

# The Influence Of Leadership, Work Environment, And Work Ability On Employee Performance At The NTB Provincial Trade Office

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# ABSTRACT

This study examines the influence of leadership, work environment and work ability on employee performance at the NTB provincial Trade Office. The type of research used is causal associative research with a quantitative approach. The population in this study was 60 employees. The sample in this study used a census where all populations were sampled. The data analysis technique used in this study is by using multiple linear regression. The results of this study show that the variables of leadership, work environment and work ability have a significant positive effect on employee performance. The implications of this study provide a warning signal that leadership, work environment and work ability should be improved in an organization to support higher employee performance to achieve organizational goals.

Keywords: Leadership, Work Environment, Work Ability, Employee Performance.

# **1. INTRODUCTION**

Employees are the assets that have the greatest contribution to the progress of the organization. Improper handling by management will hinder the achievement of organizational goals. In order for the organization to be said to be advanced, it can be seen from human resources in the organization who work optimally and can achieve the desired goals. Human resources are the people who design and formulate the entire strategy and goals of the organization.

Every organization wants its employees to have the ability to produce high performance. According to Arifin et al (2019), employee performance is the result of work that has been achieved by a group of employees in accordance with the duties and obligations given to them. Agencies must be able to pay attention to factors that can affect performance. According to Parwoto, et al (2017) factors that affect performance are personal / individual factors, including: knowledge, skills, (skills), abilities, confidence, motivation, and commitment possessed by each individual. Meanwhile, according to (Sedarmayanti, 2017), factors that affect performance include: Attitude and mentality (work motivation, work discipline, and work ethics), Education, Skills, Leadership management, Income level, Salary and health, Social security, Work climate, Facilities and infrastructure, Technology, and Achievement opportunities.

According to Siswanto and Hamid (2017), leadership is someone who guides, establishes organizations, establishes good organizational networks, allows supervision or efficient supervision and brings followers to the target they want to target in accordance with time and planning provisions. Leaders need to create a comfortable work situation for every employee. Understanding of employee behavior is needed so that company leaders can apply their leadership that can create work comfort for employees so that they can carry out their work well.

Another aspect that affects performance is the work environment, the work environment is one of the factors that can affect employee performance to achieve agency goals. Sinembella et al (2022) stated that one of the factors that drives employee performance is supportive working conditions. The work environment has a very important influence on employees in an agency. A good work environment is very helpful for employees in completing their duties. In this case, what is meant by the work environment is everything that is in the workplace that is able to influence the level of employee performance.

While the influence of work ability on employee performance is an individual characteristic that greatly determines the ability to work so that it contributes to an organization. Ability as one of the characteristics of individuals who can contribute and contribute each employee to the organization where he works. According to Setiawan (2021), work ability is an individual's capacity or potential to carry out work that shows one's abilities such as intelligence and skills.

The occurrence of a decrease in performance achievement is something that will still occur in a regional apparatus organizational performance process, but what should be known is that the decline in organizational performance is always influenced by internal factors and external factors, internal factors such as support from officials and all staff for programs and activities that are empowered by each field and section with full responsibility, high commitment and dedication. In addition, other internal factors are the availability of representative resources, adequate facilities and infrastructure, a comfortable and friendly work environment, intensive coordination between

fields. While the external factors are such as the interference of other parties to program plans and activities that can cause changes in targets and indicators that eliminate the spirit of regional apparatus organizations, the interference of certain independent institutions in terms of mechanisms for implementing methods or patterns of activity execution, the occurrence of protests from certain parties / institutions / organizations that reject certain policies from regional apparatus organizations so that they have the potential to shifting targets and indicators or can hinder certain performance targets in regional organizations so that performance achievements decrease because OPD / agency leaders withdraw policies in order to accommodate the aspirations / desires of certain communities / institutions / groups.

The role of leadership is very important and the work environment and work ability that support the achievement of the vision, mission and goals of an organization. because this can affect employee performance considering that the NTB Provincial trade office as one of the State apparatuses, strongly feels that an organization's success is also influenced by employee performance. In order for employee performance to be maximized, a main task and function of each of them is made at the NTB Provincial Trade Office.

Based on several of previous studies Research on leadership, work environment and work ability on employee performance has been conducted previously by many researchers, some of which, research conducted by Sinembela and Lestari (2022) shows that there is a significant influence between leadership style, work environment and work ability on employee performance in contrast to research conducted by Siagian and Maneggio (2018) shows that leadership style has a positive and insignificant effect on employee performance variables and the work environment has a positive and significant effect on employee performance variables. And research conducted by Abdul and Kumara (2018) The effect of ability and job satisfaction on the performance of Puruk Cahu sub-district employees shows the results of research that the variables of ability and job satisfaction have a significant effect and the changes change in line with the performance of Murung sub-district employees, Murung Raya district. That is, if the level of influence of ability and perceived job satisfaction is higher, it results in higher performance. While research conducted by Kristiani, Pradhanawatu, and Wijayanto (2013) shows that varable work ability does not affect employee performance.

