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### The Influence of Leadership Style and Compensation on Employee Performance

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ABSTRACT

Good human resources will drive the company to progress and develop. Human resources are the main factor affecting company performance. Companies with superior human resources will be able to properly organize every activity within the company, employees will be able to work optimally and the results achieved will be in accordance with predetermined standards. The purpose of this study is to determine the effect of leadership style and compensation simultaneously and partially on the performance of employees at Tanjung Kodok Lamongan Beach Resort Hotel. The sample of this research is the employees of Hotel Beach Resort Tanjung Kodok Lamongan, with a total sample of 50 respondents. The analysis technique uses Multiple Linear Regression with the SPSS program or software. The results showed that simultaneously (simultaneous) showed that leadership style and compensation had an effect on employee performance, partially leadership style had a positive and significant influence on employee performance, and compensation had a positive and significant effect on employee performance.

Keywords: leadership style, compensation, employee performance

#### INTRODUCTION

The business world is currently developing very rapidly, this progress is supported by several factors, one of which is the development of science and technology (IPTEK). The very rapid development of science and technology can bring up various innovations or new discoveries that can facilitate and expedite the company's business development. These developments may result in increasingly fierce business competition between business actors, both in the service and non-service sectors. To be able to survive and continue its business, companies need to improve themselves and consider all aspects related to the company's operational activities by adapting to existing developments. For example, with the development of machinery and other industrial equipment as well as the global telecommunication system, companies that do not make good use of it will be left behind and less able to thrive in business competition.

To be able to compete with other companies, one aspect that is important and needs serious attention by service companies and non-service companies is the aspect of human resources. The survival and development of a company does not only depend on the good and bad management of the company's finances, service, promotion and marketing and the level of product quality, but also is determined by its success in managing human resources. Without quality human resources, the company will not be able to survive in the competition.

Good human resources will drive the company to progress and develop. Advanced and sophisticated equipment owned by the company will not be useful if it is not supported by good

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human resources. Managing human resources will not be easy and will involve various elements, namely employees, leaders and the system itself. The combination of these three elements is expected to be able to create a conducive work environment so that both employees and leaders can carry out their work to the fullest.

There are several ways that can be taken to create and form good human resources and in accordance with the needs of the company, namely by recruiting a qualified and skilled workforce and by improving the quality of the workforce that has been owned, namely through training and by creating a good corporate climate. good leadership style and good and fair compensation, which will affect employee satisfaction at work and will ultimately affect employee performance in order to increase company productivity. Productivity is very important for the company and cannot be separated from the performance of the employees in it. One of the measuring tools for a company's productivity is the amount of profit that increases each period.

Human resources are the main factor affecting company performance. Companies with superior human resources will be able to properly organize every activity within the company, employees will be able to work optimally and the results achieved will be in accordance with predetermined standards. Conversely, companies with low quality human resources will produce less than optimal output.

Good human resources can be seen with good employee performance. The low performance of employees which results in low productivity (profit) of the company, one of which is caused by a decrease in morale. The decline in morale according to Nitisemito (1992) in Tohardi (2002) has several characteristics, namely first, decreased or low work productivity. Second, high absenteeism. Third, the high employee turnover rate. Fourth, the high damage rate. Fifth, anxiety about everywhere. Sixth, demands that often occur. Seventh, the labor strike.

Good or bad company productivity is inseparable from the performance of employees in the company. Employee performance according to SIMamora (2004) is the level of employee work results in achieving the job requirements given. Employee performance is something that needs to be considered quite seriously by the company because the performance of employees with various aspects in it will have a direct impact on the company's performance as a whole. Employee performance in a company is influenced by many factors, including the level of satisfaction felt by employees, leadership style, compensation, work motivation, morale and so on. It often happens that employee performance decreases due to discomfort at work, minimum wages, skills or skills that are less supportive and also dissatisfaction with work. Employee job satisfaction must be considered seriously by every company.

