The Effect of Situational Leadership Style and Compensation to Employee Performance with Job Satisfaction as Intervening Variable at PT Bank Rakyat Indonesia (Persero), Tbk Denpasar Branch

RR. Wahyu Setyorini, Anik Yuesti, Nengah Landra

Abstract:

The aims of study are to examine and analyze the influence of situational leadership style and compensation on employee performance with job satisfaction as intervening variable. This research was conducted at PT Bank Rakyat Indonesia Denpasar Branch Office with population and sample of all employees working at PT Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch Office, which are 64 people. All data obtained from the questioner distribution is feasible to be used, then analyzed using model of structural equation based on variance known as Partial Least Square (PLS) analysis.

The result of the research shows that (1) situational leadership impact positive and significant effect on job satisfaction, (2) compensation impact positive and significant effect on job satisfaction, (3) job satisfaction has positive and significant effect to employee’s performance, (4) situational leadership has positive and (6) situational leadership impact positive and significant effect on employee performance through job satisfaction, (7) compensation impact positive and significant effect on employee performance through job satisfaction. (5) Compensation have impact a negative effect on employee performance.

The implication of this research is that situational leadership can be improved by paying attention to exemplary in order to increase employee performance. Compensation can be increased by paying attention to incentive to sacrifice to increase employee performance. Job satisfaction can be enhanced by paying attention to the superiority of employee’s ability to improve employee performance last employee performance can be improved by taking into account the responsibility.

Keywords: Situational Leadership, Compensation, Job Satisfaction, and Employee Performance
1. Introduction

Achievement of goals is a business philosophy that always underlies every activity of the company. Where a company in conducting activities should have a reliable leader so as to be able to direct and develop efforts - congenital efforts in accordance with the power it has towards the achievement of goals and objectives of the company efficiently, effectively and economically. An effective leader is not only demonstrated by the amount of power held and how to use it, but is shown by the leader's concern for the welfare of the subordinate, the commitment to subordinate growth, especially the protective attitude shown to strengthen the willingness of subordinates and the implementation of work to improve performance. Leadership style that a leader who always try to adjust to the situation and condition of the organization, and is flexible in adjusting to the maturity of subordinates and the work environment. This is in accordance with the current global competitive conditions that are always changing, so it is required to be more adaptive to the environment. Leadership plays an important role in the planning and development of corporate strategy (Yukl, 2006; Pratt, 2004 in Yuliana, 2010), because different leadership styles will affect the way managers use and develop enterprise accounting systems and data. Therefore, Leaders should be able to use the right leadership style so that employees can directly improve performance employees (Sudja & Yuesti, 2017. Vipraprastha, Sudja, & Yuesti, 2018; Utama, Sapta & Yuesti, 2018).

Performance is a result of work achieved by a person in carrying out his duty charged to him based on the skills, experience and sincerity of time. Thus, success or success in a company depends on the people in it. Leaders and employees, jointly or individually have an interest in achieving the objectives (Sudja & Yuesti, 2017. Vipraprastha, Sudja, & Yuesti, 2018; Utama, Sapta & Yuesti, 2018). Compensation is done by companies to appreciate employees’ achievements, retain employees, get better employees and compensation systems should be able to provide employee motivation so that their performance is always increasing. Simamora (2004: 442) states that compensation is what employees receive in exchange for their contribution to the organization.

One important tool in the organization is the creation of employee job satisfaction. Job satisfaction is essentially one of the psychological aspects that reflects one's feelings toward one's work, the worker will be satisfied with the suitability of his / her skills, skills and expectations with the work that the workers face (Hasibuan, 2006: 132)

This study of the influence of situational leadership style and compensation on employee performance with job satisfaction as intervening variables have mixed results. Research Susanto (2014) showed that situational leadership and compensation have a positive effect on employee performance. Other research conducted by Munandar (2014) Job satisfaction has a positive and significant effect on employee performance. Other research conducted by Munandar (2014) Job satisfaction has a positive and significant effect on employee performance, Leadership style has a positive and significant impact on employee performance.