Based on the problems found in the NTB Provincial Trade Office and the research gap described above, researchers are interested in examining problems related to leadership, work environment, and work ability in influencing performance at the NTB Trade Office with the title: "The Influence of Leadership, Work Environment and Work Ability on the Performance of NTB Trade Service Employees".

## 2. THEORETICAL FRAMEWORK and HYPOTHESIS DEVELOPMENT

Kusjono &; Ratnasari (2019) stated that performance is very important for the progress of an organization or company, the higher the performance of employees, the easier it will be for the organization to achieve organizational goals. Another opinion of Amstron and Baron in Fahmi (2018: 2), "Performance is the result of work that has a strong relationship with the strategic objectives of the organization, customer satisfaction and making economic contributions."

According to Hasibuan (2005: 94) performance is a combination of three important factors, namely the ability and interest of a worker, ability and acceptance of the explanation of task delegation. Meanwhile, according to Sedarmayanti (2017) factors that affect performance include: Attitude and mentality (work motivation, work discipline and work ethics), Education, Skills, Leadership management, Income level, Salary and health, Social security, Work climate, Facilities and infrastructure, Technology, Achievement opportunities. Then according to cashmere (216: 189), the factors that affect the performance of both results and work behavior are ability and expertise, knowledge, work design, personality, work motivation, leadership, leadership style. Organizational culture, job satisfaction, work environment, loyalty, commitment and work discipline.

#### Leadership

According to Huges Ginnett, and Curphy in Sutarto Wijono (2018: 2) Leadership is a complex phenomenon that includes three elements, namely leaders, followers, situations. Ricky and Ronald in Wijono (2018: 39) suggest that leadership is the process of motivating others or followers to want to work in order to achieve the goals that have been set. Willian and Joseph in Wijono (2018: 39) Leadership is an effort to realize organizational goals by combining the needs of its followers to continue to grow in accordance with organizational goals.

#### Work Environment

According to Nitisemito (2000: 183) the definition of the work environment is everything that is around the worker, which can affect a worker in carrying out the tasks given. Basically, environmental understanding is related to elements that exist around the company that have a direct or indirect impact on the company. Meanwhile, according to Sedarmayanti (2011) an employee is able to carry out his activities well, so that an optimal result is achieved, if supported by an appropriate working environment conditions. An environmental condition is said to be good or appropriate if humans can carry out their activities optimally, healthy, safe, and comfortable.

#### Employability

According to Robbins (2012), work ability is an individual's capacity to carry out various tasks in a particular job. According to Gondokusumo (2008) work ability consists of physical abilities and mental abilities. Physical abilities are the physical state, state of health, level of strength, and good and bad biological functions of certain body parts,

while mental abilities are mechanical abilities, social abilities, and intellectual abilities and also involve talents, skills and knowledge.

#### The Influence of Leadership on Employee Performance

According to Huges Ginnett, and Curphy in Sutarto Wijono (2018: 2) Leadership is a complex phenomenon that includes three elements, namely leaders, followers, situations. Ricky and Ronald in Wijono (2018: 39) suggest that leadership is the process of motivating others or followers to want to work in order to achieve the goals that have been set. There is a study that says that the relationship between leadership and employee performance conducted by Fazira and Marani (2020) found that leadership has a significant positive influence on employee performance at the library and archives office of Dumai City, This research is supported by research conducted by Sinembela and Lestari (2022) stating that there is a significant influence between leadership on employee performance in companies engaged in making handicrafts in Malang City. Meanwhile, Marjaya and Parsaribu (2019) found that leadership had no effect on the performance of PDAM Tirta Deli employees, Deli Serdang Regency.

H1: It is suspected that leadership has a significant and positive influence on employee performance

#### The Influence of the Work Environment on Employee Performance

A factor affecting performance is the work environment. According to Suwatno and Priansa (2011), a comfortable impression of the work environment can reduce boredom and boredom at work. This comfort will certainly have an impact on improving performance. According to Sedarmayanti (2011) an employee is able to carry out his activities well, so that an optimal result is achieved, if supported by an appropriate working environment condition. An environmental condition is said to be good or appropriate if humans can carry out their activities optimally, healthy, safe, and comfortable.

