whereas later in the process of acquiring skills, performance is mostly dependent on automatic processing, procedural knowledge, and psychomotor abilities (Ackerman, 1988; Kanfer & Ackerman, 1989)

#### METHODOLOGY

This type of research is quantitative research. The fundamental reason for using quantitative analysis is to test a theory by gathering numerical data and analyzing it statistically. Therefore quantitative research generally involves instruments used to collect quantitative data and methods usually related to making generalizations about the population under investigation (Zikmund et al. 2010).

#### **RESEARCH LOCATION**

The locations of this study are all Government Banks in the Medan City area, namely: Bank Rakyat Indonesia (BRI), Bank Negara Indonesia (BNI), Bank Mandiri, and Bank Tabungan Negara (BTN).

#### **RESEARCH TIME**

This research was conducted from August 2019 until June 2020.

#### **POPULATION AND RESEARCH SAMPLES**

The study population was all-female permanent employees of the Marketing division at the Government Bank. The sample criteria for this study are:

1. Married female marketing employees

2. Has been in the marketing field for at least 1.00 (one) year

The sample in this study uses the requirements of SEM, which are  $43 \times 5 = 215$  employees

#### RESULT OUTER MODEL

An initial evaluation of the PLS output model is an evaluation of the measurement model. This evaluation includes convergent validity and discriminant validity. Here is a picture of the outer model of this research



Following are the results of Composite Reliability and AVE research:

The next examination of the measurement model is composite reliability. This check can be seen from the value of Cronbach's Alpha and Composite Reliability. In the SEM model, Composite Reliability is better used as a measure of construct reliability than Cronbach's Alpha. Following are the results of Composite Reliability and AVE research:

Table 1

Composite Reliability and AVE

	Cronba ch's Alpha	rh o_ A	Compos ite Reliabilit y	Average Variance Extracted (AVE)
Enjoyable Employee Experience	0.921	0. 94 4	0.937	0.655
Employee Performance	0.886	0. 90 9	0.903	0.462

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Leader Passionate	0.912	0. 97 5	0.929	0.656
Moderating Effect 1	0.957	1. 00 0	0.951	0.327

Based on the results of Table 1, the value of Cronbach's Alpha, and Composite Reliability is above 0.7, then all constructs on the variable above have strong reliability values. The next check is to see the AVE value. This value illustrates the magnitude of variance or diversity of manifest variables that can be contained by latent structures.

#### INNER MODEL STRUCTURAL MODEL MEASUREMENT (INNER MODEL)

Evaluation of structural models can be seen from partial and simultaneous testing. Figure one (1) shows the structural model of the study.



## Nilai R Square

The  $R^2$  and R Square Adjusted values based on Table 2 are:

R Square Adjusted Employee Performance shows a value of 0.510 which means 51.0% variability of the latent construct of Employee Performance can be explained by enjoyable employee experience, leader passionate performance and moderation effects

	-	Taper Z
	R Square	R Square Adjusted
Employee Performance	0.517	0.510

# **TEST HYPOTHESIS**

Based on Table 3, simultaneous testing in this research model is declared significant because its p value <0.05 on endogenous latent constructs (employee performance).

Table 3 Hypotesis Testing							
	Origin al Samp le (O)	Sam ple Mea n (M)	Standar d Deviatio n (STDEV )	T Statisti cs ( O/ST DEV )	P Va lu es		
Enjoyable Employee Experience -> Employee Performance	0.617	0.61 2	0.057	10.908	0. 00 0		
Leader Passionate -> Employee Performance	- 0.054	- 0.05 3	0.078	0.695	0. 48 7		
Moderating Effect 1 -> Kinerja	- 0.192	- 0.20 4	0.041	4.686	0. 00 0		

# DISCUSSION

Referring to previous research Karl and colleagues studied the relationship between pleasant experiences and employee attitudes. Karl et al. (2005) found that employee attitudes regarding adjustment are a consequence of enjoyable work. The environment is positively related to trust in leaders and coworkers, which shows that building trusting relationships can be a prerequisite for getting a pleasant experience at work. In another study, Peluchette and Karl (2005) found that positive attitudes regarding the appropriateness and the consequences of pleasure at work were positively related to job satisfaction.

Karl and Peluchette (2006) found that experiencing pleasure at work had a negative relationship between emotional fatigue and job satisfaction, and Karl et al. (2007) found that pleasant experiences were negatively associated with emotional fatigue and emotional dissonance related to job satisfaction. Karl and Peluchette (2006) also found that enjoyable experiences are positively associated with job satisfaction, especially for those who place a high value on pleasure at work.

