



The role of motivation mediates the effect of leadership style and compensation on performance

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ABSTRACT

This study aims to investigate the effect of leadership style on performance mediated by compensation and motivation. The respondents in this study were 55 state civil servants in South Nias Regency. Smart PLS 3.0 software, used for data processing with Path analysis tools. It is known that Leadership Style has a positive and significant effect on Motivation, Compensation, and also on Performance. Motivation has a positive and significant effect on performance. Compensation has a positive and significant effect on performance. While the indirect effect of Leadership Style → Motivation → Performance. Leadership Style → Compensation → Performance, the value of the influence is relatively small, but it is unable to correct the total influence of leadership style on performance.

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1. INTRODUCTION

The role of employees greatly determines the success of the organization in achieving its goals. (Apriyanti et al., 2021) This role is the ability to understand and translate the policies and directions of the leadership. Therefore, synergy between superiors and subordinates is needed. The number of goals to be achieved, sometimes not accompanied by the ability of employees to make it happen. Of course this can be a cliché reason for assuming that the work done by employees is not optimal. "Employees perform better on days when they show proactive behavior". (Bakker et al., 2020) But employees find it difficult to be considered proactive, this is of course very complicated, plus in recent years many employees are working at home via online because the Covid-19 pandemic.

Performance is not just an expression, but performance is evidence of an employee's ability to work. According to Gibson, et al (2012) "Performance is the accumulation of everything that is done where it is related to organizational goals, effectiveness and efficiency of other performance." (Susanti & Fahmy, 2020) With performance, it is hoped that it can become a barometer of ability based on the terms and sizes set by the organization for employees in carrying out their work routines. (Thalib et al., 2021) This is revealed from the statement: "performance almost always depends on identifying a causal model that describes how today's actions can influence future outcomes" (Dias & Borges, 2017). From this opinion it can be assumed that leaders hope that their subordinates work

with satisfactory results. But in reality, several State Civil Apparatuses (ASN) in South Nias do not have mastery of science and technology. This is because many training agendas have been canceled because the local government budget is very limited due to the Post-Covid-19 Pandemic. In addition, the reluctance of employees to upgrade *their* knowledge and work skills. They think that they have status as ASN, then that is enough. Some of them have no ambition for a high position or career. This is the source of the niche that is new to this research, namely why do ASNs not want to have a high career? Does compensation not play a good role in increasing employee motivation to work? Furthermore, why not wanting a high career is a reason for neglecting one's duties which might have an impact on poor performance? Good or bad performance is not important to them, what is important is that they have a permanent job and earn a salary every month and are not fired. Of course not all employees think this way, but still it can set a bad precedent for the image of ASN.

Leaders usually have a very strong driving force and influence with their presence or presence, position, attitude, and way of working. This makes the leader respected, respected, feared, and obeyed by his subordinates. For Government Agencies, leaders usually use a situational leadership style. Leadership style is not typical or monotonous in one type of leadership style, but different (adopting various leadership styles) according to the situation and conditions that develop. However, in South Nias, many senior officials remain subordinate because they only graduated from high school. But there are also bachelor graduates who have only worked for a few years and have become leaders for senior officials. On the one hand, subordinates feel senior, on the other hand, superiors feel awkward coaching their subordinates. This is a struggle for the leader to be brave and organize and direct his subordinates, because indeed the leader has the authority to do so.

Leadership style and behavior are defined as the ways in which leaders influence employee behavior (Fries et al., 2021) A monotonous leadership style can result in the leader's wishes not being understood and translated by his subordinates. Things like this can trigger miscommunication between superiors and subordinates which can lead to conflict after conflict. If even the slightest conflict occurs, the leader will pick and choose subordinates who he thinks agree with him even though his work skills are still in doubt. This actually creates unhealthy competition between employees. Because unhealthy competition in the work atmosphere will disrupt stability within the organization. Let Leaders be Unifiers! (Duha, 2020) Do not be a leader "discriminating" in making policies towards his subordinates. So that there is no split for the organization. The presence of a leader in the midst of a plurality of characteristics of subordinates is expected to be the center of attention and a source of example for his subordinates.

