

LEADERSHIP COMPETENCY AND EMPLOYEE PERFORMANCE IN ORGANIZATIONS, A CASE STUDY OF SUPERCOLA BEVERAGES COMPANY

Ahmad Mustafa Akbar

Department of Business Administration

T.C., ISTANBUL AYDIN UNIVERSITY, INSTITUTE OF GRADUATE STUDIES

DOI: <https://doi.org/10.5281/zenodo.8272598>

Published Date: 22-August-2023

Abstract: This report presents a comprehensive analysis of the factors influencing employee work motivation and performance. The study focuses on three key dimensions: transformational leadership, job stress, and work motivation. The research hypotheses were formulated to examine the relationships between these variables and their impact on employee performance. The data was collected through surveys and analyzed using statistical techniques such as regression analysis and confirmatory factor analysis.

The findings indicate that transformational leadership has a positive and significant effect on employee work motivation. However, the impact of job stress on work motivation is found to be relatively weak. Furthermore, the study reveals that work motivation has a positive and significant effect on service performance. On the other hand, the influence of job stress on service performance is not statistically significant. These results highlight the importance of effective leadership in fostering employee motivation and its subsequent impact on performance outcomes.

While the study provides valuable insights into the relationship between these variables, it is not without limitations, limiting the generalizability of the findings to other organizations or industries. Additionally, the reliance on self-reported data may introduce bias and measurement errors. Future studies could benefit from larger sample sizes, diverse industry settings, and the inclusion of objective performance measures to enhance the robustness of the findings.

In conclusion, this report sheds light on the dynamics of transformational leadership, job stress, work motivation, and their influence. The findings underscore the importance of fostering a positive work environment, effective leadership practices, and addressing job stress factors to enhance employee motivation and performance. The insights from this study contribute to the existing literature on organizational behavior and provide valuable implications for HR practitioners and managers seeking to improve employee engagement and productivity.

Keywords: Leadership, Performance, Job stress, Motivation, Transformational leadership.

I. INTRODUCTION

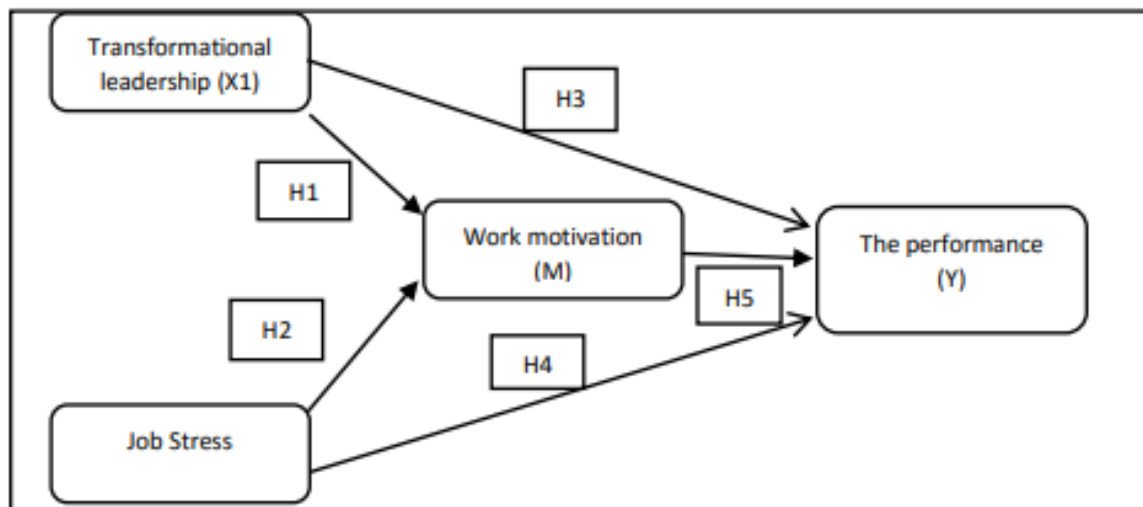
In order to overcome obstacles and prosper in a competitive job market, organisations must effectively manage and utilise their people resources. The goal of putting human resource management into practise is to make sure that every employee in an organisation is in alignment with its vision, purpose, key responsibilities, and functions, as well as with the shared values that encourage development and success (Gahlawat & Kundu, 2019). In order to achieve corporate goals, it is necessary to properly review and improve human resource management, which increases its relevance and importance.