There are studies that say that there is a relationship between the work environment and employee performance. There is a study conducted by Budianto and Katini (2017), showing that the work environment has a significant positive effect on employee performance at PT Perusahaan Gas Negara (PERSERO) Tbk SBU Distribution Area I Jakarta and is strengthened by researchers conducted by Sinembela and Lestari (2022) which show significant positive results on employee performance. Meanwhile, in research conducted by Hartati, ratnasari and susanti (2020) shows that the work environment has no positive and significant influence on the performance of PT Indoirta Suaka employees, and reinforced by research conducted by Riana and Agatha (2016) shows that the work environment does not have a positive effect on the performance of employees of the Keris Surakarta Plastic Bag Company

H2: It is suspected that the work environment has a significant influence on employee performance

#### The Effect of Work Ability on Employee Performance

Robbin (2005: 218) the level of work performance will depend heavily on the ability of the employee itself such as the level of education, knowledge, experience, where a relatively high level of ability will affect good performance. Ability is closely related to the physical and mental abilities possessed by a person to carry out work and not what he wants to do (Gibson, 1994).

Several studies also strengthen the statement of the effect of work ability on performance, research conducted by Abdul and Kumara (2018), shows that the variable of work ability has a significant positive effect on the performance of employees of Puruk Cahu sub-district, Murung District, Murung Raya Regency. And research conducted by Taufik, Muhammad, Sawir, and Pasolo, 2022 found that work ability has a significant positive influence on employee performance. Meanwhile, in research researched by Tanjung and Manalu (2019) shows that work ability has a negative and insignificant effect on the performance of employees of PT Zurich Topas Life Batam.

Figure 1

H3: It is suspected that work ability has a significant and positive influence on employee performance.

Variable Independet variable Dependent
Leadership (X1)
Work Environment (X2)
Employability (X3)

The population in this study was all employees of the NTB Provincial Trade Office which amounted to 60 employees. The sampling method in this study uses the census method, which is to take all samples in the research subjects. The analysis tool used is multiple linear regression analysis. In this study there are two types of variables,

namely independent and dependent variables. otherwise referred to as a dependent variable. In this study, the dependent variables are employee performance and independent variables, namely leadership (X1), work environment (X2), and work ability (X3).

## 3.1 Performance

Kusjono &; Ratnasari (2019) stated that performance is very important for the progress of an organization or company, the higher the performance of employees, the easier it will be for the organization to achieve organizational goals. Employee performance indicators according to Mathis (2012) are quality, quantity, punctuality, attendance, and cooperation ability. In this study, the independent variables are leadership, work environment and work ability.

# 3.2 Leadership

Ricky and Ronald in Wijono (2018:39). Leadership is the process of motivating others or followers to want to work in order to achieve goals that have been set. according to Yukl (2013), among others: guide, visionary, democratic, affiliative and communicative.

## 3.3 Work Environment

According to Sedarmayanti (2011) an employee is able to carry out his activities well, so that an optimal result is achieved, if supported by an appropriate working environment condition. An environmental condition is said to be good or appropriate if humans can carry out their activities optimally, healthy, safe, and comfortable. According to Sedarmayanti (2017), namely: physical work environment and non-physical work environment.

## 3.4 Employability

According to Robbins (2012), work ability is an individual's capacity to carry out various tasks in a particular job. The indicators used for the employability variable (X3) are based on research by Raharjo, Paramita and Warso (2016), including: knowledge, training, experience, skills, and work ability.

## 3.5 Data Analysis Techniques

Data analysis uses descriptive statistics, validity and reliability tests, classical assumption tests consisting of normality tests, multicollinearity tests, and heteroscedasticity tests. Furthermore, the hypothesis test, where the hypotheses H1, H2, and H3 are tested using multiple linear regression analysis consisting of a coefficient of determination test (R2), a simultaneous significance test (Test f), and a significance test of individual parameters (Test t). (Ghozali, 2011). Multiple linear regression analysis is used to forecast how the state (rise and fall) of the dependent variable is, if two or more independent variables as factors can be raised and decreased in value.

The general equation of multiple linear regression is:  $Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + e$ 

Where is the data of this study:

Y = employee performance

X1 = leadership

X2 = working environment

X3= employability

- $\beta 1 =$ Regression Coefficient X1
- $\beta 2 =$ Regression Coefficient X2
- $\beta$ 3 = Regression Coefficient X3
- $\alpha = Constant$

e =Standard error

## 4. RESULTS AND DISCUSSION

Data results to test leadership, work environment and work ability on employee performance, used t test. The assumption is that if the calculated t value  $\geq$  the table t value, then Ho is rejected and Ha is accepted otherwise if the calculated t value  $\leq$  the table t value, then Ho is accepted and ha is rejected. The results of partial hypothesis testing can be seen in the table below:

Variabel	Regression coefficient	t count	t table	Significance value	description
Leadership (X1)	0,871	13.499	2,003	0,000	Significant
Work Environment (X2)	0,514	4.568	2,003	0,000	Significant
Employability (X3)	0,705	7.571	2,003	0,000	Significant

