

## THE EFFECT OF LEADERSHIP AND COMPENSATION STYLE ON JOB SATISFACTION WITH WORK MOTIVATION AS A MEDIATION VARIABLE AT PT. JR BRANCH DKI JAKARTA

By

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### ABSTRACT

PT. JR DKI Jakarta Branch as a state company engaged in social insurance, as well as other companies that need Human Resources who are competent and able to compete and help the company achieve its vision and mission so that the company continues to grow and continue in the future. The purpose of this research is to analyze the effect of leadership style and compensation on job satisfaction with work motivation as a mediating variable at PT. JR DKI Jakarta Branch. This study uses quantitative methods to determine the relationship and influence between variables, with 75 respondents. The sample selection uses the saturated sample method and data collection uses a questionnaire. Data is processed using Structural Equation Modeling (SEM) using SMART-PLS. The results of this study indicate that leadership style and compensation have a significant effect on work motivation. Leadership style has a significant effect on job satisfaction, while compensation has no significant effect on job satisfaction. Motivation has a significant effect on job satisfaction. Leadership Style and Compensation have a significant effect on Job Satisfaction which is mediated by work motivation.

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## 1. INTRODUCTION

Human resources are one of the most important factors in a company. The role and participation of skilled, creative and innovative human resources will help the company achieve its goals (Septerina and Irawati, 2018). This requires companies to analyze how to utilize and optimize their performance considering that employees are one of the important assets for the company's success. However, companies often face obstacles in practice (Yuliantini and Santoso, 2020).

According to Herawati and Wardhani (2021) organizational success is highly dependent on humans as resources who carry out work, including reciprocal relationships that will be received by workers such as job satisfaction, job satisfaction, motivation and transformational leadership styles, and many more that will encourage increased employee performance in the organization. PT. JR DKI Jakarta Branch as a state company engaged in social insurance, as well as other companies that need Human Resources who are competent and able to compete and help the company achieve its vision and mission so that the company continues to develop and continue in the future, also cannot be separated from problems regarding the Human Resources they have, such as employee job satisfaction, and to find out what the actual conditions are happening to employees of PT. JR DKI Jakarta Branch, the researchers conducted observations by interviewing 20 permanent employees regarding employee job satisfaction.

Based on the results of interviews conducted by researchers on several employees of PT. JR DKI Jakarta Branch has several phenomena regarding employee job satisfaction. Employees at work often get additional assignments outside of working hours and or on their days off, and it is difficult to get permission to leave which is the employee's

right. The additional tasks given are also sometimes so sudden that it disrupts the employee's work plans that have been prepared beforehand. This is often complained of by some employees, because some work must be completed past working hours without overtime compensation for them and makes employees feel more tired due to reduced rest time, as well as loss of time with their families on their holidays because they have to carry out additional tasks on holidays. In the interviews conducted, it was found that many employees still feel dissatisfied with their jobs where this problem is supported by the large number of employees who arrive late and the absence of employees to carry out their duties.

Related to the research phenomenon, namely trying to explore the factors that can affect job satisfaction of employees of PT. JR DKI Jakarta Branch. These factors are motivation, compensation and leadership style. Lack of work motivation and compensation causes the achievement of employee job satisfaction which is not optimal. The leadership style that exists in a leader is very influential and plays an active role in creating a working climate. Employees will carry out their functions and duties properly if this is reflected in the process of accepting the model or leadership style applied by the leader. design. Indirectly a leadership model or style that is applied by a leader is very influential because it can provide motivation for satisfaction employee san work. (Wijaya, Hamid, and Utami, 2017).

Another factor that influences job satisfaction is compensation. As a form of appreciation for the submission and provision of all employee performance results to the company, the company provides compensation as a source of income for the employee concerned. Previous studies have concluded that compensation has a significant effect on job satisfaction, such as research conducted by Gurning (2018), which states that there is a significant effect of compensation on employee job satisfaction. This research is in line with research conducted by Prawira (2020) which shows that compensation has a significant effect on job satisfaction. However, this is in contrast to research conducted by Seidy, Adolfini, Roring (2018) which states that compensation does not have a significant effect on employee job satisfaction. In addition, research conducted by Hermingsih & Purwanti (2020) compensation has a significant negative effect on job satisfaction.