According to (Colquitt, Lepine, & Wesson, 2009), the concept of execution relates to the value of a collection of representative actions that have an influence on the achievement of corporate objectives favourably or unfavourably. The amount of one's inspiration and talent has an influence on execution. This demonstrates how aptitude and motivation at work are directly connected to performance (Slocum & Hellriegel, 2009). It has been described that execution as "a record of the outputs achieved at a given work capacity or movement during some stretch of time" as opposed to this. Thus, execution is frequently viewed as the final product of a work interaction whose activities are completed within a specific time frame. Intangible help is that which should not be apparent to the faculties prior to use, such as execution (Tjiptono & Chandra, 2012). According to (Dhar & Mittal, 2015), administration execution is the difference between what customers expect and what the company really achieves as a consequence of staff execution. With this support, representational execution is made possible by a number of factors that affect how well they can produce outcomes and accomplish shared objectives.

The whole purpose of the research will be to deepen the knowledge about leadership competency and employee organization in the super cola beverage company. The aim of the research is to study and evaluate the supercola internal HR management role and satisfaction of employee and commitment towards the company.

- 1) H1: Transformational Leadership has a positive and significant effect on employee work motivation
- 2) H2: Job stress has a positive and significant effect on employee work motivation
- 3) H3: Work Motivation has a positive and significant effect on service performance
- 4) H4: Job stress has a positive and significant effect on service performance.
- 5) H5: Transformational Leadership has positive and significant effect on Service Performance

This theoretical framework was driven from the article of: (Rahul, Ali, & Munawar, 2019)



II. LITREATURE REVIEW

But worker motivation is a very flimsy concept. Inspiration and job satisfaction are linked, and each and every relationship is built on the fulfilment of one's work. According to (Pananrangi, Lewangka, & Sudirman, 2020), the words "inspiration" and "occupational fulfilment" are frequently used interchangeably. accentuated that while inspiration and work fulfillment are connected ideas, they are not compatible. They comprehended that one part of the spurring system is work fulfillment. While work fulfillment is attached to the satisfaction we get by means of different motivators and business related exercises, inspiration is essentially worried about objective coordinated conduct (Anwar, 2017). Moreover, regardless of whether a specialist partakes in all of his business related exercises, he might in any case need inspiration. Remuneration and award are essential components of HR at the board. The kind of compensation a company offers its employees has a significant impact on how dedicated they are and how long they remain with the company. Offering a substantial pay package is one way businesses may maintain their employees (Anwar, 2017). Offering competitive, market-related compensation and benefits is essential for an association's upkeep process since it encourages workers to concentrate on the organisation. In

the event that they are paid, employees will stay with a company; nevertheless, in the event that they are not, they may leave. When employees believe their skills, talents, and efforts are valued, representative maintenance is more likely to occur in an organisation (Febrianti & Se, 2020).

According to Herzberg's hypothesis, the components X and Y—contribution compensation motivators, improving work environment circumstances, delivering advancements, job responsibilities, and occupation dominance—make up the arrangement of inspiration in an organisation. It is crucial to improve employee performance since motivation is a key factor in determining someone's success. According to (Padave, Kanekar, & Chande, 2021), inspiration is the desire to finish a task in order to find fulfilment and execution.

According to (Yukl, 2010), a good pioneer should have the choice to acknowledge their coworkers and the workplace since representational success is greatly influenced by how well the initiative technique matches the context. Successful initiative is leadership that has the ability to energise and motivate subordinates, direct subordinates to do their tasks successfully, and has more noteworthy talents so that worker performance will increase.

Stress at work alludes to tension on the brain or body because of neglecting to accomplish authoritative necessities. There will not be stress on the off chance that the assignment is satisfactorily taken care of. Representatives face a ton of stress at work due to the strain and weight they bear. Work pressure fundamentally alludes to the assumptions for the representative's work and their capacity to fulfill those requests (Ornelas & Kleiner, 2003). The evident absence of security or a task may be the reason for the pressure at work. It can occur because of different reasons, for example, an absence of business related data and criticism, innovative headways, expanding requests, or when a representative can't satisfy the standards of the position (Bashir & Ismail Ramay, 2010). Workers who are under stress are more likely to be unwell, unmotivated, unproductive, and hazardous at work.

