

## The Influence of Leadership Style and Compensation on Employee Performance at PT. Pegadaian Regional Office V Manado

Farly Teneh\*  
Pricilia Chuanda\*\*  
Sweetly Mumu\*\*\*

### Abstract

*Pawnshop is a state owned enterprise in Indonesian financial sector which is engaged in three business lines of the company, they are financing, gold and various services. To continue to be able in providing the best service and achieve the assigned targets, the employees at PT. Pegadaian Regional Office V Manado must have good performance, in which they should be surely supported by the right leadership style and compensation. The data collection methods in this study used a questionnaire. The population in this study was the permanent employees at PT. Pegadaian Regional Office V Manado with a total of 44 people. The source of data used in this study was primary data. Based on the calculation results,  $X_1$  produced  $T_{count} > T_{table}$  which was  $13.728 > 1.68107$  and the significant value of  $T_{count}$  was  $0.000 < 0.05$ . Thus, it could be concluded that  $H_a$  was accepted and  $H_o$  was rejected or partially  $X_1$  had a significant effect on  $Y$ . Variable  $X_2$  produced the value of  $T_{count} > T_{table}$  which was  $2.530 > 1.68107$  and the significant value of  $T_{count}$   $0.015 < 0.05$ . Thus, it could be concluded that  $H_a$  was accepted and  $H_o$  was rejected or partially  $X_2$  had a significant effect on  $Y$ . Based on the calculation results, the calculated value of  $F_{count}$  was  $109.264$  with a significant value of  $0.000$ , and the significant value was  $< 0.05$ . Therefore, it could be concluded that the hypothesis formulated in this study, which were Leadership Style and Compensation partially or simultaneously affected the employee performance at PT. Pegadaian Regional Office V Manado.*

### Keywords:

Leadership Style;  
Compensation;  
Employee Performance;

International Journals of Multidisciplinary Research Academy. All rights reserved.

### Author correspondence:

Farly Teneh,  
STIE Eben Haezar Manado  
Jl. Diponegoro, No. 4, Manado, Indonesia  
Email: [farlyteneh@stiebenzar.ac.id](mailto:farlyteneh@stiebenzar.ac.id)

## Introduction

### Background of the Problem

Employees are the most important asset for a company, because their performance is very influential on business success. In order that the employees can give their best performance, there are many factors behind it, and one of the most important factors is the leadership style in the organization or company.

Leadership style directly affects the employee performance. It is an important factor of the company because in reality a leader can affect the morale, quality of work life and especially the achievement level of an organization (Handoko, 2012). Leadership style has an important role in the management function, in which it can affect the employees in their work so that they can achieve the organizational goals (Prayatna, 2016).

The leadership style which occurs nowadays especially in the state owned enterprises is a leadership style which is basically the manifestation of three components, which are the leader himself, his subordinates and the situation in which the leadership process is realized. And the meant situation is a situation where a leader tries at certain times to influence the behavior of others in order to follow his will in achieving a common goal.

Another factor to improve the employee performance is compensation. It is still recognized as one of the determining factors in improving the employee performance. In general, compensation relates to the financial rewards received by people through their employment relationship with a company, it includes financial rewards, intangible services and benefits received by the employees as a part of the employment relationship.

Compensation is also a tool used by the companies to manage and reward their employees so that they work efficiently and on target. The compensation system implemented by the company must be attractive and must motivate the employees to work and make good use of the facilities provided to them. The compensation system must also ensure that the turnover rate remains low and the employees are still highly motivated.

In its journey to be more advanced and developed, a company will face many challenges and obstacles, one of which is how the company can improve the performance of its employees. Good company performance is supported by the potential of employees. It is undisputable that the employee performance has an important role for the company to achieve its goals, because good employee performance will produce good quality. In achieving the goals, all existing resources in the company must be utilized as well as possible, including the human resources as the main factor.

PT. Pegadaian is the object of the company examined in this study, especially PT. Pegadaian Regional Office V Manado. Pawnshop is a state owned enterprise in the Indonesian financial sector which is engaged in three business lines of the company, they are financing, gold and various services (Wikipedia. Org). The pawnshop public company is the only business entity in Indonesia that officially has a license to carry out financial institution activities in financing in the form of channeling funds to the public on the basis of the law of pawning.

Leadership abilities and skills in direction are important factors of manager effectiveness. If the organization can identify the qualities associated with leadership, then the ability to select effective leaders will increase. And if the organization can identify the effective leadership behaviors and techniques, then the development of personal effectiveness in the organization can be achieved. It is also inseparable with PT. Pegadaian Regional Office V Manado, where the right leadership style is needed in dealing with the arrear problem in Kreasi installments.

