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# The Effect of Leadership and Organizational Culture and Supervision on Job Satisfaction and Performance of Public Work Services in Kutai Timur District

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### ABSTRACT:

This study aims to analyze the effect of leadership, organizational culture, and supervision, towards job satisfaction and performance of employee at East Kutai Regency's Public Works Department.

This quantitative study was conducted with data collection by using questionnaire towards 125 samples of Civil Employees at East Kutai Regency's Public Works Department, which then analyzed with Partial Least Square (PLS) methods. The result shows that: 1) Leadership has positive insignificant effect towards job satisfaction; 2) Organizational culture has positive significant effect towards job satisfaction; 4) Leadership has positive insignificant effect towards employees' performance; 5) Organizational culture has positive insignificant effect towards employees' performance; 6) Supervision has negative insignificant effect towards employees' performance, and; 7) Job satisfaction has positive significant effect towards employees' performance at East Kutai Regency's Public Works Service.

The results of this study indicate that Leadership (X1), Organizational Culture (X2), and Supervision (X3) have an influence of 37.0% on Job Satisfaction (Y1), while the remaining 63% is influenced by other variables outside of this study.

The results of this study indicate that Leadership (X1), Organizational Culture (X2), and Supervision (X3), and Job Satisfaction (Y1) have an influence of 33.4.0% on Employee Performance (Y2), while the remaining 66.6% is influenced by other variables outside of this study.

KEYWORDS: Leadership; Organizational Culture; Supervision; Job Satisfaction; Employees' Performance

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#### I. INTODUCTION

The phenomenon of job satisfaction that occurs in the Public Works Office of East Kutai Regency, some employees feel dissatisfied with the amount of compensation received, in the form of performance allowances that are not in accordance with the workload, dissatisfied with the timing of payment of performance allowances that are not on time, dissatisfied with the work that is done, charged because it is not in accordance with the expertise possessed, and is not satisfied with the facilities provided so that it hinders the completion of the work.

The phenomenon that occurs in the Public Works Office of East Kutai Regency, the leader has not fully implemented his role as a leader. One of the reasons is due to the change in leadership that continues to occur, causing the old policies to not be fully implemented, but because there is a change in leadership, employees have to make adjustments again. There is a missing part and there is a gap between the old leadership and the new leadership.

The phenomenon that occurs at the Public Works Office of East Kutai Regency is that work habits are still relatively relaxed in carrying out activities, working modestly, and delaying work making job satisfaction and performance not good. The habit of delaying work is one of the factors that makes the employees of the East Kutai Regency Public Works Office seem to have a bad organizational culture. Another example is, when a superior performs an external task, then there is an assumption that the implementation of the tasks and responsibilities that exist in the subordinate can be delayed, or in other words, the subordinate always waits for the superior to return to ask the superior for instructions on the work.

A bad organizational culture can also be in the form of still being found in the existence of traditions and social arrangements that are paternalistic, for example in front of a superior, a subordinate is difficult to show his rejection of an idea or the idea of a superior. An open rejection of superiors' ideas can mean opening up conflicts between superiors and subordinates, thus hampering innovation and creativity of government officials.

An organization certainly does not want employees who work as they please but wants employees who work diligently followed by a high work discipline attitude. However, the reality is that at the East Kutai Regency Public Works Service, there are still employees who deliberately deviate from their main duties, such as coming to work late, leaving the office prematurely without clear explanations, chatting casually during office hours, leaving work as they please, no complete his assignments on time, leave the office without permission, enjoy reading newspapers and magazines at his desk, and playing games on the computer. Some employees during office hours wander around without a clear need outside the office still wearing official clothes. All of these will hinder the achievement of goals and have a negative effect on the organization.

#### II. LITERATURE REVIEW

## 1. Employee Performance

Employee performance or employee performance is a real behavior that is displayed by everyone as work performance produced by employees in accordance with their role in the company (Luthans 2011). Employee performance in practice refers to work-related achievements as a result of the quality and quantity of a person in carrying out their duties based on the responsibilities they are given (Robbins and Judge 2013).

#### 2. Job Satisfaction

Job satisfaction is a positive feeling about work, resulting from an evaluation of its characteristics (Robbins and Judge 2013). Job satisfaction or dissatisfaction in an organization is highly dependent on the existence of a healthy, productive, and complementary relationship between employees and management. The success of an organization depends on its employees who enjoy their work and feel valued or there is an award for all their efforts (Javed, Balaouch and Hassan 2014).