In addition to Work Compensation, Employees also really need Work Motivation to do a job so that enthusiasm or excitement arises at work. Every employee has a difference in Work Motivation in himself at work, some want an award given by the company where he works and a sense of satisfaction in doing a job that can only be felt by himself (Hasmalawati, 2017). Effective motivation needs to be given to employees. So that employees don't always complain about trivial things, don't violate every rule given by the company and also don't blame each other among employees. In theory, as described above, there are actually many other variables that affect employee job satisfaction. But on this occasion the author limits the problem to Leadership Style, Motivation and Compensation at PT. JR DKI Jakarta Branch.

## 2. LITERATURE REVIEW

### Leadership Style

Kartono (2017) states that leadership is the ability to influence other people, subordinates, or groups, directing the behavior of subordinates or other people to achieve organizational or group goals. According to Suwatno and Priansa, (2016) explained that leadership style is a character favored by leaders to provide direction and influence to subordinates.

### Compensation

According to Hasibuan (2017) compensation is all income in the form of money, direct or indirect goods received by employees as compensation or services provided to the company. Establishing an effective compensation system is an important part of human resource management because it helps attract and retain talented employees. Meanwhile, according to Handoko (2014) compensation is everything that employees receive as remuneration for their work.

### Work Motivation

According to Handoko, (2016) Motivation is the result of a number of internal or external processes for an individual that causes enthusiasm to arise in carrying out an activity. Motivation is a situation in the person that encourages the individual's desire to carry out certain desires in order to achieve goals. Hasibuan, (2016), Motivation is the provision of driving force that creates a person's passion so that they want to work together, work effectively and integrate with all their efforts to achieve satisfaction.

### Job Satisfaction

The importance of employee job satisfaction to his work greatly affects his work output. According to Kasmir (2016) compensation is remuneration provided by the company to its employees, both financial and non-financial. Robbins (2015) Job satisfaction is a positive feeling towards the work produced. Meanwhile, according to Sunyoto (2012), job satisfaction is a pleasant or unpleasant emotional state in which employees view their work.

### 3. METHOD

This study uses a quantitative approach because it is more concerned with measurement methods and samples. The population in this study are all employees of PT. JR DKI Jakarta Branch as many as 72 employees, which will be sampled in this study are all of the population taken, namely all employees of PT. JR DKI Jakarta Branch with 72 employees. The data collection technique used was using a questionnaire which was distributed to all research samples on employees of PT. JR DKI Jakarta Branch. The data analysis used in this research uses Structural Equation Modeling (SEM) to analyze the data where the data processing uses the Partial Least Square (smart-PLS) program.