Credit competition for micro and small businesses is currently getting sharper, especially with the increasing number of credit schemes launched by various financial

institutions, both banking and non-banking. Pawnshop as one of the financial institutions which has been in the credit business on a micro and small scale tries to continue to compete for a promising market. Through the pawn, it turns out that its development is very slow because the mortgage loan requires the existence of collateral.

In addition to the provision of fixed salaries, the employees are also given incentives, allowances and facilities in the hope of increasing their performance. However, based on the field observations, the compensation at PT. Pegadaian Regional Office V Manado had problems, where the incentives given by the company were not in accordance with the employees expectations. Usually every year the employees got an incentive for the cost of making uniforms, production services and other incentives with a fairly large amount. This thing made the employees did not feel enthusiastic in carrying out their duties and responsibilities, and as a result their work performance began to decline.

To continue to be able in providing the best service and achieve the assigned targets, the employees at PT. Pegadaian Regional Office V Manado must have good performance, in which they should be surely supported by the right leadership style and compensation. Based on this background, the researcher would like to conduct a study with the title "The Influence of Leadership Style and Compensation on Employee Performance at PT. Pegadaian Regional Office V Manado".

### **Formulation of the Problem**

Based on the background described, the problems could be formulated as follows:

1. Did the leadership style have a significant effect on employee performance?
2. Did the compensation have a significant effect on employee performance?
3. Did the leadership styles and compensation have a simultaneous effect on employee performance?

### **Research Purposes**

Based on the problems above, the objectives of this research were:

1. To find out whether the leadership style had an effect on employee performance.
2. To find out whether the compensation had an effect on employee performance
3. To find out whether the leadership style and compensation had a simultaneous effect on employee performance.

## **Literature Review**

### **The Definition of Leadership Style**

Arifin (2012:1), a leader is a person who has the skills and advantages (especially in one field) so that he is able to influence other people to carry out certain activities in order to achieve one or several goals. Leadership style is a behavior shown by a person to influence the behavior of others.

Leadership style is someone who can influence others and has managerial authority. While leadership is what leaders do, it is the process of leading a group and influencing the group to achieve a goal (Robbins and Coulter, 2012). The followings are some leadership styles:

#### **1. Authoritarian Leadership Style**

This leadership style collects a number of behaviors or leadership styles which are centered on the leader (centralized) as the sole determinant, ruler and controller of organizational members and their activities in an effort to achieve organizational goals.

#### **2. Democratic Leadership Style**

Democratic Leadership is people-oriented and provides efficient guidance to its followers. There is coordination of work among all subordinates with an emphasis on a sense of internal responsibility (to oneself) and good cooperation. The strength of this

democratic leadership does not lie in the individual leader, but instead lies in the active participation of every member of the group.

According to Tjiptono (2001), leadership style is a way used by leaders in interacting with their subordinates. Another opinion stated that leadership style is a pattern of behavior (words and actions) of a leader that is perceived by others (Hersey, 2004). While Yukl (2010) stated that leadership style is a process to influence others to understand and agree with what needs to be done and how the task is done effectively as well as a process to facilitate individual and collective efforts to achieve common goals.

### **The Indicators of Leadership Style**

The indicators of leadership style according to Hasibuan (2016) were as follows:

1. Authoritarian

Authoritarian leadership style is a leadership style that concentrates all decisions and policies taken from the leaders in full. All division of tasks and responsibilities is held by the authoritarian leader, while the subordinates only carry out the tasks which have been given.

2. Delegative

Delegative leadership is a leadership style carried out by the leaders to their subordinates who have the ability to carry out activities which are temporarily unable to be carried out by them for various reasons.

3. Participative

Participative leadership is a type of consultative leadership encouraging others to participate. The leadership decisions are reached as a result of team participation.

### **Compensation Definition**

Garry Dessler in Subekhi (2012: 175), employee compensation is any form of payment or reward given to employees working in a company. Hasibuan (2014:118) revealed that compensation is all income in the form of money or goods directly or indirectly received by employees in return for services given to the company. Hasibuan (2014:118) revealed that compensation is divided into two parts, they were:

1. Direct compensation

This is a right for employees, and it is an obligation for the company to pay it. It can be in the form of salaries, incentives or holiday allowances.

2. Indirect compensation

This is a compensation given based on company policy to all employees in an effort to improve their welfare such as retirement fund, the contributions of Social Insurance Administration Organization, and annual leave.

Mangkuprawira (2011:203) stated compensation includes the form of direct cash payments and indirect payments in the form of employee benefits and incentives to motivate employees to work hard to achieve high productivity. According to Rivai (2010:741), compensation is something received by the employees as a substitute for their service contribution to the company. According to Nurjaman (2014:179) stated that compensation is something received by the employees as a compensation for their achievements in carrying out their duties. And according to Wibowo (2016: 271), compensation is the number of packages offered by an organization to workers in return for the use of their workforce.

