

**EMPLOYEE PERFORMANCE ANALYSIS
WITH EMPLOYEE COMMITMENT AS INTERVENING VARIABLE
(Study at the Batang Regency Land Office)**

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Abstract: The success or failure of an organization depends on the ability of its human resources. Each institution must improve the quality of its human resources as well as in the Land Office of Batang Regency so that employee performance increases. This study aims to determine the effect of leadership style, compensation, on employee performance in the mediation of employee commitment. The population in this study were employees at the State Land Agency office in Batang Regency, with a sample of all employees totaling 105 employees, so all were taken as respondents by the census method. This research was conducted using SPSS with multiple linear regression analysis method with mediating effect test. The results showed that leadership style, compensation, and employee commitment had a positive and significant effect on employee performance. Employee commitment can mediate the effect of leadership style and compensation on employee performance.

Keywords: Leadership Style, Compensation, Employee Commitment, and Employee Performance

INTRODUCTION

Performance is a multicomponent concept, namely behavioral involvement with expected outcomes starting at the basic level and differentiated according to aspects of the performance process, (Borman, & Motowidlo, 2001; Campbell et al., 1993; Roe, 1999). Behavior here indicates action to complete a job, while the aspect states the results of the work as a consequence of individual work behavior (Campbell, 1990). The term "employee performance" signifies the individual's job achievement after exerting the required effort on the job associated with profiles, co-workers, employers to do meaningful work, (Hellriegel, Jackson, & Slocum, 1999; Karakas, 2010). Employee performance is very important for business organizations, organizations can utilize HR to increase their success with an effective management system. Organizational goals accelerate processes to move faster and encourage organizations to become more strategically centered on a people perspective, and individual performance is expected to be in line with organizational policies (Jena, & Pradhan, 2014; London, 2003; Mone, & London, 2009). Thus, individual performance and organizational performance are closely related to leadership.

Mitonga-Monga and Coetzee (2012) consider leadership as a pattern related to managerial behavior, which is designed to integrate organizational interests or personal interests and result in the achievement of certain goals. According to Ngambi et al. (2010) and Ngambi (2011), leadership is the process of influencing the commitment of others to realize their full potential in achieving a shared vision with passion and integrity through added value. The nature of this influence is such that team members cooperate voluntarily with other individuals to achieve the goals set according to each member, group and according to the wishes of the leader. The relationship between leaders and employees, related to the quality of employee performance, is significantly influenced by the leadership style adopted by the leader. Leadership style is seen as a combination of different traits and behaviors that leaders use to interact with their subordinates. (Mitonga-Monga & Coetzee, 2012). In addition to leadership, a component that is closely related to employee performance is compensation.

Compensation is the reward received by an employee as a consequence of work that contributes to the organization. Compensation is an organized practice that involves balancing the work-employee relationship by providing monetary and non-monetary benefits to employees. Compensation is an integral part of human resource management that helps motivate employees and increase organizational effectiveness (Adari Tulusae Naidu; G. Satyanarayana; 2018). According to Lai Wan, H. (2007), Milkovich, G. T. And Newman, J. M. (1999)

one of the essences of HRM is compensation. Payments, rewards, benefits, opportunities are all called compensation that can help companies achieve growth and prosperity and retain key executives (Armstrong, M. ; 2002); (Koontz, H.; 2010). Organizations often do not realize that incentive programs can motivate employees to develop their full growth potential (Austin, J., Stevenson, H., & Wei-Skillern, J.; 2012), (Herzberg, F; 2008). Although "compensation" in the business world is often a euphemism for "more money (Moniz, J. ; 2010), most executives agree that it takes more than just salary to keep employees satisfied Buckingham, M., & Coffman, C. (2014). One of the tools used by companies to attract, retain, and motivate employees is Compensation Management (Noe et al, 2017). Therefore, with strong leadership and good compensation, employees are expected to have a good work commitment as well.