Dissatisfaction is the starting point for problems in the company such as absenteeism, conflicts between superiors and employees, high absenteeism, strikes and employee turnover. Dissatisfaction can lead to decreased motivation, decreased work morale and decreased work

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performance both qualitatively and quantitatively. High job satisfaction will have a positive impact on employees such as the emergence of good loyalty and discipline towards work as well

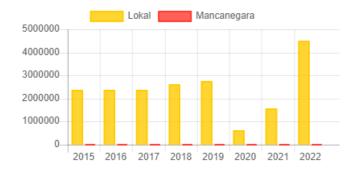
Employee performance in a company is also influenced by leadership. Leadership broadly includes the process of influencing in determining organizational goals, motivating the behavior of followers to achieve goals, influencing to improve the group and its culture (Rivai, 2011: 2). Leadership style has influence on employees and the company. The role of leadership is very strategic and important in a company as one of the determinants of success in achieving the company's mission, vision and goals. Leaders must be able to organize and create a conducive working atmosphere where the existing working atmosphere makes employees feel comfortable and fosters a sense of loyalty and discipline to get the job done. The leadership needed is to be able to direct and use available human resources optimally, so that employees will feel comfortable at work and will affect job satisfaction and the performance of the employees concerned.

According to Veithzal Rivai in Sudaryono (2014: 312) suggests that leadership style is the overall pattern of a leader's actions, both visible and invisible to his subordinates. A leader will be able to adapt to circumstances. The leadership style that is set will be adjusted to the needs, situations and conditions that occur in the company will be able to determine the success of work implementation.

Employee performance will also be affected by the compensation they will receive. Compensation according to Nawawi (2005) is a reward or reward for workers who have contributed to realizing their goals, through activities called work. Compensation received by employees will give more encouragement to work.

Compensation according to Akbar, et al., (2021: 125) are all forms of financial returns and benefits received by employees as part of an employment relationship. According to Hasibuan (2009) compensation is all income in the form of money, direct or indirect goods received by employees in return for services provided to the company. Proper compensation will have a positive effect on job satisfaction and employee performance. Compensation in the form of bonuses, prizes and awards will also have a positive impact on employees. Employees will feel motivated and enthusiastic in completing the work given and will encourage employees to excel. There are several purposes for providing compensation, including as a work bond between the company and employees, as a means to increase employee morale and motivation, as a company strategy to retain quality employees or employees, as a reward by the company for employees and so on.

Lamongan Regency is one of the areas in Indonesia which has several tourism spots that are starting to develop. Lamongan is one of the areas in East Java Province which has a coastline. Having a coastal area makes Lamongan have a slightly hot weather but of course it has several interesting tourist destinations.



Foreign Tourits 1.274

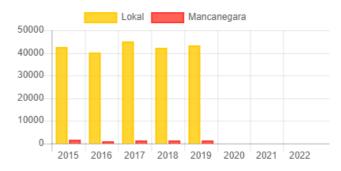
Local Tourist 19.166.167

Graph 1. Visitors to Tourist Attractions in Lamongan in 2015-2022

Source: https://lamongantourism.com/informasi/

From the graph above it can be seen that tourist attraction in Lamongan from 2015 to 2017 experienced constant or fixed conditions. In 2018 and 2019 there was an increase in tourist attractiveness in Lamongan. Then in 2020 there was a very drastic decrease in tourist attractiveness in Lamongan. Then there was another increase in 2021 and in 2022 there was another very drastic increase.

Along with the increasing number of tourists visiting Lamongan, it can have a big impact on the development of the hotel business in Lamongan. More and more hotel businesses are established and developing as a result, competition between hotel entrepreneurs is becoming increasingly stringent. The increasing number of hotels resulted in a decrease in the number of guests staying or the Room Occupancy Rate (TPK) of hotels in Lamongan. The following is data on the number of guests staying at the hotel for the 2015-2019 period.



