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# The Influence of Organization and Leadership on Worker Productivity in Consulting Companies in Makassar City

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#### **ABSTRACT**

This study investigates the impact of organization and leadership on worker productivity in a Makassar City consulting firm. In the contemporary business landscape, human resources play a pivotal role in achieving organizational objectives. Employee productivity is a cornerstone of company success, with organizational culture and leadership style known to exert significant influence. Despite limited research on consulting service firms, this study seeks to address this gap. Field research involved three Makassar City consulting companies, utilizing questionnaires distributed to 60 employees and analyzed using Multiple Linear Regression in SPSS. The findings reveal a positive and significant correlation between organization and worker productivity, with organizational components, especially innovation and risk-taking indicators, positively impacting productivity. However, leadership does not significantly affect worker productivity within consulting firms in Makassar City. In summary, organization plays a crucial role in enhancing worker productivity in consulting service firms. Consequently, monitoring and evaluation within these organizations can help employees identify productivity obstacles and drive improvements. These results underscore the importance of an innovative and supportive organizational culture in optimizing worker productivity in the consulting industry.

Keywords: Organization, Leadership, Productivity, Consulting, Regression

#### **BACKGROUND**

In this modern era, the role of human resources is increasingly important due to changes in views on employees. In the past, employees were only given pressure to increase efficiency, but the current view considers employees as one of the partners to achieve organizational goals. Therefore, human resources play a very important role in a company because the company's success is very dependent on its human resources.

Employee productivity is important and requires attention from the company because it can affect human resource discipline. The success of a construction company depends on the success of each job in the project, and one of the factors that influence this is labor productivity. To overcome this problem, companies need to increase employee work productivity by paying attention to factors such as leadership and organization.

Previous studies have shown that organizational culture and leadership style have a positive and significant impact on employee productivity. Data shows that leadership style has an influence of 59.13% and organizational culture has an influence of 51.26% (Setiawan, 2010). This shows that leadership and organizational culture have a significant influence on productivity. Labor productivity is a critical factor in the success of the company because a high level of productivity can increase the efficiency, quality and competitiveness of the company. Therefore, it is important to understand the factors that influence worker productivity, including organization and leadership.

Based on research conducted by Hernawaty (2017) concluded that organizational culture has a positive and significant effect on employee work productivity. Besides that, research conducted by Hendriati (2017) shows that leadership style has a positive and significant effect on work productivity. Based on research conducted, leadership style has an influence of 59.13%, while organizational culture has an influence of 51.26%. From this data it can be concluded that leadership and organizational culture have a significant influence.

Consulting services firms operate in a competitive and complex environment, where increasing project complexity and intense competition demand high productivity from workers. Organizational culture, organizational structure and effective management systems can have a significant impact on worker productivity. Research on organizational influence on worker productivity will provide insight into how organizational aspects can be improved to increase productivity. On the other hand, an effective leadership style can motivate employees, facilitate teamwork, and create a positive work environment.

Overall, organizational and leadership factors play an important role in increasing worker productivity, especially in the context of consulting services firms. Therefore, research that focuses on the influence of organization and leadership on worker productivity in consulting services firms will provide valuable insights in efforts to increase productivity in the sector.

Although there are several studies on the factors that affect work productivity, research that focuses on consulting services is still limited. Therefore, the authors are interested in seeing the influence of organization and leadership on worker productivity and what factors have the most influence on worker productivity in a consulting service company in Makassar City. Researchers hope that in conducting this research it can provide new contributions to the understanding of the influence of organization and leadership on worker productivity in the context of a consulting service company.

#### RESEARCH METHODS

## Place and time of research

Consulting companies that are research locations in Makassar City include PT. Yodya Karya Region II Makassar which is located on Jl. AP Pettarani No. 74, Tamamaung, Kec. panakkukang; PT Virama Karya Makassar Branch which is located on Jl. Panakukang Mas Boulevard Blok jascinth II/26; PT. Wesitan Development Consultation located on Jl. Bonto Ramba No. 10 Mannuruki.

