

THE INFLUENCE OF LEADERSHIP, MOTIVATION AND COMMUNICATION ON EMPLOYEE SATISFACTION IN THE ENVIRONMENTAL AGENCY OF BALIKPAPAN CITY

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ABSTRACT

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Leadership, Motivation,
Communication

Balikpapan City has experienced an increase in population, exacerbated by its designation as the gateway to the capita city, attracting people to reside in the area. However, this has posed spatial planning challenges due to the city center's rapid development and surroundings. The Environmental Agency plays a strategic role in systematically and comprehensively implementing the protection and management of the environment. This is crucial for preserving environmental functions and preventing pollution and environmental damage. The Environmental Agency of Balikpapan is supported by human resources to fulfill its core tasks and functions. Human resources play a significant role in every government institution, particularly environmental conservation. Environmental issues often stem from human behavior, and ecological degradation has adverse effects on living organisms. Therefore, instilling awareness and responsibility for the environment is imperative. This research aims to examine The Influence of Leadership, Motivation and Communication on Employee Satisfaction in the Environmental Agency of Balikpapan City. Data collection was conducted through the distribution of questionnaires, with a total of 60 respondents from the Environmental Agency of Balikpapan City. The sampling technique employed in this study was purposive sampling. Statistical testing and data processing were conducted using Partial Least Square (PLS) with SmartPLS version 3.0. The results of the study indicate that the variables of leadership and motivation have a positive and significant impact on job satisfaction, in contrast the communication variable does not influence job satisfaction.

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1. INTRODUCTION

Balikpapan Balikpapan City is a municipality in East Kalimantan with the third-largest population after Samarinda City and Kutai Kartanegara Regency. The population of Balikpapan City in 2022 reached 703,611 people, indicating an increase of 8,324 individuals compared to 2021 when the population was 695,287. Among these, 359,563 are male, and 344,048 are female [1] the people of Balikpapan City in 2020 was recorded as 688,318 individuals [2]. The impact of the increasing population is the heightened population density, supported by the designation of Balikpapan City as the forefront of the National Capital Region, serving as an attractive destination for individuals to reside and settle. Furthermore, challenges emerge in executing spatial planning in Balikpapan City due to the rapid growth of development in the city center and its environs. The Environmental Agency of Balikpapan City assumes a strategic role in systematically and comprehensively undertaking the protection and management of the environment. This is conducted to preserve the environment's functions and prevent pollution and/or environmental damage [3].

The Environmental Agency of Balikpapan City is supported by human resources to facilitate the execution of its core tasks and functions. Human resources play a pivotal role within an organization, with each governmental institution possessing crucial human resources, particularly in environmental preservation. Environmental degradation can have adverse effects on living organisms. Therefore, cultivating awareness and a sense of ecological responsibility should be instilled in our consciousness [4].

Employee satisfaction is crucial as it determines the success of a government institution in achieving its objectives. The more adequately the needs of employees are met, the more satisfied those employees tend to be [5]. Effective human resource management contributes to the enhancement of employee job satisfaction. Possessing high and positive job satisfaction can support the achievement of

organizational goals and objectives set by the organization [6]. Several factors, including leadership, motivation and communication also influence employee satisfaction.

Leadership is one of the factors influencing satisfaction. Leadership involves the ability to influence subordinates to achieve any purpose or goal. Effective leadership is crucial to realizing the vision and mission for a better future in organizations [7]. This is supported by [8] which suggests that good leadership can enhance employee job satisfaction. The presence of a leader can motivate employees to collaborate in performing their tasks, thereby instilling a sense of pride in completing their duties. However according to [9] leadership only significantly influences employee job satisfaction. This is attributed to leaders needing more appreciation for employees work, needing more motivation, exhibiting inadequate or indifferent leadership, and frequently experiencing delays salary disbursement.

