THE IMPORTANCE OF STRENGTHENING EMPLOYEE PERFORMANCE THROUGH LEADERSHIP AND ENGAGEMENT, WITH WORK MOTIVATION AS AN INTERMEDIARY

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ABSTRACT

Performance is the work achieved by a person in performing tasks in accordance with the responsibilities given to employees in quality, quantity, and time. The purpose of this study is to test empirically the impact of leadership and employee engagement on work motivation, and its impact on employee performance. In this study, as many as 250 employees with active status become the subject of research. The target population of this study is from foreman (junior staff) to the manager level. The sample size adjusted to the model of analysis used is structural equation modeling (SEM). The results of this study indicate that leadership and employee engagement affect employee motivation and employee performance. And work motivation affects employee performance. In addition, leadership and employee engagement have an indirect effect on employee performance through work motivation. Strong leadership and employee engagement in order to improve employee performance needs to be mediated by work motivation.

Keywords: Leadership, employee engagement, work motivation, employee performance

1. INTRODUCTION

Human resources are not considered a support function, human resources are the main assets that play a role in achieving sustainable corporate plans and good performance. Development of human resource management currently leads to human capital. Leadership is the key in management that plays an important and strategic role in the survival of a company. It is a standard of employee satisfaction levels. Increasing employee job satisfaction within an organization can not be separated from the role of leader in the organization. They are the originator of the goal. They, plan, organize, move and control all the resources under their wings so that corporate goals can be achieved effectively and efficiently. Employees will have rational, emotional and motivational involvement by several factors, such as satisfaction of work achievement, receiving respect from achievement, loving workplace and work environment, expectation on reward, promotion, and independence. Employee engagement is often the goal of various HR management activities. Michael Adryanto (2014) says that the main driving force for creating engagement is motivation. Motivation is done by manager to inspire, encourage, and encourage others, in which case employees take action (Manullang, 2004: 194).

Performance is the work achieved by a person in performing tasks in accordance with the responsibilities given to employees in quality, quantity, and time. Performance is the real behavior that each person displays as a work performance generated by the employee in accordance with its role in the company (Rivai, 2004: 309). Increasing employee performance is the key to efficiency at all levels of an organization which lead to performance improvement. The purpose of this study provides information as to what changes to leadership that are important and strategic role in the company and changes in employee engagement implementation as a strategy to increase employee motivation in their workplace. The results showed that there was a positive relationship between work motivation and employee performance.

2. LITERATURE REVIEW

2.1. Theoretical Background
2.1.1. Leadership and Work Motivation

Armstrong (2003) states that leadership is the process of inspiring all employees to work as well as possible to achieve the expected results. Leadership is closely related to one's ability to impact
others to work in accordance with the expected goals. Every leader has different behaviors in leading his/her followers. Motivation is one’s personal circumstances that encourage the desire of individuals to perform certain activities to achieve goals (T. Hani Handoko 2003: 252). A study by Salwa Yusop, Siti Mariam Mohd Azam (2014), was conducted to identify the relationship between leadership and motivation. The study highlights the aspects of leadership and motivation factors as leader's advice in addressing employee issues to be happy and loyal to the organization, and develop the organization. The results showed that leadership has a positive relationship to work motivation. Research conducted by R. Gopal and Rima Ghose Chowdhur (2014) test the influence of leadership on work motivation the researchers found that transformational and transactional leadership made employees motivated enough. Research by Mai Ngoc Khuong and Dang Thuy Hoang (2015) tested the leadership in motivation of work. In the research Mai Ngoc Khuong and Dang Thuy Hoang concluded that leadership has the potential impact on work motivation. 