Who is an employee who doesn't want to have a good career, and an increasingly high position? Even though the higher the position of an employee, the more duties and responsibilities of work and activities he participates in, the more and the greater the amount of compensation he will receive. Wouldn't the more compensation received, the more useful it would be to motivate employees to work professionally and encourage them to have good performance? Meanwhile, if the leader, with his leadership style, does not side with all employees equally, then there will be employees who are indifferent to work. They are jealous because they do not get the good compensation that their colleagues or other employees get. If an employee is indifferent to work, it will make it clear that the employee has no performance because there is no sufficient motivation to encourage him to work optimally.

Many employees do not understand that motivation is divided into two types, namely positive motivation and negative motivation. Most only understand motivation from the positive side. Being given flattery/commendation, receiving awards, being promoted, or receiving additional work facilities, or receiving prizes and bonuses due to satisfactory work results. Meanwhile, if employees get reprimands, sanctions, and punishments, it will greatly make employees disappointed. Though this is also called motivation, negative

motivation. Of course this is part of the process so that the employee realizes his mistake and is obliged to live the consequences of his mistake. However, when many employees get negative motivation, they don't work hard because they feel left out and not empowered. Mullins argues: "The concept of motivation is used to define and describe the strengths within individuals that can determine the level, direction, and persistence of effort they display at work." (Panagiotopoulos et al., 2018) This is a very dilemmatic, it requires a wise attitude in understanding it, although it cannot be denied that there will be many ups and downs in their work activities.

Employees who have more work ability than other employees should receive a higher amount of compensation than other employees. Of course this can be considered as an appreciation. " Organizations will probably pay more compensation to the employee compared to others in the organization. (Kumar et al., 2019) But what if the payment mechanism is considered small, delayed, or even not paid, then compensation can become a problem. For example, there are some employees who are not involved in some office activities, that way, these employees do not get an activity honorarium like their colleagues who are involved in activities. This can cause friction and seeds of conflict which will lead to open conflict between superiors and subordinates. This is supported by Rochelle's opinion: " This statement is based on the premise that leadership style can motivate or discourage employees, which in turn causes an increase or decrease in employee performance levels and a tendency to stay in the organization." (Nawoseing & Roussel, 2017) Therefore serious efforts are needed in responding to compensation and should not be ignored.

Leadership Style Has a Positive Influence on Motivation

Winston & Patterson argues: " A leader is one or more people who select, equip, train, and influence one or more followers who have diverse talents, abilities, and skills and focus followers on the mission and goals of the organization causes followers to willingly and Enthusiastically expend spiritual, emotional, and physical energy in a joint coordinated effort to achieve the organization's mission and goals. " (Gandolfi & Stone, 2017) In addition to the additional opinion of Mitonga Monga and Coetzee: " Leadership style is seen as a combination of various characteristics, traits and behaviors used by leaders to interact with their subordinates" (Ebrahim Hassan, 2018) In this case the leader needs to understand his position as a party whose role is to encourage his subordinates to work effectively, for that motivation from superiors is needed by his subordinates.

Whatever leadership style is used by a superior, it may not be considered suitable for his subordinates, but is effective for the completion of certain tasks. Den Hartog, Koopman & Van Muijen, argues that "although transactional leaders can motivate subordinates to perform as expected, transformational leaders have the capacity to move subordinates to levels of performance that exceed expectations. " (Ali et al., 2015) Avolio argues that "transformational leaders strive to develop leadership in others, show self-sacrifice, and serve as moral agents, focusing themselves and their followers on goals. Whereas on the other hand, transactional leaders address the personal interests of their followers by providing rewards or recognition in return for cooperation and compliance within the context of task requirements ." (Alnuaimi et al., 2021)