### 4. RESULT AND DISCUSSION

#### Evaluation of the Measurement Model (Outer Model)

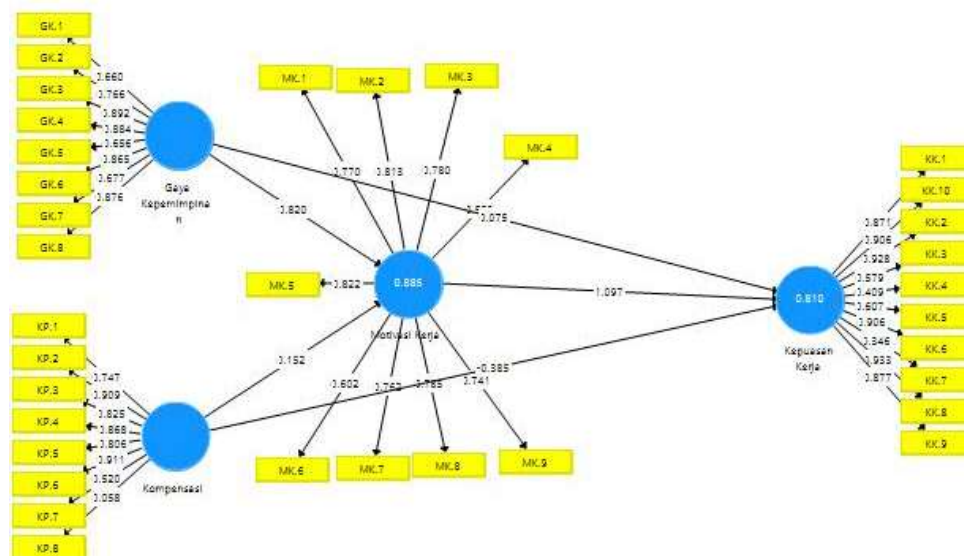


Figure 1. Outer Model

Source: Primary data is processed with SmartPLS 4.0 (2023)

#### Convergent Validity

Table 1. Outer Loading

Variable	Indicator	Loading Factor	Condition	Information
Leadership Style (X1)	GK.1	0,660	$\geq 0,7$	Invalid
	GK.2	0,766	$\geq 0,7$	Valid
	GK.3	0,892	$\geq 0,7$	Valid
	GK.4	0,884	$\geq 0,7$	Valid
	GK.5	0,656	$\geq 0,7$	Invalid
	GK.6	0,865	$\geq 0,7$	Valid
	GK.7	0,677	$\geq 0,7$	Invalid
	GK.8	0,876	$\geq 0,7$	Valid
Compensation (X2)	KP.1	0,747	$\geq 0,7$	Valid
	KP.2	0,909	$\geq 0,7$	Valid
	KP.3	0,825	$\geq 0,7$	Valid

Variable	Indicator	Loading Factor	Condition	Information
	KP.4	0,868	$\geq 0,7$	Valid
	KP.5	0,806	$\geq 0,7$	Valid
	KP.6	0,911	$\geq 0,7$	Valid
	KP.7	0,520	$\geq 0,7$	Invalid
	KP.8	0,058	$\geq 0,7$	Invalid
Work Motivation (M)	MK.1	0,770	$\geq 0,7$	Valid
	MK.2	0,813	$\geq 0,7$	Valid
	MK.3	0,780	$\geq 0,7$	Valid
	MK.4	0,593	$\geq 0,7$	Invalid
	MK.5	0,822	$\geq 0,7$	Valid
	MK.6	0,602	$\geq 0,7$	Invalid
	MK.7	0,762	$\geq 0,7$	Valid
	MK.8	0,785	$\geq 0,7$	Valid
	MK.9	0,741	$\geq 0,7$	Valid
	KP.8	0,058	$\geq 0,7$	Invalid
Kepuasan Kerja (Y1)	KK.1	0,871	$\geq 0,7$	Valid
	KK.2	0,928	$\geq 0,7$	Valid
	KK.3	0,579	$\geq 0,7$	Invalid
	KK.4	0,409	$\geq 0,7$	Invalid
	KK.5	0,607	$\geq 0,7$	Invalid
	KK.6	0,906	$\geq 0,7$	Valid
	KK.7	0,346	$\geq 0,7$	Invalid
	KK.8	0,933	$\geq 0,7$	Valid
	KK.9	0,877	$\geq 0,7$	Valid
	KK.10	0,906	$\geq 0,7$	Valid

Source : Primary data is processed, 2023.

The results of processing using SmartPLS software can be seen in the table above. In the table it can be seen that there are several indicators that have a loading factor value  $<0.7$ , namely the indicators GK1, GK5, GK7, KP7, KP8, MK4, MK6, MK8, KK3, KK4, KK5, and KK7 so that these indicators are not the right measurement for the variable and cannot be used. For other indicators that have a loading factor  $\geq 0.7$ , they have met convergent validity so that in conclusion the constructs for all variables can be used for hypothesis testing.