**H1:** Leadership has a significant impact on work motivation

### 2.1.2. Leadership and Employee Performance

Leadership behavior is the way in which leaders influence their subordinates in the form of personality. Leadership according to Wahjosumidjo (1991: 154) The outline of leadership is as follows: being fair, giving suggestions, supporting goals, catalyzing, creating a sense of security, representing the organization, source of inspiration and respect. Employee performance is the result of work in the quality and quantity that can be achieved by an employee in performing their duties in accordance with the responsibilities given to him (Mangkunegara, 2005: 67). Research conducted by Durga Devi Pradeep, N.R.V. Prabhu (2011) observed the relations between leadership and employee performance. The study showed work effectiveness, satisfaction, extra effort, and can be relied upon. The results of the study stated that leadership has a significant relationship with employee performance. Research conducted by Adamu Ahmed Girei (2015) test the influence of leadership on employee performance. The results of this study provide an understanding of management practice in applying leadership in order to improve employee performance.

**H2:** Leadership has a significant impact on employee performance

### 2.1.3. Employee Engagement and Work Motivation

Albrecht (2010) claims that employee engagement is the state of an employee who is directly involved psychologically with his work. Employees will be physically, cognitively, and emotionally engaged during their work performance. According Kadarisma (2012: 278), work motivation is a motivator or incentive for someone to want to behave and work diligently and in accordance with the duties and obligations that have been given to him/her. Research conducted by Priyadarshni Nidan (2015) explores the impact of employee engagement on employee productivity and motivation. The results showed that employee engagement affects employee motivation and performance. Research conducted by Sonia Gupta and Tusshar Mahajan (2012) showed that employee engagement is a level of commitment to organization and organizational values. Research conducted by Sangamitra Gowtham M. J. (2015) mentioned that employee engagement is an important concept in the 21st century showing that there is a positive relationship between motivation and employee engagement.

**H3:** Employee engagement has a significant impact on work motivation

### 2.1.4 Employee Engagement and Employee Performance

Engagement is defined as a positive, meaningful, and motivational attitude, characterized by passion, dedication, and absorption (Schaufeli, 2002 in Breso, Schaufeli, & Salanova, 2010). Employees will be physically, cognitively, and emotionally engaged during their work performance. Dessler (2006: 327), employee performance is the performance of work, the comparison between the work that can be seen clearly with the work standards set by the organization. Research conducted by Maha Ahmed Zaki Dajani (2015) states employee engagement becomes a very popular managerial construct. Organizations use different engagement building tools in order to improve performance. Employee engagement will result in a significant impact on job performance, but the impact
is less on organizational commitment. In a Harvard Business Review Analytic Services (2013), employee engagement will be a top business priority for senior executives. The results suggest that employee engagement is crucial in achieving organizational success as well as initiatives to business objectives.

$H_4$: Employee engagement has a significant impact on employee performance

2.1.5 Work Motivation and Employee Performance

The process that explains the intensity, direction, and persistence of an individual to achieve his/her goals can be interpreted as motivation (Robbins and Judge, 2008: 214). Cash and Fischer (1987) in Brahmasari (2008), Performance is often referred to as result which is defined by what has been produced by individual employees. In a study conducted by Muogbo, Uju S. (2013) investigates the effect of work motivation on employee performance. The study shows the importance of rewards in daily performance, which can reduce the pressure of workers in their activities. Employee performance will increase along with high motivation given. Research conducted by Richard Omwoyo Oroni, Mike Iravo, Charles Munene Elijah (2014) tested the effect of work motivation on employee performance. In this study by building the structure of work motivation can improve employee performance.

$H_5$: Work motivation has a significant impact on employee performance

2.1.6 Intermediation of work motivation in leadership on employee performance

Leadership owned by a leader in a company has been shown to affect employee performance. Leadership affects performance through various mechanisms including through mediation mechanisms. Motivation has been shown to have a mediating role in the relationship between transformational leadership and transactional performance (Barling et al., 2001). Thus the sixth hypothesis in this study is the motivation has a role in mediating the influence of leadership on employee performance.

$H_6$: Leadership in work motivation intermediation has a significant impact on employee performance

2.1.7 Intermediation of work motivation in employee engagement on employee performance

Employee engagement is often the goal of various HR management activities of a company has been shown to affect employee performance. Employee Engagement affects employee performance through various mechanisms including through motivation mechanisms as mediation. The seventh hypothesis in this study is the motivation has a role in mediating the influence of employee engagement on employee performance.