From the above opinion, it can be understood that leaders with a transformational leadership style encourage their subordinates emotionally, and train the sensitivity of their subordinates to learn to be leaders. This is a form of motivation so that their subordinates grow and train their subordinates to be better prepared to face work challenges, and dare to compete in the world of work. to be able to produce work performance. Meanwhile, a leader with a transactional leadership style encourages his subordinates to come forward and convey his recognition by rewarding his subordinates in various gifts. It is hoped that by giving awards, his subordinates will be motivated to try to work as much as possible so that they always get the attention of their superiors. The more often subordinates are able to demonstrate their expertise at work, the more often these subordinates receive

appreciation from their superiors. In this case, leadership style (both Transactional and Transformational) influences Motivation. Like the previous statement above, this research does not discuss various kinds of leadership styles, and does not compare one leadership style to another, but in a broader context, that leadership style is a variable for discussion. Leadership style does not focus on transformational leadership style or transactional leadership style. But leaders need to use a situational leadership style as part of a combination of using transformational and transactional leadership styles.

H1 : Leadership Style Has a Positive Influence on Motivation

Leadership Style Has a Positive Influence on Performance

Leadership is essential for the effective functioning of an organization. The basis of leadership is its persuasive power over human resources, sources of organizational competitive advantage, and the results it produces. (Gemeda & Lee, 2020) If an organization is able to produce good results, it means that employees are able to contribute well, and are considered to give good performance, and vice versa. Therefore a leader with his leadership must have a leadership style. With the right leadership style, the leader will encourage his subordinates to give good work results. Leadership style does not have to be rigid and permanent to be applied, but can change according to developing situations and conditions. This is supported by the statement that: " Understanding various leadership styles including their potential benefits and limitations will help organizations and leaders improve performance and respond to changes in resources, technology, marketing methods, and distribution systems due to market globalization" (Özer & Cihan, 2014 (Özer & Cihan, 2014)

H2 : Leadership Style Has a Positive Influence on Performance

Compensation Has a Positive Effect on Motivation

The role and presence of the leader along with the leadership style he uses when leading his subordinates will more or less relate to the policies that will be applied to work. If the leader with his leadership style applies the principles of fairness, it is not impossible that the leader will pay attention to the fairness of the compensation that is divided and received by his subordinates and try to improve the amount and variety of compensation. Especially equal distribution of opportunities for employees to be involved in various work activities in the office, division of duties on business trips and others. With the opportunity to receive fair compensation, even though the amount is small when compared to other organizations, at least the subordinates will feel cared for and valued because their rights are fulfilled. "The compensation scheme is expected to encourage commitment to increase productivity and motivate employees to work towards organizational goals. Individual compensation plans generally include components related to productivity, relative performance evaluations and team pay, but the importance of these components can vary widely between individuals, companies and industries."(Halko et al., 2021)

H3 : Compensation has a positive effect on motivation

Compensation has a positive effect on performance

So, understanding compensation is not only limited to acceptance, but a variety of compensation received by employees for their performance. If employees are compensated for what they do, it means they think the organization values them. So in return, employees will produce good performance as well. Material incentives are one of the financial compensations from organizations outside of the basic salary that employees receive for their performance (Novianty & Evita, 2018) If the compensation is large and large, it will increase employee performance. This assumption is not without reason. In developing countries like Indonesia, the promise or lure of compensation will also increase employee efforts to produce good performance. This is supported by Sarahsavira's statement, 2020 that: "Compensation determines whether performance is good or bad." (Astari et al., 2022)

H4 : Compensation Has a Positive Effect on Performance

Motivation has a positive effect on performance

Luthans, emphasized that "Motivation is a process that arouses, energizes, directs, and sustains behavior and performance ." (Taghipour & Dejban, 2013)With this assumption, it is not surprising that motivation is considered as something that employees need to have and then employees will produce performance for the organization. Intrinsic motivation is understood to mean that when people engage in activities because they find them interesting, they engage in these activities entirely on their own (eg, I work because it is fun). Whereas extrinsic motivation is understood as that in which, people act purposefully because they are energized from the outside into action (eg, I work while my boss is monitoring). (GAGNE & DECI, 2005)Both intrinsic motivation and extrinsic motivation are very useful for the development of an employee's progress. Because in the motivation contained the content of reciprocal expectations. Employees want to be appreciated and organizations need existence and development. Motivated employees will try to work as much as possible to produce good performance. That way, employees hope that their good performance will be rewarded in various ways of recognition, as the simplest example is receiving praise and prizes/bonuses.

