



RESEARCH ARTICLE

THE EFFECT OF ORGANIZATIONAL RESTRUCTURING AND LEADERSHIP ON THE PERFORMANCE OF EMPLOYEES IN MAYANGAN SUB-DISTRICT, PROBOLINGGO, INDONESIA

Rohim, Ardiyanto, Sasongko and *Zarah Puspitaningtyas

Faculty of Social and Political Science, University of Jember, Indonesia

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ABSTRACT

Optimal employee performance is influenced by several aspects that exist within the organization, such as organizational restructuring and leadership. This study aims to determine the effect of organizational restructuring and leadership on the performance of employees in Mayangan Sub-District, Probolinggo, Indonesia. This research type is the explanatory quantitative. Population amounted to 98 people, sampling technique using random sampling technique so that the respondent obtained amounted to 79 people used as respondents. Data collection techniques used observations, questionnaires and literature studies. Data analysis technique used is multiple linear regression analysis. The results show that partially organizational restructuring and leadership have positive and significant effect to employee performance. In addition, organizational restructuring and leadership simultaneously affect the performance of employees.

INTRODUCTION

In the organization is said to succeed in achieving the goals and programs that have been set before, if the individuals working in the organization can perform their duties properly, in accordance with their respective fields and responsibilities. In connection with the duty well done required employees who have a high spirit of devotion and discipline. This can be achieved, among others, through legal guarantees in the form of laws and regulations, the existence of good cooperation, and exemplary leadership through attitudes, behaviors and provide motivation to subordinates. Goleman in Hadian (2015) argues that the task of the leader is to create resonance, a positive atmosphere for all human resources in the organization to continue to bind themselves and develop the best performance for the organization. So the leader has a core role of human resources management aspects in the operationalization of work atmosphere for the success of an organization. Furthermore Alberto et al. in Widhi (2015) explains that one's leadership style is very influential on the performance of subordinates. Leadership style can be seen in two ways, namely the style of formal and informal leadership. Formal leadership is more emphasis on systems adopted by an agency, but its rigid nature tends to sometimes not match the conditions of employees.

While the leadership tend to be informal tend to emphasize the learning of leaders, so leaders are considered as role models, while employees have the freedom to be creative in completing the work. Leadership is the ability to motivate, influence, direct, and communicate with subordinates, in addition leaders must also have behavior or way of leadership tailored to the situation and conditions, is flexible to be able to adjust and adapt to the environment subordinates. Leadership determines the direction and performance of employees in an organization.

A good leadership will determine the performance of employees in determining the success of an institution / organization. The ability of leaders to motivate subordinates is a managerial skill that needs to be mastered by every manager / head of the organization. By understanding the important role of motivation, the leader will be able to develop the work performance of his subordinates and can be job satisfaction (Sujak, 1990:21). Alignment between leadership with employees who have the nature and attitude of constructive and active, high responsiveness, initiative and creative and sensitivity to adapt to the environment will support the success of the organization in the future. With the above description can be seen that the organizational restructuring and leadership have an influence on the performance of employees in carrying out their duties.

*Corresponding author: Zarah Puspitaningtyas,
Faculty of Social and Political Science, University of Jember,
Indonesia.

Based on this introduction, the research question is formulated as follows:

- Does the organizational restructuring affect the performance of employees?
- Does the style of leadership affect the performance of employees?

LITERATURE REVIEW

Management

According to GR Tery in Tiyanto (2010:2) definition of management is as a certain process consisting of planning activities, organizing, actuating and controlling resources to determine and achieve the goals defined organization. Stoner and Wankel in Tiyanto (2010:3) explain that management is the process of planning, organizing, leading, controlling the efforts of organization members and the process of using organization resources to achieve organizational goals that have been established. Stoner further defines management as a process because all managers with their skills and skills are involved in interrelated activities in an effort to achieve organizational goals.

Human Resources Management

Cushway in Priyono (2016:4) defines human resources management (HRM) as 'part of the process that helps the organization achieve its objectives'. This statement can be translated as 'part of a process that helps the organization achieve its goals'. According to Stoner HRM includes the use of human resources productively in achieving organizational goals and satisfying the needs of workers individually. Stoner adds that as it seeks to integrate the interests of its organization and its employees, it is more than a set of activities related to organizational HR coordination. HRM is a major contributor to organizational success. Therefore, if HRM is not effective it can be a major obstacle in satisfying workers and organizational success. Based on some opinions of experts above can be concluded that human resource management is a process of utilization of human resources (HR) available effectively and efficiently to achieve organizational goals.

Organization

According to Stephen P. Robbins in Kusdi (2011:05), the organization is a socially conscious society coordinated, has a relatively identifiable boundary, and functions relatively continuously to achieve a common goal or set of goals. Meanwhile, according Siagian in Mulyadi (2015:21) defines the organization as a form of partnership between two or more people who work together and formally bound in order to achieve a predetermined goal and has a hierarchical structure that determines the person who became superiors and as subordinates.