#### 3. Supervision

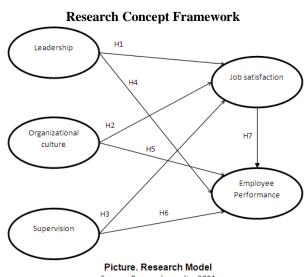
Supervision is a process in determining employee performance measures, and taking actions that can support the achievement of the desired results on the performance, to ensure and ensure that the duties of employees have been carried out properly according to policies, plans, and regulations (Schemerhorn 2002).

#### 4. Organizational Culture

Organizational culture is based on the concept: the basic assumption level, then the value level, and the artifact level. The level of basic assumptions can be interpreted as a human relationship with what is in the environment in the form of a philosophy or belief, something that cannot be seen by the eye but is guaranteed to exist. The next level is the value system, which relates to actions, or behavior that can be measured by changes or social consensus, an artifact is something that can be seen but is difficult to imitate (Schein 2004).

#### 5. Leadership

Leadership is the ability to influence a group of people or groups, towards the realization of a vision or set of goals (Robbins and Judge 2013). The effect of a leader is not only limited to emotions and thoughts, but also to the motivation and values, needs, expectations, and desires and expectations of followers (Cakmak, Bayır and Karadağ 2015).



Source: Research results, 2021

- **H1**: Leadership has a positive and significant effect on Job Satisfaction of the Public Works Department of East Kutai Regency;
- **H2**: Organizational Culture has a positive and significant effect on Job Satisfaction of the Public Works Service Officer of East Kutai Regency;
- **H3**: Supervision has a positive and significant effect on Job Satisfaction of the Public Works Service Officer of East Kutai Regency;
- **H4**: Leadership has a positive and significant effect on the performance of the Public Works Office of East Kutai Regency;
- **H5**: Organizational culture has a positive and significant effect on the performance of the Public Works Department of East Kutai Regency;
- **H6**: Supervision has a positive and significant effect on the performance of the Public Works Department of East Kutai Regency;
- **H7**: Job satisfaction has a positive and significant effect on the performance of the Public Works Department of East Kutai Regency.

#### III. RESEARCH METHODOLOGY

Data was collected using a questionnaire which was distributed to all 125 employees at the Public Works Department of East Kutai Regency. With purposive sampling method, directly to employees with the status of Civil Servants (PNS) at the Public Works Office of East Kutai Regency. Respondents' answers were measured based on a 5-point Likert scale, with the answer criteria: Strongly agree with a score of 5, agree with a score of 4, quite agree with a score of 3, disagree with a score of 2, and disagree with a score of 1. The relationship between variables in this study was analyzed by using the Structural Equation Partial Least Square (PLS-SEM) modeling method.

#### IV. OVERVIEW OF THE RESEARCH OBJECT

The East Kutai Regency Public Works Service is based on Regional Regulation (PERDA) Number 06 of 2001 as one of the services established in the implementation of the Mandatory Regional Autonomy Authority. The Department of Public Works has the task of providing regional infrastructure, economy, education, health and social culture. In the area of regional infrastructure, through the opening of access roads to the interior, it will open access for isolated communities to economic and growth centers so that they will eventually encourage and open up people's horizons, and they will naturally be more empowered than before. The implementation of the Public Works Sector Development relies on one of the 3 pillars of East Kutai development, namely improving infrastructure to open the isolation of the East Kutai Regency area in support of the Regional Agribusiness Development Movement.

The Department of Public Works has the main task of assisting the Regent in organizing the wheels of Government in the field of Public Works.

The Public Works Service is led by a Head of Service who in carrying out his duties is under and responsible to the Regent through the Regional Secretary.

## V. ANALYSIS AND DISCUSSION

Of all respondents used in the study at the Public Works Office of East Kutai Regency, 52% were civil servants with Group III. The percentage of employee respondents based on education level with the most civil servant status in the Public Works Office of East Kutai Regency is S1 as much as 44%. The most dominant distribution of respondents was at the age of 51-58 years by 36.8%. And most of the respondents by gender are male as much as 64%. Of the 125 respondents, 64% have worked for 10 years or more.