The board is put to the test on the HR problem since an organization's success depends on the quality of its HR. HR administration consideration is also necessary so that employees may operate more honestly and accomplish organisational goals. Venture HR (HR) initiatives should be concentrated on creating client-driven groups, empowering directors and individuals to make quick decisions, and fostering a sense of belonging and community among representatives. Hierarchical culture has a significant impact on representative performance because, generally speaking, people who are associated with successful societies are more dedicated to their job than those who are associated with unsuccessful societies. Socialisation techniques and hiring practises will also be used by organisations with strong societies. According to the findings of their review, (Wahyuniardi, Nurjaman, & et al., 2018), workplace hierarchy and culture have a significant impact on representative performance. Representational execution is significantly impacted by the workplace culture and hierarchical structure. If the workplace is excellent and the representatives enjoy it, they will feel terrific and their performance will increase, which has an impact on the business. If workers experience discomfort at work, it may have a negative impact on their performance, and they can help to develop representative dedication.

Hierarchical culture is a product of a company's structure and basic principles, which may be strengthened and developed. One could argue that the most prevalent method of forming societies is comparable to that used to frame gatherings, where the essence or gathering character depends on examples of shared considerations, convictions, sentiments, and values that materialise as a result of shared interactions and learning and result in shared presumptions that are referred to as gathering society. When authoritative culture is more firmly rooted, more experts recognise the organization's values and are more committed to the organisation (Robbins & Coulter, Management, 2002).

A benchmark is used to assess how much a representative contributes to the association and includes quantity, quality, yield period, and engagement at work (Mathis & Robert and Jackson, 2006). A person's success is influenced by their skills, potential, and inspiration, among other things (Mahmudi, 2010). An organisation can complete its tasks if its staff members are skilled and competent (Kurniawan, 2018).

III. METHODOLOGY

This study aimed to examine the relationship between work motivation, transformational leadership, work environment, organizational culture, and job stress, and their impact on employee performance within the Super Cola Beverage Company. The objectives were to explore the positive relationship between work motivation, leadership, work environment, and organizational culture with employee performance, while examining the negative relationship between job stress and employee performance. By investigating these variables, the study sought to deepen the understanding of factors influencing employee performance and evaluate the internal HR management role, employee satisfaction, and commitment within the

organization. The findings of this research have the potential to inform HR management practices and organizational policies, ultimately enhancing employee performance, job satisfaction, and commitment within the Super Cola Beverage Company. Limitations of the study include its specific context and the potential for confounding variables. Overall, the study contributes to the existing knowledge base on leadership competency and employee organization by examining the relationships between these variables and employee performance. The researchers recommended utilising a quantitative technique to evaluate these components because the majority of illustrative assessment is quantitative. The quantitative assessment technique must also be used to establish the links between distinct parts.

Population, according to (Lancaster, 2005), is "the entire set of items or topics under inquiry." In total, there are about 2,435,375 persons in the world. We determined the necessary sample size for our study and experiment using a confidence range of 95% and an 8% margin of error.

Additionally, from the sample population of 2,435,375, roughly 300 samples were chosen to test the results. Samples were obtained for this investigation by using the qualitative method approach.

In order to communicate with them and gather data, questionnaires will be employed. The data will be gathered via closed-ended questionnaires, which participants in the study will be given to complete. The questionnaire will be created using a five-point Likert scale assessing Strongly Agree, Agree, Not Sure, Disagree, and Strongly Disagree. The questionnaire is divided into two sections: one section asks about the respondents' biographical details, and the other section asks about the research constructs. The instrument will be chosen on purpose since it solicits the respondents' subjective judgements and enables them to draw on their knowledge to offer a range of information.

IV. DATA ANALYSIS

Our research revolves around a comprehensive analysis of data that spans across multiple dimensions, enabling us to gain a holistic understanding of various aspects of the work environment and employee experiences. The data we are working with encompasses four major domains: Transformational Leadership, Job Stress, Work Motivation, and Performance. Within each domain, numerous variables shed light on different facets of these crucial areas.

Transformational leadership refers to the leadership style characterized by leaders who inspire and motivate their subordinates to achieve higher levels of performance and personal growth. It encompasses several variables that assess different aspects of this leadership style.

Job stress refers to the psychological and physiological strain experienced by individuals in response to work-related demands and pressures. It encompasses variables that measure different dimensions of job stress.

Work motivation refers to the internal drive and enthusiasm individuals have to engage in their work tasks and achieve organizational goals. It encompasses variables that assess different factors influencing work motivation.

Performance refers to the outcomes and results achieved by individuals or teams in accomplishing their work tasks and goals. It encompasses variables that assess different aspects of performance and its evaluation.

The Confirmatory Factor Analysis (CFA) was conducted to examine the relationships between observed variables and latent constructs in the given dataset. The CFA table provides the factor loadings for each variable, which indicate the strength of the relationship between the observed variable and its corresponding latent construct. Additionally, the criteria for acceptance (0.5 - 0.7) were used to determine the validity of the variables.