Organizational Restructuring

Restructuring in the opinion of Hasibuan (2001:90) is "change the structure of an organization either vertically or horizontally, in order to more effectively help the achievement of goals". This restructuring is done because the organizational structure (chartorganizatio) is not effective anymore, due to the

progress or decline of the company. According to Stoner et al. (1996:109-112), there are three approaches, among others:

Approach to Structural Change

This structural approach is divided into three, namely: First, including structural changes created through the application of Organizational Design, its purpose is to clearly define the responsibilities of the members of the organization. Secondly, through Decentralization based on the idea that the formation of smaller and independent units of the organization will strengthen the motivation of the members. Third, Workflow Modification (altering workflow) within the organization with the consideration that the right work flow will directly result in increased productivity, morale and job satisfaction.

Approach to Technology Change

Technological changes that are not aligned with changes in organizational structure will cause dissatisfaction so that work performance decreases.

Approach to Human Change

This approach has the goal of directly changing employee behavior by satisfying attention to skills, perceptions, and expectations so that they can work more effectively. New attitudes and skills can encourage employees to initiate organizational structure and technology changes. This study uses the indicators put forward by Stoner namely: changes in structural, technological changes, and changes in human resources.

Leadership

Leadership in general is the influence, art, or process of influencing others, so they are willing to strive towards the achievement of organizational goals. So lead is defined as people have the task to direct and guide subordinates and able to gain support from subordinates so that they can move them towards the achievement of organizational goals. Leadership is the process of influencing organized group activities in the purpose of setting goals (Mangkunegara, 2007:177). According to Keith Davis (Wahjosumidjo, 2006:18) leadership is the ability to influence others with a passion for the achievement of a determined goal.

Leadership Style

Hersey and Blanchard (Simamora, 2005) suggests there are four leadership styles:

Directive Leadership style

This leadership style is characterized by a one-way communication. Leaders limit the role of subordinates what, when, where and how things are done. Problem solving and decision-making are solely the responsibility of the leader.

Consultative leadership style

Leaders provide considerable direction to their subordinates both and the process of decision-making and in implementation. Leaders use two-way consultation and provide support to their subordinates.

Participative leadership style

In the leadership style of control over problem solving and decision making between leaders and subordinates are balanced. Leaders and subordinates are both involved in the decision-making process. Two-way communication is increasing, the leader seamakin listen to the opinion of his subordinates in incentives, the participation of subordinates in solving problems and make decisions increasing.

Delegative leadership style

The leader seeks to discuss the problems faced by subordinates and subsequently delegates the entire decision-making to his subordinates. Subordinates have the authority to execute decisions entirely to subordinates and authorize to carry out the decision without much interference by the leadership. This is done because subordinates are deemed to have the ability and can be trusted to assume responsibility in directing and managing himself the leadership policy line. This study uses the indicators proposed by Hersey and Blanchard: leadership style directive, consultative, participative and directive.

Employee Performance

According Mangkunegara (2007: 67) is "the work in quality and quantity achieved by an employee in performing their duties in accordance with the responsibilities given to him". This definition illustrates that performance is the result of work, regardless of the process of working in achieving the work. Another notion put forward by Bernardin and Russell (1993:378) is "performance is defined as the record of outcomes produced on a specified job function or activity during a specified time period" when translated means that performance can be defined as a record of the results obtained from certain job functions or activities over a period of time.

This study in measuring employee performance using Dharma theory (2005:19) are as follows: Quantity, Quality and Timeliness.

Hypothesis

Based on the theories put forward in this study, it will appear a hypothesis. Hypothesis in this research is as follows:

H₁: organizational restructuring affects employee performance.

H₂: leadership has an effect on employee performance.

METHODOLOGY

The type of research used in this research is the explanatory quantitative. This research was conducted at Mayangan sub-district, Probolinggo, Indonesia. The population used in this study amounted to 98 employees. The technique used in sampling using slovin formula so that the sample was found by 79 people, then to determine the respondents done by random sampling, where to determine the responden done randomly so that found 79 respondents. Types and sources of data in this study are primary data in the form of questionnaires and observations, while secondary data in the form of documentation data from Mayangan sub-district employees. Data collection techniques in this study using questionnaires, observation and literature study. Phase data processing with data checking, coding and tabulation.

RESULTS AND DISCUSSION

Multiple Linear Regression Analysis

Multiple linear regression equation model obtained in this research.

$$Y = 7.563 + 0.272 X_1 + 0.397 X_2 + e$$

Partial Test (t test)

1.The effect of organizational restructuring variable (X_1) on Performance (Y). From the calculation results obtained data t_{count} for organizational restructuring variables of 2.544 which is greater than t_{table} ($2.544 > 1.665$) with a probability level of $0.013 < 0.05$ so that it can be interpreted that the organizational restructuring variable (X_1) partially significant to the performance variable (Y) The effect of leadership style variables (X_2) on performance (Y) From result of calculation show result t_{count} for leadership style variable (X_2) equal 4.714 which also show result bigger than t_{table} ($4.714 > 1.665$), and also calculation of significance value also show $0.000 < 0.05$, so it can be concluded that force variable leadership (X_2) also partially significant effect on performance variable (Y).