### **Compensation Indicators**

According to Noe in Aulia and Troena (2013), financial compensation indicators are divided into four parts, they were:

1. Wages and salaries financial compensation paid to employees on a regular basis such as yearly, quarterly, monthly and weekly.
2. Incentive. It is direct rewards paid to employees because their performance exceeds the specified standards. By assuming that money can be used to encourage employees to work even harder, then those who are productive prefer their salaries to be paid based on the results of their work.
3. Allowance. It is rewards given to employees. Usually include health insurance, leave, retirement fund, education plans and rebates for company products.

### **Employee Performance Definition**

According to Hasibuan (2009: 105), performance is a work achieved by a person in carrying out the tasks assigned to him carried out on skills, experience, sincerity and time. In other words, it is the result of work achieved by a person in carrying out the tasks assigned to him in accordance with the established criteria. Performance is a function of motivation and ability. To complete a task or job, a person should have a certain degree of willingness and level of ability.

A person's willingness and skills are not effective enough to do something without a clear understanding of what to do and how to do it. Employee performance is how much employees contribute to the company including the quantity of output, quality of output, time period, attendance at work and cooperative attitude. The employee performance refers to his ability in carrying out all his tasks and responsibility (Mathis and Jackson, 2002). Viewed from the point of view of other experts, performance is the amount of effort that individuals put out on their work (Robbins, 2010). Veithzal (2005: 97), employee performance as the result of a person as a whole during a certain period in carrying out tasks, such as work standards, targets or criteria that have been determined in advance and have been mutually agreed. And according to Harsuko (2011), employee performance is the extent to which someone has carried out the organizational strategies, either in achieving specific goals related to individual roles or by demonstrating competencies which are declared relevant to the organization. Performance is a multi-dimensional concept that includes three aspects, in which they are attitude, ability and achievement.

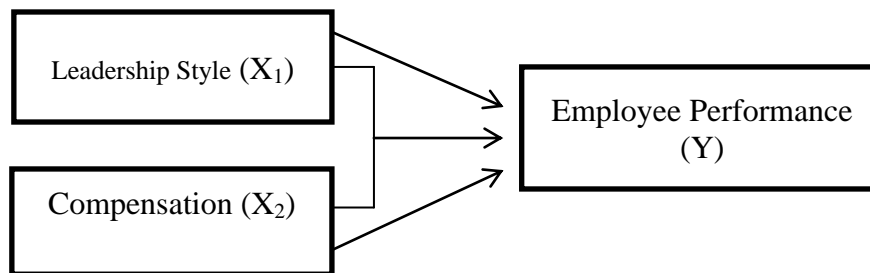
### **Employee Performance Indicators**

Mangkunegara (2009) stated that performance indicators included:

1. Quality. Quality of work is how well an employee does what is supposed to be done.
2. Quantity. Quantity of work is how long an employee works in one day. This work quantity can be seen from the work speed of each employee.
3. Task Implementation. Task performance is the extent to which employees are able to do their jobs accurately or without errors.
4. Responsibility. Responsibility for work is an awareness of employees' obligations to carry out the work assigned by the company.

## Framework

**Image 2.1**  
**Framework**



### Research Hypothesis

Based on the descriptions above, then the hypotheses stated by the researcher in this study were:

- H<sub>1</sub> = Considered as Leadership Style (X<sub>1</sub>) having an effect on Employee Performance
- H<sub>2</sub> = Considered as Compensation (X<sub>2</sub>) having an effect on Employee Performance
- H<sub>3</sub> = Considered as Leadership Style (X<sub>1</sub>) and Compensation (X<sub>2</sub>) having an effect on Employee Performance mutually

### Research Methods

#### Place and Time of Research

This research was conducted at PT. Pegadaian Regional Office V Manado addressed at Dr. Sutomo Street, Pinaesaan, Wenang District, Manado City, North Sulawesi. The research was carried out in August, 2021 until finish.

#### Population and Sample

The population is a group of individuals having distinctive characteristics which are of concern within the scope of the research. In this study, the researcher used a saturated sampling technique, thus all members of the population were used as samples. This sample technique was used because the number of samples in this study was relatively small, which was only 44 permanent employees at PT. Pegadaian Regional Office V Manado.

### Operational Definition and Variable Measurement

#### Operational definition

The followings were the definitions of the variables in this study:

#### 1. Leadership Style (X<sub>1</sub>)

Leadership style is someone who can influence others and has managerial authority. While leadership is what leaders do, it is the process of leading a group and influencing the group to achieve a goal (Robbins and Coulter, 2012). The indicators of leadership style according to Hasibuan (2016) were as follows:

##### 1. Authoritarian

Authoritarian leadership style is a leadership style that concentrates all decisions and policies taken from the leaders in full. All division of tasks and responsibilities is held by the authoritarian leader, while the subordinates only carry out the tasks that have been given.