Employee commitment is the strong desire of employees to work so that they can survive in the long term in the company. According to Meyer & Allen (1997) commitment "is a psychological state that characterizes an employee's relationship with the organization and has implications for the decision to continue membership in the organization." Organizations achieve the goals set when competent employees have a strong commitment (Khan et al, 2013). Basically, three forms of organizational commitment have been explored, namely affective commitment, continuance commitment and normative commitment. Each of these forms has different implications for employee behavior in the workplace. Most managers consider each behavior that contributes to or affects organizational performance. Some indicators of employee commitment are not limited to interest in getting job offers elsewhere, including willingness to accept responsibility, expression of job satisfaction, willingness and ability to make useful contributions, desire to work with less supervision and not use unnecessary excuses (Iqra and Yahya, 2013). The higher importance of employee commitment leads to several things that benefit the organization, such as identifying the organization's employees and also the motive for committing to the goals of the organization. Biljana (2004) states that employee commitment is an important issue because it can be used to predict performance, absenteeism and other behaviors. Employees who are committed to the organization are more likely to stay with the organization, but also tend to put more effort on behalf of the organization and work towards organizational success. Employees who are not committed tend to show less good performance than employees who are committed. Getting committed and competent employees ready to give the best performance in pursuing organizational goals is one of the problems faced by most organizations, especially in the service industry. Committed employees are characterized as loyal and productive members of work organizations (Porter et al. 1974). Employee commitment is very valuable. Commitment has a major impact on the successful performance of an organization. Employees who are highly committed will identify with the goals and values of the organization, have a stronger desire to be part of the organization and are willing to display the behavior of greater organizational citizens, namely the willingness to go beyond the required job duties, then committed human resources should be considered as organizational competitive advantage. This study aims to prove that the employee commitment variable is able to mediate leadership style and work motivation on employee performance.

RESEARCH PURPOSES

1. Knowing the influence of Leadership Style on Employee Performance.
2. Knowing the effect of compensation on employee performance.
3. Knowing the effect of Employee Commitment on Employee Performance
4. Knowing the influence of leadership style on employee performance mediated employee commitment as an intervening variable.
5. Knowing the effect of compensation on employee performance mediated employee commitment as an intervening variable.

LITERATURE REVIEW

Employee Performance

Employee performance signifies individual work achievement after exerting the required effort on the job associated with profile, co-workers, employer to do meaningful work, (Hellriegel, Jackson, & Slocum, 1999; Karakas, 2010). Employee performance is very important for business organizations, organizations can utilize HR to increase their success with an effective management system. In this study, the performance of employees according to PP No. 30 of 2019 is the result of work, both in quality and quantity achieved by employees in

carrying out their duties in accordance with their respective responsibilities in a job to achieve goals. The indicators used to measure employee performance are 1. Specific; 2. Measurable; 3. Realistic; 4. Has a deadline for achievement; and 5. Adjusting the internal and external conditions of the organization.

Leadership Style

Leadership styles are seen as different combinations of both traits and behaviors that leaders use to interact with their subordinates (Mitonga-Monga & Coetzee, 2012). Mitonga-Monga and Coetzee (2012) consider leadership as a pattern related to managerial behavior, which is designed to integrate organizational interests or personal interests and result in the achievement of certain goals. In this study, leadership style is a manifestation of the behavior of a leader regarding his ability to lead. The embodiment usually forms a certain pattern or shape. The indicators of leadership style used in this study are: 1. Decision Making Ability; 2. Motivating Ability; 3. Communication Skills. 4. Ability to Control Subordinates; 5. Responsibilities; 6. Emotional Control Ability

Compensation

Compensation is the reward received by an employee in return for his work that contributes to the organization (Aadari Tulasee Naidu; G. Sattyanarayana, 2018); One of the tools that companies use to attract, retain, and motivate their employees is Compensation Management (Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright, P. M.; 2017). In this study, compensation is the compensation received by employees in the form of money, goods directly and indirectly for the contribution of employees in doing a job that has been done. The compensation indicators at the Batang Regency Land Office include: 1. Wages; 2. Incentives. 3. Performance Allowance. 4. Facilities

