

THE ROLE OF WORK MOTIVATION AS A MEDIATION INFLUENCE OF SITUATIONAL LEADERSHIP STYLE AND CHANGE MANAGEMENT ON PERFORMANCE OF EMPLOYEE IN BANK MANDIRI JEMBER

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Abstract

This study aims to analyze the role of work motivation as a mediation of the influence of situational leadership style and change management on the performance of micro credit sales of Bank Mandiri Jember employees. This study was conducted using a sample of 116 respondents. To test the effect of variables such as situational leadership style, change management, work motivation and performance, this study Applies path analysis. The results of the analysis show that (1) the situational leadership has a significant positive effect on work motivation, (2) change management has a significant positive effect on work motivation (3), situational leadership has a significant positive effect on performance, (4) Change management has a significant positive effect on performance, (5) work motivation has a positive influence on performance. Conclusions are generated from the situational leadership style variables and effective change management to improve micro credit sales performance by increasing Reviews their work motivation.

Keyword: Situational Leadership, Change management, Work Motivation, Performance

1.INTRODUCTION

Bank Mandiri is one of the state-owned companies in Indonesia that is engaged in financial services. Bank

Mandiri provides financial integration services to customers which include the Corporate, Commercial, Micro, SME and Consumer Banking business segments. According to the Ministry of BUMN data on the bumng.go.id website, Bank Mandiri is the largest bank in Indonesia in terms of assets, loans, and deposits where assets reach more than Rp. 1,000 trillion, precisely at Rp. 1,003.46 trillion in the first semester of 2018. data presented by Keuangan.kontan.co.id, bank Mandiri assets grew year on year, increasing by 7.55% from 978.37 trillion in 2017 performance, but performance was still below the average growth of the banking industry which increased 9.82% nationally. One of the supporting factors in the growth of Bank Mandiri's credit assets is lending in the micro segment.

Since 2005 in Kabupaten Jember, Bank Mandiri has 28 network units or branches that focus on the micro business segment under the coordination of Bank Mandiri Cluster Jember with a total of 158 employees including 124 people as Micro Credit Sales. Mikro Kredit Sales is an independent bank employee whose main task is marketing micro credit products and maintaining good relations with micro debtors and maintaining the growth of business portfolios with maintained credit quality. Micro credit sales in an organizational structure are under the Micro Banking Cluster Manager. In the organizational structure of Bank Mandiri Cluster Jember there is the highest leadership, namely the Micro Banking Cluster Manager. Report MKS booking performance in September 2018, Bank Mandiri Cluster Jember is still too far from the target set by

management, this can be seen from the following figure that out of 124 Micro credit sales, the majority is far below the target. The Bank Mandiri MKS Booking Report in September 2018 showed that only 47 Micro credit sales had reached the target set, the remaining 77 Micro credit sales were still below the target (details of 4 yellow people and 73 red people). This is certainly a poor achievement from the micro credit sales, given its position as the bank's spearhead in lending and it will also have a negative effect on the performance of Bank Mandiri nationally. This achievement is certainly the responsibility of the Micro Banking Cluster Manager as the leader of the micro credit sales.

The results of observations conducted by researchers in October 2018 to February 2019 at the research location, the leadership style practiced by the Micro Banking Cluster Manager was situational leadership style. The Micro Banking Cluster Manager treatment for each employee puts forward a different relationship pattern which depends on the behavior, commitment and achievements of each employee. According to Hersey and Blanchard (2014) situational leadership style is a leadership model that is based on interconnections between the number of instructions and direction given by the leader, the amount of emotional support provided by the leader and the level of readiness or maturity of the followers shown in carrying out specific tasks, certain functions, or goals.