In addition to leadership, another factor influencing satisfaction is motivation. Motivation is a critically important aspect that companies must consider if they desire each employee to contribute positively to the achievement of organizational goals. With motivation, an employee will possess high enthusiasm in carrying out their duties and responsibilities. The significance of motivation lies in its role as a catalyst, channel, and support for human behavior, encouraging individuals to work diligently and enthusiastically to achieve optimal outcomes [10]. This is supported by [11] The provision of motivation is crucial, as employees who are content with what they receive from the company typically go beyond expectations, consistently striving to perform exceptionally well. However according to [12] Motivation does not significantly impact job satisfaction. This is attributed to the fact that work motivation is predominantly derived from within the individual employee, in contrast, job satisfaction is more heavily influenced by external factors or the work environment.

The presence of high motivation in employees, coupled with effective communication, contributes to the perception of job satisfaction. Communication serves as a determinant of success in achieving goals, fostering reciprocal relationships among individuals within an organization through directives, advice, opinions, and critiques. Therefore, effective communication is imperative within an organization, both among colleagues and with leadership, to achieve organizational objectives [13]. This is supported by [14] Effective two-way communication cultivates a work ethic that leads to the attainment of satisfaction. However according to [15] Communication does not significantly influence employee job satisfaction. This is due to the broad impact of ineffective and inadequate communication, resulting in conflicts among employees and between leadership and staff members.

This research is highly beneficial for understanding government services in fulfilling their responsibilities. It contributes to knowledge enhancement and provides a broad insight into human resource management. The findings serve as training grounds to apply and practice the acquired knowledge professionally. Furthermore, the research can benefit those intending to conduct similar studies, serving as a reference.

The research outcomes can assist the Department of Environmental Affairs in Balikpapan City in enhancing organizational effectiveness and efficiency by understanding the contributions of leadership, motivation, and communication to employee satisfaction. Understanding the impact of leadership on employee satisfaction can serve as a foundation for developing and improving leadership quality within the organization. This aids leaders in creating a positive work environment. Additionally, knowledge of motivational factors influencing employee satisfaction enables organizations to devise strategies for enhancing employee motivation, leading to increased dedication in task execution. The research also assists organizations in improving internal communication systems. Understanding the positive impact of effective communication on employee satisfaction brings about positive changes in interactions and collaboration within the organization. Given the existing disparities, the objective of this study is to ascertain the influence of Leadership, Motivation, and Communication on the Job Satisfaction of employees within the Environmental Agency of Balikpapan City.

Literature Review

Job Satisfaction

Job satisfaction is an individual's emotional response to their work, work situation, and relationships with colleagues [16]. Meanwhile, another perspective asserts that job satisfaction is the positive sentiment or pleasure experienced by an employee in considering and carrying out their work duties [17]. Job satisfaction is a set of feelings that employees harbor regarding the favorable or unfavorable aspects of a job they have undertaken within a given company [18]. Job satisfaction is underpinned by three theories, namely the discrepancy theory, equity theory, and two-factor theory [16]. [16] Indicators of job satisfaction encompass salary or compensation, the nature of the job, supervision, promotions, and relationships with coworkers.

Leadership

Leadership is the ability to influence others, subordinates, or groups, as well as the capability to direct the behavior of subordinates or groups toward the achievement of goals [19]. Meanwhile, another perspective posits that leadership is a process by which an individual engages in activities to mobilize others by leading, guiding, and influencing them [17]. Leadership is the process of influencing or setting an example carried out by a leader to their followers or members, aiming to achieve organizational goals [20]. Leadership is influenced by several factors, namely assuming responsibility, the ability to be perceptive, maintaining objectivity, and setting priorities [19]. [19] Leadership indicators include integrity and morality, responsibility, a leader's vision, wisdom, exemplary behavior, maintaining honor, faith, communication skills, and commitment to enhancing human resource quality.