#### 219,125Total Tamu

Foreign Guest 6.140

Local Guest 212.985

Graph 2. Star/Jasmine Guest Data

Source: https://lamongantourism.com/informasi/

The competition between hotels in Lamongan is indicated by the quality of service offered by each hotel management starting from hotel facilities, room conditions, room rental



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prices and the form of service the hotel provides in serving consumers. The following is data on the number of hotels and guests staying in Lamongan:

Table 1. Number of Hotel Guests in Lamongan

Hotel Name	Wisman	Wisnus	Total
Tanjung Kodok Beach Resort	5,425	79,785	85,210
Mahkota	492	49,819	50,311
Elresas	145	17,766	17,911
Kabilah	38	16,676	16,714
Puri Bougenvil	17	12,482	12,499
Lima Jaya	0	9,701	9,701
Wijaya	0	7,753	7,753
Bahagia	0	6,946	6,946
Arut	3	3,915	3,918
Syariah	20	5,493	5,513
kendil wesi	0	2,649	2,649
AQIILAH	0	0	0
TOTAL	6,140	212,985	219,125

Source: https://lamongantourism.com/informasi/

The increasing number of hotels and hotel guests in Lamongan has resulted in a more stringent level of competition. Various methods are used by hotel management to increase the productivity of their company, starting from price wars, namely pressing prices as low as possible compared to other hotel companies, the quality of service offered by each hotel management to providing facilities and various attractive programs aimed at attracting consumers.

What is also important and needs to be considered by hotel management in increasing hotel productivity is employee performance. Employee performance has an influence on hotel

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productivity. In practice, many hotels are unable to compete with other hotels due to low employee performance.

The company requires employees to work well, in accordance with the rules and targets set by the company, but the company pays little attention to aspects that affect employee performance such as the level of job satisfaction felt by employees, leadership style and compensation. The lack of management's attention to these aspects causes the employee's performance to be less than optimal and as a result the company's overall performance will decrease.

Many hotel companies still apply an authoritarian and directive leadership style. Employee participation in decision making and policy making is still minimal. This can be seen by the lack of employees participating in meetings, so that complaints and suggestions from employees are not conveyed properly. The compensation system in place is also limited to basic salary and benefits. Management has not implemented a system of awarding gifts, bonuses and awards for outstanding employees. This has the effect that employees are less motivated to work well and excel, employees only work to fulfill their obligations to the company.

The leadership style and compensation system applied by hotel management is suspected of causing the level of employee job satisfaction to not be maximized. Many employees feel dissatisfied with the existing leadership and compensation. Low employee job satisfaction will cause employees to feel uncomfortable at work, high absenteeism, many employees resign, decreased work performance which in turn results in decreased employee performance. The low performance of employees resulted in the company not being able to develop its business and compete optimally.

Seeing the situation above, the authors can carry out a study entitled: "The Influence of Leadership Style and Compensation on Employee Performance (Study at the Tanjung Kodok Beach Resort Hotel in Lamongan).

The objectives of this study are as follows:

- 1. To determine the effect of leadership style and compensation have a positive and significant partial effect on employee performance.
- 2. To determine the influence of leadership style and compensation have a positive and significant simultaneous effect on employee performance.

#### RESEARCH METHODS

#### Research Design

Researchers use a quantitative approach by looking at the phenomenon & to measure the effect of leadership style and compensation on employee performance. The type in research is clausal research.

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#### **Variable Operational Definition**

#### 1. Employee Performance

Employee performance is the work of employees both in terms of quality and quantity as well as in terms of timeliness in carrying out and completing tasks assigned to the employee by his superiors or leaders based on their role in the company which is based on skill, experience and sincerity as well as time.

Nurjaya (2021) states that indicators that can measure employee performance are Quantity of Work, Quality of Work, Efficiency, Work Discipline, Initiative, Thoroughness, Leadership, Honesty and Creativity.

#### 2. Leadership Style

Leadership style is a way or action taken by a leader to influence other people, in this case, members or subordinates to act or behave in accordance with the direction of the leader in order to achieve certain goals.

Veitzhal Rivai's leadership style indicators (2018) are Collaborative Ability, Effective Ability, Participative Ability and Delegation Ability.

#### 3. Compensation

Compensation in this study is defined as a gift from the company to employees in the form of wages and salaries, incentives, benefits and facilities.

Compensation indicators according to Edison, et al., (2017) include wages and salaries, incentives, benefits and facilities.