**Table 1** Characteristics of Respondents

Characteristics of Respondents	Туре	Frequency	Percentage (%)
	Group I	12	9,60%
Civil Servant Group	Group II	44	35,20%
	Group III	65	52,00%
	Group IV	4	3,20%
Level of education	SD	3	2,40%
	SLTP	4	3,20%

Characteristics of Respondents	Туре	Frequency	Percentage (%)
	SLTA	43	34,40%
	Diploma	6	4,80%
	Sarjana Strata 1 (S1)	55	44,00%
	Sarjana Strata 2 (S2)	14	11,20%
	20-30	9	7,20%
Age	31-40	26	20,80%
Age	41-50	44	35,20%
	51-58	46	36,80%
Gender	Man	80	64%
Gender	Woman	45	36%
Years of service	< 10 Years	45	36%
1 cars of service	≥ 10 Years	80	64%

Source: Research Results, 2021

Data analysis

Outer Model Evaluation

This study consists of 5 variables, namely: Leadership (X1), Organizational Culture (X2), Supervision (X3), Job Satisfaction (Y1), and Performance (Y2).

Table 2: Variables and Indicators

No	Variable and Indicators		Loading Tahap 1	Loading Tahap 2	Composite Reliability (CR)	Average Variance Extracted (AVE)
1		Leadership (X1)			0,812	0,524
	X1.1	The leader shows high spirits and is firm in what he wants to do.	0,369	-		
	X1.2	Leaders set work goals realistically and clearly communicated to members of the organization.	0,472	-		
	X1.3	Leaders can encourage followers to dare to assume job responsibilities.	0,616	0,557		
	X1.4	Leaders dare to take risks in order to achieve the vision and mission of the organization.	0,725	0,741		
	X1.5	Leaders are able to inspire followers to be loyal to the organization and its work plans.	0,732	0,750		
	X1.6	Employees are encouraged to innovate at work and take risks.	0,769	0,821		
2		Organizational Culture (X2)			0,803	0,571
	X2.1	Employees are encouraged to innovate at work and take risks.	0,520	0,529		
	X2.2	Employees display thoroughness, analysis, and attention to job details.	0,620	0,617		
	X2.3	The end result of the work is more important than the process of doing it.	0,514	0,506		
	X2.4	Work results have a positive effect on employees.	0,669	0,664		

	X2.5	Work activities are organized around team activities, and not individuals.	0,679	0,679		
	X2.6	Employees are aggressive and competitive at work.	0,583	0,587		
	X2.7	Organizational stability takes precedence over changing what already exists.	0,657	0,658		
3		Supervision (X3)			0,839	0,566
	X3.1	Leaders always provide an assessment of the work of employees	0,636	0,634		
	X3.2	Leaders help find solutions when there are problems at work.	0,696	0,697		
	X3.3	Leaders want to open the door of two-way communication in terms of carrying out work	0,679	0,681		
	X3.4	Leaders are able to raise morale.	0,762	0,765		
	X3.5	Leaders require coordination in the completion of work.	0,696	0,696		
	X3.6	Leaders are able to correct employee work clearly and precisely.	0,617	0,614		
4		Job Satisfaction (Y1)			0,824	0,584
	Y1.1	Feeling satisfied with the job you currently have.	0,730	0,734		
	Y1.2	Satisfied with his boss.	0,713	0,711		
	Y1.3	Feeling satisfied with the support of coworkers.	0,742	0,738		
	Y1.4	Satisfied with the promotion he received.	0,707	0,700		
	Y1.5	Satisfied with the nominal income (salary and wages) he received.	0,576	0,584		
5		Employee Performance (Y2)			0,871	0,722
	Y2.1	Able to complete work in accordance with established quality standards	0,864	0,919		
	Y2.2	Able to complete work according to the standard amount set	0,821	0,836		
	Y2.3	Able to complete work in accordance with the set time limit	-0,334	-		

Source: Research results, 2021

According to Hair et al., (2011); an outer loading value above 0.70 is recommended, but a factor loading value of 0.50-0.60 can still be tolerated with a t-statistic value above 1.96 or a p-value <0.05 (Solimun, 2010; Ghozali, 2011).