Motivation

Motivation is a factor that drives an individual to engage in a specific activity; hence, motivation is often interpreted as a catalyst for an individual's behavior [17]. Meanwhile, another perspective posits that motivation is the factor that induces, channels, and supports human behavior to actively engage in work actively, thereby achieving optimal results [21]. Motivation is a driving factor or impetus capable of triggering the emergence of enthusiasm it is also capable of altering the behavior of individuals or humans toward achieving improvements for themselves [22]. Motivation is influenced by two factors, namely internal and external factors [17]. [17] Motivation indicators include physiological needs, safety needs, social affiliation needs, esteem needs, and self-actualization needs.

Communication

Communication is a form of human interaction that mutually influences each other, whether intentional or unintentional. Communication takes various forms, not limited to verbal language, but also includes facial expressions and technology [23]. Meanwhile, another perspective posits that communication is a process wherein a source transmits a message to a receiver through various channels [24]. Communication is the art of conveying messages, ideas, attitudes, or concepts from one individual, group, or organization to another. This conveyance aims to prevent errors in work and foster a positive working relationship [18]. Here are four functions of communication: social communication, expressive communication, ritual communication, and instrumental communication [23]. [23] Communication indicators include understanding, pleasure, influencing attitudes, improving relationships, and actions.

Conceptual framework

Based on the description above, it can be built research framework as follows:

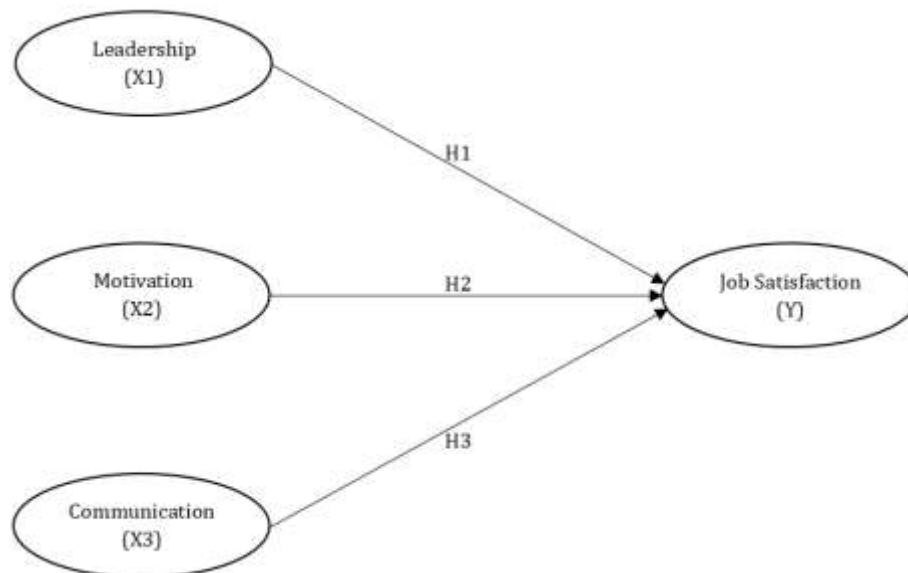


Figure 1. Research Framework

Research Hypothesis

Based on the problem formulation and conceptual framework above, the research hypothesis put forward by the researcher is as follows:

1. Leadership influences job satisfaction
2. Motivation influences job satisfaction
3. Communication influences job satisfaction

2. METHOD

This research employs a quantitative research method, which involves distributing questionnaires to respondents. The questionnaire employs a Likert scale consisting of 5 response options: The questionnaire employs a Likert scale consisting of 5 response options: Strongly Agree scored as 5, Agree scored as 4, Undecided scored as 3, Disagree scored as 2, and Strongly Disagree scored as 1 [25]. The sampling technique employed in this research is purposive sampling, with a sample size of 60 respondents. Data processing in this study utilizes the Structural Equation Model (SEM) with the Partial Least Squares (PLS) method, implemented through the SmartPLS application.

3. RESULT AND DISCUSSION

Measurement Models

In this study, several stages were conducted. The first stage involved testing the outer model, encompassing validity and reliability tests. The results of the validity and reliability tests are as follows.