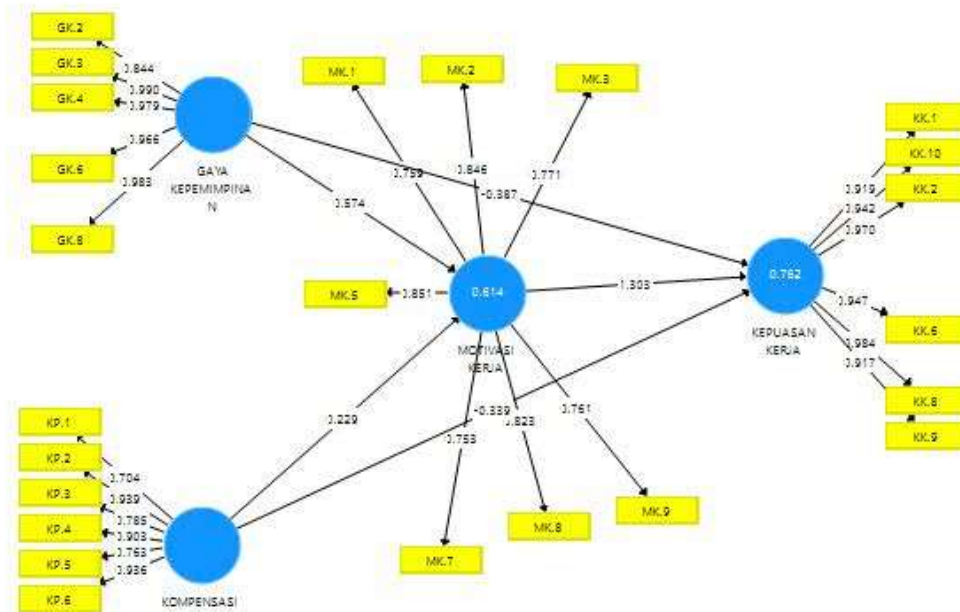


Figure 2. Outer Model (Modification)  
Source: Primary data is processed with SmartPLS 4.0 (2023)

Table 2. Outer Loading (Modification)

Variable	Indicator	Loading Factor	Condition	Information
Leadership Style (X1)	GK.2	0,766	$\geq 0,7$	Valid
	GK.3	0,892	$\geq 0,7$	Valid
	GK.4	0,884	$\geq 0,7$	Valid
	GK.6	0,865	$\geq 0,7$	Valid
	GK.8	0,876	$\geq 0,7$	Valid
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	KP.2	0,909	$\geq 0,7$	Valid
	KP.3	0,825	$\geq 0,7$	Valid
	KP.4	0,868	$\geq 0,7$	Valid
	KP.5	0,806	$\geq 0,7$	Valid
	KP.6	0,911	$\geq 0,7$	Valid
Work Motivation (M)	MK.1	0,770	$\geq 0,7$	Valid
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	MK.3	0,780	$\geq 0,7$	Valid
	MK.5	0,822	$\geq 0,7$	Valid
	MK.7	0,762	$\geq 0,7$	Valid
	MK.8	0,785	$\geq 0,7$	Valid

Variable	Indicator	Loading Factor	Condition	Information
	<b>MK.9</b>	<b>0,741</b>	$\geq 0,7$	<b>Valid</b>
Job Satisfaction (Y1)	<b>KK.1</b>	<b>0,871</b>	$\geq 0,7$	<b>Valid</b>
	<b>KK.2</b>	<b>0,928</b>	$\geq 0,7$	<b>Valid</b>
	<b>KK.6</b>	<b>0,906</b>	$\geq 0,7$	<b>Valid</b>
	<b>KK.8</b>	<b>0,933</b>	$\geq 0,7$	<b>Valid</b>
	<b>KK.9</b>	<b>0,877</b>	$\geq 0,7$	<b>Valid</b>
	<b>KK.10</b>	<b>0,906</b>	$\geq 0,7$	<b>Valid</b>

Source : Primary data is processed, 2023

Based on the results of data processing with SmartPLS in Figure 4.2 and Table 4.6 above, it can be seen that the loading factor values for each indicator meet the requirements, namely  $\geq 0.70$ . This shows the indicators on these variables are valid and used in the model. The measure that can be used to assess convergent validity is the AVE (Average Variance Extractord) value. To show a good convergent validity value, the minimum AVE value must show the number 0.5 because this means that the latent variable has the ability to explain on average more than half of the variance of its indicators (Ghozali, 2015).

