

# INFLUENCE OF LEADERSHIP AND ORGANIZATION CLIMATE ON EMPLOYEE PERFORMANCE

## PT. CIPTA KREASI WOOD INDUSTRY KARAWANG

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***Abstract**---This Research aims to test and analyze the influence of leadership and climate of the Organization on the performance of employees PT Cipta Kreasi Wood Industry Karawang. Data collection is taken based on employee data that works at PT. Cipta Kreasi Wood Industry Karawang established a population of 230 people with a sample amount of 146 people. The variables examined are two free namely the leadership and climate of the Organization, as well as one binding variable i.e. employee performance. This type of research is quantitative. Research data retrieval techniques using poll or questionnaire techniques*

***Keywords**---Leadership, climate organization and employee performance.*

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## I. INTRODUCTION

Of the economic development of an area is an integral part and determine the success of the regional development concerned, which indirectly will also determine the success of national development. Human resources are the primary drivers of the organization by managing and utilizing factors that include information and technology. Human resources with a variety of potentials, talent and creativity is an important asset in the life of the organization. Although the technology aspect is modern, if the human resource is adequate, then the organization can not survive the competition (Nitisemito, 2009:131).

The development of human resource management is now so rapidly, it is driven by the advancement of civilization, education, science and the demand of competitiveness of the production of goods and services produced. This development started from cooperation and division of work between two or more people. Processing resources is essential to achieving organizational objectives. If an organization is able to achieve a defined goal it can be said that the organization is effective. One of the organizational objectives is the performance improvement of the company and its employees. Therefore, the development of employees is increasingly important benefits because of the demands of work or position, as a result of technological advances and every personnel of the company is required to be able to work effectively, efficiently, the quality and quantity The company's competitiveness is getting bigger.

According to Prawirosentono dalam Lijan Poltak Sinambela (2012:02) That employee performance is a result of work that can be achieved by a person or group of people in an organization, in accordance with their respective authorities and responsibilities, in order to achieve the objectives of the relevant organization legally, Do not violate the law and comply with moral and ethics. Employee performance can be seen from the assessment of the work done by the company within a period, usually 1 year by measuring its performance through individual competence to complete the work and responsibilities in accordance with the quality, The operating standards of a company's procedures or targets that have been

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mutually agreed. Theoretically many factors related to employee performance. These factors can be sourced from the company, officers themselves and external factors.

Kasmir (2016:189-193) Said there are several factors that affect employee performance both outcomes and work behavior, including: skills and expertise, knowledge, job design, personality, leadership, leadership style, work discipline, etc. For employees ' performance assessment companies have several objectives, among others: to improve the quality of work, placement decisions, career planning and development, training needs, compensation adjustment, employee competency inventory, Fair employment opportunities, effective communication between superiors, subordinates, and enforcing (Kasmir, 2016:197-200).

The number of companies engaged in furniture in Karawang is very much to help the economy Indonesia, especially the city of Karawang because it adds domestic products that can be enjoyed by domestic and foreign. One of the companies engaged in Furniture is PT Cipta Kreasi Wood Industri. PT Cipta Kreasi Wood Industry Karawang is a company engaged in the manufacture of wooden furniture that is exported to foreign countries that stood since the year 2000 with a mission, to fulfill the demands of our customers by providing the best products According to specific needs:

1. Customized product with very flexible volume and competitive cost.
2. Environmentally sustainable and socially responsible products.
3. Continuously provide total quality management products for our customers.
4. Complete marketing, warehousing and logistics services
5. Timely delivery and after-sales service

The company's performance is highly dependent on employee performance that can improve the quality of products and services so that corporate objectives can be achieved. Employee performance is the success rate for employees in carrying out their duties and responsibilities. Employees ' performance is generally influenced by two factors: internal and external factors (Ismail, 2006). Internal factors are factors that come from within the employee, which include job satisfaction, job motivation, work competence and organisational commitments. While the external factor is a factor that comes from outside the employee, which includes leadership, safety and occupational safety, competence and organizational climate.

Employee performance at PT Cipta Kreasi Wood Industry Karawang was thought to be low because the leaders in the company made employees uncomfortable. Low employee performance of PT Cipta Kreasi Wood Industry Karawang indicated by poor attendance.

Related to the theory of Schermerhorn, Hunt and Obsorn in Veithal Revai (2008) performance as the quality and quantity of achievement of tasks, conducted by individuals, groups, and corporations. Therefore the company must improve and note the performance of individual.

One factor that affects low employee performance is a leadership role. According to Nixon in Edy Sutrisno (2016) that leadership is a unique form of art, which requires strength and vision at an extraordinary level. In conjunction with the organization, leadership lies in an effort to influence individual and group efforts to optimally achieve organizational objectives. Therefore, a leader has a very strategic position because it is a leadership in an organization.

Lucy Kagwiria Kuria, Namusonge, and Mike Iravo (2016:658), Through his research results concluded that leadership affects the relationship between employee participation and organizational performance. The findings of the study also showed poor relations between leaders and employees, so that the research results concluded that leadership could positively affect employee performance in the service sector. While the results of research conducted by Ficke H. Rawung (2013) concluded that this leadership is useful to improve employee performance in the organization.

According to Andri Feriyanto (2015) That the attitude of the leader creates a balance of fairness or equitable treatment, will encourage everyone to give the best performance and vice versa. The leadership role in a company is very important, as it can influence the behavior of employees to produce good performance. This indicates that the leader who directs the employees can further improve the employee's performance in carrying out their duties and responsibilities.