$H_7$: Employee engagement in work motivation intermediation has a significant impact on employee performance

2.2. Theoretical Framework and Hypothesis

Based on the above literature review, this study intended to test the theoretical framework as illustrated below. In this model, leadership is linked to work motivation, and related to employee performance. Employee engagement is associated with work motivation and related to employee performance. Work motivation is related to employee performance. Leadership and employee engagement in work motivation intermediation is associated with employee performance.
3. RESEARCH METHODOLOGY

3.1. Research Methods

This research utilizes a framework as a guide in collecting and analyzing hypothesis. Quantitative approach with survey method and Structural Equation Modeling (SEM) technique is used in this research. The SEM method is a statistical technique capable of analyzing patterns of relationships between latent constants and their indicators, latent constants with each other, and measure error directly. The SEM technique has two main objectives in the analysis, which determine whether the research model is “fit” based on the data it has, the second goal is to test the various hypothesis (patterns of relationship) that have been built before. Data analysis is used to explain correlational relationship between variables through hypothesis testing. This research is a descriptive research with the aim to collect primary data through questionnaire of a variable - variable which can have a strong impact on the research result. The collection of primary data is done to employees in the environment of PT. Astra Daihatsu Motor.

3.2. Characteristics of Respondents

In this study, the target population is the foreman (junior staff) to the manager level. This study taken as many as 250 respondents, so it can be considered feasible. Respondents breakdown showed that the respondents were 83.6% male, 16.4% female. The respondents have Bachelor’s degree (S1 - 48.4%), Associate Degree 3 (D3 - 28.4%), Master’s Degree (S2 - 6.4%) and senior high school graduates (16.8%). The respondents positioned as foreman / junior staff (49.6%), section head/supervisor (43.2%) and manager (7.2%). The respondents have worked 1-5 years (45.2%), 6-10 years (29.2%), 11-15 years (11.6%) and> 15 years (14%). The respondents were in between 25-35 years old (55.6%), <25 years (21.2%), 36-45 years (16.8%), 46-55 years old (6.4%).

3.3 Measurement

This study uses The Structural Equation Modeling (SEM) of AMOS statistical software package for model development and hypothesis testing. The correlational AMOS model shows the structural measurements and problems, and is used to analyze and test hypothesis. This research is a descriptive research with the aim of collecting primary data through questionnaires with variables that can have a strong impact on the results of research. Primary data collection conducted to employees of PT. Astra Daihatsu Motor. Primary data obtained through questionnaires and this study uses quantitative approach. The variables to be studied are leadership, employee engagement, work motivation, and employee performance. Measurement variables will be based on indicators. This study uses likert scale, where the answer of available statement ranges from number 1 to number 5.

The sample size adjusted to the model of analysis used is structural equation modeling (SEM). According to Hair, Anderson, Tatham and Black (1998) suggested that the appropriate sample size
for the SEM (Structural Equation Modeling) analysis tool is 100-200 respondents intended to be used in estimating the interpretation with SEM. SEM sample size to be met by Hair et al. (1998: 604-605) must meet the following requirements: misspecified model, appropriate model size, derived from normal data and meet the estimation procedure. The instrument is presented in Bahasa Indonesia.

4. DATA ANALYSIS AND FINDINGS

This research uses Structural Equation Modeling (SEM) analysis. The theoretical model described in the flowchart will be analyzed based on the data obtained.

4.1. Full Model-Structural Equation Analysis

Analysis is done by doing conformity test and statistical test. Results of data processing for a complete SEM model analysis are shown in Figure 2.

![Figure 2. Output Model and Output Results](image)

4.2. Confirmatory Analysis

The measurement model consists of latent variables, which are leadership, employee engagement, work motivation, and employee performance, along with a number of indicators on each latent variable. In the measurement model analysis, the validity of the measurement model and the reliability of the measurement model is reviewed. This study used validity criteria with standard loading factor ≥ 0,70 (Ghozali, 2008) and for reliability criteria with AVE value ≥ 0,50 and CR ≥ 0,70.

