

# The Impact of Democratic Leadership and Work Environment on Employee Productivity in the Regional Secretariat of the Economy Bureau Central Sulawesi

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**Abstract:** The purpose of this study was to identify and analyse the effect of democratic leadership and work environment on employee performance at the Economic Bureau of Central Sulawesi. This type of research uses verification research, and the data sources used are qualitative and quantitative data sources that can be tested and analysed as a source of information in this study. The data collection used in this research is primary data sourced directly from questionnaires or questionnaires that can be tested to answer hypotheses that have been built in the research conceptual framework. The analysis method used is multiple linear regression using SPSS for Windows. Based on the results of the study, it can be concluded that both democratic leadership and work environment have a positive and significant effect on employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi. The magnitude of the influence of democratic leadership and the field of activities on the performance of employees of the Economic Bureau of the Regional Secretariat of Central Sulawesi Province is 38.6%. This finding reveals that democratic leadership is a style that a leader has by showing a sense of concern, and sensitivity by involving employees in the decision-making process that is relevant to the work environment, therefore it can create a harmonious work environment and a high sense of togetherness in completing their responsibilities, as well as employees feel that their opinions and views are valued, which in turn can increase employee involvement and motivation to further improve better performance. Therefore, it is important for leaders to have the flexibility and ability to choose the approach that best suits a particular situation in their work environment. While the remaining 61.4% is explained by other variables that are not included in the regression model of this study.

**Keywords:** Democratic Leadership, Work Environment, Employee Productivity

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## 1. Introduction

The success of an organization in achieving its goals is determined by many factors. The leadership factor is the most important factor. The leadership factor is considered the most important factor, because the leader's function is to encourage all members to use other resources effectively and efficiently to achieve the goals that have been set [8-11]. Rank or position is the basis of power for a leader to be able to influence employees or people. In management, power is a person's ability to obtain resources [2, 17, 18], use resources,

and deploy available resources to achieve organizational goals. Leadership is a very important factor that affects achievement in an organization. In addition, it must act as a motivator [1, 6], facilitating the achievement of group goals. Leadership should be seen as a dynamic process in the sense that the relationship between superiors and subordinates is reciprocal and develops through interpersonal relationships over time, influencing employee performance [6, 9, 14]. Under such conditions, it makes you want to work harder. One indicator of the success of a leader is the success of employees in fulfilling the tasks assigned to them, although it

cannot be denied that working productively certainly cannot be separated from employees or employees [3, 4, 11].

The leadership style possessed by a leader has a major influence in influencing the behavior of subordinates so that there is no violation of organizational rules, such as the tendency of employees to violate company or agency rules [1, 15]. Therefore, as a leader who has a leadership spirit, where he can work together and can suppress possible conflicts that will arise in the work group, in order to achieve the organizational goals of the company or agency [8-10]. In addition, the work environment is certainly related to employee productivity with the conditions that exist around the company or related institutions. The more comfortable the work environment around us, the results of the work done will certainly provide good results. Conversely, when employees or people who work in it feel uncomfortable with their work environment, of course they will also get poor work results [2, 6, 9, 14].

The Bureau of Economy is a Regional Apparatus Work Unit (SKPD) or Regional Government Organization (OPD) in the Central Sulawesi Regional Secretariat which was formed in accordance with Regional Regulation No. 21 of 2020 concerning the role and organizational levels of the Regional Secretariat, the Secretariat of the DPRD House of Representatives and the Regional Inspectorate. The Economic Bureau of the Central Sulawesi Provincial Secretariat was established as a result of the implementation of the principle of decentralization of regional autonomy powers in accordance with Law Number 32 of 2003 concerning Regional Government and the logical consequence of the emergence of Gorontalo Province. arising from the law. The reality obtained in the field found that there is still a lack of work motivation related to employee productivity. This can be seen in the work of the staff of the Economic Bureau of the Central Sulawesi Regional Secretariat which is not as efficient as possible, especially the work process and working conditions, delays in work that can be seen from the late delivery of important documents for other OPDs, there are still errors in carrying out work, there are still some workers who do not understand the data system, so there are certain jobs that cannot be completed on time.

An effective leadership style in managing human resources in a work unit will affect work behavior as indicated by increased individual job satisfaction and the performance of the unit itself [1, 7], which in turn will affect the performance of the company as a whole. A leader must also be able to create organizational commitment in his employees by instilling vision, mission [10-12], and goals well to build trust that can motivate within themselves to increase the productivity of their employees.