Table: Mean, STDEV, T-Values, P-Values

Path Construct	Hypothesis	Original Sample (O)	T Statistics ( O/STERR )	P-Value	Description
Leadership → Job Satisfaction	H1	0,102	0,99	0,323	Positive is not significant
Organizational Culture → Job Satisfaction	H2	0,324	3,179	0,002	Significant positive
Supervision → Job Satisfaction	Н3	0,277	2,234	0,026	Significant positive
Leadership → Employee Performance	H4	0,093	0,695	0,487	Positive is not significant
Organizational Culture → Employee Performance	Н5	0,126	1,066	0,287	Positive is not significant
Supervision → Employee Performance	Н6	-0,036	0,219	0,827	Negative is not significant
Job Satisfaction → Employee Performance	Н7	0,283	2,208	0,028	Significant positive

Source: Research results, 2021

## VI. CONCLUSIONS

Based on the results of the analysis and testing of hypotheses and discussion, it can be concluded several things as follows:

1. The leadership in the Public Works Office of East Kutai Regency has not been able to inspire employees to be loyal to the organization and loyal to the existing work plan, so that leadership has a positive and insignificant effect on job satisfaction of the employees of the East Kutai Regency Public Works Service;

- 2. An organizational culture that is fostered to appreciate employees who work aggressively and competitively is able to positively and significantly increase employee job satisfaction at the Public Works Office of East Kutai Regency;
- 3. Supervision from the leadership who routinely evaluates the work of employees, is proven to be able to have a positive and significant effect on job satisfaction of the employees of the Public Works Office of East Kutai Regency;
- 4. The existing leadership has not been able to encourage and set an example for employees to dare to assume job responsibilities, so that it has no significant positive effect on employee job satisfaction at the Public Works Office of East Kutai Regency;
- 5. An organizational culture that is more concerned with results than processes, causing employees to assume that the effects of work will have an unfavorable effect on them, so that this has an insignificant positive effect on the performance of employees at the Public Works Office of East Kutai Regency;
- 6. Supervision and supervisory functions from the leadership cannot arouse employee morale, so that supervision has an insignificant negative effect on employee performance at the Public Works Office of East Kutai Regency;
- 7. Job satisfaction has a positive and significant effect on employee performance at the Public Works Office of East Kutai Regency.

#### VII. SUGGESTIONS

Based on the results of the analysis, hypothesis testing and the discussion and conclusions that have been put forward, some suggestions can be given as follows:

- 1. It is necessary to bring up the figure and charisma of a leader who can be a role model, and can revitalize the existing work atmosphere, and encourage the creation of employees who dare to innovate and are responsible for their work;
- 2. Leaders can make policies that reward employees who are able to show aggressiveness at work, and compete fairly in carrying out their work. The award can be in the form of opportunities and assistance to continue education, or related certified training that supports the implementation of the employee's work;
- 3. In supervising work, the leadership should be able to spend time routinely attending to guide employees. The humanistic touch of the leadership (as supervisor) to subordinates (as employees), greatly influences the employee's perception of the presence of a good leader, knows work problems, is responsible to his subordinates, and is able to provide a fair assessment;
- 4. Leaders at the East Kutai Public Works Department to become role models for employees, regarding the technical implementation of work, as well as the accountability of these jobs. Employees need a good example in terms of being responsible for their work;
- 5. To re-instill to employees that as long as employees carry out work according to existing regulations, there is no need for worries at work. Regulations at the Public Works Office of East Kutai Regency guarantee employees to get good and standard work results, and have a positive effect on employee psychology;
- 6. Re-establishing employee trust and morale in the existing leadership at the East Kutai Regency Public Works Department, must be a top priority from the leadership. The existence of trust, openness, and respect for existing feedback can increase employee morale;
- 7. A non-salary reward system in the form of incentives and additional allowances in order to be more transparent and better able to motivate employees to work better, as well as reduce the possibility of social jealousy among employees at the Public Works Office of East Kutai Regency;
- 8. Routinely sending employees to participate in training as a work team, holding outdoor teamwork activities, to family gathering activities, can increase the perception of a positive feeling and a sense of pride in being part of the Public Works Office of East Kutai Regency;
- 9. To improve the quality of similar research, further research is needed either by adding other variables that have not been included in this study, or adding indicators to variables that already exist but have no significant effect.

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