Employee Commitment

Employee commitment is the strong desire of employees to work so that they can survive in the long term in the company. According to (Meyer & Allen 2017) commitment is a psychological state that characterizes an employee's relationship with the organization and has implications for the decision to continue membership in the organization. Organizations achieve the goals set when competent employees have a strong commitment (Khan et al, 2013). In this study, employee commitment is the attitude and form of individual behavior to achieve organizational goals. The indicators of employee commitment used in the research are: 1. Willingness of employees; 2. Employee loyalty. 3. Employee pride

Relationship between variables

1. The Influence of Leadership Style on Employee Performance

Transformational, autocratic, and democratic leadership styles have a positive relationship with organizational performance (Ebrahim Hasan Al Khajeh 2018). In research (Ebenezer Malcolm Ph.D; Stephen Tamatey; 2017); found that all leadership styles had no effect on employee performance. However, leaders found clues to a mix of transformational and transactional leadership attributes. While research (Joyce Chua, Abdul Basit; Zubair Hassan, 2018); shows the results that the autocratic style and democratic leadership style have a positive and significant effect on employee performance. However, they found that the laissez-fair leadership style had no significant effect on employee performance. This suggests that leaders with very different styles have a greater influence on employee performance because employees interact with their immediate supervisor, throughout the day more clearly.

2. The Effect of Compensation on Employee Performance

From the results of research (Bojo and Asabi, 2014) there is a significant relationship between good welfare services and employee performance. Moreover, there is a significant relationship between compensation management and productivity improvement. Also found a significant relationship between compensation management and staff retirement. The conclusion of the research, there is a significant positive relationship between compensation management and employee performance. Different research results state that compensation has a positive impact on employee performance. (Abdul Hameed, et al; 2014). While in Adari

Tulasee Naidu's paper; G. Satyanarayana;2018); discusses the components and importance of compensation emphasizing the impact of compensation on employee performance in the organization.

3. The Effect of Employee Commitment on Employee Performance

Research (Bandula and Lakmini V.K. Jayatilake; 2016) can be concluded that employee commitment has a significant effect on employee performance and has a positive relationship between employee commitment and employee performance. Research findings. (Anthony Andrew 2017) revealed that there is a positive relationship between the three commitments with Organizational Performance. It also proves that there is a strong correlation between the three independent variables and Organizational Performance. This research is in line with research conducted by Irvan Trang, Armanu, Achmad Sudiro, and Noermijati (2013), Jung (2020), Stefanie Inggried Gorap, Siti Haerani, and Wardhani Hakim (2019), I Gede Agus Ari Eka Budi Pratama, I Wayan Surtha, and I Gede Aryana Mahayasa (2020) and Yudha Adhary (2018) who found that organizational commitment had a significant positive effect on employee performance.