## 2. Delegative

Delegative leadership is a leadership style carried out by the leaders to their subordinates who have the ability to carry out activities which are temporarily unable to be carried out by them for various reasons.

## 3. Participative

Participative leadership is a type of consultative leadership encouraging others to participate. The leadership decisions are reached as a result of team participation.

## 2. Compensation ( $X_2$ )

According to Noe in Aulia and Troena (2013), financial compensation indicators are divided into four parts, they were:

1. Wages and salaries financial compensation paid to employees on a regular basis such as yearly, quarterly, monthly and weekly.
2. Incentive. It is direct rewards paid to employees because their performance exceeds the specified standards. By assuming that money can be used to encourage employees to work even harder, then those who are productive prefer their salaries to be paid based on the results of their work.
3. Allowance. It is rewards given to employees. Usually include health insurance, leave, retirement fund, education plans and rebates for company products.

## 3. Employee Performance

Mangkunegara (2009) stated that performance indicators included:

1. Quality. Quality of work is how well an employee does what is supposed to be done.
2. Quantity. Quantity of work is how long an employee works in one day. This work quantity can be seen from the work speed of each employee.
3. Task Implementation. Task performance is the extent to which employees are able to do their jobs accurately or without errors.
4. Responsibility. Responsibility for work is an awareness of employees' obligations to carry out the work assigned by the company.

## Variable Measurement

Score Scale and Answer Score		
Variable X dan Y	Code	Score
Strongly Disagree	SD	1
Do not agree	DA	2
Neutral	N	3
Agree	A	4
Strongly agree	SA	5

Source: Sugiyono, 2015

## Research Results and Discussion

### Calculation Results with SPSS Computer Program Summary of Calculation Results Based on SPSS

Subject	Bound Variable (Y)	Independent Variable	
		X <sub>1</sub>	X <sub>2</sub>
Constant ( $\alpha$ )	-2,423		
Regression Coefficient b <sub>1</sub> b <sub>2</sub>		1,021	0,180
Hypothesis testing Simultaneous Test F <sub>count</sub> Partial Test T <sub>count</sub> Correlation Coefficient R Determination Coefficient R <sub>2</sub>		109,264 13,728 0,918 = 91,8% 0,842 = 84,2 %	2,530
Additional Data Real Level ( $\alpha$ ) T <sub>table</sub> F <sub>table</sub> Number of samples (N) Number of variables (M)		- 0,05 1.68107 3.22 44 3	

## Research Instrument Test

### Validity Test Results

Validity test was obtained by testing each statement on the questionnaire with a correlation value of 0.3. If the value of the instrument item was below 0.3, then the statement would be invalid and if the value was above 0.3 then the statement would be valid. The following was a summary result of the validity testing:



**Validity Test Results (Pearson Correlation)**

<b>Variable</b>	<b>Indicator</b>	<b>Pearson Correlation</b>	<b>Information</b>
<b>Leadership Style (X<sub>1</sub>)</b>	X1.1	0,461	Valid
	X1.2	0,456	Valid
	X1.3	0,594	Valid
<b>Compensation (X<sub>2</sub>)</b>	X2.1	0,771	Valid
	X2.2	0,767	Valid
	X2.3	0,676	Valid
<b>Employee Performance (Y)</b>	Y.1	0,806	Valid
	Y.2	0,879	Valid
	Y.3	0,617	Valid
	Y.4	0,845	Valid

Source: Processed SPSS

All indicators used to measure the variables used in this study had a correlation value greater than 0.3. Then these results indicated that all of these indicators were valid.

**Reliability Test Results**

Reliability test is a tool to measure a questionnaire which is an indicator of a variable. Reliability testing used Cronbach's Alpha. The Cronbach's Alpha coefficient which was more than 0.60 meant that the research instrument was reliable.

<b>No</b>	<b>Variable</b>	<b>Cronbach's Alpha</b>	<b>Information</b>
1	Leadership Style (X <sub>1</sub> )	.762	Reliable
2	Compensation (X <sub>2</sub> )	.796	Reliable
3	Employee Performance (Y)	.810	Reliable