**Table 3. Nilai Average Variance Extracted Pada Tiap Variabel**

Variable	AVE (Average Variance Extracted)
Leadership Style	0,911
Compensation	0,711
Work Motivation	0,634
Job Satisfaction	0,896

Source : Primary data is processed, 2023

Based on the results of data processing with the SmartPLS software in table 3 above, it is known that the AVE value of each variable has a value  $> 0.50$ , so that the AVE value meets the convergent validity testing standards.

#### **Discriminant Validity**

Testing the validity of the second stage is testing discriminant validity. This test is based on the value of cross loading measurements with constructs. According to Sholihin and Ratmono in Indrawati (2018), the cross loading factor is carried out to find out whether the latent variable has sufficient discriminant, namely by comparing the correlation between indicators and latent variables, it must be greater than the correlation between indicators and other latent variables. If the construct's correlation value with measurement items is greater than the correlation value with other constructs, this will indicate that the latent construct predicts the size of the block better than the size of the other blocks, and it is said that the construct has high discriminant validity (Indrawati, 2018). The results of discriminant validity testing were obtained as follows.

**Table 4. Discriminant Validity Test Results (Cross Loading)**

Indicator	Leadership Style	Compensation	Work Motivation	Job Satisfaction	Information
GK.2	<b>0,844</b>	0,711	0,614	0,250	Valid
GK.3	<b>0,990</b>	0,873	0,781	0,344	Valid
GK.4	<b>0,979</b>	0,881	0,768	0,301	Valid
GK.6	<b>0,966</b>	0,831	0,756	0,364	Valid
GK.8	<b>0,983</b>	0,901	0,771	0,288	Valid
KP.1	0,434	<b>0,704</b>	0,160	0,379	Valid
KP.2	0,926	<b>0,939</b>	0,287	0,753	Valid
KP.3	0,473	<b>0,785</b>	0,143	0,423	Valid
KP.4	0,858	<b>0,903</b>	0,302	0,775	Valid
KP.5	0,489	<b>0,763</b>	0,149	0,423	Valid
KP.6	0,883	<b>0,936</b>	0,280	0,747	Valid
MK.1	0,846	0,833	<b>0,859</b>	0,353	Valid

Indicator	Leadership Style	Compensation	Work Motivation	Job Satisfaction	Information
MK.2	0,353	0,362	<b>0,846</b>	0,832	Valid
MK.3	0,883	0,901	<b>0,971</b>	0,288	Valid
MK.5	0,357	0,360	<b>0,851</b>	0,840	Valid
MK.7	0,826	0,839	<b>0,853</b>	0,287	Valid
MK.8	0,325	0,328	<b>0,823</b>	0,793	Valid
MK.9	0,315	0,279	<b>0,761</b>	0,755	Valid
KK.1	0,285	0,230	0,638	<b>0,919</b>	Valid
KK.2	0,306	0,278	0,717	<b>0,970</b>	Valid
KK.6	0,319	0,272	0,764	<b>0,947</b>	Valid
KK.8	0,296	0,260	0,722	<b>0,984</b>	Valid
KK.9	0,311	0,258	0,649	<b>0,917</b>	Valid
KK.10	0,332	0,771	0,282	<b>0,942</b>	Valid

Source : Primary data is processed, 2023

Based on the test results in the table above, it can be seen that each indicator of the organizational culture variable has a greater loading factor value to its main construct compared to other constructs. The same thing is also shown in the variables of compensation, work motivation and employee performance where each indicator has the largest loading factor value in the main construct compared to other constructs. These results conclude that these variables have good discriminant validity. Thus the convergent validity and discriminant validity tests have been fulfilled, it can be concluded that the research model and the variables studied are valid.

**Table 5. Fornell-Larcker Test Results**

	Leadership Style	Compensation	Work Motivation	Job Satisfaction
Leadership Style	0.954			
Compensation	0.783	0.843		
Work Motivation	0.776	0.736	0.796	
Job Satisfaction	0.326	0.279	0.754	0.947

Source : Primary data is processed, 2023

The test results in table 5 above are the Fornell-Larcker value analysis for each variable. The AVE square root value of each variable is greater than the correlation between variables so that it meets the criteria of Fornell-Larcker. This shows that the variables studied have fulfilled discriminant validity.