Another study conducted by Aryanti (2014) situational leadership and compensation have a significant effect on employee performance, situational leadership and compensation have a significant effect on job satisfaction, employee performance has significant effect on job satisfaction, situational leadership indirectly affect employee performance through job satisfaction as intervening variable is acceptable, compensation indirectly affect to employee performance through job satisfaction as intervening variable can be received. While other research conducted by Anwar (2015) shows that situational leadership and compensation have a positive and significant effect on employee performance, and situational leadership, employee compensation and performance have a significant positive effect on job satisfaction and compensation have no

International Journal of Contemporary Research and Review, Vol. 9, Issue. 08, Page no: ME 20974-20985
DOI: https://doi.org/10.15520/jcrr/2018/9/08/570
significant effect on employee performance. Based on the research gap that has been described, can be made a research problem about the influence of situational leadership style and compensation on employee performance with job satisfaction as intervening variable.

This research takes object in PT. Bank Rakyat Indonesia (Persero) Tbk. Denpasar Branch which is one of the financial service providers. Bank as an institution engaged in the field of finance should have a high morale for employees in improving performance to carry out the duties and responsibilities given.

Based on the results of interviews with operational manager at PT. Bank Rakyat Indonesia (Persero) Tbk, Denpasar Branch of employees already have a good enough performance that the target set by the company in the form of the amount of funds collected and distributed to third parties has exceeded the target. Results Study documentation of researchers at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch found that funds / deposits in 2014 to 2015 as in Table 1.1 below:

Table 1.1 Amount of loan funds and third party funds PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch Year 2014 (in million rupiah)

<table>
<thead>
<tr>
<th>NO</th>
<th>Data</th>
<th>Quarterly I</th>
<th>quarterly II</th>
<th>quarterly III</th>
<th>quarterly I</th>
<th>quarterly II</th>
<th>quarterly III</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Loan</td>
<td>350.000</td>
<td>400.000</td>
<td>450.000</td>
<td>375.000</td>
<td>410.000</td>
<td>480.000</td>
<td>over</td>
</tr>
<tr>
<td>2</td>
<td>Third party funds</td>
<td>575.000</td>
<td>650.000</td>
<td>700.000</td>
<td>610.000</td>
<td>680.000</td>
<td>735.000</td>
<td>over</td>
</tr>
</tbody>
</table>

Source: PT. Bank Rakyat Indonesia (Persero) Tbk Cabang Denpasar

Table 1.1 above PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch at the first CaturWulan up to third quarter of 2014 loan funds and third party funds have exceeded the target, this is a proof that employee performance at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar branch performance is quite good. Related to the description, this research is aimed to analyze how the influence of situational leadership and compensation on employee performance with job satisfaction as variable intervening at PT. Bank Rakyat Indonesia (Persero) Tbk Denpasar Branch.

2. Literature:

*Situational leadership:*

According to Hersey and Blanchard (Sedarmayati 2011, p. 14) situational leadership indicators are as follows:

1. Telling Tells: The leader's ability to define the role needed to perform the task and tell his followers what, where, how, and when to perform his duties.
2. Selling / peddling: The ability of leaders to provide structured instructions for subordinates in addition must also be supportive.
3. Participating: Includes interactions between leaders and subordinates in decisions about how best to complete a task.
4. Delegating / Delegating: The ability of leaders in assigning responsibility for the implementation of subordinate jobs in order to perform the effectiveness of the work.
Compensation:
According to Simamora, (2004: 56) employee compensation indicators are:

a) A fair salary according to the job
b) Incentives that match sacrifices
c) Allowances are in line with please
d) Adequate facilities

Employee Performance:
According to Notoatmodjo, (2004: 203) Indicators assessed in the performance appraisal process generally are:

1) Initiative:
The initiative in question is the determination and ability to obey, implement and practice something that is adhered to in a state of urgency with full responsibility. Such determination and responsibility must be proven by the attitudes and behaviors of the relevant workforce in daily activities and in carrying out the tasks and work assigned to them.

2) Work Achievement:
The definition of work performance is the performance achieved by a workforce in carrying out the task and work given to him.

3) Responsibility:
Responsibility is the ability of a workforce to accomplish the tasks and jobs submitted to him as well as possible and timely and dare to take risks for decisions that have been taken or actions that do.

4) Timeliness:
What is meant by obedience is the ability of a workforce to comply with all applicable provisions, statutory regulations and official regulations, adhering to official regulations provided by the competent supervisor, and the ability to not violate the prohibitions set by the institution / organization or government, written or unwritten.

5) Honesty:
The meaning of honesty is the sincerity of a worker in performing tasks and work and the ability to not abuse the authority that has been given to him.

6) Cooperation:
Cooperation is the ability of a workforce to work with others in completing a task and a predetermined job, so as to achieve utility and maximum results.