Source: Processed SPSS

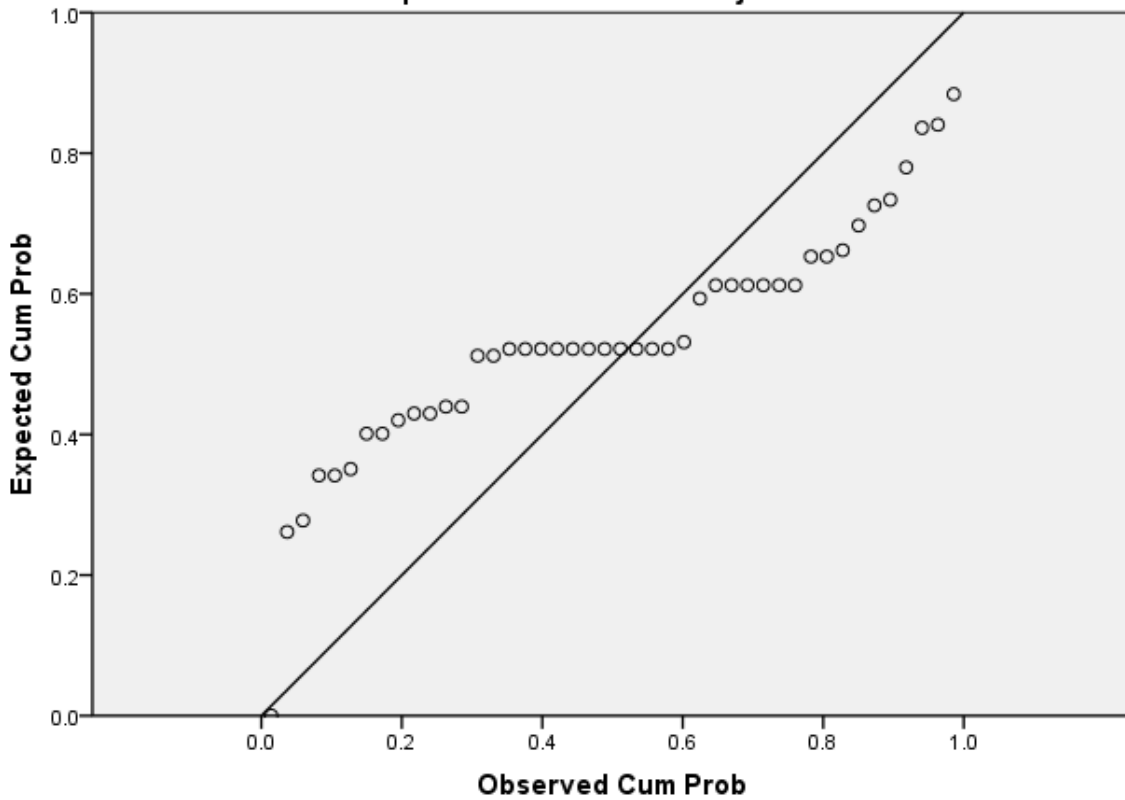
All variables used in this study had a Cronbach's Alpha coefficient of more than 0.60, thus it could be said that all measuring concepts of each variable from the questionnaire were reliable, which meant that the questionnaire used in this study was a reliable questionnaire.