#### Population, Sample, and Sampling technique

The sample used in this study is saturated sampling. According to Ridwan (2013: 7) saturated sampling is a sampling technique when the entire population is used as a sample and is also known as a census.

The size of the population in this study were 50 employees of the Tanjung Kodok Resort Hotel in Lamongan.

Primary data obtained from the results of the questionnaire. While secondary data comes from journals, theses, books, internet websites, research results, and other information deemed relevant to this research topic.

#### **Data Analysis Technique**

Data analysis in this study used multiple linear regression techniques with SPSS software.

#### RESULTS AND DISCUSSION

#### **Classic Asumption Test**

#### 1. Multicollinearity Test

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The multicollinearity test was carried out to test whether the regression model found a correlation between the independent variables. A good regression model should not have a correlation between the independent variables. Testing for the presence or absence of multicollinearity symptoms is carried out by taking into account the value of the correlation matrix generated during data processing as well as the VIF (Variance Inflation Factor) value and its tolerance. If the value of the correlation matrix is not greater than 0.5, it can be said that the data to be analyzed is free from multicollinearity. Then if the VIF value is below 10 and the tolerance value is close to 1, then it is concluded that the regression model does not have multicollinearity (Singgih Santoso, 2000). Multicollinearity test results can be seen in table 2 below:

Table2. Multicollinearity Test Results

Collinearity Statistic					
Variable	Toleran	VIF			
leadership style	0.525	1.905			
Compensation	0.525	1.905			

Source: Processed primary data, 2023

Based on table 2 above, it can be seen that the regression model does not experience multicollinearity disorders. This can be seen in the tolerance value of each variable which is greater than 10 percent (0.1). The VIF calculation results also show that the VIF value of each variable is less than 10. So it can be concluded that there is no multicollinearity between the independent variables in the regression model.

#### 2. Heteroscedasticity Test

The heteroscedasticity test was carried out to test whether in a regression model there is an inequality of residual variance from one observation to another, so it is called Heteroscedasticity (Singgih Santoso, 2000). One way to detect heteroscedasticity is by looking at the scatter plot graph between the predicted value of the dependent variable (ZPRED) and its residual value (SRESID). If the dots form a certain pattern that is regular, such as a big wave widens, then narrows, then heteroscedasticity has occurred. If the points spread above and below the number 0 on the Y axis without forming a certain pattern, then there is no heteroscedasticity. The results of the heteroscedasticity test from the SPSS program can be seen in Figure below:



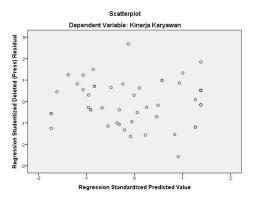


Figure 1. Heteroscedasticity Test Results

Source: Processed primary data, 2023

In Figure 1 it can be seen that the points on the scatterplot graph do not have a clear distribution pattern and these points spread above and below the number 0 on the Y axis. This shows that there is no heteroscedasticity disorder in the regression model.

#### 3. Normality Test

The purpose of the normality test is to test whether in a regression model, the dependent variable and independent variable or both have a normal distribution or not. A good regression model is the data distribution is normal or close to normal. Normality detection is done by looking at the Normal Probability Plot graph (Ghozali, 2005).

To test whether the data distribution is normal or not, you can do it by looking at the normal probability plot graph which compares the cumulative distribution of the actual data with the cumulative distribution of the normal distribution. If the data spreads around the line and follows the direction of the diagonal line, the regression model meets the normality assumption, but if the data spreads away from the diagonal line and/or follows the direction of the diagonal line, the regression model does not meet the normality assumption. The results of the normality test can be seen in Figure 2 below:

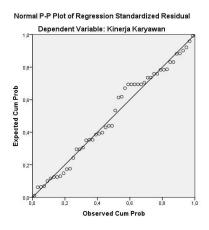


Figure 2. Normality Test Results

Source: Processed primary data, 2023



In Figure 2 it can be seen that the normal probability plot graph shows a normal graphic pattern. This can be seen from the dots that spread around the normal graph. This can be seen from the dots that spread around the diagonal line and follow the diagonal line. Because of this it can be concluded that the regression model is feasible to use because it meets the assumption of normality.