4. The Influence of Leadership Style on Employee Performance with Employee Commitment as an Intervening Variable.

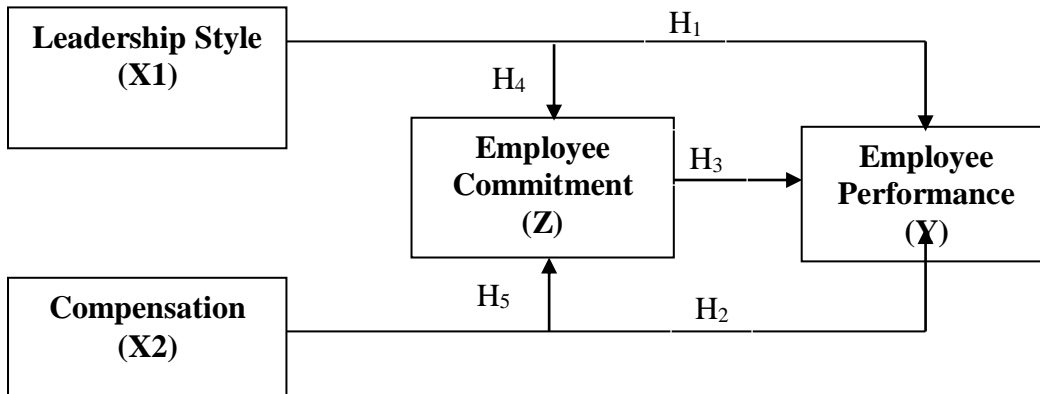
The study (Daniel NawoseIng'ollan & Josse Roussel, 2017) revealed that there is no perfect leadership style but according to this study the following leadership styles affect employee performance; affiliative leadership 49.5%, authoritative leadership style 52.2% on employee performance and therefore it is concluded that both leadership styles affect the style of local government employees in Turkana Regency and both styles should be adopted and not stand alone. The results of the study (Swapna Bhargavi & Ali Yaseen, 2016) developed a suggested model for leadership styles to improve organizational performance by leaders. Leaders must lead themselves and work with organizational support, meaning commitment. (Swapna Bhargavi & Ali Yaseen 2016 leaders must have a commitment to be able to achieve the best results in the organization. Thus commitment can be said as an intervening variable. This research is in line with research conducted by Adikusuma Dewantara (2016) Raed Mohammed Mubarak Saleh, Mohammed Nusari, Nasser Habtoor, and Osama Isaac (2018), Jung (2020), and I Gede Agus Ari Eka Budi Pratama, I Wayan Surtha, and I Gede Aryana Mahayasa (2020) which state that organizational commitment can mediate the influence of leadership style on employee performance.

5. The Effect of Compensation on Employee Performance with Employee Commitment as an Intervening Variable

Research (E. Ohene Afriyie, A. Twumasi, E. Sarpong, L. Opare Darko, 2020) This study adopts the Affective Events Theory (AET) proposed by Howard in 1974 which explains how emotions and moods affect employee commitment, performance organization and job satisfaction. Research Results (Udu and Ameh; 2016) The main conclusion of his research is that administrators are not interested in the monetary aspect of compensation but rather the sensitivity of management to their needs. His research also found that housing and accommodation loans were the most important needs. The recommendation is that management should make other set-off packages in addition to service conditions to encourage workers to do their best. The results of research by Yudha Adhary (2018) found that organizational commitment can mediate the relationship between compensation and employee performance.

FRAMEWORK

Figure 2.1 Framework for Thinking



RESEARCH HYPOTHESIS

- H1 : Leadership Style (X1) has a significant effect on Employee Performance (Y)
- H2 : Compensation (X2) has a significant effect on Employee Performance (Y)
- H3 : Employee Commitment (Z) has a significant effect on Employee Performance (Y)
- H4: Leadership Style (X1) has a significant effect on Employee Performance (Y) mediated by Employee Commitment (Z)
- H5: Compensation (X2) has a significant effect on Employee Performance (Y) mediated by Employee Commitment (Z)

RESEARCH METHODS

This research is included in quantitative research. The data sources used are primary data sources and secondary data sources. This study uses 3 variables, namely the dependent variable, the independent variable, and the intervening variable (mediation). The independent variables are the first leadership style with indicators 1. Decision Making Ability; 2. Motivating Ability; 3. Communication Skills.4. Ability to Control Subordinates; 5. Responsibilities; 6. Emotional Control Ability. The second Independent Variable Compensation indicator with indicators include: 1. Wages; 2. Incentives. 3.Performance Allowance. 4.Facilities. The dependent variable of employee performance with indicators are 1.Specific; 2. Measurable; 3. Realistic; 4. Has a deadline for achievement; and 5. Adjusting the internal and external conditions of the organization. And the intervening variable of employee commitment with indicators are: 1. Willingness of employees; 2. Employee loyalty.3. Employee pride.

The data collection method used in this study is secondary data in the form of journals and literature books, and primary data comes from questionnaires. Primary data is filled with a Likert scale from a scale of 1 strongly disagree to a scale of 5 strongly agree. The population in this study were all employees of the Batang Regency BPN totaling 105 employees, and the sample used was the entire population of 105 employees, using the census method. Furthermore, the data is tabulated and processed according to the research objectives.

The analysis technique used is as follows: Multiple linear regression analysis, with a mediating effect. Previously, an instrument test was conducted, namely the validity and reliability test and the results obtained did not contain any identifiable problems.