Table 1. Result of Loading Factor, Composite Reliability (CR) dan Average Variance Extracted (AVE)

	Loading Factor	Composite Reliability (CR)	Average Variance Extracted (AVE)
Leadership (X1)		0.938	0.628
X1.1	0.712		
X1.2	0.868		
X1.3	0.809		
X1.4	0.736		
X1.5	0.859		
X1.6	0.792		
X1.7	0.785		
X1.8	0.765		
X1.9	0.793		
Motivation (X2)		0.889	0.616
X2.1	0.755		
X2.2	0.855		
X2.3	0.803		
X2.4	0.784		
X2.5	0.721		
Communication (X3)		0.881	0.600
X3.1	0.651		
X3.2	0.808		
X3.3	0.742		
X3.4	0.785		
X3.5	0.870		
Job Satisfaction (Y)		0.816	0.482
Y1.1	0.674		
Y1.2	0.714		
Y1.3	0.854		
Y1.4	0.748		
Y1.5	0.401		

Source: Data Processed by SmartPLS (2023)

Based on the results from the table above, if the indicator loading is $> 0,4$, then the loading value meets the criteria, and it can be asserted that all indicators are valid [26]. In addition to the loading factor values, the convergent validity test can be assessed through the Average Variance Extracted (AVE) values. The criterion for the AVE values should be greater than 0,50 [27]. The AVE values for each construct are at least 0,50. Constructs are deemed reliable if the Composite Reliability value is $> 0,60$ [27]. The results indicate that the Composite Reliability values are greater than 0.60, suggesting all variables exhibit good reliability.

Results of Testing the Structural Model

The inner model testing employs bootstrapping calculations to determine the significance between variables by examining the T-Statistic and P-value.

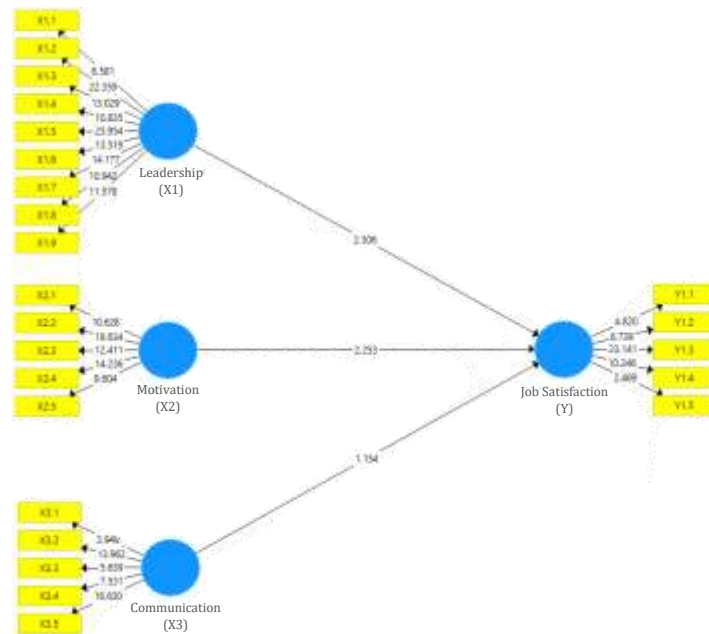


Figure 2. Inner Model

Hypothesis testing utilizes a significance level of $\alpha = 5\%$, whereby the critical t-statistic value is > 1.96 , and the P-value should be below 0.05. The criteria for the t-test are as follows : [28]

1. With $\alpha = 5\%$ if the t-statistic value is greater than 1,96 variables X_1 , X_2 , dan X_3 partially affect Y.
2. With $\alpha = 5\%$ if the t-statistic value is less than 1,96 variables X_1 , X_2 , dan X_3 do not partially affect Y.

The results of the hypothesis testing will be further elaborated in the table below, Table 2.