The time and length of the research is for 6 months starting from March 2022 to September 2022.

## **Population and Research Sample**

In this study no sampling technique was used, because the sample studied was the entire population or called a census. Given the total population of 60 workers, which consists of 36 PT. Yodya Karya region II Makassar, 18 workers from PT. Development Consultancy Wesitan and 6 workers of PT. Virama Karya Makassar Branch, it is appropriate to take the whole as a sample without taking a certain number of samples. So that the sample of this study is 60 workers from the method of taking using total sampling

## **Research Instruments**

In research on the influence of organization and leadership on work productivity, the SPSS (Statistical Package for the Social Sciences) statistical analysis tool can be used from a questionnaire that has been processed and analyzed. SPSS has various features and statistical

analysis that can be used in research, such as descriptive tests, linear regression, logistic regression, factor analysis, normality tests, F tests and T tests, independent T-tests, ANOVA, and non-parametric tests.

By understanding the influence of organization and leadership on work productivity and using SPSS as a statistical analysis tool, companies can increase employee productivity and achieve organizational goals more effectively.

## **Research Process**

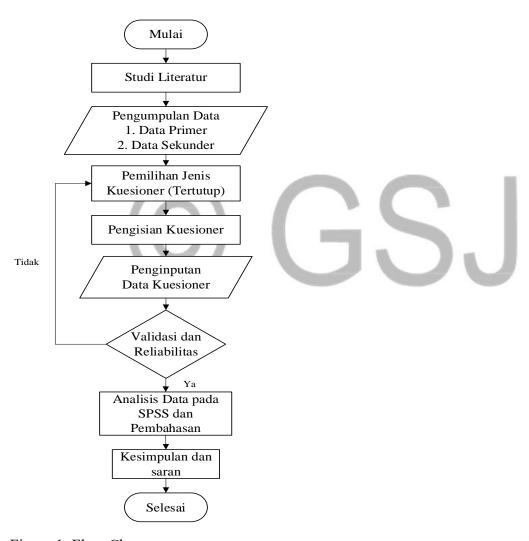


Figure 1. Flow Chart

#### RESULTS

To see the effect between variables, the first step that needs to be done is to test the relationship using Chi-Square, as follows.

Table 1. Crosstabulation of Organizational Variables on Worker Productivity at a Makassar City Consulting Service Company

Variable		Prod	uctivity (Y)	Total	Sig.		
			Bad	Good			
Organization (X1)	Bad	Count	25	3	28		
		% within Kat X	X1 89.3%	10.7%	100.0%	0.001	
	Good	Count	15	17	32		
		% within Kat_X	X1 46.9%	53.1%	100.0%		
Leadership (X2)	Bad	Count	27	6	33		
		% within Kat X	K2 81.8%	18.2%	100.0%	0.012	
	C1	Count	13	14	27		
	Good	% within Kat_X	X2 48.1%	51.9%	100.0%		

Source: Primary data, 2022

Based on the crosstab test table above, it is known that the Organizational variable (X1) has a relationship to the Productivity variable (Y) with a Sig. 0.001 <0.05, where the worse the organization of a company, the worse work productivity will be 89.3%. In addition, the Leadership variable (X2) has a relationship to the Productivity variable (Y) with a Sig. 0.012 <0.05, where the worse the leadership of a company, the worse work productivity will be by 81.8%. So that the two variables studied, each influence the productivity of workers.

Therefore, researchers can continue the effect analysis using the Multiple Linear Regression method, as follows.

