

THE INFLUENCE OF INNOVATIVE WORK ON EMPLOYEE PERFORMANCE WITH PARTICIPATIVE LEADERSHIP STYLE AS A MODERATING VARIABLE

Rahmat¹, Faizal², Raihan A. Hanasi³, Lulu Ulfa Sholihannisa⁴, Nurmahadi⁶

Sekolah Tinggi Ilmu Ekonomi Tri Dharma Nusantara, Indonesia¹

Institut Dharma Bharata, Indonesia²

Universitas Negeri Gorontalo, Indonesia³

Politeknik Lembaga Pendidikan dan Pengembangan Profesi Indonesia⁴

STIE Syari'ah Bengkalis, Indonesia⁵

Correspondensi Author Email : rahmat.stdn@gmail.com

Abstract

This research is a quantitative study with an explanatory approach, namely an approach that uses a number of previous studies, namely as the main support for building the foundation of the research being conducted. The data used in this article are primary data that researchers obtained from Muhammadiyah Hospitals spread throughout Indonesia as many as Five Hundred people. The data were collected through an online questionnaire containing 5 statements: strongly agree, agree, normal/so-so, disagree, and strongly disagree. The data used were analyzed using the smart PLS 4.0 analysis tool. The result in this article show that the Work Innovation variable can have a positive relationship direction and a significant influence on Employee Performance because the P-Values are positive and below the significance level of 0.05, namely 0.003. In line with the first hypothesis above, the next row also shows results that are in line with the hypothesis proposed by the researcher, namely that the Participative Leadership variable can strengthen the influence of the Work Innovation variable on Employee Performance because the P-Values are positive and below the significance level of 0.05, namely 0.000. This is because participatory leadership can increase employee motivation and enthusiasm in working, making employees more innovative and their performance also increases.

Keywords: Innovative Work, Employee Performance, Participative Leadership Style

1. INTRODUCTION

Ancok stated that innovation is something that is often very complex. Innovation requires a long process and involves many people in various organizational units. Drucker stated that environmental changes faced by companies provide an opportunity to give birth to something new and different through systemic innovation that requires organized and directed changes so as to provide an opportunity to create innovations both economically and socially (D.Ancok 2012). In conclusion, innovation is something very important that every organization must have. The term innovation is always interpreted differently by several experts. According to Suryani, innovation can be an idea, method or object that is perceived by someone as something new. Innovation is also often used to refer to changes that are perceived as something new by the community that experiences it (Lena Ellitan dan Lina Anata 2009).

Innovation is a way to continue building and developing an organization that can be achieved through the introduction of new technologies, new applications in the form of products and services, the development of new markets and introducing new forms of organizations, the combination of various aspects of innovation in turn forms an innovation arena (Leonard 1999). Innovation is distinguished from creativity, where creativity is new thoughts, while innovation is doing something new or transferring new ideas intended for business success (Frans Gana 2003).

Meanwhile, according to Suryana, innovation is: creativity in order to solve problems and opportunities to improve and enrich life.

When viewed from the speed of change in the innovation process, there are two types of innovation, namely radical innovation and incremental innovation. Radical innovation is carried out on a large scale, carried out by experts in their fields and is usually managed by the research and development department (Rahmaniah, Marini, and Azmi 2021). This radical innovation is often carried out in the manufacturing sector and financial services institutions. While incremental innovation is a process of adjustment and implementing small-scale improvements (Achmad Suryana 2003).

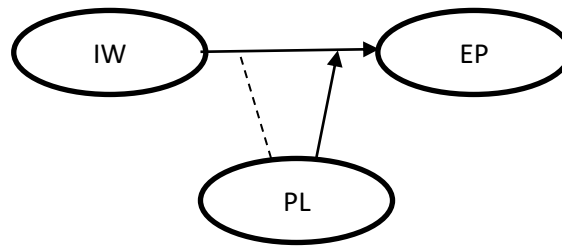
Based on the above explanation, researchers believe that work innovation can affect employee performance. Performance comes from the word Job performance, namely work achievements achieved by someone (A. M. S. Dewi and Suhardi 2021). Performance is translated into performance, also meaning work achievement, work implementation, work achievement or work results, work appearance. In doing a job, an employee should have high performance (Ainunnisa 2022). However, this is difficult to achieve, even many employees have low or decreasing performance even though they have a lot of work experience and the institution has also carried out a lot of training and development of its human resources, this is done in the hope of increasing the ability and work motivation of all employees. The real foundation in an organization is performance. If there is no performance then all parts of the organization, then the goals cannot be achieved (Indayati, Thoyib, and Rofiaty 2012).