The situational leadership style approach applied by the Micro Banking Cluster Manager is likely to have an impact on the level of employee motivation and create a high-performance team that works effectively. According to Pamela and Oloko (2015) Motivation is the key to successful organizations to maintain the continuity of work in the organization by means and strong assistance to survive. Motivation will encourage employees or organizational workers to seriously carry out their work and responsibilities (Azar and Shafiqi, 2013). Keeping motivated employees is a task that managers can solve in various ways. This is supported by research from Muhammad Adi (2015) which states that situational leadership style has a positive and significant effect on employee performance through motivation as an intervening variable. This means that the influence of situational leadership style on employee performance will be greater if through motivation. Gap research was found in Yeni's (2015) study which concluded that there was no significant

influence on Situational leadership on employee performance through work motivation, this proves that situational leadership variables have a direct influence on performance without the need for intervening variables namely work motivation. Thus, in Yeni's research (2015) work motivation cannot be said as an intervening variable. Referring to the results of the study, the researchers considered it important to test the consistency of the findings found in previous studies.

In the midst of current global competition, companies are required to adapt quickly to keep up with the times because changes will always occur. Companies must have sensitivity in changes that occur especially in the development of technology, resources and organizational structure. One of the changes that have taken place within Bank Mandiri is the organizational culture of 5 values of TIPCE (Trust, Integrity, Professionalism, Customer Focus, and Excellence) that have been implemented since 2005. The TIPCE work culture has become a guideline for employees including micro credit sales in behaving in daily life and carried out while working. Quoted from the Bank Mandiri Bulletin in November 2018, together with Bank Mandiri's 20th birthday, the company made a breakthrough by replacing 5 TIPCE cultures with 5 themes of a new culture of change (New Culture). These 5 new cultural themes include Satu Hati Satu Mandiri (one heart one mandiri), Mandiri Tangguh, Mandiri Grows Healthy, Meets Customer Needs and Together Builds the Country. The change in the cultural theme was motivated by the results of the performance of the independent, un-sustain bank, the era of technological disruption, the increase in the bank's independent NPLs from year to year and the many generations of millennials at independent bank employees.

This change management will affect work motivation and improve employee performance in independent banks, especially the research object, namely micro credit sales. Several empirical studies related to the effect of change management on performance have been carried out by previous researchers, namely research conducted by Olajide Olubayo (2014) and Joelaty (2016) which shows results that change management has a positive and significant effect on performance, meaning that if change management is successfully implemented then employee performance will also increase. However, there is still a research gap in the research conducted by

Ibrahim (2018) which shows different results, namely the management of change has a negative effect on performance. That is, if change management is implemented, employee performance will decrease. The results of the study conducted by Ibrahim (2018) became a gap that will be carried out by researchers to raise the existing problems by conducting subsequent research as a clarification of previous studies that have different research results.

2. CONCEPTUAL FRAMEWORK

The conceptual framework in this study describes the influence of four variables, namely the role of situational leadership, change management, work motivation and employee performance.

Explanation of the influence of the four variables gives a conceptual framework model illustrated in the following figure 1:

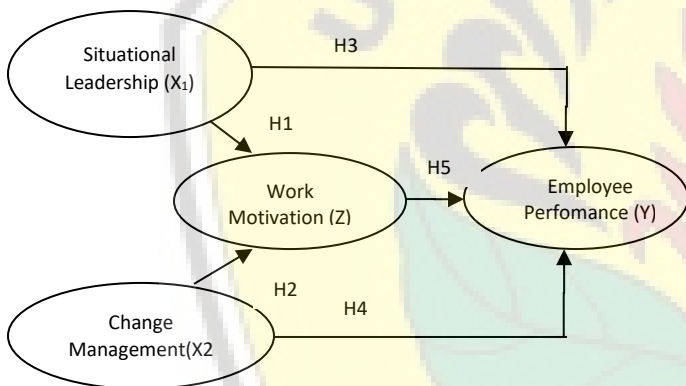


figure 1. Conceptual Framework of Research

3. DISCUSSION

3.1. The Influence of Situational leadership styles on motivation

Situational leadership theory developed by Robert House called The Path goal theory in Sinollah (2014) if the leader gives a greater impetus to fulfilling these expectations, the greater the achievements of his employees. The theory suggests situational leadership style will certainly influence employee motivation.