In addition to leadership roles, which affects low employee performance is an organizational benefits. Every organization or company has its own way of presenting its business. Therefore, an organization has a different climate than other organizations. The climate can be depressing, neutral or can also be supportive, depending on the arrangement, so that each organization always has a unique working climate. Organizations tend to attract and retain people who correspond to their climate, so that in certain levels the pattern can be lasting.

Luthans dalam Simamora (2011:34) Mention that the organizational climate is an internal environment or psychology organization. A climate organization affects HR practices and policies received by members of the organization. Please be aware that each organization will have a different organizational climate. The diversity of work designed within the organization, or the individual traits that exist will illustrate the difference.

Climate organization is an open climate and encourages employees to disclose and provide more workspace to provide high creativity when carrying out their work, it will give a positive impact and increase Performance of its employees. Therefore, based on the factors that affect the organizational climate that has been described, it is taken several factors that can be used as an indicator in this research namely, internal conditions, external conditions, interactions and Group.

Hillrieger dan Slocum dalam Darzanti (2010:3) Raising the definition of an organization's climate is a set of attributes of its organization and its sub-systems that can be felt by members of the organization, caused by the organizational or subsystem ways, to members of its environment. Climate is a concept system that reflects the overall lifestyle of an organization. In general, managers and employees want a reduced iklim because it concerns benefits like better achievements, job satisfaction and can lead to a spirit of work. Employees feel that the climate is pleasant when they do something useful and pose a sense of value. They often want a challenging job, which is intrinsically satisfying. Most employees also want the responsibility and the opportunity to succeed. They want to be heard and needed as valuable people. The employees feel that the organization really pays attention to their needs and problems.

Based on a description of the above problem regarding declining employees performance due to factors such as leadership and organizational climate, researchers want to do research with the title **“Influence Of Leadership And Organization Climate On Employee Performance Pt. Cipta Kreasi Wood Industry Karawang”**.

## II. LITERATURE REVIEW

### A. Leadership

Northouse (2004) dalam Lucy Kagwiria Kuria, Namusonge, and Mike Iravo (2016 : 658), Defines leadership as a process by which an individual affects a group of individuals to achieve a common goal.

Based on the evidence of leadership research can be identified core personality traits associated with the effectiveness of leadership (Michael West et. al, 2015 : 7):

1. High energy level and stress tolerance
2. Self-confidence.
3. Internal locus of control.
4. Emotional maturity.
5. Personal integrity.
6. Scialized power motivation.

7. Achievement orientation.
8. Low needs for affiliation.

#### B. Organization Climate

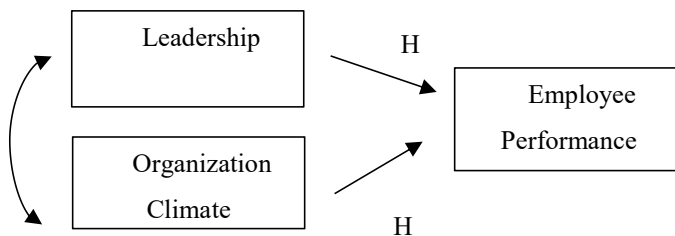
According to Campbell et al dalam Iqbal Nazili (2013) Suggests that: The organizational climate is a characteristic that distinguishes an organization with other organisations, affecting individuals within it, and relatively enduring for a certain period of time.

Robert Stringer in Wirawan (2007:135-138) explains the factors of climate causes of the organization.

1. External Environment
2. Organizational Strategy
3. Organisas setting
4. Strength History
5. Leadership

#### C. Employee Performance

According to **Mangkunegara (2011:67)**, Defines leadership as a process by which an individual affects a group of individuals to achieve a common goal. Based on the evidence of leadership research can be identified core personality traits associated with the effectiveness of leadership



**Gambar 2.** Model Framework for Thinking

### III. RESEARCH METHODS

This type of research is quantitative research. Quantitative data is the data expressed in the form of numbers and can be measured, not in the form of numbers (Noor, 2014) (Musdalifah and Sihaloho, 2019). This research uses the method of data collection in the form of documentation and pre-research questionnaires, with the analysis of the data of research results using statistical calculations of research design used is influence test, because this research aims to test the influence between variables that are hypothesized in research. The population in this research is the data of employees working at PT. Cipta Kreasi Wood Industry Karawang with a random sampling technique of 146 respondents.

#### Research Variable

The study uses one dependent variable (Y), and two independent variables (X). The dependent variables of the research are employee performance. Independent variables in the form of leadership and organizational climate.

Research data retrieval techniques using poll techniques (questionnaires). This poll technique is used to know the information of respondents related to the organization's leadership and climate. For research poll deployment using Google form.

#### **IV. RESULTS**

Based on descriptive research results and measurements of the results of respondents' answers on the Likert scale shows that leadership is on a fairly good scale. The climate of the organization is on a fairly good scale and employee performance is on a reasonably good scale. Then based on the results of a verifiable analysis shows that the influence of leadership on employee performance is quite influential. The influence of organizational climate on employee performance is quite influential. This is indicated by the score that shows the influence of leadership and organizational climate on employee performance is quite good. But there are still some indicators of leadership, organizational climate and employee performance that need to be improved and improved so that employee performance is better. The role of leadership becomes very important to employee performance so that leadership becomes very important.

#### **V. RECOMMENDATION**

Based on the research results and studies above, recommendations can be given that leadership and organizational climate have a significant influence on employee performance. Leadership has a greater influence on employee performance than the organizational climate. So the leadership role is more important compared to the organizational climate.

Therefore leadership is expected to pay more attention to personal factors and the style of leadership that suits the needs of the organization. The leader is expected to be a motivator and facilitator for all elements of the employee. Leaders are also expected to be an example and strengthen cooperation with internal and external. So to become a leader is expected to be through good selection and can be accepted by all parties in the company.

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