Confirmation of factor analysis (CFA) for each variable can be seen that all values of load factor standarized ≥ 0.5, AVE all variables have value ≥ 0.5, and CR all variables have value ≥ 0.7. Therefore it can be concluded that all indicators of each variable is valid and reliable.

4.3. Assumption Testing Result

This test is done by using criteria of critical ratio skewness from C.R. ± 2.58 at a significance level of 1% or 0.01. The data has a normal distribution if the value is below the absolute price of 2.58 (Ghozali 2013).
From the test results, it can be concluded that in the test of normality not sequentially, all indicators have value c.r. ≤ 2.58 so that all indicators are normally univariate distributed. While in the multivariate normality test, the value of c.r. The multivariate in the table shows the number 19.586> 2.58, so the multivariate is not normally distributed, so in the next analysis it will use bootstrap analysis.

4.4. **Overall Match of Models**

The result of matching model size is as follows:

**Chi Square**

The smaller the chi-square value the better, and the value of p ≥ 0.05 (Wijanto, 2008). Results of data processing shows the value of chi-square is 1168.497 with P = 0.000. So it can be said that the match level of this research is a poor fit. The chi-square size has a weakness in large samples, therefore, can see other gof sizes to see the feasibility of the research model.

**GFI**

According to Wijanto (2008), good GFI value is 0.80 ≤ GFI ≤ 0.90 to be said a marginal fit, or GFI ≥ 0.90 to be said a good fit. Results of data processing shows the value of GFI is 0.840. So it can be said that the level of compatibility of this study is a marginal fit.

**RMSEA**

The good RMSEA value is 0.08 ≤ RMSEA ≤ 0.10 to be said a marginal fit, or RMSEA ≤ 0.08 to be said a good fit (Wijanto, 2008). The result of data processing shows that the value of RMSEA is 0.028. So it can be said that the level of compatibility of this study is a good fit.

**TLI**

According to Wijanto (2008), good TLI value is 0.80 < TLI ≤ 0.95 to be said a marginal fit, or TLI ≥ 0.95 to be said a good fit. The result of data processing shows that the value of TLI is 0.970, so it can be said that the match rate of this research is a good fit.

**IFI**

According to Wijanto (2008), good IFI value is 0.80 < IFI ≤ 0.95 to be said a marginal fit, or IFI ≥ 0.95 to be said a good fit. Results of data processing shows IFI value is 0.972, so it can be said that the match rate of this research is a good fit.

**CFI**

According to Wijanto (2008), a good CFI value is 0.80 < CFI ≤ 0.95 to be said a marginal fit, or CFI ≥ 0.95 to be said a good fit. Results of data processing shows the value of CFI is 0.972, so it can be said that the match level of this research is a good fit.

**Norm Chi-Square (CMIN/DF)**

The ratio between Chi-Square divided by degree of freedom. According to Wijanto (2008), the suggested value is ≤ 2. The result of data processing shows the value of Normed Chi-Square is 1.196, so it can be said that the match level of this research is a good fit.

4.5. **Structural Model Analysis**

Structural model analysis is related to the coefficients or parameters showing the impact of relation between latent variables. Below is a table of regression weights from structural model research results.

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Table Regression Weights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimate</td>
<td>S.E.</td>
</tr>
<tr>
<td>MK &lt;-- KP</td>
<td>.442</td>
</tr>
<tr>
<td>MK &lt;-- EA</td>
<td>.368</td>
</tr>
<tr>
<td>KK &lt;-- KP</td>
<td>.271</td>
</tr>
<tr>
<td>KK &lt;-- EA</td>
<td>.258</td>
</tr>
<tr>
<td>KK &lt;-- MK</td>
<td>.587</td>
</tr>
</tbody>
</table>

Based on the above table, the hypothesis obtained is as follows:
Table 3
Analysis of Direct Effect Structural Model Result