Previous authors also found that satisfied employees felt that they provided better quality service to customers. Finally, Karl et al. (2008) found that positive attitudes toward pleasure experienced positively related to job satisfaction and negatively associated with moving. Other studies have tested joy in the workplace as a multidimensional construction (McDowell, 2004).

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Combining these dimensions into an overall measure shows that pleasure at work is significantly related to job satisfaction, organizational commitment, and intention to move.

In another study, which examined the same dimensions, Fluegge (2008) found that pleasure at work has a positive relationship with job performance, including task performance, performance, and organizational creative citizenship behaviour (OCB). Also, Fluegge shows that the relationship between pleasure at work and task performance is mediated by positive employee influence and that the relationship between happiness at work and creative production is mediated by work engagement. However, there is no positive influence or work involvement that mediates the relationship between pleasure at work and OCB. Although both studies provide preliminary evidence of the importance of various dimensions of pleasure in the workplace, the study does not determine which aspects of happiness are most dominant in the world of work, and this is because all dimensions are combined into one measure. To determine the relative importance of various aspects of pleasure in the workplace, Tews and colleagues conducted several studies that focused on the relative importance of different elements of fun in the workplace. The results show that pleasure at work is a more reliable predictor than compensation and opportunities for advancement. In contrast, coworkers and social work responsibilities are more reliable predictors of applicant attractiveness than pleasurable activities.

Tews et al. (2013) examined the impact of pleasant activities and manager support for pleasure on employee performance and employee turnover with a sample of restaurant waiters. The results of this study indicate that friendly activities are positively related to performance and management support for having fun is negatively related to turning over, thereby increasing retention. However, manager support for pleasure harms performance. The authors speculate that manager support for fun can lead to lower performance because employee work might be allowed to "slack off." Tews et al. (2014) examined the relationship between three forms of workplace pleasure on turnover - fun activities, coworkers, and management support for fun with other samples from restaurant servers. The results of this study indicate that peer socialization and managerial support for fun are significantly related to turnover. That constituent attachment mediates the relationship between each of the three forms of pleasure at work and turn over.

Research with Millennial samples working full time employed in different organizations. According Tews et al. (2015) found that pleasure in job responsibilities was the most dominant predictor, next was perceived career opportunities, praise and gifts, manager support for comfort, coworkers, and fun activities.

Finally, with a sample of restaurant employees Tews, et al. (2017) show that fun activities are related to informal learning, but not to support managers. However, manager support for fun is positively related to the informal learning subdimension, learning from oneself. Furthermore, fun activities are positively related to the subdimension of learning from others and learning from non-interpersonal.

Referring to the results of research conducted by the author is in line with a study conducted by Tews et al. (2013, 2017) that manager's support for pleasure harms employee performance. Although in this case, Tews et al. did not make the leader as a moderating variable. According to Tews et al., the negative effect is because superiors who provide a lot of fun for employees will cause the seriousness of the restaurant employees to relax so that employee performance will decline. The same thing found by the author is that when leaders provide more pleasant experiences for employees will harm the performance of Bank employees. In this study, the authors will describe one by one the reason by analyzing the items that have been given by employees.

In the statement of feeling comfortable working, the results of the questionnaire showed that most marketing employees were satisfied with their work. If this comfort continues to be added by the leader will make marketing employees complacent in the job so that it is feared that employees find it difficult to face new challenges. The next statement is the feeling of being needed at work; employees who feel needed at work will undoubtedly create positive emotions for these employees to bring up confidence in the company. But what happens if the leader continually tells employees that the employee is needed in the marketing division. The impact is that employees will experience confidence, thinking that without him, the marketing division will not be able to reach the target.

Overconfidence experienced by the employee will result in the employee thinking that the employee will not be given sanctions despite making mistakes because the employee feels he is very needed in the company so that the employee will work less optimally and harm employee performance. Other statements asked by employees are about harmony with superiors and coworkers. Peace with superiors and coworkers will have a positive impact if unity is enforced by superiors following their portions. The results of this study are certainly very general because, in organizations, employees work together to achieve common goals and

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visions as mapped by management, but what is important to note by leaders is that harmony of employees does not mean employees do not compete for limited resources (for example, salary increases, recognition, popularity, promotions, positions, etc.)

Harmony in this research is peace and harmony between employees and superiors. But the leader still must create a climate of competition among fellow employees. Therefore leaders must find ways to suppress dangerous competitive impulses among marketing employees. The leader must put more emphasis on employee education on the aspect of healthy competitiveness by providing an equal foundation for employees. In other words, the leader must act firmly on all forms of unfair competition because the harmful long-term and short-term impacts will be detrimental to the company. On the other hand, excessive harmony from the boss towards him and the employee results, the employee will have a feeling that his boss is his friend so that it will make the employee sometimes ignore the boss's orders.

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