#### Composite Reliability

**Table 6. Composite Reliability Test Results**

Variable	Composite Reliability	Condition	Cronbach's Alpha	Condition	Information
Leadership Style	0.981	$\geq 0,70$	0.977	$\geq 0,60$	Reliable
Compensation	0.936	$\geq 0,70$	0.923	$\geq 0,60$	Reliable
Work Motivation	0.924	$\geq 0,70$	0.903	$\geq 0,60$	Reliable
Job Satisfaction	0.980	$\geq 0,70$	0.975	$\geq 0,60$	Reliable

Source : Primary data is processed, 2023

The test results in table 4.10 show the composite reliability value for each variable in this study with a value of  $\geq 0.70$ . The highest composite reliability score is in the Leadership Style variable of 0.981 and the lowest value is the Work Motivation variable of 0.924. The test results for Cronbach's Alpha, the highest value is in the Leadership Style variable of 0.977 and the lowest value is the Work Motivation variable of 0.903. The results of the composite reliability test and Cronbach's Alpha aim to measure internal consistency. If all variable values meet the requirements

for composite reliability and Cronbach's Alpha, it can be concluded that the construct has good reliability or the questionnaire used as a tool in this study is consistent (Ghozali, 2015).

#### Structural Model Evaluation (*Inner Model*)

##### Evaluation of the Determination Coefficient Value (R<sup>2</sup>)

**Table 7. R Square Value (R<sup>2</sup>) of the Research Model**

Construct	R Square	R-Square Adjusted	Kategori
Work Motivation (M)	0,614	0,603	Moderate
Job Satisfaction (Y)	0,762	0,751	Moderate

Source : Primary data is processed, 2023

From table 7 above it can be seen that the R Square (R<sup>2</sup>) value of the Work Motivation (M) construct is 0.614. These results indicate that the endogenous variable Work Motivation (M) can be explained by exogenous variables namely Leadership Style (X1), Compensation (X2) of 61.4% while the remaining 38.6% is explained by other exogenous variables. Meanwhile, the construct of Job Satisfaction (Y) can be explained by exogenous variables, namely Leadership Style (X1), Compensation (X2) of 76.2%. While the remaining 23.8% is explained by other exogenous variables.

#### Predictive Relevance (Q-Square)

**Table 8. Results of Predictive Relevance Value (Q<sup>2</sup>)**

	SSO	SSE	Q <sup>2</sup> (=1-SSE/SSO)
Leadership Style (X1)	360,000	360,000	
Compensation (X2)	432,000	432,000	
Work Motivation (M)	504,000	331,913	0,341
Job Satisfaction (Y)	432,000	144,326	0,666

Source : Primary data is processed, 2023

Based on predictive relevance calculations (Q<sup>2</sup>) in table 4.12 which shows the value of the Work Motivation (M) variable of 0.341 and the value of the Job Satisfaction variable (Y) of 0.666. The value of these two variables is greater than 0 so it can be concluded that the model has a relevant predictive value.

#### Evaluation of the Overall Structural Model with the Goodness of Fit Index

The GoF value in PLS must be searched manually with the following formula:

$$GoF = \sqrt{AVE \times R^2}$$

$$\text{Average AVE value} = (0,911 + 0,711 + 0,634 + 0,896)/4 = 0,788$$

$$\text{Average R}^2 \text{ value} = (0,614 + 0,762)/2 = 0,688$$

$$GoF = \sqrt{0,788} \times \sqrt{0,688} = \sqrt{0,542} = 0,736$$

The results of the calculation of the Goodness of Fit Index (GoF) show a value of 0.736. Based on these results, it can be concluded that the combined performance of the measurement model (outer model) and the structural model (inner model) as a whole is good because the Goodness of Fit Index (GoF) value is more than 0.36 (GoF large scale).

The diagram illustrates the research model with three latent variables (blue circles) and their indicators (yellow rectangles). Path coefficients are shown on the arrows between latent variables, and factor loadings are shown on the arrows from latent variables to indicators.