H5 : Motivation has a positive effect on performance.

2. RESEARCH METHOD

The method of loading the 4 main components includes; (1) research design; (2) population and sampling procedure; (3) measurement; and (4) analytical techniques.

a. Research design

This research was built with a clear framework and hypothesis so that the research direction of the testing process can be more easily understood by looking at the image below which shows the direction of influence of each variable on other variables. So this image becomes a benchmark in carrying out statistical tests to produce research results.

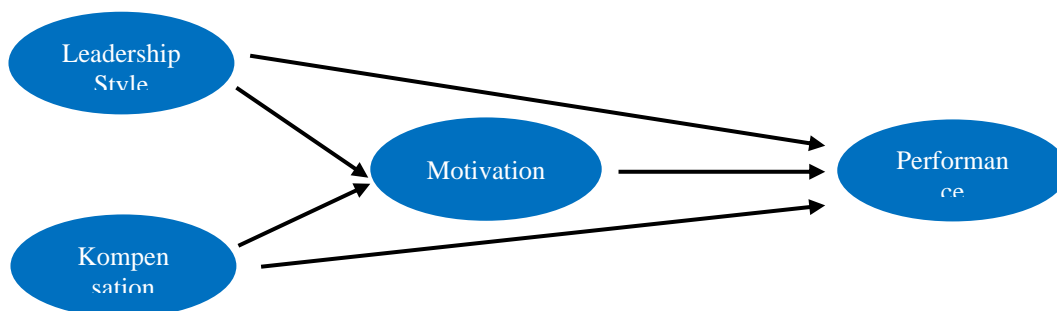


Figure 1. Research Framework/ Research Design

This type of research is quantitative research using primary data, and in the process of collecting data it is done by distributing questionnaires containing statements in each indicator in each research variable. The questionnaire was given a choice of answers with a Likert scale (5) strongly agree, (4) agree, (3) Undecided, (2) disagree, and (1) strongly disagree. The sample base is not focused on one agency only. Participants are State Civil Apparatus (ASN) who work in South Nias district government agencies who are deemed suitable, and willing to become participants will be made participants in this study. The technique of determining the sample uses accidental sampling, namely anyone who accidentally meets the researcher and according to the characteristics (characteristics) that are in accordance with this research, then that person can be used as a sample. (Riduwan, 2018).

b. Population and Sample

This sample size is very small, but this is based on the theory that PLS SEM can use a small sample size, with a requirement of 10 times the size of the most formative indicators to measure one latent variable (Sarwono & (Sarwono & Narimawati, 2015) The highest number of formative indicators in this study 5 (Performance), then $5 \times 10 = 50$. So at least the number of respondents in this study is 50 respondents. Of the 80 questionnaires that were distributed, only 55 people had time to answer and return the questionnaires.

c. Analysis Techniques

The analysis was performed using Partial Least Square (PLS), using Smart PLS 3.0 Software to evaluate measurement instruments and conceptual models. The data analysis method uses path analysis to examine the direct and indirect effects of the four variables in the model.

3. RESULTS AND DISCUSSIONS

Table 1. Overview of respondent demographics

No	Information	Choice	Amount	Percentage
1	Gender	Man	32	58 %
		Woman	23	42 %
2	Age (years)	22-31	5	9 %
		32-41	31	56 %
		42-51	16	29 %
		51 and above	3	6 %
3	Length of work	1-5 Years	4	7 %
		6-10 Years	11	20 %
		11-15 Years	28	51 %
		16-20 Years	12	22 %

Results The display of data analysis originates from the results of data processing, the results of which are presented in sections consisting of the following items:

Validity test

Table 2. Convergent validity

Variables → Indicators ↓	Leadership Style	compensation	motivation	performance
L.Style 1	0.832			
L.Style 2	0.768			
L.Style 4	0.716			
L.Style 5	0.825			
Compensation 1		0.856		
Compensation 2		0.792		
compensation 3		0.816		
Compensation 4		0.725		
Motivation 2			0.909	
Motivation 3			0.812	
Performance 1				0.856
Performance 3				0.820
Performance 4				0.744
Performance 5				0.806

Convergent Validity is declared to meet the requirements in a good category if the Outer Loading value is greater than 0.7. From the table above it can be seen that all loading factor values are > 0.7 , so all indicators in the model are declared valid.