<i>Construct</i>	<i>Variable Name</i>	<i>Factor Loading</i>	<i>Decision</i>	<i>Construct Factor Loading</i>	<i>Decision</i>
Transformational Leadership	boss_understanding_importance	0.912	Valid	0.664	Valid
	boss_belief_in_completion	0.609	Valid		
	boss_direction_quality	0.711	Valid		
	boss_problem_solving	0.521	Valid		
	superiors_opportunities_to_correct_mistakes	0.568	Valid		

Job Stress	restless when wrong	0.729	Valid	0.627	Valid
	peaking emotions due to workload	0.861	Valid		
	physical fatigue decreased concentration	0.378	Drop		
	difficulty_falling_asleep_due_to_work_prob lems	0.270	Drop		
	desperation in solving work problem	0.897	Valid		
Work Motivation	motivated by boss work ethic	0.462	Drop	0.572	Valid
	satisfied with current salary	0.752	Valid		
	striving_to_reach_company_targets	0.357	Drop		
	willing_to_relocate_for_company	0.719	Valid		
Performance	company_sop_familiarity	0.630	Valid	0.710	Valid
	broad_understanding_of_customers	0.766	Valid		
	understanding_customer_needs	0.684	Valid		
	quick_handling_of_customer_complaints	0.999	Valid		
	best_solution_to_customers	0.369	Drop		
	customer_satisfaction_concentration	0.599	Valid		
	adapting to customer characteristics	0.926	Valid		

Upon analyzing the CFA results, it was found that several variables demonstrated significant factor loadings and met the acceptance criteria. These variables included "boss work ethic importance", "restlessness when things go wrong," "good surfaces frequently walked on," "better performance than colleagues," and "better performance than other companies." These findings suggest a valid and significant relationship between these variables and their respective latent constructs.

V. FINDING AND DISCUSSION

Dep. Variable:	WM			R-squared:		
	coef	std err	t	P> t	[0.025	0.975]
Const	3.9748	0.432	9.420	0.000	1.862	2.345
TL	0.9836	0.029	5.029	0.000	0.289	0.425
JS	0.7889	0.056	3.267	0.000	0.076	0.314

Dep. Variable:	PER			R-squared:		
	coef	std err	t	P> t	[0.025	0.975]
Const	1.9484	0.654	5.454	0.000	2.032	4.073
TL	0.2353	0.043	1.983	0.216	-0.026	0.531
JS	0.0124	0.087	0.895	0.542	-0.106	0.256
WM	0.1365	0.200	0.892	0.453	-0.192	0.486

The F-statistic, having a value of 2.819 and an associated p-value of 0.0416, shows that the overall model has statistical significance at the 0.05 threshold. This indicates that there's proof to propose that at least one of the predictors in the model holds a substantial relationship with the dependent variable. Nevertheless, it's important to note that the F-statistic doesn't furnish specific insights into the individual predictors' significance. Redirecting attention to the coefficients, we analyze the

approximated values, standard errors, t-statistics, and p-values affiliated with each predictor. The constant term (const) is approximated at 1.9484, implying that when all autonomous variables are nil, the projected value of the reliant variable is 1.9484. The standard error of the constant term is 0.654, signifying the precision of this estimation.

VI. CONCLUSION, LIMITATION AND FUTURE WORKING

In conclusion, the central focus of this study was to meticulously investigate the intricate nexus between transformational leadership, job stress, work motivation, and performance. Through a meticulous analysis of survey data and the adept application of statistical methodologies, we garnered profound insights into the nuanced dynamics underpinning employee motivation and performance within the organizational context. The study's outcomes have provided illuminating revelations that illuminate the complexities of employee behavior and its profound implications for organizational outcomes.

Undoubtedly, this study carries several notable limitations that warrant careful consideration when interpreting its outcomes. One of the pivotal constraints revolves around the relatively diminutive sample size. The research was executed with a constrained cohort of participants, which potentially encumbers the generalizability of the findings. To enhance the external validity and broaden the applicability of future investigations, it is prudent to embrace a more expansive and diverse sample encompassing a broader spectrum of industries, job roles, and demographic characteristics. This augmentation would undoubtedly bestow a more all-encompassing comprehension of the interconnections between transformational leadership, job stress, work motivation, and performance across heterogeneous contexts.