**Latent Variables and Indicators:**

- GAYA KEPEMIMPINAN** (Indicators: GK.1 to GK.6)
- MOTIVASI KERJA** (Indicators: MK.1 to MK.8)
- KEPUASAN KERJA** (Indicators: KC.1 to KC.6)

**Path Coefficients:**

- GAYA KEPEMIMPINAN → MOTIVASI KERJA: 0.4081
- GAYA KEPEMIMPINAN → KEPUASAN KERJA: 0.3328
- MOTIVASI KERJA → KEPUASAN KERJA: 0.50918

**Factor Loadings (Latent Variable to Indicator):**

- GAYA KEPEMIMPINAN:** GK.1 (11.393), GK.2 (280.520), GK.3 (32.309), GK.4 (35.890), GK.5 (109.821), GK.6 (32.309)
- MOTIVASI KERJA:** MK.1 (13.128), MK.2 (21.387), MK.3 (14.962), MK.4 (2.328), MK.5 (22.062), MK.6 (2.128), MK.7 (13.057), MK.8 (1.857)
- KEPUASAN KERJA:** KC.1 (14.287), KC.2 (42.874), KC.3 (75.498), KC.4 (42.755), KC.5 (141.540), KC.6 (34.031)

**Table 9. T-Statistic Results (Bootstrapping) Direct Influence**

Variable	Original Sampel (O)	Standard Deviation (STDEV)	T Statistik (  O/STDEV  )	P Values	Conclusion
Leadership Syle (X1) → Work Motivation (M)	0.574	0.123	4.684	0.000	Positive and significant influence
Leadership Style (X1) → Job Satisfaction (Y)	0.387	0,169	2,286	0,023	Positive and significant influence
Compensation (X2) → Work Motivation (M)	0.229	0,107	2,134	0,033	Positive and significant influence
Compensation (X2) → Job Satisfaction (Y)	0.339	0,180	1,885	0,060	No positive and insignificant influence
Work Motivation (M) → Job Satisfaction (Y)	1.303	0,133	9,803	0,000	Positive and significant influence

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From table 9 which shows the results of the T-statistics (Bootstrapping) Direct Effect, several results of hypothesis testing were obtained, including:

**1) The Effect of Leadership Style (X1) on Work Motivation (M)**

Based on the table above, it is known that the path coefficient value is 0.574, the t-statistic value is 4.684 < 1.98 and the P-Values = 0.000 >  $\alpha = 0.05$ . This means that the variable Influence of Leadership Style has a positive and significant effect on the variable Work Motivation. Thus the hypothesis (H1) in this study which states that "Leadership Style (X1) has a positive and significant effect on Work Motivation (M)" is accepted.

**2) Effect of Compensation (X2) on Work Motivation (M)**

Based on the table above, it is known that the path coefficient value is 0.229, the t-statistic value is 2.134 > 1.98 and the P-Values = 0.033 <  $\alpha = 0.05$ . This means that the variable Effect of Compensation has a positive and significant effect on the variable Work Motivation. Thus the hypothesis (H2) in this study which states that "Compensation (X2) has a positive and significant effect on Work Motivation (M)" is accepted.

**3) The Effect of Leadership Style (X1) on Job Satisfaction (Y)**

Based on table 4.13, it is known that the path coefficient value is 0.378, the t-statistic value is 2,286 > 1.98 and the P-Values = 0.023 <  $\alpha = 0.05$ . This means that the Leadership Style variable (X1) has a positive and significant effect on the Job Satisfaction Variable (Y). Thus the hypothesis (H3) in this study which states that "Leadership Style (X1) has a positive and significant effect on Work Motivation (M)" is accepted.

**4) Effect of Compensation (X2) on Job Satisfaction (Y)**

Based on table 4.13 it is known that the path coefficient value is 0.339, the t-statistic value is 1.885 > 1.98 and the P-Values = 0.060 <  $\alpha = 0.05$ . This means that the Compensation variable has no positive and insignificant effect on the Work Motivation variable. Thus the hypothesis (H4) in this study which states that "Compensation (X2) has no positive and insignificant effect on Job Satisfaction (Y)" is rejected.