Reliability Test

Table 3. Structural model evaluation

Name of Variable →	Leadership Style	compensation	motivation	performance
Cronbach's Alpha	0.797	0.809	0.661	0.823
Rho_A	0.825	0.812	0.711	0.845
Composite Reliability (AVE)	0.866	0.875	0.852	0.882
	0.619	0.638	0.742	0.652

From the table above it is known that all Cronbach's Alpha values of the four variables are > 0.70 . except for the motivation variable, the value is 0.661. But this is still tolerable. Overall Rho_A value above 0.70. The overall Composite Reliability value is above 0.70. The overall Average Variance Extract (AVE) value is also above 0.50. So thus all variables have met the reliability requirements. Because of the four items above, all of them have passed the threshold requirements.

Loading Factor Test

Table 4. Outer loading PLS

	Original Sample	Sample Means	Standard Dev	T Statistics ($ 0/STDEV $)	P Values
L. S 1← L. Style	0.832	0.823	0.056	14,881	0.000
L. S 2← L. Style	0.768	0.770	0.069	11.207	0.000
L. S 4← L. Style	0.716	0.700	0.100	7,139	0.000
L. S 5← L. Style	0.825	0.804	0.073	11,284	0.000
Comp 1 ← Comp	0.856	0.851	0.051	16,859	0.000
Comp 2 ← Comp	0.792	0.793	0.057	13,869	0.000
Comp 3 ← Comp	0.816	0.809	0.068	12,034	0.000
Comp 4 ← Comp	0.725	0.714	0.094	7,710	0.000
Mot 2 ← Motiv	0.909	0.905	0.045	20,414	0.000
Mot 3 ← Motiv	0.812	0.799	0.119	6,843	0.000
Perf 1 ← Perf	0.856	0.857	0.032	26,762	0.000
Perf 3 ← Perf	0.820	0.810	0.063	13,034	0.000
Perf 4 ← Perf	0.744	0.738	0.110	6,786	0.000
Perf 5 ← Perf	0.806	0.797	0.062	13,009	0.000

The Loading Factor test is declared to have met the requirements if the overall value of the Original Sample ≥ 0.4 . However, there are several indicators that have an Original Sample value of ≤ 0.4 . Therefore, some indicators have been removed. This can be seen, which should be an indicator on the leadership style variable of 5, but 1 indicator has been removed. Likewise, the motivation variable is only 2 left, after removing 3 indicators. While compensation should have been 5, 1 indicator has been removed. Further, there were 6 performance indicators, after removing 1, 5 indicators remained.

Regression Coefficient Test

Table 5. Outer weight PLS

	Original Sample	Sample Means	Standard Deviation	T Statistics ($ 0/STDEV $)	P Values
L. S 1← L. Style	0.412	0.406	0.066	6,201	0.000
L. S 2← L. Style	0.323	0.336	0.084	3,853	0.000
L. S 4← L. Style	0.240	0.238	0.072	3,331	0.000
L. S 5← L. Style	0.288	0.284	0.052	5,515	0.000
Comp 1 ← Comp	0.302	0.301	0.047	6,457	0.000
Comp 2 ← Comp	0.336	0.342	0.083	4,044	0.000
Comp 3 ← Comp	0.293	0.289	0.071	4,116	0.000
Comp 4 ← Comp	0.293	0.289	0.071	4,116	0.000
Mot 2 ← Motiv	0.672	0.668	0.101	6,641	0.000