An organization or company if it wants to advance or develop then it is required to have quality employees. Quality employees are employees whose performance can meet the targets or goals set by the company (Harjoni 2002). To obtain employees who have good performance, performance implementation is needed. Performance measures can be seen from the number and quality according to the standards set by the organization or company, the form can be tangible (the measuring tool or standard can be determined) or intangible (the measuring tool or standard cannot be determined), depending on the form and process of implementing the work (Harjoni 2002). The performance produced by employees in a company is determined by several factors and conditions, both those originating from within the employee or those originating from outside the individual employee (Lina 2020).

According to Siswanto, performance is an achievement achieved by a person in carrying out the tasks and work given to him (Vera Parlinda 2019). 1 Rivai provides an understanding that performance or work achievement is the result or level of success of a person as a whole during a certain period in carrying out tasks compared to various possibilities, such as work result standards, targets or goals or criteria that have been determined in advance and agreed upon together. 2 The definition of performance according to Moeheriono is "Performance or performance is a description of the level of achievement of the implementation of a program of activities or policies in realizing the targets, goals, vision and mission of the organization which is outlined through the strategic planning of an organization".

There are a number of previous studies (Rompas et al. 2020); (Andreas 2020) & (N. K. Dewi 1996) which have a positive relationship direction and a very significant influence on Employee Performance. In contrast to the studies (Rompas et al. 2020); (Andreas 2020) & (N. K. Dewi 1996), this study adds the Participative Leadership variable as a moderating variable which is believed to be able to strengthen the influence of the Innovative Work variable on Employee Performance.

2. RESEARCH METHODS



Noted:

IW: Innovative Work

EP: Employee Performance

PL: Participative Leadership

Based on the explanation above, this study has the same objectives as the three previous studies, namely (Rompas et al. 2020); (Andreas 2020) & (N. K. Dewi 1996) which have the objective of analyzing Innovative Work on Employee Performance. Different from the research (Rompas et al. 2020); (Andreas 2020) & (N. K. Dewi 1996), this study adds the Participative Leadership variable as a moderating variable. This research is a quantitative study with an explanatory approach, namely an approach that uses a number of previous studies, namely (Rompas et al. 2020); (Andreas 2020) & (N. K. Dewi 1996) as the main support for building the foundation of the research being conducted (Riris Anggun 2020). The data used in this article are primary data that researchers obtained from Muhammadiyah Hospitals spread throughout Indonesia as many as Five Hundred people (Abdurahman 2016). The data were collected through an online questionnaire containing 5 statements: strongly agree, agree, normal/so-so, disagree, and strongly disagree (Sugiyono 2019). The data used were analyzed using the smart PLS 4.0 analysis tool with the following hypothesis.

Hypothesis:

H1: The Influence of Innovative Work on Employee Performance

H2: Participative Leadership Can Moderates The Influence of Innovative Work on Employee Performance

3. RESULT AND DISCUSSION

Background Analysis

Ancok stated that innovation is something that is often very complex. Innovation requires a long process and involves many people in various organizational units. Drucker stated that environmental changes faced by companies provide an opportunity to give birth to something new and different through systemic innovation that requires organized and directed changes so as to provide an opportunity to create innovations both economically and socially (D.Ancok 2012). In conclusion, innovation is something very important that every organization must have. The term innovation is always interpreted differently by several experts. According to Suryani, innovation can be an idea, method or object that is perceived by someone as something new. Innovation is also often used to refer to changes that are perceived as something new by the community that experiences it (Lena Ellitan dan Lina Anata 2009).