The above theory is also supported by the results of research conducted by Muhammad Adi (2015) The results of testing of the hypothesis, indicate that

situational leadership style variables have a positive and significant effect on the performance of Bank employees. Thus that situational leadership style has a significant effect on the motivation of micro-credit sales of Bank Mandiri employees in Cluster Jember. A very important role for a Micro Banking Cluster Manager is being able to embrace and be a motivator for his subordinates, especially micro credit sales. In reality, the Micro Banking Cluster Manager always motivates micro credit sales so that they always provide the best performance and become outstanding employees. In the daily activities in the Micro Banking Cluster Manager office, there is always information about the opening of career opportunities for outstanding micro credit sales, this agrees with Tobing DSK (2016) that career development as part of the system influences employees' internal behavior in increasing their job satisfaction . Another motivational boost by offering additional compensation beyond salary income through an incentive program with micro credit sales criteria must reach the target every month, namely the distribution of 600 million micro credit sales. The program effectively increases the motivation of micro credit sales, especially for additional incentive offers, the amount of which can double the salary income. Compensation helps companies to achieve their goals in obtaining, maintaining, and maintaining optimal performance of employees (Tobing D.S.K, 2016).

3.2. The Influence of Change Management on motivation

Colin A. Carnall (2007) argues that the more changes that are conveyed by corporate organizations will be involved in providing higher productivity, and competing at a higher level. Management of this change will affect the performance of employees in independent banks. The theory states that an employee who has implemented change management will form more disciplined behavior and certainly will increase work motivation.

The above theory is also supported by the results of research conducted by Annisa Dian Arifana (2015) that change management affects work motivation with a positive direction and the hypothesis that Change Management has a significant effect on Work Motivation is proven to be true.

Thus the hypothesis that Change Management has a positive influence on work motivation is accepted, meaning that the implementation of change management by Bank Mandiri management proves that the majority of employees want to adapt to the changes that occur. One of the changes that have taken place within Bank Mandiri is the organizational culture of 5 values of TIPCE (Trust, Integrity, Professionalism, Customer Focus, and Excellence) that have been implemented since 2005. The TIPCE work culture has become a guideline for employees including micro credit sales in behaving in daily life and carried out while working. Some things that must be a measure of success are employees must be able to understand the vision for change, the vision in question is the purpose of the changes formulated by management due to conditions. So far, Mandiri cluster Jember Bank routinely socializes the reasons why it must change the work culture. This socialization activity is routinely carried out every morning briefing when all employees gather. Another important factor to support successful change management is that it must be mastered by managers with strong leadership, the role of managers is very important as agents to succeed concepts and support change. At Bank Mandiri Cluster Jember, Managers always provide examples of the application of a new work culture to their subordinates, such as having to become an independent, resilient person who is unable to reach the target. This will greatly motivate its employees. Bank Mandiri cluster Jember also formulated the earliest steps in implementing change, one of which was socialization by installing new work culture pamphlets on the office walls so that the important roles and responsibilities for managing these changes were clearly defined. In addition, support such as training for employees has also been carried out by the Bank Mandiri Jember cluster. The training in question is like providing a discussion forum to discuss the changes that occur so that they have one common understanding and will increase morale.

Thus the change management process applied will change individuals, teams, and organizations to desired future conditions. This change management will affect work motivation and improve employee performance in the Mandiri cluster Jember, especially the research object, namely micro credit sales.

3.3. The Influence of Situational Leadership on Employee performance

The leadership style applied by managers will form a good employee personality. According to Thoah (2014) the level of maturity in situational leadership style as the ability and willingness of employees who can be responsible in carrying out their duties.

The above theory is also supported by the results of research conducted by Yeni Widianingrum (2015). The results of the study show that there is a positive influence between site leadership (X1) on employee performance (Y). While other studies by Muh. Addin Syah (2017) shows that situational leadership style has a positive and significant effect on employee performance. This proves that Micro Banking Cluster Manager can provide good direction to employees and provide an appropriate understanding of their employees. Micro banking cluster manager will always ensure micro credit sales as employees who can carry out their activities by doing well-planned, scheduled, organized and implemented things, such as micro credit sales must be able to achieve the given target according to the specified schedule and improve quality the loan portfolio under management.