Mot 3 ← Motiv	0.480	0.475	0.123	3,913	0.000
Perf 1 ← Perf	0.381	0.386	0.065	5,819	0.000
Perf 3 ← Perf	0.303	0.296	0.054	5,575	0.000
Perf 4 ← Perf	0.234	0.240	0.070	3,338	0.000
Perf 5 ← Perf	0.312	0.307	0.045	6,856	0.000

From the fifth column it shows that the overall value of the T statistic ≥ 1.96 (standard fixed value) means that all indicators are well positioned in predicting variables. In other words, each indicator in one variable is well positioned in explaining each variable. This is reinforced by all p values < 0.05 , so that each indicator in each variable is worthy of playing a role in explaining/measuring the construct variable .

Hypothesis Test (Exogenous Against Endogenous)

Table 6. Path coefficients

Name of Variable ↓ →	Leadership Style	motivation	compensation	performance
Leadership Style	-	0.536	0.358	0.201
motivation	-	-	-	0.129
compensation	-	-0.212	-	0.474
performance	-	-	-	-

Of the five directions of direct influence on the model, it is known that the effect of Leadership Style on Motivation is the greatest, with a value of 0.536. Of the three variables that affect the dependent variable, the Compensation variable has a very good value (0.474). This means that employees really want compensation! By giving compensation, the employee's performance will be better than before. This is quite reasonable because compensation is a means of stimulus, causing changes in performance. Because compensation offers something that employees desire, namely additional income, or other income besides regular income, or income given because something has been done before, or promises given when something has been done. Therefore, employees will try to get it. With employees working hard, it will help employees to produce good performance as well. As long as the performance remains good, the compensation received will also be good. Conversely, if an employee is negligent, or his performance decreases, it will determine the amount of compensation he will receive.

The indirect effect of Leadership Style → Motivation → Performance is 0.107 (this figure is obtained from 0.536×0.201 ; check Table 6). Although the value of the indirect effect is relatively small, it is able to correct the total influence of leadership style on performance mediated by motivation ($0.201 + 0.107 = 0.308$) Meanwhile, from Compensation → Motivation → Performance it is -0.1004 (this figure is obtained from -0.212×0.474 , check Table 6). Make the total effect value small ($0.474 + (-0.1004) = 0.3736$).

Hypothesis Test Results

Evidence regarding the fifth hypothesis of the direct test and the two indirect tests is described in the following path analysis results :