**1. F test:**carried out to see Organization and Leadership simultaneously (combined/together) on Productivity.

Table 2.F test results with ANOVA

	Model	Sum of Squares	df	MeanSqua re	F	Sig.
	Regression	645,741	2	322,871	32,794	,000b
1	residual	561,192	57	9,845		
	Total	1206,933	59			

a. Dependent Variable: Work Productivity (Y)

b. Predictors: (Constant), Leadership (X2), Organization (X1)

Based on the ANOVA output table above, it is known that the value of Sig. is 0.000 <0.05, meaning that there is an influence jointly on Organizational (X1) and Leadership (X2) variables on Productivity (Y). For the calculated F value in the table of 32.794 > F table 3.15 (can be seen in Appendix 5), it means that there is an influence of the Organization (X1) and the Leadership variable (X2) which simultaneously affect the Productivity variable (Y).

2. T and R2 Square test:regression equation and whether there is influence of the Organizational variable (X1) and the Leadership variable (X2) partially (alone) on the Productivity variable (Y),

Table 3.T and R Test Results

Model	Unstanda Coefficie		Standardized Coefficients Betas	t	Sig.	R Square
	В	std. Error				
(Constant)	16,194	3,684		4,396	0.000	
Organization (X1) Productivity (Y)	→ <sub>0.411</sub>	0.077	0.628	5,371	0.000	0.535
Leadership (X2) Productivity (Y)	→ <sub>0.096</sub>	0.076	0.148	1.265	0.211	_

a. Predictors: (Constant), Leadership (X2), Organization (X1)

Source: Primary data, 2022

Based on the test table above, it is known that the Organizational variable (X1) has a Sig value. 0.00 < 0.05 with a calculated T value of 5.371 > T table 2.002, meaning that there is a partial influence of Organizational variables (X1) on Productivity (Y). While the Leadership variable (X1) has a Sig value. 0.211 > 0.05 with a calculated T value of 1.265 < T table 2.002, meaning that there is no partial effect of the Leadership variable (X2) on Productivity (Y).

The value of the coefficient of determination or R Square is 0.535. The R Square value of 0.535 comes from squaring the value of the correlation coefficient or R, which is  $0.731 \times 0.731 = 0.535$ . The magnitude of the coefficient of determination (R Square) is 0.535 or 53.5%, which means that the Organizational variable (X1) and the Leadership variable (X2) together influence the Productivity variable (Y) by 53.5%. While the remaining 100% - 53.5% = 46.5% is influenced by variables not examined. If described in the form of a Variable Influence Diagram as follows.

b. Dependent Variable: Work Productivity (Y)

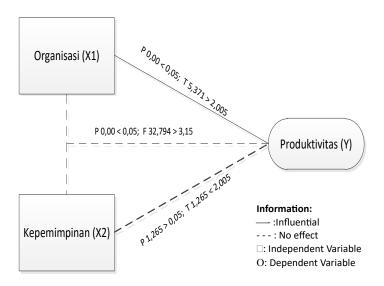


Figure 2. Organizational and Leadership Influence Diagram on Worker Productivity at a Makassar City Consulting Service Company

## **3. Factor Effect Test**Indicator $X1 \rightarrow Y$ (partially: YES, YB, YC)

**Table 4.Big Test of Influence of Indicator Factors** 

Organization (X1)	Unstandardized Coefficients		Standardized Coefficients		Sig
	В	std. Error	Betas		
(Constant)	13,374	4,029		3,319	0.002
Innovation and Risk Taking Indicator (X1.A)	0.996	0.296	0.396	3,364	0.001
Result Orientation Indicator (X1.B)	0.214	0.302	0.106	0.709	0.481
Team Orientation Indicator (X1.C)	0.502	0.292	0.242	1,718	0.091
Stability Indicator (X1.D)	0.311	0.288	0.136	1,082	0.284

a. Dependent Variable: Work Productivity (Y)

Source: Primary Data, 2022

Based on the table above, it is known that the coefficient of determination or R Square is the influence of the Organizational variable (X1) on Productivity (Y), which is 0.549 or 54.9%. The indicators or factors for forming an organization (X1) are innovation and risk-taking indicators (X1.A), result orientation indicators (X1.B), team orientation indicators (X1.C), and stability indicators (X1.D). However, from the table it is found that the factors that most influence the productivity of workers in construction service companies in Makassar City are only the Innovation and Risk Taking Indicator (X1.A) of the Organizational variable (X1) with sig. 0.001 <0.05 and the T value indicates 3.364 > 2.002. While other indicators in the Organizational variable

(X1) which have no influence and relationship are Result Orientation Indicators (X1.B), Team Orientation Indicators (X1.C), and Stability Indicator (X1.D) due to sig. >0.05.