7) Initiatives
Initiatives are the ability of a workforce to make decisions, steps or implement the necessary actions in carrying out basic tasks without waiting for orders and guidance from other management.

8) Working Speed
What is meant by the speed of work is the ability of a laborer how quickly can complete the work routine without reducing the quality of work and without waiting for orders and guidance from superiors.

Job Satisfaction:
As for some indicators - job satisfaction indicator referring to the theory proposed by Robbins (2001) that job satisfaction is divided into five, among others, satisfaction with:

a) Work is generally a job with moderate amount of variation will result in a relatively large job satisfaction whereas very small work variations will cause workers to feel tired and exhausted.

b) Wages are the financial rewards an employee receives in determining the wage level the organization can make decisions by considering several things, namely the general wage rate in the community, the basic needs of labor, and the minimum level of physical living expenses.

Promotion is a promotional opportunity is a significant thing, but has a diverse influence on job satisfaction, because the promotion can be in different forms also the rewards.

d) Supervisors are the task of supervision can not be separated with the task of leadership, that is, the business affects the activities of followers through the communication process for a particular purpose.
Coworkers are basically the working group will affect the job satisfaction, friendly and cooperative colleagues are a source of job satisfaction for individual employees.

**Hypothesis**

In accordance with the study of literature and empirical, it can be developed a hypothesis in this study with the following exposure:

1) Situational leadership affects job satisfaction. According to Lucky (2000: 19) that the situational leadership style of the effectiveness of a leader in carrying out his duties greatly determined the relationship of subordinate leaders, task structure and position leader power. This is in line with the results of research conducted by Susanto (2014) on the influence of Situational leadership, and compensation on employee performance with job satisfaction as intervening variable on CV. Ayulia Course Kuta-Bali, which states that situational leadership has a significant positive effect on job satisfaction. Based on the description, the first hypothesis proposed in this study are:

   H1: Situational leadership style has a positive and significant effect on job satisfaction.

2) Compensation affects job satisfaction. According to Nawawi (2001: 315), compensation is the reward or reward of the workers who have contributed to the realization of the goal through an activity called work. This is in line with the results of research conducted by Miranti (2015) Analysis of the influence of leadership Situasional, and compensation on employee performance with job satisfaction as intervening variable on CV. Media Lestari Kuta-Badung, which states that compensation has a significant positive effect on job satisfaction. Based on the description, the first hypothesis proposed in this study are:

   H2: Compensation has a positive and significant effect on job satisfaction

3) Situational leadership style effect on employee performance

According to Hasibuan (2001: 170), that the style of leadership in essence aims to encourage performance enthusiasm, job satisfaction, and employee productivity is high, in order to achieve maximum organizational goals. This is in line with the results of research conducted by Munandar (2014) the influence of Situational leadership, and compensation on employee performance with job satisfaction as intervening variable at PT. Morning Spirit of Indonesia Now Denpasar, which states that situational leadership has a significant positive effect on employee performance. Based on the description, the first hypothesis proposed in this study is:

   H3: Situational leadership style has a positive and significant effect on employee performance

4) Compensation affects employee performance. Handoko (1993:155) in Wulandari 2010, stated that compensation is everything received by employees as a reward for their work and is one form of increased work performance. This is in line with the results of research conducted by Aryanti (2014) the influence of Situational leadership style, and compensation on employee performance with job satisfaction as intervening variable (Case study on PDAM KabupatenBadung), which states that compensation has negative and insignificant effect on employee performance. Based on the description, the first hypothesis proposed in this study are:

   H4: Compensation has negative and insignificant effect on employee performance

5) Job satisfaction affects employee performance

According to Handoko (2000) job satisfaction is a pleasant or unpleasant emotional with which employees perceive their work. This is in line with the results of research conducted by Rachma (2015) namely the influence of situational leadership, and compensation on employee performance with job satisfaction as an intervening variable at Taman Jepun
Restaurant Denpasar -Bali, which states that job satisfaction has a significant positive effect on employee performance. Based on the description, the first hypothesis proposed in this study is:

H5: Job satisfaction has a positive and significant effect on employee performance.

6) Situational leadership style effect on employee performance through job satisfaction as intervening variable.