**Normality test**

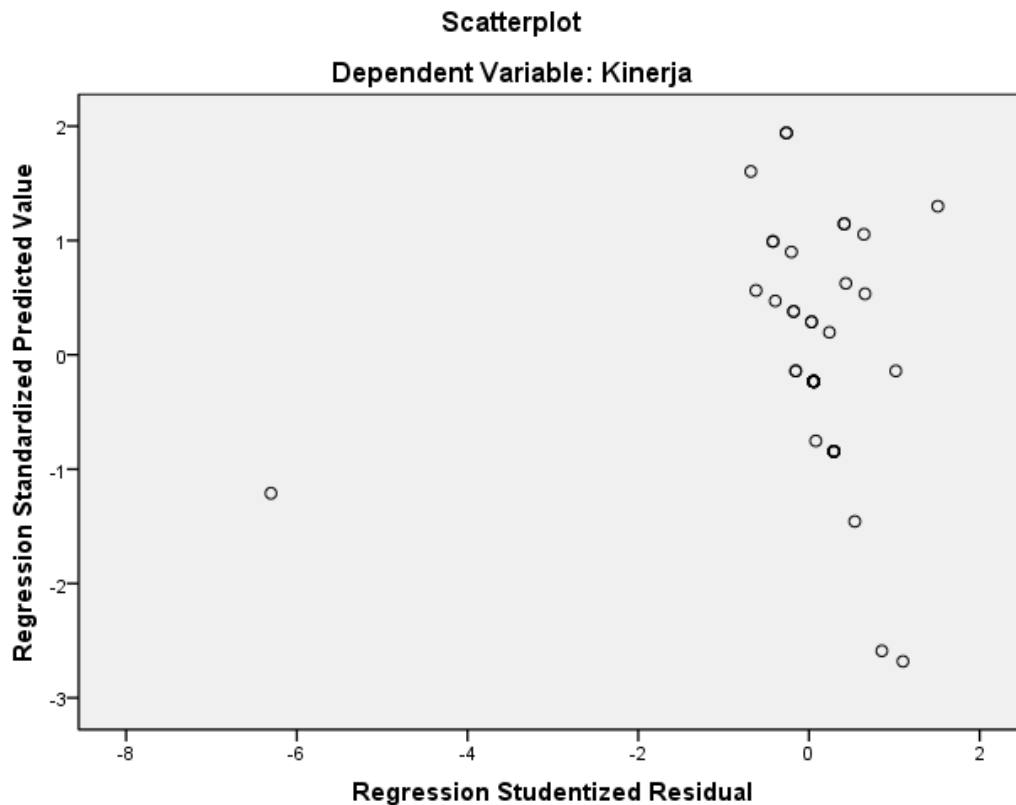
**Normality Test Results**

**Normal P-P Plot of Regression Standardized Residual**

**Dependent Variable: Kinerja**



## Heteroscedasticity Test Results



From the scatterplots above, it could be seen that the points spread randomly and were spread both above and below the number 0 and the Y axis, it could be concluded that there was no heteroscedasticity in the regression model, thus the regression model was feasible to use in testing.

## Multicollinearity Test

### Multicollinearity Test Results

Independent Variables	Tolerance Score	VIF Score	Information
Leadership Style ( $X_1$ )	0,957	1,045	Non Multicollinearity
Compensation ( $X_2$ )	0,967	1,045	Non Multicollinearity

The test results showed that the tolerance score of all independent variables was greater than 0.10, which was 0.261, and the score of the Variance Inflation Factor (VIF) of all independent variables had a score less than 10.0, in which the score was 3.830. This meant that the research variables did not show any symptoms of multicollinearity in the regression model.

**Autocorrelation Test****Autocorrelation Test Results****Model Summary**

Change Statistics					Durbin-Watson
R Square Change	F Change	df <sub>1</sub>	df <sub>2</sub>	Sig. F Change	
.842	109.264	2	41	.000	1.785

- a. Predictors: (Constant), Compensation, Leadership Style  
 b. Dependent Variable, Performance

The Durbin Watson value was 1.785. The value was between 1.55 and 2.46, thus it could be concluded that there was no autocorrelation in the regression model in this study.

**Multiple Linear Regression Analysis Test Results****Multiple Regression Analysis Test Results****Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
(Constant)	-2.423	1.475		-1.643	.108					
Leadership Style	1.021	.074	.871	13.728	.000	.904	.906	.852	.957	1.045
Compensation	.180	.071	.160	2.530	.015	.340	.367	.157	.957	1.045

- a. Dependent Variable: Performance  
 Source: Processed SPSS

The following was the multiple linear regression equations obtained from the analysis results:

$$Y = + b_1X_1 + b_2X_2 + e$$

$$Y = -2.423 + 1.021 X_1 + 0.180X_2 + e$$

From the multiple linear regression equation above, it could be explained that:

- a. Constant was -2.423, Leadership Style regression coefficient ( $X_1$ ) was 1.021 and Compensation regression coefficient ( $X_2$ ) was 0.180  
 b. The constant value -2.423 was negative, meaning that if the variables studied in this case were Leadership Style ( $X_1$ ) and Compensation ( $X_2$ ) were considered non-existent or equal to zero, then the Employee Performance ( $Y$ ) would decrease.  
 c. Leadership Style regression coefficient ( $X_1$ ) was 1.021 with probability = 0.005 < 0.05, meaning that there was a significant effect. Leadership Style regression coefficient value ( $X_1$ ) 1.021 was positive, meaning that if the variable studied in this case  $X_1$  increased by one scale or unit, it would increase  $Y$  by 1.021.  
 d. The regression coefficient for the compensation variable ( $X_2$ ) was 0.180 with probability = 0.000 < 0.05, meaning that there was a significant effect. The value of the regression coefficient for the Compensation variable ( $X_2$ ) of 0.180 was positive, meaning that if the

variable studied in this case  $X_2$  was increased by one scale or unit, it would increase  $Y$  by 0.180.

### Determination Coefficient Analysis Test Results

The influence strength of the independent variable on the dependent variable variation could be seen from the amount of the determinant coefficient value ( $R_2$ ) which differed between zero and one.