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path</th>
<th>t-value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₁</td>
<td>Leadership → Work Motivation</td>
<td>7.055</td>
<td>Data Supporting Hypothesis</td>
</tr>
<tr>
<td>H₂</td>
<td>Employee Engagement Implementation → Work Motivation</td>
<td>6.216</td>
<td>Data Supporting Hypothesis</td>
</tr>
<tr>
<td>H₃</td>
<td>Work Motivation → Employee Performance</td>
<td>7.164</td>
<td>Data Supporting Hypothesis</td>
</tr>
<tr>
<td>H₄</td>
<td>Leadership → Employee Performance</td>
<td>5.375</td>
<td>Data Supporting Hypothesis</td>
</tr>
<tr>
<td>H₅</td>
<td>Employee Engagement Implementation → Employee Performance</td>
<td>5.355</td>
<td>Data Supporting Hypothesis</td>
</tr>
</tbody>
</table>

The hypothesis test H₁, H₂, H₃, H₄, and H₅ can be accepted if the value of t-value on table ≥ 1.96 Hair et al. (2010) and Santoso (2012: 145).

Based on Table 3 it can be concluded that:

1. Testing the significant impact of leadership on work motivation with research hypothesis (H₁) as follows:
   H₁: Leadership has a significant impact on work motivation
   Table 3 shows that the value of t-value on testing of leadership relationship with Work Motivation is 7.055. Because the value of t ≥ 1.96, then the data in this study support the statement that leadership has a direct impact on work motivation. The approximate coefficient value in this relationship is 0.442 which is marked positive, this indicates that the relationship is positive (unidirectional).

2. Testing the significant impact of employee engagement on work motivation with research hypothesis (H₂) as follows:
   H₂: Employee engagement has a significant impact on work motivation
   Table 3 shows that the value of t-value in testing the relationship of employee engagement with work motivation is 6.216. It shows a value of t over 1.96. Because of the value of t ≥ 1.96, it is significant that the data in this study support the assertion that employee engagement directly affects work motivation. The estimated coefficient value in this relationship is 0.368, it indicates that the relationship is positive (unidirectional).

3. Testing the significant impact of work motivation on employee performance with research hypothesis (H₃) as follows:
   H₃: Job motivation has a significant impact on employee performance
   Table 3 shows that the value of t-value in testing the relationship of work motivation with employee performance is 7.614. It shows a value of t over 1.96. Because the value of t ≥ 1.96, then the data in this study support the statement that the motivation of work directly affects employee performance. The approximate coefficient value in this relationship is 0.587, this indicates that the relationship is positive (unidirectional).

4. Testing the significant impact of leadership on employee performance with research hypothesis (H₄) as follows:
   H₄: Leadership has a significant impact on employee performance
   Table 3 shows the value of t-value in testing leadership relationship with employee performance of 5.375. This shows a value of t ≥ 1.96. Because the value of t ≥ 1.96, then the data in this study significantly supports the statement that leadership has a direct impact on employee performance. The approximate coefficient value in this relationship is 0.271, this indicates that the relationship is positive (unidirectional).

5. Testing the significant impact of employee engagement on employee performance with research hypothesis (H₅) as follows:
   H₅: Employee engagement has a significant impact on employee performance
Table 3 shows that the t-value value in testing employee engagement relationships with employee performance is 5.355. This shows a value of $t \geq 1.96$. Because the value of $t \geq 1.96$, then the data in this study supports the statement that employee engagement directly affects employee performance. The approximate coefficient value in this relationship is 0.258, this indicates that the relationship is positive (unidirectional).

The analysis of the structural model of indirect impact using the test sobel. Test results are presented in Table 4 below:

Table 4
Result of Analysis of Indirect Effect of Structural Model

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path</th>
<th>t-value</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_6$</td>
<td>Leadership $\rightarrow$ Work Motivation $\rightarrow$ Employee Performance</td>
<td>4.986</td>
<td>Data Supporting Hypothesis</td>
</tr>
<tr>
<td>$H_7$</td>
<td>Employee Engagement Implementation $\rightarrow$ Work Motivation $\rightarrow$ Employee Performance</td>
<td>4.677</td>
<td>Data Supporting Hypothesis</td>
</tr>
</tbody>
</table>

In Hypothesis $H_6$, and $H_7$, it is acceptable if the t-value value in the table is $\geq 1.96$ Hair et al. (2010) and Santoso (2012: 145).