Table 1.1 Test Results t (Partial)

Source: SPSS processed results, 2023

# 5. CONCLUSION

This study aims to determine the influence of Leadership, Work Environment and Work Ability on Employee Performance at the NTB Provincial Trade Office. From the overall testing that has been carried out, the following conclusions can be drawn:

- 1. Leadership variables have a significant positive influence on the performance of NTB Provincial Trade Office employees, this study provides evidence that the more effective leadership is in providing encouragement and direction to its employees, it will improve employee performance. This evidence can be used as a basis for stating that leadership can influence employee performance levels. This is in accordance with the statement of Ricky and Ronald in Wijono (2018: 39) Suggesting that leadership (Leadership) is the process of motivating others or followers to want to work in order to achieve the goals that have been set. In addition, the theory that supports this research is Willian and Joseph in Wijono (2018: 9) which states that Leadership is an effort to realize organizational goals by combining the needs of its followers to continue to grow in accordance with organizational goals.
- 2. Work environment variables have a significant positive influence on the performance of employees of the NTB Provincial Trade Office, This study provides evidence that the work environment has an influence, so that in an organization must pay attention to environmental factors to improve employee performance. This is in accordance with Anam's opinion (2018: 46), the work environment is something that surrounds employees so that it affects someone to get a sense of security, comfort, and satisfaction in doing and completing the work given by the superior.
- 3. The variable of work ability has a significant positive influence on the performance of employees of the NTB Provincial Trade Office. This study provides evidence that work ability is very important to pay attention to employee performance levels. In this case, it provides an understanding that if you want to improve employee performance, you must pay attention to factors that can influence it, one of which is work ability. This evidence can be used as a basis to state that work ability can affect employee performance. Abdul and Kumara (2018), show that work ability variables have a significant positive effect on employee performance.

# 5.1 RESEARCH IMPLICATIONS

## 5.1.1 Theoretical Implications

The theory that supports this research is the performance of NTB provincial Trade Office employees, which is influenced by leadership, work environment and work ability. Employee performance is significantly influenced by leadership, work environment and work ability supported by previous theories and research.

## 5.1.2 Practical Implications

This study aims to determine the influence of leadership, work environment and work ability on the performance of NTB provincial Trade Office employees, along with the implications of the research results found:

- 1. Leadership is a person's ability to lead an organization that is able to direct and influence a particular group to achieve goals. The results of this study show that leadership affects employee performance. This has implications so that in the future the organization pays more attention and improves in order to improve employee performance so that organizational goals can be achieved.
- 2. Work Environment is a condition or condition around the workplace that is able to provide a sense of comfort, safety and order. The results of this study show that the work environment has a significant effect on the performance of NTB Provincial Trade Office employees. This has implications so that in the future the organization must pay attention to the condition of the work environment to be maintained as it is today so that employee performance is maintained properly because the working environment conditions are good enough.
- 3. Work ability is defined that ability is the ability or capacity of a skill to perform various tasks in a job. The results of this study show that work ability has a significant effect on the performance of NTB Provincial Trade Office employees. This implies that organizations must pay attention to the ability of employees to carry out work so as to improve employee performance.

## 5.2 Research Limitations and Advice

#### 5.2.1 Research Limitations

This research has been attempted and carried out in accordance with scientific procedures, but demikina has the following limitations:

- 1. The factors that affect employee performance in this study only consist of three variables, namely leadership, work environment and work ability, while there are many other factors that affect employee performance.
- 2. There is a limitation of research using questionnaires, that is, sometimes the answers given by the sample do not show the real situation.

3. The limitations of research methods and understanding of the concept of employee performance in this study have many weaknesses both in terms of research results.

#### 5.2.2 Research Advice

Researchers realize that this study has many limitations. As for some suggestions that need to be considered where it is related to this study, here are suggestions in this study:

- 1. For NTB Provincial Trade Office
  - a. To be able to improve employee performance, leaders and employees can make efforts such as training, pre-service training so that what is the organization's goal can be achieved.
  - b. To improve performance, employees must increase the quantity and quality of work.
  - c. Leaders must correct poor work results to improve employee performance.
  - d. To be able to improve employee performance, leaders are able to encourage employees and inspire enthusiasm and commitment.
  - e. To improve employee performance, institutions need to pay attention to the work environment such as health facilities to be further improved, as well as the relationship between superiors and subordinates.
  - f. To improve employee performance, agencies should be able to provide incentives to employees in order to improve employee performance in the future.
- 2. For the next researcher
  - a. Leadership factors, work environment and work ability that are the focus of this study are a small part of the factors that affect employee performance. Therefore, in future studies can add other variables that are determinants of employee performance.
  - b. This study only used one data collection technique, so it is recommended for future researchers to use more than one approach to obtain comprehensive conclusions.

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