## **DISCUSSION**

Based on the results of the Multiple Linear Regression test, it is known that the Organizational variable (X1) has a Sig value. 0.00 < 0.05 with a calculated T value of 5.371 > T table 2.002, meaning that there is a partial influence of Organizational variables (X1) on Productivity (Y). In this case, the organization has an influence on the productivity of workers in construction service companies in Makassar City. This is in line with the research of Saptyaningsih (2021) and Drastitin, et al (2016) which note that organizations have a significant influence on employee work productivity.

This shows that the assessment of Organizational Culture has a tendency of high scores seen from the value of the coefficient of determination or R Square of 0.535 (53.5%). Thus showing that the assessment of the organization's work culture has a high value tendency, this indicates that the organization understands the vision, mission and goals of the organization as well as management policies.

Based on the results of the Multiple Linear Regression test, it is known that the Leadership variable (X1) has a Sig value. 0.211 > 0.05 with a calculated T value of 1.265 < T table 2.002, meaning that there is no partial effect of the Leadership variable (X2) on Productivity (Y). One of the causes of leadership in this study has no effect on worker productivity because the length of time the respondents fill in has an average working period of less than 2 years or equal to 2 years. In this case, leadership has no influence on worker productivity at the Makassar City consulting service company. This is in line with Chairyzha's research (2017) finding that leadership style partially has a negative effect on employee work productivity, thus it can be said that leadership style does not really affect the work productivity of employees at PT. Nusantara Plantation III (Persero) Medan.

Several respondents answered that leadership is not a factor in whether or not employee productivity is bad, so the results of the analysis show that leadership has no effect on employee productivity. Even though in several studies it is known that leadership style is one of the factors that influence employee productivity. The role of the human factor always pays attention to the

desires and abilities of every employee in the company, must be mutually maintained and developed by the abilities of employees. Leaders must also be smart in identifying and motivating employees so they can perform well which will ultimately increase the productivity of companies and organizations.

Organizational influence on productivity, where the organizational indicators of innovation and risk taking have the greatest influence in this study. However, in the above factors, the organizational variable that has the greatest influence on productivity is 54.9%. Thus it can be concluded that most of the respondents stated that the competency skills were in accordance with the field of work carried out by employees in the office. This means that they judge, what they carry out in their work is in accordance with their respective expertise.

Work productivity of an employee is needed to complete complex and heterogeneous tasks. This work productivity can be supported by various factors, including there must be components to plan, implement and control development as well as by improving the quality of the organization. Thus to achieve organizational productivity must go through good planning and implementation, individual development in increasing competency, and full responsibility of its employees (Risnawan, 2015).

## **CONCLUSION**

Based on research on three consulting service companies in Makassar City (PT. Yodya Karya Region II, PT. Westian Consulting Development, and PT. Virama Karya), the conclusion that can be drawn is that the organization has a positive and significant influence on worker productivity. The results of the Multiple Linear Regression test show that the Organizational variable (X1) has a significant value of 0.00 <0.05 and a calculated T value of 5.371 > T table of 2.002 on Productivity (Y). Therefore, it can be concluded that the organization can increase the productivity of workers in the consulting service company. Meanwhile, leadership has no significant effect on worker productivity, with the leadership variable (X2) showing a significant value of 0.211 > 0.05 and a T-count value of 1.265 < T-table 2.002.

As for suggestions that can be done after this research is done, namely Monitoring and Evaluation of the company. This aims to help employees find out the things that hinder the productivity of workers in a company.

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