Equation 1 Multiple Linear Regression: $EP = 1 LEADS + 2COMPS + e$
 Equation 2 Multiple Linear Regression Model: $EP = 1 LEADS + 2 ECOMIT + e$
 Equation 3: $EP = + ECOMIT + e$

RESULT

Table 1. Validity Test

Variable	Question items	Sig	Result
LEADS (X1)	x1.1	.362*	Valid
	x1.2	.596**	Valid
	x1.3	.627**	Valid
	x1.4	.619**	Valid
	x1.5	.504**	Valid
	x1.6	.486**	Valid
COMPS (X2)	x1.1	.597**	Valid
	x1.2	.720**	Valid
	x1.3	.648**	Valid
	x1.4	.719**	Valid
ECOMIT (Z)	x1.1	.624**	Valid
	x1.2	.792**	Valid
	x1.3	.475**	Valid
EP(Y)	x1.1	.659**	Valid
	x1.2	.483**	Valid
	x1.3	.435*	Valid
	x1.4	.721**	Valid
	x1.5	.566**	Valid

*. Correlation is significant at the 0.05 level (2-tailed).

**.. Correlation is significant at the 0.01 level (2-tailed).

Table 2. Reliability Test

Variable	Cronbach Alpha	Alpha (α)	Result
LEADS (X1)	0,705	0,600	Reliabel
COMPS (X2)	0,763	0,600	Reliabel
ECOMIT (Z)	0,727	0,600	Reliabel
EP (Y)	0,716	0,600	Reliabel

Note : LEADS = Leadership Style; COMPS = Compensation;

ECOMIT = Employee commitment; EP = Employee Performance

Table 3. F Test Equation 1

Model	Sum of Squares	df	Mean Square	F	Sig
1 Regression	167.221	2	83.611	111.574	.000 ^b
Residual	76.436	102	.749		
Total	243.657	104			

a. Dependent Variable: EP (Y)

Table 4. t test with the dependent variable employee performance and the independent variable leadership style and compensation

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		

1. (constant)	.056	1.467		.038	.007
LEADS (X1)	.629	.050	.712	12.543	.000
COMPS (X2)	.309	.059	.297	5.223	.000

a. Dependent Variabel: EP (Y)

Table 5. F Test Equation 2

Model	Sum of Squares	df	Mean Square	F	Sig
1 Regression	153.474	3	51.158	57.294	.000 ^b
Residual	90.184	101	.893		
Total	243.657	104			

a. Dependent Variable: EP (Y)

b. Predictors : (Constant), LEADS (X1), ECOMIT (Z)

Table 6. t test with the dependent variable employee performance and the independent variable leadership style and employee commitment

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
1. (constant)	2.653	1.558		1.702	.002
LEADS (X1)	.158	.053	.245	2.964	.004
ECOMIT (X2)	.363	.063	.477	5.776	.000

a. Dependent Variabel: EP (Y)

Table 7. F Test Equation 3

Model	Sum of Squares	df	Mean Square	F	Sig
1 Regression	62.317	3	51.158	11.569	.000 ^b
Residual	181.340	101	1.793		
Total	243.657	104			

a. Dependent Variable: EP (Y)

b. Predictors : (Constant), COMPS (X2), ECOMIT (Z)

Table 8. t test with the dependent variable of employee performance and the independent variable compensation and of employee commitment

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
1. (constant)	6.991	16.169		.432	.006
COMPS (X2)	2.425	.946	1.368	3.506	.013
ECOMIT (Z)	1.773	1.246	1.296	2.423	.015

a. Dependent Variabel: EP (Y)

Table 9. t test with the dependent variable of employee performance and the independent variable of employee commitment

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
1. (constant)	14.327	1.590		9.014	.000
ECOMIT (Z)	.568	.123	.415	4.628	.000

b. Dependent Variabel: EP (Y)

Based on the table above, the results of the regression equation are as follows:

Equation 1 Multiple Linear Regression : $EP = 1 LEADS + 2COMPS + e$
 $EP = 0.712 LEADS + 0.297 + e$

Equation 2 Multiple Linear Regression: $EP = 1 LEADS + 2ECOMIT + e$
 $EP = 0.245 LEADS + 0.477 + e$

Equation 3 Multiple Linier Regression $EP = 1. COMPS + 2. ECOMIT + e$
 $EP = 1.368 COMPS + 1.296 ECOMIT + e$

Equation 4: $EP = + ECOMIT + e$
 $EP = + 0.415 ECOMIT + e$

The Indirect effect of EP through mediation of employee commitment with independent variable leadership style: (leadership style x employee commitment) + employee commitment

Result = $(0.245 \times 0.415) + 0.415 = 0.516$

The indirect effect of EP through mediation of employee commitment with compensation-free variables: (compensation x employee commitment) + employee commitment.

Result = $(1.268 \times 0.415) + 0.415 = 0.941$

From these calculations, it can be explained that employee performance in the mediation of employee commitment has an indirect effect on the compensation variable of 0.941 which is greater than the indirect effect of leadership style variable of 0.516.

DISCUSSION

1. The Influence of Leadership Style on Employee Performance

The test results show that leadership style has a significant positive effect on employee performance, with a significant value of $0.000 < 0.05$. This shows that leadership is needed to control employee performance, meaning that the activities of all employees in achieving organizational goals can be controlled by the leader. With leadership, the relationship between organizational goals and employee goals becomes unidirectional and aligned. According to (Ebrahim Hasan Al Khajeh 2018) Transformational, autocratic, and democratic leadership styles have a positive relationship with organizational performance. In research (Ebenezer Malcalm Ph.D; Stephen Tamatey; 2017); This research is in line with previous research conducted by Raed Mohammed Mubarak Saleh, Mohammed Nusari, Nasser Habtoor, and Osama Isaac (2018), Darul Khair (2018) Suharno Pawirosurnarto, Purwanto Katijan Sarjana, and Rachmad Gunawan (2017) Retno Purwani Setyaningrum (2017), Jung (2020), I Gede Agus Ari Eka Budi Pratama, I Wayan Surtha, and I Gede Aryana Mahayasa (2020) who stated that leadership style had a significant positive effect on employee performance.

2. The Effect of Compensation on Employee Performance

The test results show that compensation has a significant effect on employee performance, this is indicated by a significance value of $0.000 < 0.05$, which means that compensation has an effect on employee performance. The size of the salary received affects the performance of employees. Compensation is one of the factors that affect employee performance because salary becomes employee motivation, the greater the salary and the facilities provided can affect the level of employee performance. The greater the compensation received, the employees will be more active to work. In conclusion, there is a significant positive relationship between compensation management and employee performance (Bojo and Asabi, 2014). The results of other studies also conclude that compensation has a positive impact on employee performance. (Abdul Hameed, et al; 2014). This research is also in line with research conducted by Adhary (2018), Talashina and Ngatno (2019), and Gorap, et al (2019) which found that compensation has a positive and significant effect on employee performance.

3. The influence of employee commitment on employee performance

The results of the research test show that organizational commitment has a significant positive effect on employee performance, with a significant value of $0.000 < 0.05$. This shows that employee commitment is important because it shows employees to be more loyal to their work. Employees are more optimal in devoting their thoughts, energy, attention and time to their work so that what is done is in accordance with the wishes of the organization. Employee commitment has a significant effect on employee performance and has a positive relationship between employee commitment and employee performance (Bandula and Lakmini V.K. Jayatilake; 2016). Research findings (Anthony Andrew; 2017) reveal that there is a positive relationship between the three commitments and employee performance. This research is in line with research conducted by Stefanie Inggried Gorap, Siti Haerani, and Wardhani Hakim (2019), Irvan Trang, Armanu, Achmad Sudiro, and Noermijati (2013), Jung (2020), I Gede Agus Ari Eka Budi Pratama, I Wayan Surtha, and I Gede Aryana Mahayasa (2020) and Yudha Adhary (2018) who found that employee commitment had a significant positive effect on employee performance.