#### 4. Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation between the confounding error in period t and the confounding error in period t-1 (previous). Detection of autocorrelation was carried out with the Durbin-Watson statistical test (Ghozali, 2013:110)

Table 3. Autocorrelation Test Results

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1 1	,906ª	,821	,814	,12133	2,036

a. Predictors: (Constant), Kompensasi, Gaya Kepemimpinan

b. Dependent Variable: Kinerja Karyawan

Based on table 3 from the results of the autocorrelation test, the calculation of the Durbin-Watson value shows that it has a value of 2,036, it means that in this study there is an autocorrelation problem because Durbin-Watson is at du < d < 4-du, namely 1,4625 < 2,036 > 1,6283.

#### 5. Linearity Test

The linear test aims to prove whether the model used is linear or not. To detect whether the model should use linear or not, several methods are used, one of which is the linearity test with the Ramsey method used in this study.

Table 4. Linearity Test Results

#### **ANOVA**<sup>a</sup>

Mode	el	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3,177	2	1,589	107,920	,000b
	Residual	,692	47	,015		
	Total	3,869	49			

a. Dependent Variable: Kinerja Karyawan

b. Predictors: (Constant), Kompensasi, Gaya Kepemimpinan

Source: Processed primary data, 2023

Based on table 4, the SPSS output results obtained by calculating F value (107,920)> F table (3,20) it is stated that the regression model is linear, where F table = 3.20 obtained from alpha 5%, m = 1 and (n - k) = 50 - 2 = 48.

#### **Multiple Linear Regression Analysis**

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This study uses multiple linear regression to prove the research hypothesis. This analysis uses input based on the data obtained from the questionnaire. The complete results of data processing using the SPSS program are in the appendix and are further summarized as follows:

Table 5. Results of Multiple Linear Regression Analysis

#### Coefficients<sup>a</sup>

		Unstandardize	d Coefficients	Standardized Coefficients		Sig.	Collinearity Statistic	
Mode	Į.	В	Std. Error	Beta	t		Tolerance	VIF
1	(Constant)	,352	,086		4,098	,000		
	Gaya Kepemimpinan	,240	,064	,318	3,739	,001	,525	1,905
	Kompensasi	,554	,072	,657	7,716	,000	,525	1,905

a. Dependent Variable: Kinerja Karyawan

Based on the data in table 5 where the results of the regression analysis obtained the following regression equation:

$$Y = 0.352 + 0.240 X_1 + 0.554 X_2$$

The results of multiple linear regression analysis which are still in the form of numbers can be explained in easy-to-understand language as follows:

#### 1. Constant = 0.352

It can be explained that the magnitude of the constant is 0.352. This indicates that if there are no variables including leadership style (X1) and compensation (X2), then employee performance increases by 0.352 units.

#### 2. b1 = 0.240

The value of 0.240 in the leadership style variable (X1) is positive so that it can be said that the higher the leadership style given by the company to employees, the higher the employee performance.

#### 3. b2 = 0.554

The value of 0.554 in the compensation variable (X2) is positive so that it can be said that the higher the compensation given by the company to employees, the higher the employee's performance.

#### **Statistical Hypothesis Testing**

#### 1. t test

Basically the T test shows how far the influence of one independent variable partially in explaining the variation of the dependent variable. The complete results of data processing using the SPSS program are in the appendix and are further summarized as follows:

Table 6. Partial Test Results (t Test)

Model	T	Sig.
(Constant)	4.098	,000
x1	3.739	,001

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X2	7.716	.000

The coefficient results through hypothesis testing and then compared with the T table, namely n =50 samples with  $\alpha = 0.05$ , then a T table of 1.67591 is obtained. So from the results of each variable it can be seen which variables affect employee performance as follows:

H1: Test the leadership style hypothesis on employee performance from the calculation results obtained T count for X1 is 3.739 greater than T table 1.67 with a significance of 0.001 les

s than a significance level of 0.05. It means that it can be concluded that Ho is rejected, so this indicates that the leadership style variable has a positive and significant effect on employee performance