Table 2. Result Path Coefficients

Hypot hesis		Original Sampel (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Value
H1	Leadership -> Job Satisfaction	0.331	0.363	0.143	2.306	0.022
H2	Motivation -> Job Satisfaction	0.330	0.330	0.146	2.253	0.025
H3	Communication -> Job Satisfaction	0.150	0.141	0.130	1.154	0.249

Source: Data Processed by SmartPLS (2023)

Based on the hypothesis results by calculating the first path coefficient, namely leadership towards job satisfaction, the testing results indicate a p-value of 0,022, which is smaller than 0.05. It also has a t-statistic value of 2,306 (t-statistic $>$ t-table 1,96). This proves that leadership positively and significantly influence job satisfaction, leading to the acceptance of the first hypothesis. The second path coefficient is motivation towards job satisfaction. The testing results show a p-value of 0,025, smaller than 0,05. It also has a t-statistic value of 2,253 (t-statistic $>$ t-table 1,96). This indicates that motivation has a positive and significant impact on job satisfaction, leading to the acceptance of the second hypothesis. The third path coefficient is communication towards job satisfaction. The testing results show a p-value of 0,249, larger than 0,05. It also has a t-statistic value of 1,154 (t-statistic $>$ t-table 1,96). This demonstrates that communication does not have a partial effect on job satisfaction. Therefore, it can be concluded that the third hypothesis is rejected.

Table 3. Summary of Hypothesis Testing Results

No	Hypothesis	Result (p-value)	Information
1	Leadership has a positive and significant on Job Satisfaction	0.022	Accepted
2	Motivation has a positive and significant on Job Satisfaction	0.025	Accepted
3	Communication does not have a significant effect on Job Satisfaction	0.249	Rejected

Source: Data Processed by SmartPLS (2023)

The results of this study present data obtained from questionnaire collection. Based on the data processing results, it can be observed that both hypotheses, namely leadership and motivation, are

accepted, while communication is rejected. The following is a discussion regarding the influence of all the proposed hypotheses.

1. The influence of leadership on job satisfaction.

From the results of hypothesis testing, it is found that the leadership variable (X1) positively and significantly influences the job satisfaction variable (Y) of employees at the Environmental Agency of Balikpapan City. Therefore, leadership impacts job satisfaction. Effective leadership involves creating a positive work environment and conditions supporting employee development, increasing job satisfaction. These findings are supported by previous research by [29] and [30]. In both earlier studies, it is mentioned that leadership has an impact on job satisfaction.

2. The influence of motivation on job satisfaction

From the results of hypothesis testing, it is found that the motivation variable (X2) positively and significantly influences the job satisfaction variable (Y) of employees at the Environmental Agency of Balikpapan City. Therefore, motivation impacts job satisfaction. Motivation is the driving force for employees to perform a task. If employee motivation increases, job satisfaction will also increase. This is supported by previous research by [31] and [32]. Both previous studies state that motivation positively and significantly impacts job satisfaction.

3. The influence of communication on job satisfaction

From the results of hypothesis testing, it is found that the communication variable (X3) does not partially affect the job satisfaction (Y) of employees at the Environmental Agency of Balikpapan City. Creating effective communication can strengthen the bond among employees and support a positive work environment, thereby enhancing employee job satisfaction. This contradicts previous research conducted by [33] and [34] and supports the research by [15] stating that communication does not affect job satisfaction.

4. CONCLUSION

The Environmental Agency plays a strategic role in systematically and comprehensively implementing the protection and management of the environment. This is conducted to preserve the functions of the environment and prevent pollution and environmental damage. Therefore, job satisfaction is of utmost importance, as it determines the success of a government agency in achieving its goals. Job satisfaction can be influenced by leadership, motivation, and communication. This study indicates that leadership and motivation positively and significantly impact job satisfaction. Leaders can adapt, listen, set a good example, and respond positively to the needs of employees to achieve optimal goals. When conditions are met, employees will be motivated and enthusiastic in performing their tasks. The research also shows that communication does not affect satisfaction due to ineffective and poor communication, leading to conflicts between employees and leaders and subordinates. Therefore, it is essential to combine verbal and non-verbal signals to ensure the conveyed message is well-received. Asking questions during conversations helps build better relationships and enhances understanding of the information transmitted.

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