## 2. Research Methods

This type of research is survey research, because it takes samples from one population. This research uses an explanatory research approach, which aims to explain the causal relationship between research variables and test hypotheses [13, 16]. The type of research used by the author

in this study is to use an associative approach. The associative approach aims to determine the relationship or influence between the independent variable and the dependent variable in the form of numbers that can be calculated. The population is the employees of the Economic Bureau of the Regional Secretariat of Central Sulawesi Province, totaling 52 people with details of 38 ASN employees and 14 honorary employees. The sample in this study amounted to 52 people. The sampling technique used is to use the Bernoulli formula according to Sekaran, U., & Bougie, R [16]. The types of data collected to support the variables studied are primary data and secondary data. The data collection techniques used are documentation studies, interviews, and questionnaires. The data analysis technique in this study uses multiple linear regression analysis, t test, F test, and coefficient of determination. Data processing uses the SPSS (statistical package for the social science) 20.00 for windows software program.

## 3. Results and Discussion

### 3.1. Classical Assumption Test

#### 3.1.1. Heteroskedalstisitals Test

The heteroskedalstisitals test aims to determine whether the disturbing variabel (disturbance error) has a constant variance. This test is also to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. When knowing whether or not there are symptoms of heterokedalstisitals in the regression model in this research [6, 14], the computer assistance of the SPSS For Wind Reallise 20.0 statistical program is used, with the test results as shown in the following figure:

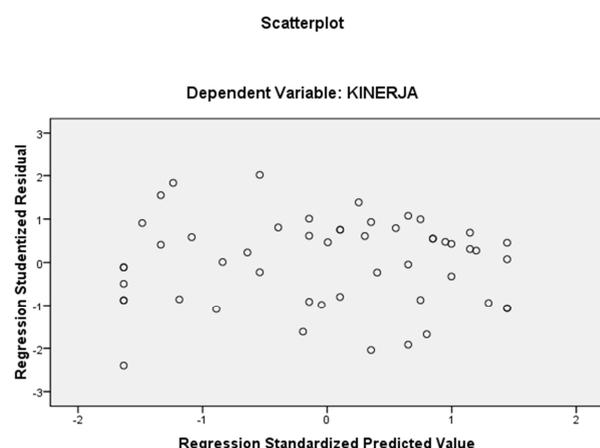


Figure 1. Heteroscedasticity Classical Assumption Test.

The picture above shows that the distribution of the dots is formed randomly, does not form a certain pattern and the direction of its distribution is above or below the number 0 on the Y axis. Thus, it can be concluded that in this study there are no symptoms of heteroscedasticity.

#### 3.1.2. Multiple Linear Regression

The multiple linear regression aims to see the relationship

and direction of the relationship between the independent variable and the dependent variable in the form of an

equation. Multiple Regression Equation as follows:

$$Y = a + bX_1 + bX_2 + e$$

Table 1. Influence of Variables.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	16.251	5.393		3.013	.004		
1 DEMOCRATIC LEADERSHIP	.315	.155	.286	2.035	.047	.633	1.579
WORK ENVIRONMENT	.525	.183	.404	2.872	.006	.633	1.579

al. Dependent Variable: PERFORMANCE

Thus, the results of statistical calculations can be written the regression equation simultaneous multiple linear regression equation as follows:

$$Y = 16.251 + 0.315X_1 + 0.525X_2$$

From the results of the regression equation above, the results of the study are as follows:

- 1) The constant value is 16.251, meaning that if the democratic leadership and work environment are assumed to be zero or constant, the employee performance variable will be 16.251.
- 2) The regression coefficient of the effect of democratic leadership of 0.315 explains that every one unit increase in democratic leadership will increase employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province by 0.315, meaning that there is a positive effect on employee performance variables at the Economic Bureau of the

Regional Secretariat of Central Sulawesi Province.

- 3) The regression coefficient of the influence of the Work Environment is 0.525 and is positive, this means that the magnitude of the influence of the work environment on employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.

### 3.2. Hypothesis Test

Hypothesis testing is carried out to determine the effect between the independent variable and the dependent variable, both simultaneously and partially.

### 3.3. The t Test

The purpose of the t test is to see whether there is a significant relationship or not in the relationship between variables X1, X2 and X3 to Y.

Table 2. T Test.

Coefficients <sup>a</sup>						
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
(Constant)	16,251	5,393		3,013	0,004	
1 DEMOCRATIC LEADERSHIP	0,315	0,155	0,286	2,035	0,047	
WORK ENVIRONMENT	0,525	0,183	0,404	2,872	0,006	

al. Dependent Variable: PERFORMANCE

Multiple R: 0,621      F hitung: 15,375  
 R Square: 0,386      F tabel: 3,19  
 Adjusted R Square: 0,360      t tabel: 2,009

Source: Research Results, 2022 (Data processed)

The Effect of Democratic Leadership on Employee Performance

The test results obtained the t value for the leadership variable shows the value of  $t = 2.035 > t \text{ table} = 1.965$  with a significance value of  $= 0.047 < 0.05$  which means it shows that democratic leadership (X1) partially has a significant effect on employee performance.

Employee Performance (Y) at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.

Effect of Marketing Work Environment on Employee

Performance

The test results obtained the t value for the leadership variable shows the value of  $t = 2.872 > t \text{ table} = 1.965$  with a significance value of  $= 0.006 < 0.05$  which means it shows that the Work Environment (X2) partially has a significant effect on Employee Performance (Y) at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.