H2: Test the compensation hypothesis on employee performance from the calculation results obtained T count for X2 of 7.716 greater than T table 1.67 with a significance of 0.000 less than a significance level of 0.05. It means that it can be concluded that Ho is rejected, so this indicates that the compensation variable has a positive and significant effect on employee performance

#### 2. F test

Used to determine the relationship between the variable leadership style (X1) and compensation (X2) really influence simultaneously (together) on the dependent variable Y (employee performance). The results of the F test in this study can be seen in table 7 below:

Table 7. Simultaneous Significance Test Results (Test F) **ANOVA**<sup>a</sup>

## Sum of

Mode	el	Squares	df	Mean Square	F	Sig.
1	Regression	3,177	2	1,589	107,920	,000b
	Residual	,692	47	,015		
	Total	3,869	49			

a. Dependent Variable: Kinerja Karyawan

Source: Processed primary data, 2023

From the results of the F test in this study, the calculated F value was 107.920 with a significance figure (P value) of 0.000. With a significance level of 95% ( $\alpha = 0.05$ ). Significance figure (P value) of 0.000 < 0.05. On the basis of this comparison, H0 is rejected or it means that the leadership style and compensation variables have a significant influence simultaneously on employee performance variables.

#### 3. Coefficient Determination

The coefficient of determination (R<sup>2</sup>) is carried out to see whether there is a perfect relationship or not, which is shown in whether changes in the independent variable (leadership style and compensation) will be followed by the dependent variable (leadership style) in the same

b. Predictors: (Constant), Kompensasi, Gaya Kepemimpinan

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proportion. This test is by looking at the value of R Square (R2). The value of the coefficient of determination is between 0 to 1.

Furthermore, a small R<sup>2</sup> value means that the ability of the independent variables in explaining the variation of the dependent variable is very limited. A value close to 1 means that the independent variables provide almost all the information needed to predict the dependent variation (Ghozali, 2005.

The value used in this study is the Adjusted R2 value because this value can increase or decrease if one independent variable is added to the model being tested. Adjusted R2 value can be seen in table 8 below:

Table 8. Regression Test Results (Coefficient of Determination)

# Model Summary<sup>b</sup> Model R R Square Adjusted R Square Std. Error of the Estimate Durbin-Watson 1 .906<sup>a</sup> .821 .814 .12133 2,036

a. Predictors: (Constant), Kompensasi, Gaya Kepemimpinan

b. Dependent Variable: Kinerja Karyawan

Source: Processed primary data, 2023

Pada tabel 8 dapat dilihat bahwa nilai Adjusted R2 adalah sebesar 0,814. Hal ini dapat diartikan bahwa variabel independent (gaya kepemimpinan dan kompensasi) dapat menjelaskan variabel dependent (kinerja karyawan) sebesar 81,4%, sedangkan sisanya diterangkan oleh faktor lain yang tidak diteliti.

#### **DISCUSSION**

#### The Effect of Leadership Style on Employee Performance

The results of the research that has been carried out by researchers can be concluded that the service quality variable tested partially produces a T count of 3.739 which is greater than the T table of 1.67 and a sig value of 0.001 which is smaller than the significance rate of 0.05.

Based on the data above, that the leadership style variable in this study has a positive and significant effect on the employee performance variables at Tanjung Kodok Lamongan Beach Resort Hotel. Based on the results of multiple linear regression analysis, the value of b1 = 0.240 is obtained. This means that the leadership style variable affects employee performance by 0.240 or has a positive effect, which means that if the leadership style variable increases, it will affect employee performance by 0.240.

Leadership style is the overall pattern of a leader's actions, both visible and invisible to his subordinates. Leadership style describes a consistent combination of philosophy, skills, traits and attitudes that underlie one's behavior. Leadership style that shows directly, about a leader's belief in the abilities of his subordinates. That is, leadership style is behavior and strategy, as a



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result of a combination of philosophy, skills, traits, attitudes that are often applied by a leader when he tries to influence the performance of his subordinates.