The Micro Banking Cluster Manager also has the ability to run a good organization in achieving Bank Mandiri's management goals. This is evidenced by the increase in the performance of the Mandiri bank loan portfolio which grows positively every year. In addition Micro Banking Cluster Manager always opens communication space to subordinates to convey their ideas and aspirations so that it will make employees more motivated and improve their performance.

3.4. The Influence of Change Management on Employee performance

According to Winardi J. (2009) that managing organizational change is an act of negligence of an organization from the prevailing conditions now, leading to the desired future conditions to increase its effectiveness.

The theory is also sharpened by research by Olajide Olubayo (2014) whose research results are that change management has a significant effect on performance. Other research by Dian Arifana (2017) concluded that

change management influences employee performance in a positive direction. Thus the hypothesis that changes management has a positive influence on acceptable performance. This means that the better the management of change, the better the performance of employees.

Change management as defined by Korir, Mukotive, Loice and Kimeli (2012) changes management as a change in effective business management so that executive leaders, managers and frontline entrepreneurs work together to successfully implement processes, technology, or organizational changes needed in the future. front. This clearly will affect performance because with the management of changes like this an employee must be able to quickly adapt to the changes that exist. This happened to Bank Mandiri Cluster Jember. Employees understand the vision for change, the vision in question is the goal of change formulated by independent bank management by changing the TIPCE work culture with 5 new work cultures. Strong leadership from managers as agents to succeed concepts and support change also raises a sense of optimism for employees and instructs them to actively support the company's strategy to make changes to work culture. The results of the study indicate that the change in work culture carried out by the management of Bank Mandiri has a positive influence on the performance of each employee in full trust in the work provided by the company.

3.5. The Influence of Work Motivation on Employee performance

Motivation is the willingness of individuals to spend high efforts to achieve organizational goals (Stephen P. Robbins, 2001), while for research namely Ida Ayu Brahmasari and Agus Suprayetno (2007) also states that work motivation has a positive effect on performance. While research by Okto (2014) with the results of a significant effect of work motivation on performance.

Thus the hypothesis which states Work Motivation has a positive influence on acceptable performance. This is in agreement with Heathfield's opinion (2015), the definition of motivation in relation to employee performance can be simply defined as factors, elements, or desires that encourage employees to pursue and achieve work goals and tasks and become reasons why

employees act and behave in certain ways which can be influenced.

Motivation is needed because human nature requires a kind of inducement, encouragement or incentive to get better performance, but in this case the drive to keep on giving the best things in the work can be displayed, employees do their job well, go to work according to a predetermined work schedule by banks, they also have to provide the best service to bank customers who certainly have to work hard given the complexity of the customers of many independent banks and spread in the area of Jember Regency.

Related to the motivation at Bank Mandiri Cluster Jember, there are several needs that are prioritized by micro credit sales including those who want to achieve the targets set by managers, of course, with open doors to careers in independent banks micro credit sales will provide the best performance because they have a need for achievement. Another important need is the desire to collaborate with other office partners, this is because the number of jobs that must be completed on time because of the performance that is always evaluated every month. Every Micro credit sales is always motivated to become a sales person with the highest achievement so that he becomes the best sales in the Jember cluster. Performance results will also affect the income of the micro credit sales so that they will be motivated to want to give their best.

4.CONCLUSION

Based on the results of research conducted at Bank Mandiri Cluster Jember, the following matters can be concluded Situational leadership style has a significant effect on the motivation of Micro credit sales at Bank Mandiri Cluster Jember, Change management has a significant effect on the motivation of Micro credit sales at Bank Mandiri Cluster Jember, Situational leadership style has a significant effect on the performance of Micro credit sales at Bank Mandiri Cluster Jember, Change management has a significant effect on the performance of Micro credit sales at Bank Mandiri Cluster Jember and Work motivation has a significant effect on the performance of Micro credit sales at Bank Mandiri Cluster Jember

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