Determination Coefficient Test (R^2)

The result of calculation by using SPSS Statistics 20.0, obtained the determination (R^2) of = 0.450 which means that the contribution given by the organizational restructuring variable and leadership style as much as 45% while for the remaining other factors that contribute for example the competence of human resources, own.

DISCUSSION

The Effect of Organizational Restructuring on Performance

In partial test (t test) between organizational restructuring variable (X_1) on performance (Y) obtained r value = 0.538. This value indicates a strong positive relationship between (X_1) and (Y). Strong and positive intent here is a direct relationship between organizational restructuring variable and performance, meaning that if the value of organizational restructuring increases then the level of performance will rise significantly. Indicators used in the measurement of organizational restructuring there are three, among others, changes in structure, technological changes and changes in human resources. The sequence of the most influential indicators on the performance is the indicator of structural changes ranked the highest of the organizational restructuring variables in affecting the performance of the respondents of 78.5% positive responding that the specialization or division of labor is in accordance with the solution of a workflow completion, this in line with the choice of respondents, because to provide comfort for employees in carrying out the duty is the guarantee "the right man on the right job / placement of employees according to their field". Next is technology change indicator equal to 74.7% that is top leader support have been given to employees, in office of Mayangan sub-district or in village office of sub-district of Mayangan have attached wifi and procurement of computer and laptop device to support performance. Indicators change of human resources 72.2% respondents from the change of skills have a positive impact on the organization, in

this case can be ascertained if employees have the skills it will increase performance employees in carrying out the task. Furthermore, the structure changes of 70.9% ie the departmentalization has been based on the similarity of work groups and based on territory so that tasks can be coordinated. Next indicator of technological change 69.6% internal computer knowledge support organizations already implemented for understanding of computer / IT. From some of the above explanation, can be returned to the original concept of the author who states organizational restructuring affect the performance. This can be seen based on partial or simultaneous calculation, it is obtained that the organizational restructuring variable (X_1) shows a strong positive relationship with the performance variable (Y) of $r = 0.538$ and there is a direct relationship between organizational restructuring and performance variables, that is, when the value of restructuring the organization increases then the level of performance will increase significantly with three indicators with respective values of respondents as follows: structure changes 78.5%, technological changes 74.7%, and changes in human resources 72.2% .

The Effect of Leadership on Performance

The results of analysis partially correlation between leadership variables (X_2) with performance (Y) obtained value $r = 0.635$. This value indicates a positive relationship between (X_2) and (Y). The positive mean here is a direct relationship between leadership variables with performance, meaning that when the value of leadership goes up then performance will rise significantly. The indicators used in the measurement of leadership are four indicators, including: directing, consulting, participating and delegation. The sequence of the most influential indicators on the performance is the indicator of the delegate to get a response of 70.89% of the respondents positively responded that the Leader gives authority in controlling the implementation of tasks in accordance with the responsibility, in this case the respondent stated that the leader ("camat") give confidence to subordinates in performing tasks. Furthermore, 68.3% on the same indicator on items leaders believe in the ability and willingness of employees in carrying out the task, here can be reinforced by the existence of such a great confidence of a leader to employees in completing tasks.

Next is the participant indicator gets 62.03% that leader gives freedom to issue criticism or suggestion that build progress of organization, leadership in this case not type of person that is anti-criticism, can be seen from response from respondent so big, with existence of leader like that make subordinate not awkward in delivering "uneg-uneg" or idea of innovation for the progress of organization. Furthermore, 58.23% of respondents choose another delegate indicator with the item leader gives freedom to employees in determining the way or technical implementation of the work, this is done as long as not out of rule or rules related to the implementation of tasks. Then there are four items that get the same value equal to 56.96% ie leader observe employee job (indicator directing), leader willing to listen opinion or suggestion from subordinate, leader give solution and aid when employee encounter obstacle (consultation indicator) and leaders involve subordinates in finding solutions to administrative problems that occur (indicators participate). From some of the above explanation, can be returned to the initial concept of the author who states leadership affect the performance. This can be seen based on partial and simultaneous calculations obtained the answer that

the leadership style variable (X_2) shows a strong positive relationship with the performance variable (Y) of $r = 0.635$ and there is a direct relationship between the variables of leadership style and performance, leadership increases, the level of performance will increase significantly with four indicators as follows: delegates (70.89%, 68.3% and 58.23%) participate 62.03, directing and consulting equal 56.96%.

Conclusion

Based on the results of research and discussion, it can be concluded as follows:

- Organizational restructuring affects performance. This can be proved from the results of multiple linear regression tests that show a positive effect between organizational restructuring and performance with a one-way model which means that if the value of organizational restructuring increases then the value of performance will rise significantly.
- The leadership affects performance. This can be proved from the results of multiple linear regression test that shows a positive influence between leadership on performance with one-way model which means if the value of leadership increases then the value of performance will rise significantly.

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