The researcher concludes that if the leadership style is high quality or high then employee performance will increase. Leadership style has an important role in the company, performance improvement can be done by giving leadership to employees, in order to achieve the goals of the company it is necessary to foster solidarity by following directions from the leadership, so as to be able to influence the performance of employees at Tanjung Kodok Lamongan Beach Resort Hotel. Employees of Hotel Beach Resort Tanjung Kodok Lamongan are employees who are very concerned about leadership style and have very good quality.

Based on the discussion above, H0 (hypothesis 0) in this study was rejected, which means that leadership style has a positive and significant effect on employee performance variables.

#### **Effect of Compensation on Employee Performance**

The results of the research that has been carried out by researchers can be concluded that the compensation variable tested partially produces a T count of 7.716 greater than a T table of 1.67 and a sig value of 0.000 which is smaller than the significance rate of 0.05. Based on the above data, the compensation variable in this study has a positive and significant effect on the employee performance variables at Tanjung Kodok Lamongan Beach Resort Hotel.

Based on the results of multiple linear regression analysis, the value of b2 = 0.554 was obtained. This means that the compensation variable affects employee performance by 0.554 or has a positive effect, which means that if the compensation variable increases, it will affect employee performance by 0.554.

According to Sedarmayanti (2014: 239) states that compensation is everything received by employees as a reward for their work. According to Singodimedjo (2012) Compensation is all remuneration received by an employee from his company as a result of the services/labor that has been given to the company.

The researcher concludes that if the compensation is of high quality or high, the employee's performance will increase. Compensation is important in improving employee performance. Because from giving good compensation, their performance will tend to increase and become a benchmark for the performance that has been given by employees, with this it creates a whip for other employees to achieve the goals of the company.

Based on the discussion above, H0 (hypothesis 0) in this study was rejected, which means that compensation has a positive and significant effect on employee performance variables.

#### The Influence of Leadership Style and Compensation on Employee Performance

Based on the results of research that has been done by researchers that the variables of leadership style and compensation have a positive and significant simultaneous effect on the

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performance of employees of Hotel Beach Resort Tanjung Kodok Lamongan. This is based on the results of the calculation of the F test, by comparing F count and F table, it is obtained that F count (107.920) is greater than F table (3.20), and the significance value is 0.000 which is smaller than the significance level of 0.05.

The better or higher the leadership style and compensation that is owned and provided by a company, it will be able to improve employee performance.

The results of the analysis of the coefficient of determination (R2) show an Adjusted R Square number of 0.814 or 81.4%. This means that 81.4% of the leadership style and compensation variables can explain the variance of employee performance variables, the remaining 18.6% can be explained by other variables outside of the research variables that are not discussed in this study.

Analysis and data on leadership style and compensation have a positive and significant effect on employee performance. Based on the analysis and data above, it can be concluded that H1 (Hypothesis 1) in this study, namely leadership style and compensation have a positive and significant simultaneous effect on employee performance at Hotel Beach Resort Tanjung Kodok Lamongan is accepted. By increasing the style of leadership and compensation, it will have a positive effect on employee performance.

#### CONCLUSION

Based on the results of the research and discussion that has been carried out, the following conclusions can be drawn:

- Joint testing shows that the variables of leadership style and compensation have a joint
  or simultaneous effect on the performance of employees at the Tanjung Kodok
  Lamongan Beach Resort Hotel. So that H1 (Hypothesis 1) which states that leadership
  style and compensation have a joint or simultaneous effect on employee performance
  at Tanjung Kodok Lamongan Beach Resort Hotel, is accepted.
- 2. Leadership style has a positive and significant influence on employee performance. So that H2 (Hypothesis 2) which states that leadership style has no positive and significant effect partially on the performance of employees at Tanjung Kodok Lamongan Beach Resort Hotel, is rejected.
- 3. Compensation has a positive and significant influence on employee performance. So that H2 (Hypothesis 2) which states that compensation has no positive and significant effect partially on the performance of employees of the Tanjung Kodok Hotel Beach Resort Lamongan, is rejected.

http://wastu.unmerbaya.ac.id/index.php/wastu/index Alamat: JL. Ketintang Madya VII/2 Surabaya

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