**5) Effect of Work Motivation (M) on Job Satisfaction (Y)**

Based on table 4.13, it is known that the path coefficient value is 1.303, the t-statistic value is 9.803 < 1.98 and the P-Values = 0.000 >  $\alpha = 0.05$ . This means that the variable Work Motivation has a positive and significant effect on the Job Satisfaction Variable. Thus the hypothesis (H5) in this study which states that "Work Motivation (M) has a positive and significant effect on Job Satisfaction (Y)" is accepted.

**Table 10. T-Statistic Results (Bootstrapping) Indirect Effect**

Variable	Original Sample (O)	Standard Deviation (STDEV)	T Statistik (O/STDEV)	P Values	Conclusion
Leadership Style (X1) → Work Motivation (M) → Job Satisfaction (Y)	0.749	0,190	3,939	0,000	Positive and significant influence
Compensation (X2) → Work Motivation (M) → Job Satisfaction (Y)	0.298	0,140	2,125	0,034	Positive and significant influence

Source : Primary data is processed, 2023

From table 10 which shows the results of T-statistics (Bootstrapping) the indirect effect obtained several results of hypothesis testing, including:

**1) The Influence of Leadership Style (X1) on Job Satisfaction (Y) which is mediated by Work Motivation (M)**

Based on the table above, it is known that the path coefficient value is 0.749, the t-statistic value is 3.939 > 1.98 and the P-Values = 0.000 <  $\alpha = 0.05$ . This means that the Leadership Style variable (X1) has a positive and significant effect on the Job Satisfaction variable (Y) which is mediated by Work Motivation (M). Thus the hypothesis (H6) in this study which states that "Leadership Style (X1) has a positive and significant effect on the variable Job Satisfaction (Y) which is mediated by Work Motivation (M)" is accepted.

**2) Effect of Compensation (X2) on Job Satisfaction (Y) mediated by Work Motivation (Y)**

Based on table 4.14, it is known that the path coefficient value is 0.298, the t-statistic value is 2.125 > 1.98 and the P-Values = 0.034 <  $\alpha = 0.05$ . This means that the Compensation variable (X2) has a positive and significant

effect on the Job Satisfaction variable (Y) which is mediated by Work Motivation (M). Thus the hypothesis (H7) in this study which states that "Compensation (X2) has a positive and significant effect on the variable Job Satisfaction (Y) which is mediated by Work Motivation (Y)" is accepted.

## 5. CONCLUSION

Based on the results of the study it can be concluded in general that leadership style has a positive and significant influence on work motivation. The indicator Suggestions from my leader must be implemented have the highest score when compared to other dimensions, which means that any suggestions or input given by the leadership in carrying out work make employees more motivated in carrying out their work. Compensation has a positive and significant effect on work motivation. The indicator I receive food money if I attend according to work time has the highest value when compared to other dimensions. This shows that every stimulus, especially the food allowance received according to the presence of employees, greatly influences their motivation to work according to a predetermined schedule. Leadership Style has a positive and significant effect on Job Satisfaction. Indicators Suggestions from my leader must be implemented to have the highest score, this shows that the leadership style applied by the leader plays a very important role in getting the job satisfaction of every employee under him. Employees get job satisfaction when they follow the advice of their superiors. Compensation has no effect on job satisfaction. Indicator I receive money for meals if I am present at work time has the highest value when compared to other dimensions, this shows that the affection given is something that has been regulated by a company decree, so the affection given does not have an effect on employee job satisfaction. Work motivation has a positive and significant effect on employee performance. Indicators My work is supervised by a leader has value when compared to other dimensions. This shows that when employees are carrying out their work, they will be more motivated to work better, the results of which will lead to job satisfaction for them. Leadership style has a positive and significant effect on job satisfaction which is mediated by work motivation. When the Leadership Style is applied properly, especially on the leadership's suggestions that must be implemented, it will form the work motivation of each employee plus supervision from the leadership at work will shape job satisfaction for employees. Compensation has a positive and significant effect on employee performance mediated by work motivation. When each employee is appropriate, it will form work motivation in each employee which will encourage them to work better and lead to job satisfaction for each employee.

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