#### Determination Coefficient Results ( $R_2$ )

##### Model Summary<sup>b</sup>

Model	R	$R_{\text{square}}$	Adjusted $R_{\text{square}}$	Std. Error of the Estimate	Durbin-Watson
1	.918 <sup>a</sup>	.842	.834	0,870	1.785

a. Predictors: (Constant), Promotion, Product

b. Dependent Variable: Customer Interest

Source: Processed SPSS

Table showed the correlation coefficient ( $R$ ) and the determination coefficient ( $R_{\text{square}}$ ). The  $R_{\text{value}}$  described the relationship level between the independent variables ( $X$ ) and the dependent variable ( $Y$ ). From the data processing results, the correlation coefficient value was 0.918 or equal to 91.8%, meaning that the relationship between the  $X$  variable (Leadership Style and Compensation) to the  $Y$  variable (Employee Performance) was in a very strong category.  $R_{\text{square}}$  described how much variation  $Y$  caused by  $X$ . From the calculation results, the  $R_2$  value was 0.842 or 84.2%. Adjusted  $R_{\text{square}}$  was the adjusted value of  $R_2$  so that the picture was closer to the assessment model quality. From the calculation results of the adjusted  $R_{\text{square}}$ , the value was 0.834. Then it meant that 83.4% of employee performance was influenced by Leadership Style and Compensation, while the remaining 16.6% employee performance was influenced by other variables which were not examined in this study.

### Hypothesis Test

#### $T_{\text{test}}$ Results

Variable	Sig.	$t_{\text{Hitung}}$	Result
Leadership $X_1$	.000	13,728	Ha1 Accepted
Compensation $X_2$	.015	2,530	Ha2 Accepted

Based on the table above, it could be seen that the Leadership Style and Compensation variables partially had a significant effect on Employee Performance. This could be seen from the probability of Leadership Style ( $X_1$ ), where the probability level of Leadership Style ( $X_1$ ) = 0.000 < 0.05 (5%) and the value of  $T_{\text{count}}$  was 13.728 >  $T_{\text{table}}$  1.68107. Likewise with the Compensation ( $X_2$ ), where the probability level of Compensation ( $X_2$ ) = 0.015 < 0.05 (5%) and the  $T_{\text{count}}$  value was 2,530 >  $T_{\text{table}}$  1.68107. Thus it could be concluded that  $H_0$  was rejected and  $H_a$  was accepted. This meant that the variables of Leadership Style and Compensation partially affected the Employee Performance at PT. Pegadaian Regional Office V Manado.

**F<sub>test</sub> Results**  
**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	165.572	2	82.786	109.264	.000 <sup>a</sup>
	Residual	31.064	41	.758		
	Total	196.636	43			

a. Predictors: (Constant), Compensation, Leadership Style

b. Dependent Variable: Performance

The results of the  $F_{test}$  showed the  $F_{count}$  value of 109.264 with a significance of 0.000. The significance value was smaller than 0.05 and the  $F_{count}$  value was greater than  $F_{table}$  3.22. This showed that the independent variables simultaneously affected the dependent variables. Therefore it could be concluded that  $H_0$  was rejected and  $H_a$  was accepted, which meant that the Leadership Style and Compensation variables simultaneously affected the employee performance at PT. Pawnshop Regional Office V Manado.

## Conclusions and Suggestions

### Conclusions

From the formulation of the research problem proposed, the data analysis carried out and the discussion stated in the previous chapter, some conclusions could be drawn as follows:

1. Leadership Style ( $X_1$ ) had a significant effect on Employee Performance at PT. Pegadaian Regional Office V Manado. It meant that the Leadership Style applied by the leaders there could be accepted and implemented well by the employees so that this encouraged them to provide good performance for the company. Because with a good and appropriate leadership style, the employees could understand the direction of policies and goals set to achieve the goals of the company.
2. Compensation ( $X_2$ ) had a significant effect on employee performance at PT. Pegadaian Regional Office V Manado. It meant that appropriate compensation could improve the performance of employees because they would feel valued by the company.
3. The independent variables of leadership style and compensation simultaneously affected the employee performance at PT. Pawnshop Regional Office V Manado. It meant that the overall Leadership Style and Compensation carried out by PT. Regional Office V Manado was good and able to fulfill the needs of the employees.

### Suggestions

Based on the conclusions obtained in this study, then the suggestions which could be proposed as a complement to the research results were as follows:

#### 1. For the Companies

- a. In relation to the variable  $X_1$  Leadership Style, it is hoped that they can apply the right Leadership Style, so that the employees will have good innovation skills and can work optimally for the company.

- b. In relation to the variable X<sub>2</sub> Compensation to the employees, it is expected that the company will provide compensation appropriately in accordance with their performance so that they will feel valued by the company based on the results of their performance.

## 2. For Further Researchers

For future research, it is recommended to add or use other independent variables besides Leadership Style and Compensation which surely can affect the dependent variable of the Employee Performance, for example organizational culture, motivation or work environment to further complement this research because there are still other independent variables out of this research which may affect the employee performance.