According to Wahjosumidjo (1994: 23) leadership serves as a dynamic force that motivates and coordinates the organization in achieving its goals. This is in line with the results of research conducted by Anwar (2015), namely the influence of compensation and leadership style on employee performance and job satisfaction as intervening variables (case study on PLN Denpasar Branch), which states that situational leadership has a significant positive effect on employee performance through job satisfaction as intervening variable. Based on the description, the first hypothesis proposed in this study are:

H6: Situational leadership style influences employee performance through job satisfaction as intervening variable.

7) Compensation effect on employee performance with job satisfaction as intervening variable.

According to Nawawi (2001: 315) compensation is an award to employees who have contributed in realizing the goal through the activities called work. This is in line with the results of research conducted by Cipta (2014) The influence of Situational leadership style, and compensation on employee performance with job satisfaction as intervening variables at BugenvilleVillaSeminyak, stating that compensation has a positive and significant effect on employee performance through job satisfaction as intervening variable. Based on the description, the first hypothesis proposed in this study are:

H7: Compensation has a positive and significant effect on employee performance through job satisfaction as intervening variable.

3. Research methods

This research was conducted at PT. Bank Rakyat Indonesia (PERSERO) Tbk.Cabang Denpasar, located at JalanKusumaatmaja no 1 Denpasar. The population of this study is all permanent employees at PT. Bank Rakyat Indonesia (PERSERO) Tbk.Cabang Denpasar, totaling 64 people. Populations greater than 100 should be taken as samples whilst a population greater than 100 can be taken 10% -20% or 20%-30%. Based on the data in the can at PT. Bank Rakyat Indonesia (Persero) Tbk.Cabang Denpasar employees amounted to 64 people ie less than 100, then taken entirely so that the research is a population study (saturated samples). The variables of this research can be identified into 3 (three), namely exogenous variables, intervening variables, and endogenous variables.

1) Exogenous variables are independent variables that are not influenced by other variables in the model. In this study, exogenous variables are situational leadership (X1) and compensation (X2).

2) The intervening variable is the endogenous variable and at the same time the Independent variable that affects the other endogenous variables in a model. In this research, intervening variable is job satisfaction (Y1).

3) Endogenous variables are dependent variables that are influenced by other variables in a model. In this study, endogenous variables are employee performance (Y2).

Data collection techniques used in this research is a questionnaire method. The scale used is Likert scale. Each statement provided 5 (five) alternative answers, ie strongly agree (SS), agree (S), disagree (KS), disagree (TS), and disagree (STS). Inferential analysis techniques are used to test the empirical models and hypotheses proposed in this study. The analysis technique used is Structural Equation
Modeling (SEM) based on Partial Least Square (PLS). Measurement Model Evaluation Results Evaluation of measurement model is done by assessing the convergent validity, discriminant validity and composite reliability.

1) The result of convergent validity is indicated by the value of outer loading or correlation between the variable indicator and the variable, where all have the loading factor value above 0.70. Thus it has qualified convergent validity.

2) Situational leadership variables, compensation, employee performance and job satisfaction have the Average Variance Extracted (AVE) root value higher than the correlation coefficient between one variable with other variables. So, it can be said the data has good discriminant validity. To strengthen the validity of the research construct used Average Variance Extracted (AVE). Variables have an AVE value above 0.50. So, it can be declared valid eligible.

3) The composite reliability values of situational leadership variables, compensation, employee performance and job satisfaction have values above 0.70 and the value of cronbach's alpha above 0.60 so it is stated to meet the reliability requirements.

4. Result and Discussion:

A. Results of Structural Model Evaluation

The structural model is evaluated by means of the significance of direct lane link relationship and indirect effect through mediation variables with t-statistic. The result of path coefficient on each path for direct effect is presented in table 4.12 below:

<table>
<thead>
<tr>
<th>No</th>
<th>Correlation between variable</th>
<th>(Bootstrapping)</th>
<th>T-Statistic</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Situational Leadership (X1) → Job satisfaction (Y1)</td>
<td>0.283</td>
<td>1.97</td>
<td>Sig</td>
</tr>
<tr>
<td>2</td>
<td>Compensation (X2) → Job satisfaction (Y1)</td>
<td>0.668</td>
<td>3.221</td>
<td>Sig</td>
</tr>
<tr>
<td>3</td>
<td>Situational Leadership (X1) → Job satisfaction (Y2)</td>
<td>0.253</td>
<td>2.691</td>
<td>Sig</td>
</tr>
<tr>
<td>4</td>
<td>Compensation (X2) → Job satisfaction (Y2)</td>
<td><strong>0.089</strong></td>
<td><strong>0.241</strong></td>
<td>unsig</td>
</tr>
<tr>
<td>5</td>
<td>Job satisfaction (Y1) → Employee Performance (Y2)</td>
<td>0.642</td>
<td>2.842</td>
<td>Sig</td>
</tr>
</tbody>
</table>