Based on table 4 it can be concluded that:
1. Testing leadership in work motivation intermediation have a significant impact employee performance with the research hypothesis ($H_6$) as follows:
   $H_6$: Leadership in work motivation intermediation has a significant impact on employee performance

   Table 4 shows the value of $t$-value on testing the indirect relationship leadership with employee performance through work motivation is 4.986. Because the value of $t \geq 1.96$, then the data in this study support the statement that leadership indirectly affect employee performance through work motivation.

2. Testing employee engagement in work motivation intermediation have a significant impact on employee performance with research hypothesis ($H_7$) as follows:
   $H_7$: Employee engagement in work motivation intermediation has a significant impact on employee performance

   Table 4 shows that the value of $t$-value on testing of employee engagement relationship have an effect on employee performance through work motivation is 4,677. It shows a value of $t$ over 1.96. Because the value of $t \geq 1.96$, then the data in this study support the statement that employee engagement does not directly affect employee performance through work motivation.

5. DISCUSSION

In the analysis of the measurement model in this study indicates that all variables have met the criteria of validity and reliability and in structural model analysis, hypothesis one ($H_1$), hypothesis two ($H_2$), hypothesis three ($H_3$), hypothesis four ($H_4$), hypothesis five ($H_5$), hypothesis six ($H_6$), and hypothesis seven ($H_7$) support the proposed hypothesis. The test results from the structural model for each hypothesis are as follows:

a. The results of the testing that shows leadership have a significant impact to the work motivation

   The results of this study indicate that there is significant impact of leadership on work motivation. $H_1$ test results show that leadership with work motivation have a positive relationship. If the leadership is good then work motivation will also high. Conversely, if the leadership is low then the work motivation will also be low. With the acceptance of the hypothesis, it can be concluded that the work motivation of PT Astra Daihatsu Motor employees is determined by leadership. $H_1$ testing showed that Leadership with Work Motivation has a positive correlation to research from Salwa Yusop, Siti Mariam Mohd Azam (2014) titled An Effective Leadership Practices In Motivating Employees: From Malaysian Employer Perspective, research from R. Gopal and Rima Ghose Chowdhur (2014 ) titled Leadership Styles and Employee Motivation: An Empirical Investigation in a Leading Oil Company in India and research from Mai Ngoc Khuong, Dang Thuy Hoang (2015) titled The Effects of Leadership Styles on Employee Motivation.
b. The results of the testing that shows employee engagement have a significant impact to the work motivation

The results of this study indicate that employee engagement have a significant impact on work motivation. The result of H2 test shows that employee engagement have a positive effect on work motivation. High employee engagement will result in high work motivation, and if employee engagement is low then work motivation will be low as well. With the acceptance of the hypothesis, it can be concluded that the work motivation of PT Astra Daihatsu Motor Company is determined by employee engagement. The result of H2 testing shows that Employee Engagement have a positive effect on Work Motivation strengthens research from Priyadarshini Nidan (2015) titled To study the impact of employee engagement on employee productivity and motivational level of employee in retail sector, research from Sonia Gupta, Tusshar Mahajan 2012 titled An Analytical Study Of Drivers Of Employee Engagement Among Executives Of Manufacturing Organization: With Special Reference to Handicraft Industry In Moradabad Region, and research from Sangamitra Gowtham MJ (2015) titled Motivation: A way study of super markets in mysore).

c. The results of the testing that shows work motivation have a significant impact to the employee performance

The results showed that work motivation significant impact on employee performance. H3 testing results indicate that work motivation have a significant impact on employee performance. High motivation of work will result in high employee performance as well, otherwise if the motivation of work is low then employee performance will be low as well. With the acceptance of the hypothesis, it is concluded that the employee performance of PT Astra Daihatsu Motor is determined by work motivation. H3 testing shows that Work Motivation positively affects Employee Performance which strengthens research from David Ackah (2014) titled The Impact of Motivation on Employee Performance in the Manufacturing Industry in Ghana, research from Muogbo, Uju S (2013) titled The Influence of Motivation on Employees' Performance: A Study of Some Selected Firms in Anambra State, and research from Richard Omwoyo Oroni, Dr. Mike Iravo, Dr. Charles Munene Elijah (2014) titled Influence of Motivation on Tea Factory Employee Performance in Kenya. A Case of Kisii County, Kenya.