In advancing the trajectory of research, there exists a constellation of promising avenues that can be ventured to augment and elaborate upon the premises put forth by this study. A cardinal route entails the exploration of potential mediating or moderating variables that wield the potential to mold the interconnections between transformational leadership, job stress, work motivation, and performance. These variables could potentially manifest as potent mediators, channeling the effects of the independent variables onto the dependent variable. Additionally, they could serve as moderators, conditioning the magnitude or nature of the relationships. For instance, organizational culture, job satisfaction, or individual characteristics could be meticulously examined as plausible candidates that either mediate or moderate these intricate relationships. This analytical voyage would furnish an enriched and nuanced comprehension of the latent mechanisms and the parameters that delineate the contours of these relationships.

In summation, the future of this research landscape is a mosaic of manifold possibilities. The exploration of mediating or moderating variables embellishes the analysis with subtlety, depth, and boundary conditions. The incorporation of qualitative methodologies bestows the research with a tactile dimension, elucidating the inner workings and personal narratives that often elude quantitative metrics. In embracing these trajectories, the research domain promises to burgeon with insights that unveil the complex dance between transformational leadership, job stress, work motivation, and performance, further enriching the collective comprehension of these intricate dynamics.

REFERENCES

- [1] Anwar, k. (2017). Factors affecting stock exchange investment in kurdistan. *The International Journal of Accounting and Business Society*, 25(1), 32-37.
- [2] Bashir, U., & Ismail Ramay, M. (2010). Impact of stress on employees job performance: A study on banking sector of Pakistan. . Unpublished.
- [3] Colquitt, Lepine, & Wesson. (2009). *Organizational Behavior. Improving Performance and Commitment in The Workplace*. Florida: McGraw-Hill Irwin.
- [4] Dhar, R., & Mittal, S. (2015). Transformational leadership and employee creativity: mediating the role of creative self-efficacy and moderating the role of knowledge sharing. *Management Decision*, 894-910.
- [5] Febrianti, N. T., & Se, S. (2020). The Effect of Career Development and Motivation on Employee Performance Through Job Satisfaction in Pt Jabar Jaya Perkasa. *International Journal of Business and Social Science Research*, 1(2), 1-12.
- [6] Gahlawat, N., & Kundu, S. C. (2019). Progressive human resource management and firm performance. *International Journal of Organizational Analysis*, 27(3), 471–493.
- [7] Kurniawan, F. (2018). *The Influence of Knowledge Management and Work Environment on Employee Performance with Job Satisfaction as Intervening Variables*. Indonesian Islamic University.

- [8] Lancaster, G. (2005). *Research Methods in Management: A Concise Introduction to Research in Management and Business Consultancy*. Oxford: Elsevier Butterworth-Heinemann.
- [9] Mahmudi. (2010). *Public Sector Performance Management*. Bandung: YKPN.
- [10] Mathis, L., & Robert and Jackson, H. J. (2006). *Human Resource Management*. Jakarta: Michael Zwell.
- [11] Ornelas, S., & Kleiner, B. H. (2003). New developments in managing job related stress. *Equal Opportunities International*, 22(5), 64-70.
- [12] Padave, P., Kanekar, R., & Chande, K. (2021). Empirical study on organisational commitment of employees in Indian Hotel Industry. *Materials Today*.
- [13] Pananrangi, M., Lewangka, O., & Sudirman, I. (2020). The Influence of Motivation and Job Satisfaction on Employee Performance in PT. Hasanuddin *Journal of Applied Business and Entrepreneurship*, 3(2), 20-32.
- [14] Rahul, C., Ali, H., & Munawar, N. A. (2019). BUILDING PERFORMANCE SERVICE THROUGH TRANSFORMATIONAL LEADERSHIP ANALYSIS, WORK STRESS AND WORK MOTIVATION (EMPIRICAL CASE STUDY IN STATIONERY DISTRIBUTOR COMPANIES). *Diansti International Journal of Digital Business Management*.
- [15] Robbins, S. P., & Coulter, M. (2002). *Management*. New Jersey: Pearson Education.
- [16] Slocum, J. W., & Hellriegel, D. (2009). *Principles of organizational behavior*. Mason: South-Western Cengage Learning.
- [17] Tjiptono, F., & Chandra, G. (2012). *Service Management Improving Service Prime*. Jakarta: Andi.
- [18] Wahyuniardi, R., Nurjaman, S., & et al. (2018). The Influence of Organizational Culture and Work Environment on Job Satisfaction and Employee Performance. *Journal of Industrial System Optimization*.
- [19] Yukl, G. (2010). *Leadership in Organizations*. New York: Pearson Education.