Based on Table 1, researcher can description as bellow:

1) Situational leadership (X1) proved to have a positive and significant effect on Job Satisfaction (Y1). This result is shown by path coefficient which have positive value equal to 0.283 with T-statistic = 1.97 (T-statistic> 1.96), so hypothesis-1 (H1): situational leadership have positive effect on job satisfaction can be proven empirically. Thus it can
be stated that the leadership situational superior to employees can affect job satisfaction.

2) Compensation (X2) has a positive and significant effect on Job Satisfaction (Y1). This result is shown by a positive path coefficient of 0.668 with T-statistic = 3.221 (T-statistic> 1.96). These results show that hypothesis-2 (H2): compensation has a positive effect on job satisfaction proven empirically. Based on these results can be stated that the higher the compensation given the company to employees, the employee job satisfaction is increasing.

3) Situational leadership (X1) proved to have a positive and significant effect on employee performance (Y2). This result is shown by path coefficient which is equal to 0.253 with T-statistic value = 2.691 (T-statistic> 1.96), so hypothesis-3 (H3): situational leadership have positive effect on employee performance can be proven empirically. Thus it can be stated that the leadership situational superior employee influence on the employee's performance.

4) Compensation (X2) has no significant effect on employee performance (Y2). This result is shown by the positive path coefficient of 0.089 with T-statistic = 0.241 (T-statistic <1.96). These results show that hypothesis-4 (H4): compensation has a positive effect on employee performance is not empirically proven. These results can be interpreted that the compensation provided by the company, not necessarily able to improve the performance of these employees.

5) Job satisfaction (Y1) has a positive and significant effect on employee performance (Y2). This result is shown by the positive path coefficient of 0.642 with T-statistic = 2.842 (T-statistic> 1.96). These results indicate that the hypothesis-5 (H5): job satisfaction has a positive effect on employee performance can be proven empirically. In accordance with these results can be stated that the higher employee satisfaction, then able to improve employee performance.

The structural model is evaluated by taking into account the Q2 predictive relevance model that measures how well the observed value is generated by the model. Q2 is based on the coefficient of determination of all dependent variables. The quantity Q2 has a value with the range 0 <Q2 <1, the closer to the value of 1 means the model the better. In this structural model there are two endogenous (dependent) variables, namely: job satisfaction (Y1) and employee performance (Y2). The coefficient of determination (R2) of each dependent variable can be presented in Table 2 as below:

<table>
<thead>
<tr>
<th>Structural Model</th>
<th>Dependent Variable</th>
<th>R-square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Job Satisfaction (Y1)</td>
<td>0.846</td>
</tr>
<tr>
<td>2</td>
<td>Employee Performance (Y2)</td>
<td>0.900</td>
</tr>
</tbody>
</table>

**Calculation:**

\[
Q^2 = 1 - [(1 - R_1)^2] (1 - R_2^2)
\]

\[
Q^2 = 1 - [(1 - 0.846) (1 - 0.900)]
\]

\[
= 1 - [(0.154) (0.100)]
\]

\[
= 1 - 0.0154
\]

\[
= 0.984
\]

Table 2 shows that, the result of structural model evaluation proved that the value of Q2 (0.984) is close to 1. Thus, the results of this evaluation provide evidence that the structural model has a very goodness of fit model. These results can be interpreted that the information contained in the data is 98.4 percent can be explained by the model, while the remaining 1.6 percent is explained by errors and other variables that have not been contained in the model.