d. The results of the testing that shows leadership have a significant impact to the employee performance

The results of this study indicate that leadership significant impact to employee performance. H4 testing results show that leadership have a significant impact on employee performance. High leadership will also result in high employee performance, while if leadership is low then employee performance will be low as well. With the acceptance of the hypothesis, it is concluded that the performance of PT Astra Daihatsu Motor Company employees is determined by the leadership. H4 testing results that leadership positively affects employee performance strengthens research from Conrad M. Mubaraka, Simon Mabira, Ibrahim Mohammed Jirgi, Jummai Mamman (2013) under the title Leadership Style and Performance of Selected Manufacturing Companies in Uganda, research from Durga Devi Pradeep, N.R.V. Prabh (2011) titled The Relationship between Effective Leadership and Employee Performance, and research by Adamu Ahmed Girei (2015) titled Perceived Effects Of Leadership Styles On Worker's Performance In Package Water Producing Industry In Adamawa State, Nigeria.

e. The results of the testing that shows employee engagement have a significant impact to the employee performance

The results of this study indicate that employee engagement have a significant impact on employee performance. H5 testing results showed that employee engagement have a significant impact on employee performance. High Employee Engagement will result in high employee performance, and conversely if employee engagement is low then employee performance will be low as well. With the acceptance of the hypothesis, it is concluded that the employee performance of PT Astra Daihatsu Motor is determined by the implementation of employee engagement. H5 testing results that Employee Engagement have a positive effect on Employee Performance strengthens

g. The results of the testing that shows leadership in work motivation intermediation have a significant impact to the employee performance

The results of this study indicate that leadership have an indirect effect on employee performance through work motivation. High leadership will generate high work motivation which also results in high employee performance, while low leadership will result in low work motivation that leads to low employee performance. With the acceptance of the hypothesis, it can be concluded that the performance of employees of PT Astra Daihatsu Motor Company indirectly determined by the leadership.

h. The results of the testing that shows employee engagement in work motivation intermediation have a significant impact to the employee performance

The results of this study indicate that employee engagement have a positive effect on employee performance through work motivation. High Employee Engagement will result in high work motivation, which leads to high employee performance, and low employee engagement will result in low work motivation that will result in lower employee performance as well. With the acceptance of the hypothesis, it can be concluded that the performance of employees of PT Astra Daihatsu Motor is indirectly determined by the implementation of employee engagement.

6. CONCLUSION

From the results of the research that has been done about the impact of leadership and employee engagement on work motivation, and its impact on employee performance at PT. Astra Daihatsu Motor, can be summarized as follows:

1. The impact of the leadership to the work motivation at PT. Astra Daihatsu Motor has a significant and positive impact. Can be interpreted that good leadership in PT. Astra Daihatsu Motor enhance work motivation.
2. The impact of the employee engagement to the work motivation at PT. Astra Daihatsu Motor has a significant and positive impact. Can be interpreted that strong employee engagement able to enhance work motivation.
3. The effect of the work motivation to the work performance at PT. Astra Daihatsu Motor has a significant and positive impact. High work motivation enhances employee performance.
4. The effect of the leadership to the work performance at PT. Astra Daihatsu Motor has a significant and positive impact. Good leadership can improve employee performance.
5. The effect of the employee engagement to the employee performance at PT. Astra Daihatsu Motor has a significant and positive impact. Strong employee engagement will enhance employee performance.
6. Indirect impact of the leadership to the employee performance through work motivation, which the data in this study supports the statement that leadership has an indirect effect on employee performance through work motivation. Companies applying leadership to enhance employee performance need to be mediated by work motivation.
7. The impact of the employee engagement indirectly to the employee performance through work motivation, significantly the data in this study supports the statement that employee engagement has a indirect effect on employee performance through work motivation. The potential of employee engagement to improve employee performance needs to be mediated by work motivation
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