4. The Influence of Leadership Style on Employee Performance with Employee Commitment as an Intervening Variable

The results showed that leadership style on employee performance with employee commitment as a mediating variable was 0.516. This is in accordance with studies (Daniel Nawose Ing'ollan & Josse Roussel, 2017) revealing that there is no perfect leadership style. The results of the research (Swapna Bhargavi & Ali Yaseen; 2016) developed a model of leadership style to improve organizational performance, leaders must lead themselves and work with organizational support, leaders must have a commitment to be able to achieve the best results in the organization. The research is in line with research conducted by Adikusuma Dewantara (2016) Raed Mohammed Mubarak Saleh, Mohammed Nusari, Nasser Habtoor, and Osama Isaac (2018), Jung (2020), Luksono Pramudito and Askar Yunianto (2009) and I Gede Agus Ari Eka Budi Pratama, I Wayan Surtha, and I Gede Aryana Mahayasa (2020) who stated that employee commitment can mediate the influence of leadership style on employee performance.

5. The Effect of Compensation on Employee Performance with employee Commitment as an Intervening Variable

The results showed that compensation for employee performance with employee commitment as a mediating variable with a value of 0.941. Organizational commitment is the attitude or form of a person's behavior towards the organization in the form of loyalty and the achievement of the organization's vision, mission and goals, while compensation is a reward received by employees in the form of money, goods directly and indirectly for employee contributions in doing a job, when employees receive compensation high, it will increase employee commitment. So if the employee's commitment increases, it will increase the employee's performance. A study (E. Ohene Afriyie, A. Twumasi, E. Sarpong, L. Opere Darko, 2020), adopting the Affective Events Theory (AET) proposed by Howard in 1974 explains how emotions and moods affect employee commitment, and organizational performance. The research of Ameh Abu Amodu (2016) concludes that administrators are interested in the monetary aspect of compensation and require management sensitivity to their needs, especially the most important needs. Thus, management must make a set-off package to encourage workers to do their best, which means employee commitment is needed. The results of research by Yudha Adhary (2018) found that

organizational commitment can mediate the relationship between compensation and employee performance.

CONCLUSION

The results of hypothesis testing show that leadership style has a positive and significant effect on employee performance. The results of hypothesis testing show that compensation has a positive and significant effect on employee performance. The results of hypothesis testing also show that employee commitment has a positive and significant effect on employee performance. The results of the mediation effect test found that employee commitment can mediate the effect of leadership style on employee performance. This proves that employee commitment as a mediating variable of the influence of compensation and leadership style on employee performance with the indirect effect of compensation is greater than the indirect effect of leadership style. This proves that employee commitment as a mediating variable of the compensation variable on employee performance.

IMPLICATIONS

1. The results of this study indicate that leadership style has a positive effect on organizational commitment and can further improve employee performance. The Land Office of Batang Regency should pay more attention to leadership style so that employees feel more comfortable and have good cooperation between leaders and employees, so as to increase employee productivity to achieve organizational goals. The results of this study indicate that employee commitment has a positive effect on employee performance. The leadership at the Batang Regency Land Office should encourage employees to always have loyalty and pride in the institution so that organizational goals will be more easily achieved.
2. The results of the study prove that compensation has a significant positive effect and provides a greater indirect effect through employee commitment. Thus, it has become imperative that compensation through salaries, incentives and allowances as well as adequate facilities can improve employee welfare, thereby increasing employee performance as well as organizational performance.
3. Thus leadership style and compensation will be a reference to improve employee performance through employee commitment; this will have a positive effect on organizational success.

LIMITATIONS OF THE RESEARCH

1. Variables that affect employee performance in this study are limited to leadership style variables and compensation and employee commitment as intervening variables. For this reason, it is necessary to add independent variables such as information technology, because information technology at this time has become the need of every employee.
2. This research is limited to the Land Office of Batang Regency, thus the population and sample as objects need to be added to the employees of the Land Agency in Central Java Province, so that overall conclusions can be drawn.

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