Employee Performance (Y) at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.

Table 3. F Test Results.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	228.165	2	114.082	15.375	.000 <sup>al</sup>
	Residual	363.585	49	7.420		

Model	Sum of Squares	df	Mean Square	F	Sig.
Total	591.750	51			

Sumber: Hasil Penelitian, 2022 (Data diolah)

From the results of the data processing above, it can be seen that the value of  $F_{count} = 15.375 >$  from  $F_{table} = 2.79$  with a probability value of  $sig$  is  $0.000 < 0.05$ . Thus democratic leadership (X1), and Work Environment (X2) together affect Employee Performance (Y) at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.

### 3.4. Coefficient of Determination (R-Square)

This coefficient of determination is used to determine how much influence the independent variables have on the dependent variable. The coefficient of determination is determined by the R square value.

Table 4. Coefficient of Determination.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.621 <sup>a</sup>	.386	.360	2.72399

From the results of the SPSS output obtained R Square is 0.386. The R Square value of this size explains that the role of the democratic leadership variable (X1), and the work environment (X2) in influencing Employee Performance (Y) at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province is 0.386 or 38.6%. While the rest (residual value) of the role of these variables is 0.614 or 61.4% influenced by other variables not involved in this study.

Based on the results of the study, the researchers discussed the effect of the independent variable on the dependent variable.

*The effect of democratic leadership and work environment on employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.*

The results showed that democratic leadership and work environment had a positive and significant effect on employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province. This means that there is a change in the increase in democratic leadership and the work environment has a positive and significant effect on improving employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province. The results of this study are in line with research conducted by Janitra and Winarningsih, [1, 3, 7, 18, 19]. The Effect of Training, Work Environment, and Leadership Style on Employee Performance. In this study, the results show that training has a positive and significant effect on employee performance with a significant level of 0.003, the work environment has a positive and significant effect on employee performance with a significant level of 0.001, leadership style has a positive and significant effect on employee performance with a significant level of 0.020.

*The effect of democratic leadership on employee performance at the Economic Bureau of the Regional*

*Secretariat of Central Sulawesi Province.*

Overall, the democratic leadership style applied by the Head of the Economic Bureau of the Regional Secretariat of Central Sulawesi Province is going well in order to improve employee performance. The choice of leadership style applied has an effect on improving employee performance. The Head of the Economic Bureau of the Regional Secretariat of Central Sulawesi Province who applies a democratic leadership style tends to provide a role model for employees, be an inspiration, and interact directly with employees to recognize the work tasks of each employee. The results of this study are in line with research conducted by Tanjung, et al (2021) [19], The Effect of Leadership Style, Work Environment, Workload and Compensation on Employee Performance Lalmoist Lalyer Calkes. The results of this study indicate that the Leadership Style has a significant influence on employee performance [3, 9, 11, 19].

*The influence of the work environment on employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.*

The results showed that the work environment had a positive and significant effect on employee performance at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province.... meaning, changes in brand image improvement have a positive and significant effect on improving employee performance at the Economic Bureau of the Secretariat of the Central Sulawesi Province. The results of this study are in line with research conducted by Jalnitral and Winarningsih, [7] The Effect of Training, Work Environment, and Leadership Style on Employee Performance. In this study, the results show that the work environment has a positive and significant effect on employee performance with a significant level of 0.001. A comfortable work environment created through harmonious relationships between coworkers, subordinates and reasons and supported by adequate facilities. A work environment like this will have a positive impact on employees so that it affects employee performance. Hall agrees with the research results obtained. This research is evidenced by the fact that the performance standards set by the previous agency have not been achieved [4, 11, 18, 19]. When viewed in terms of the physical work environment, employees feel uncomfortable at work because the work facilities are not yet memaldali such as pencalhalyaln in the workspace that is less than optimal due to the few lights installed in the rualngan, minimnyl pentilalsi air in the room, tired talaln untidy room and lack of cleanliness in the work environment [8, 19].

## 4. Conclusions

Based on the results of multiple linear regression analysis that has been carried out in this study, it is concluded that partially, each variable of democratic leadership (X1), and

Work Environment (X2) has an effect on Employee Performance (Y) at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province. By Simultaneously, the variables of democratic leadership (X1), and Work Environment (X2) affect Employee Performance (Y) at the Economic Bureau of the Regional Secretariat of Central Sulawesi Province. The suggestions in this study are as follows: 1) This study has three independent variables that are measured for their influence on the decision variable. When further research is expected to add research variables that affect work discipline. Work satisfaction, motivation, or others and can develop indicators in this research variable. 2). Improving and improving employee performance can be done continuously by paying attention to and maintaining employees as assets that produce success. 3) A good leader can maintain the work environment by always trying to maintain harmony between employees by being fair and equitable in giving awards, bonuses, and raising careers according to the achievements achieved.

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