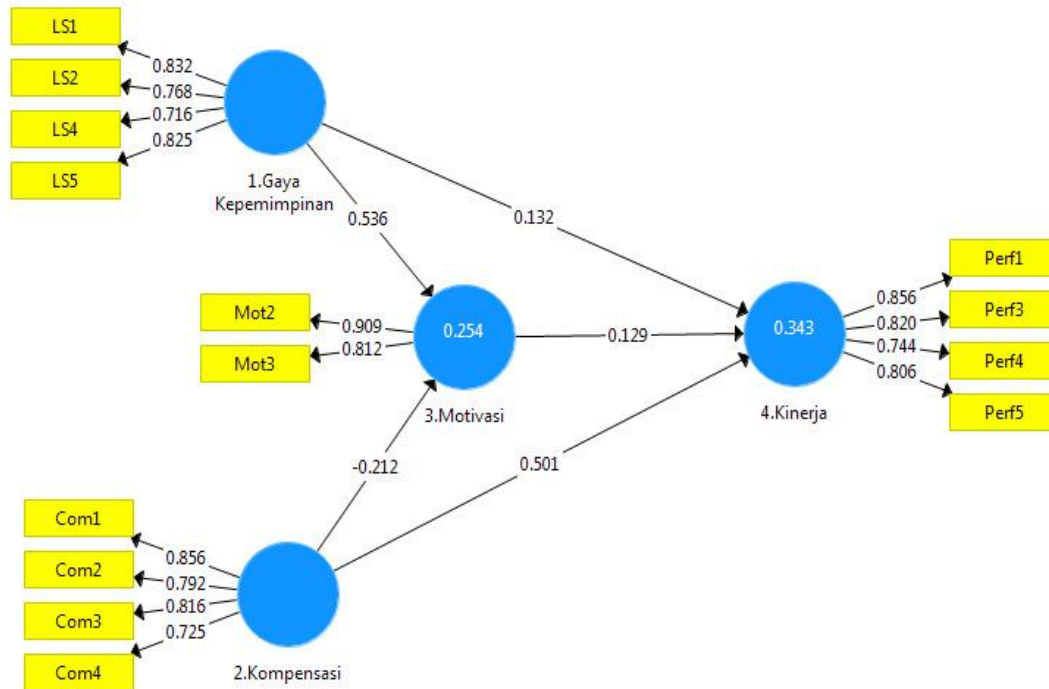


Figure 2. Path Analysis Results

The Effect of Leadership Style on Motivation

The direct effect of leadership style on motivation is 0.536. Transformational leadership style as a method of achieving higher levels of motivation and morality when one or more people are involved with each other, whereas transactional leaders have formal power and control and focus on short term goals. (Gençer & Samur, 2016) From the above statement it can be related to the situation in the field: that generally leaders use leadership styles in government institutions very much different from those in companies. Service-oriented government institutions in prioritizing a sense of kinship at work rarely have work demands to be completed so that most leaders in government use a transformational leadership style and once in a while use a transactional leadership style, for example there are activities that involve collaboration with other parties, there is an important task of provincial or central government. Whereas most companies use a transactional leadership style and are applied for a long time, this is unavoidable and it is not uncommon for leaders to be more authoritarian because of a very urgent work deadline. Companies are generally more profit oriented. So there are two things that are very urgent to protect, firstly the company must show a tendency to increase profits or at least maintain profits, and secondly sometimes the demands of consumers to be served as well and as quickly as possible, make leaders have to take extreme ways to pressure their subordinates to achieve the target as soon as possible (long term). short)

The Effect of Leadership Style on Performance

The direct effect of leadership style on performance is 0.132, this quantity is relatively small because of the uncertainty in the use of a leadership style that varies between transactional and transformational. "Nonetheless, it is important to consider the situational applicability of particular leadership styles in evaluating their likelihood of successfully implementing change. Indeed, the view of literary trends" (Appelbaum et al.,

2015) However, it should be added that the influence of leadership style needs to be boosted by the use of mediating variables, so that it has the potential to increase the influence of leadership style on performance. It turns out that the leadership style is not very effective for increasing performance. But the important point is that leadership style is used as a tool to implement various policies and take specific steps so that the performance of subordinates is corrected. With a situational leadership style, it is expected that the leader considers two things, namely task behavior and relationship behavior (Siswanto & Hamid, 2017). the application of motivation is effective in increasing performance and by applying leadership style, the leader is able to answer the aspirations of subordinates regarding compensation (both late payments, as well as increasing the participation of subordinates in various activities so that the amount of compensation received increases. Leaders need to be wise and prudent in choosing and placing Employees in each activity consider the rotational aspect for each employee or subordinate.

The Effect of Leadership Style on Motivation-mediated Performance

The indirect effect of leadership style on performance is mediated by motivation, proving that the role of motivation as a mediating variable (0.046) also increases the direct effect of leadership style on performance by only 0.448 so that the total influence is 0.494 ($0.448+0.046=0.494$) According to Kriswanta, et al., 2021: "Employees/employees feel comfortable if the leader is good, caring, makes decisions, determines policies or regulations that do not harm employees/employees and has a future vision orientation, especially regarding the development of his/her employees." (Praborini et al., 2021)

Effect of Compensation on Motivation

The effect of compensation on motivation is -0.212. It turns out that the small amount and not receiving the compensation that should have been received has had an impact on the motivation that employees have to work. Leaders should seek the voluntary participation of subordinates in an effort to achieve organizational goals. (Nanjundeswaraswamy & Swamy, 2014) Of course voluntary here is not working without reward, but how can a subordinate be able to participate sincerely without coercion. This is what should be needed in the organization. Having employees who are patient and don't complain easily when the organization's condition is not in top condition, especially with matters related to finance. But to realize this, leaders need to have relationships that are not just good, more than that, they have strong emotional ties. Leaders need to play the right role in uncertain situations to convince subordinates to keep working well even though the compensation received (in general) is sometimes not as expected. If the emotional closeness is strong between the two (leaders and subordinates), then whatever the circumstances faced by the organization, both parties will continue to work well.