## REFERENCES

- [1] A.F. Stoner. 2006. *Manajemen Sumber Daya Manusia*. Jakarta: Bumi Aksara.
- [2] Arifin, Syamsul. 2012. *Leadership Ilmu dan Seni Kepemimpinan*. Jakarta: Mitra Wacana Media.
- [3] Aulia. Alif Furqoni dan Eka Afnan Troena. 2013. Pengaruh Kompensasi Finansial dan Non Finansial Terhadap Motivasi Kerja Karyawan Universitas Brawijaya Hotel Kota Malang
- [4] Boone, Louis E dan Kurtz, David L. (2002). Pengantar Bisnis. Jilid ke-1. Terjemahan Anwar Fadriansyah. Penerbit Erlangga. Jakarta
- [5] Dessler, Gary. 2015. *Manajemen Sumber Daya Manusia*. Jakarta: Salemba Empat.
- [6] Farmer, J. N. (2008). *The Protozoan Introduction to Protozoology*. The C.V. Mosby Company, St. Louis.
- [7] Ghozali, Imam. 2011. "Aplikasi Analisis Multivariate Dengan Program SPSS". Semarang: Badan Penerbit Universitas Diponegoro.
- [8] Handoko, T. Hani. 2012. *Manajemen Personalial dan Sumber Daya Manusia*. Yogyakarta: BPFE.
- [9] Hasibuan, M.S.P, 2014. *Manajemen Sumber Daya Manusia*. Jakarta: PT. Bumi Aksara
- [10] Hersey. 2004. *Kunci Sukses Pemimpin Situasional*. Jakarta: Delaprasata.
- [11] Mangkunegara, Anwar Prabu. 2005. *Sumber Daya Manusia Perusahaan*. : Bandung :Remaja Rosdakarya.
- [12] Mangkuprawira, Sjafri. 2011. *Manajemen Sumber Daya Manusia Strategik (edisi kedua)*. Ghalia Indonesia: Bogor
- [13] Mathis dan Jackson (2002) dalam Ulfa Maria (2013). "Pengaruh Kompensasi Terhadap Motivasi Kerja Dan Kinerja Karyawan (Studi pada Karyawan Auto 2000 Malang). *Jurnal Ekonomi, Vol 3, No 1, 2013*.
- [14] Nurjaman, Kadar. (2014). *Manajemen Personalial*. Bandung : CV Pustaka Setia
- [15] Pb, Triton. 2010. *Manajemen Sumber Daya Manusia Prespektif Partnership dan Kolektivitas*. Jakarta: PT.Suka Buku.
- [16] Prayatna, Agus Heri dan Made Subudi. 2016. Pengaruh Gaya Kepemimpinan Terhadap Stres Kerja dan Kepuasan Kerja Karyawan Pada Fave Hotel Seminyak. *E-Jurnal Manajemen Unud, 5(2)*: pp: 845-872.
- [17] Pratiwi Agustin (2013). "Pengaruh Kompensasi Terhadap Kinerja Karyawan Pada PT. Pos Indonesia (Persero) Kantor Cabang Bangkalan". 2013.
- [18] Rezaei, A R, T Celik and Y Baalousha. 2011. *Perfomance Measurement In A Quality Management System In The Sharif University*. Scientia Iranica, Transaction E, Industrial Engineering, 18(3): pp: 742-753.
- [19] Rivai, Veithzal. 2009. *Manajemen Sumber Daya Manusia Untuk Perusahaan Dari Teori ke Praktik*. Jakarta: Raja Grafindo Persada
- [20] Robbins, Stephen P. dan Coulter, Mary. 2010. *Manajemen Edisi Kesepuluh*. Jakarta: penerbit Erlangga
- [21] Robbins, Stephen P. and Mary Coulter. (2012). *Management, Eleventh Edition*, (United States of America: Pearson Education Limited).

- [22] Subekhi. Akhmad, Jauhar Mohammad. 2012. Pengantar Manajemen Sumber Daya Manusia, Prestasi Pustaka, Jakarta.
- [23] Sugiarto, Eko. (2017). Menyusun Proposal Penelitian Kualitatif : Skripsi dan Tesis. Yogyakarta : Suaka Media.
- [24] Sugiyono (2015). Metode Penelitian Kombinasi (Mix Methods). Bandung: Alfabeta.
- [25] Sukanada, I Nyoman. 2010. Pengaruh Kepemimpinan dan Kompensasi Terhadap Disiplin Karyawan dan Kinerja Karyawan PDAM Kabupaten Badung. Tesis. Program Pasca Sarjana Universitas Udayana. Denpasar
- [26] Tjiptono. 2001. Manajemen Pemasaran dan Analisa Perilaku Konsumen, Yogyakarta: BPF.
- [27] Wibowo, 2016. Manajemen Kinerja, Edisi Kelima, PT.Rajagrafindo Persada Jakarta-14240
- [28] Yukl, Gary. 2010. Leadership in Organizations (7th edition). Jakarta: PT. Indeks.