In testing the following hypothesis will be examined the role of mediation of job satisfaction (Y1) variable on indirect influence of situational leadership (X1) and compensation (X2) on employee performance (Y2). Testing hypothesis indirect influence in this research can be described in the analysis results in Table 3.
Table 3 Mediation Variable Test

<table>
<thead>
<tr>
<th>No</th>
<th>Corelation</th>
<th>Effect</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(A)</td>
<td>(B)</td>
</tr>
<tr>
<td>1</td>
<td>Motivation (X₁) → Employee Performance (Y₂)</td>
<td>0.253</td>
<td>0.445</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Sig.)</td>
<td>(Sig.)</td>
</tr>
<tr>
<td>2</td>
<td>Organization Culture (X₂) → Employee Performance (Y₂)</td>
<td>0.089</td>
<td>0.510</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(NoSig.)</td>
<td>(Sig.)</td>
</tr>
</tbody>
</table>

T-statistic > 1.96 on α : 5%

Table 3 shows that, the results of testing mediation variables that can be submitted are as follows:

1) Job satisfaction (Y₁) is able to mediate positively on the indirect influence of situational leadership (X₁) on employee performance (Y₂). This result is shown from the mediation test conducted, it appears C effect; D; and B has a significant value, the effect of work satisfaction mediation (Y₁) on the indirect influence of situational leadership (X₁) on employee performance (Y₂) is partial mediation.

2) Job satisfaction (Y₁) is able to mediate positively on the indirect effect of compensation (X₂) on employee performance (Y₂). This result is shown from the mediation test conducted, it appears C effect; D; and B has a significant value, the effect of work satisfaction mediation mediation (Y₁) on the indirect effect of compensation (X₂) on employee performance (Y₂) is full (full mediation). This result gives the direction that job satisfaction variable (Y₁) as the key variable on the effect of compensation (X₂) on employee performance (Y₂).

5. Conclusions, Limitation, and Sugestion

Based on the results of research and discussion, the conclusions are drawn as follows:

1) Situational leadership positively affect the job satisfaction at Bank Rakyat Indonesia Denpasar Branch Office. This finding illustrates that the situational leadership developed at the Bank Rakyat Indonesia Denpasar Branch Office with the tendency to promote exemplary can directly improve job satisfaction.

2) Compensation has a positive effect on job satisfaction at Bank Rakyat Indonesia Denpasar Branch Office. This finding illustrates that the compensation developed at the Bank Rakyat Indonesia Denpasar Branch Office which prioritizes incentives according to sacrifices can directly improve job satisfaction.

3) Job satisfaction has a positive effect on employee performance at Bank Rakyat Indonesia Denpasar Branch Office. This finding illustrates that job satisfaction developed at Bank Rakyat Indonesia Denpasar Branch Office by promoting superior ability can improve employee performance directly.

4) Situational leadership positively affects employee performance at Bank Rakyat Indonesia Denpasar Branch Office. This finding illustrates that the situational leadership created at Bank Rakyat Indonesia Denpasar Branch Office by promoting exemplary performance can improve employees directly. The result can be interpreted that the situational
leadership within the company, is good enough to improve the performance of the work.

5) Compensation has a negative effect on employee performance of Bank Rakyat Indonesia Denpasar Branch Office. This finding illustrates that the compensation created by Bank Rakyat Indonesia Denpasar Branch Office by prioritizing incentives appropriate sacrifices has not been able to improve employee performance directly at Bank Rakyat Indonesia Denpasar Branch Office. The results can be interpreted that the compensation in the company, can not increase the performance of the work.

Limitations to be conveyed from this study are based on responses from respondents too long. In addition, the research time is relatively short (cross-sectional), so the researcher can not conduct more in-depth interview to reveal the variables studied. If the model is applied at other times and conditions it is possible to obtain different results. In addition to the development of more relevant indicators used in each variable, as well as many factors as determinants of employee performance. This is because efforts to improve employee performance are crucial in an increasingly dynamic and erratic era.

Some suggestions that can be given related to the results of this study, among others:

1) Situational leadership contributes to improve employee performance at Bank Rakyat Indonesia Denpasar Branch Office indirectly through job satisfaction. Based on this matter directs the leadership of Bank Rakyat Indonesia Denpasar Branch Office to give attention in improving employee work satisfaction, so that later able to lead to improvement of its performance.

2) Compensation is also a variable that can improve employee performance at Bank Rakyat Indonesia Denpasar Branch Office through job satisfaction. The creation of appropriate compensation for the work can develop job satisfaction at Bank Rakyat Indonesia Denpasar Branch Office so as to encourage the implementation of tasks and better work. Therefore, efforts should be made to increase compensation for better employee performance.

3) For future researchers can replicate this research model through a longitudinal approach (from time to time), and allow use on other organizations / companies. In addition, future researchers can modify the research model by adding or developing indicators or other variables. This is based on the determinants of employee performance quite a lot and different from the conditions of each other organizations.

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