Effect of Compensation on Performance

The direct effect of compensation on performance is 0.527. The value of this influence is enormous. "Compensation affects the quality of people who apply, the quality of those who are hired, the probability of hiring, the motivation and performance level of the workforce, and the quality of staying in the company. Furthermore, from a psychological point of view, compensation influences employee attitudes and behavior (Gupta & Shaw, 2014) Indeed . This can be considered because, it turns out that compensation is an expectation and something employees really look forward to getting. The hope that compensation will be obtained will suck the attention of the employee to work seriously so that the employee is able to produce good performance. So the performance will be good because the employee hopes to be compensated, the compensation is so meaningful that the employee will strive as much as possible to produce good performance.

The effect of compensation on performance is mediated by motivation

The indirect effect of compensation on performance is mediated by motivation, proving that the role of motivation as a mediating variable (-0.1004) is unable to increase the direct effect of compensation on performance which is 0.474 so that the total effect is 0.373 (0.474+(- 0.1004)).

Effect of Motivation on Performance

The direct effect of motivation on performance is 0.102. With a relatively small influence value, it can be assumed that employees really need motivation that can improve performance because they get rewards. "Performance is basically related to everything that is done or not done by an employee. (Sanusi, 2015) The motivation expected of employees is something that can be physically accepted such as money, not because they receive praise, flattery that pleases their feelings or awards that get recognition. This is very much based on the condition of employees needing extra funds to meet various unexpected needs or other needs that are sometimes uncertain. Performance contextually is the employee's contribution that goes beyond technical obligations that help achieve organizational goals (Lado & Alonso, 2017). For this situation to occur, leaders need to provide more, unique, and varied motivation to be able to attract the attention of employees to contribute more extra performance for the progress of the institution where he works.

4. CONCLUSION

Research conclusion; directly the variable Leadership Style has a positive and significant effect on Motivation. Leadership Style Variable has a positive and significant effect on Compensation. Leadership Style variable has a positive and significant effect on performance. However, this value can be corrected if the Leadership Style is mediated by Compensation. Likewise, the motivational variable has a positive and significant effect on performance directly. In addition, the compensation variable has a positive and significant direct effect on performance. The results of this study prove that if the leader applies a situational leadership style, the State Civil Apparatus will accept it well. This means that the State Civil Apparatus will have good performance if it has good compensation. The State Civil Apparatus will be proud if the leader is close to his subordinates, this is shown by the leader who often and does not tire of giving direction, advice, suggestions and improvements to his subordinates. These steps are an effort to motivate them to be sensitive to their work properly and produce good performance as well. The implication is stated in the statement that a good leader, whatever leadership style is applied, should not be a way to pressure subordinates in terms of work demands, but leaders are free to use various leadership styles alternately (no need to be idealistic using one for a long time). by adapting to the conditions that occur in the work environment. Any leadership style should be used to help work processes and achieve organizational targets. Subordinates at work need to be workers who are always obedient to their leaders, if the synergy between the two parties runs smoothly, the performance of superiors and employees will also be good. Furthermore, the goals of the organization will often be achieved and realized quickly. The limitations of this study are not linking compensation and motivation with the consideration that during the Covid 19 pandemic, a lot of official budgets were directed towards handling Covid 19. Furthermore, the Leadership Style Variable is only in general terms and does not emphasize which leadership style is chosen from one of the transactional and transformational. It is suggested in this study that future researchers, in addition to the five direct influence tests above (Leadership Style→Motivation, Leadership Style→Compensation, Leadership Style→Performance, Motivation→Performance, Compensation→Performance) It is also necessary to examine the relationship, is compensation also able to increase motivation? employee?

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