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Validity Test

In the research methodology section, it has been explained the importance of knowing the mandatory stages that must be passed sequentially. The stages referred to in the statement are the

validity test stage, the reliability test stage, and the path efficiency stage. The following are the results of the Path Coefficient in this article (Ghozali 2016).

Table 1
Validity Test

Variable	Question Item	Loading Factor
Innovative Work (X1)	Work Innovation can make it easier for employees to work	0.832
	Work innovation can make all difficult tasks easy	0.848
	Work Innovation can make all challenges easily faced by employees	0.829
	Work Innovation can make employee targets easily achieved	0.851
	Work Innovation can increase Employee Performance	0.868
	Work innovation can make employees reliable in a company	0.872
Employee Performance (Y)	Employee Performance can be influenced by Work Innovation	0.906
	Employee Performance can be influenced by the quality of employees in completing work	0.916
	Employee Performance can be influenced by how much the company trusts employees	0.922
	Employee Performance can be influenced by leader participation	0.945
	Employee Performance can be influenced by how much employee innovation is in solving problems	0.941
	Employee Performance can be influenced by leadership concern over the difficulties faced by employees	0.959
Participative Leadership (Z)	Participatory Leadership can increase employee enthusiasm	0.982
	Participatory Leadership can improve employee	0.974

	motivation in completing work	
	Participatory Leadership can influence Employee Performance	0.956
	Participatory Leadership can influence Work Innovation	0.971

Valid > 0.70

Reliability Test

In accordance with its sequence, the reliability test stage is a stage that can only be passed after the researcher has passed the validity test stage. If the validity test stage functions to test each data used in this article, then the reliability test stage functions to test the variables used in this article. (Hair 2010):

Table 2
Reliability Test

Variable	Composite Reliability	Cronbach Alfa	Noted
Innovative Work	0.876	0.835	Reliabe
Employee Performance	0.952	0.911	Reliabe
Participative Leadership	0.992	0.951	Reliabe

Reliable > 0.70

Path Coefisien

Based on the sequence, after passing the validity test stage and the reliability test stage, the next stage that must be passed is the Path Coefficient stage. The Path Coefficient stage functions to ensure whether each hypothesis used in this article is acceptable or not. Here is the Path Coefficient in this article (Sarstedt et al. 2014):

Table 3
Path Coefisien

	Validity	P-Values	Noted
Direct Influence	IW-> EP	0.003	Valid
Indirect Influence	PL*IW-> EP	0.000	Valid

Significant Level < 0.05

The results of the third table of Path Efficiency can be drawn concrete conclusions if the Work Innovation variable can have a positive relationship direction and a significant influence on Employee Performance because the P-Values are positive and below the significance level of 0.05, namely 0.003. These results are in line with a number of previous studies, namely (Rompas et al. 2020); (Andreas 2020) & (N. K. Dewi 1996) which have the same results because Work Innovation can make it easy for employees to complete work, easy to solve problems, and ultimately improve Employee Performance. In line with the first hypothesis above, the next row also shows results that are in line with the hypothesis proposed by the researcher, namely that the Participative Leadership variable can strengthen the influence of the Work Innovation variable on Employee Performance because the P-Values are positive and below the significance level of 0.05, namely 0.000. This is because participatory leadership can increase employee motivation and enthusiasm in working, making employees more innovative and their performance also increases.

4. CONCLUSION

The results of the third table of Path Efficiency can be drawn concrete conclusions if the Work Innovation variable can have a positive relationship direction and a significant influence on Employee Performance because the P-Values are positive and below the significance level of 0.05, namely 0.003. These results are in line with a number of previous studies, namely (Rompas et al. 2020); (Andreas 2020) & (N. K. Dewi 1996) which have the same results because Work Innovation can make it easy for employees to complete work, easy to solve problems, and ultimately improve Employee Performance. In line with the first hypothesis above, the next row also shows results that are in line with the hypothesis proposed by the researcher, namely that the Participative Leadership variable can strengthen the influence of the Work Innovation variable on Employee Performance because the P-Values are positive and below the significance level of 0.05, namely 0.000. This is because participatory leadership can increase employee motivation and enthusiasm in working, making employees more innovative and their performance also increases.

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