

THE INFLUENCE OF LEADERSHIP STYLE ON EMPLOYEE WORK MOTIVATION AT PT. PAWNSHOP (PERSERO) PANAM PEKANBARU BRANCH

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Abstract

Leadership has an important role in encouraging employee enthusiasm and performance so that the company's goals can be achieved with full integrity and trust for the common good. The leadership style applied by a leader can affect employee productivity, loyalty, and work motivation. PT. Pegadaian (Persero) Panam Pekanbaru Branch as a financial services company engaged in financing requires an effective leadership style to keep employees' work motivation optimal. This study aims to determine the influence of leadership style on employee work motivation at PT. Pegadaian (Persero) Panam Pekanbaru Branch. According to Thoha (2015:303), leadership style is a pattern of behavior applied by a person when trying to influence the actions or behavior of others according to their perception. Meanwhile, according to Sutrisno (2009:110), motivation is the result of interaction between individuals and certain situations, thus causing differences in motivational strength among individuals. This study uses a quantitative approach with a saturated sampling method, involving all 31 employees. The data analysis technique used SPSS version 27 through validity, reliability, simple linear regression, t-test, and determination coefficient (R^2). The results showed that leadership style had a positive and significant effect on employee work motivation, with an R^2 value of 0.683 or 68.3%. It is suggested that the transactional leadership style applied continues to be improved with a balance between reward and supervision, as well as combined with a humanist and communicative approach.

Keywords : Leadership Style, Work Motivation

INTRODUCTION

A. Background

Human resources are essential to achieving the company's goals and

success. Human resource development requires employee performance to achieve company goals and individual performance. Improving employee performance benefits both the company and the

employees themselves. The people who work in the company are its main asset, and they have a strategic role in the organization, such as thinking, planning, and overseeing its operations. Superior leadership is one of the factors of company success, and good performance is inseparable from good cooperation between superiors and subordinates in establishing working relationships.

An organization will succeed or fail depending on how its superiors manage it. Organizations like companies have leaders with a variety of leadership styles, including authoritative, democratic, transactional and so on. Regardless of the pros and cons of each leadership style, it is still acceptable. Companies not only demand employees to work to the maximum to achieve the company's goals, but must also understand the needs of each employee. The decisions made by a leader about organizational goals greatly affect how the company will move forward. The way a leader influences his subordinates in the workplace is known as his leadership style. The leadership style aims to encourage employees to participate in activities that have been set by the organization. Leaders who have a better leadership style will be more successful in achieving their employees' job satisfaction. A good leadership style can show an attitude of concern for its employees in ways such as solving problems, providing problem-solving, communicating with employees, participating in problem discussions, and giving advice when problems arise. As a leader, a fair attitude is necessary, both in interacting with the people being led and in carrying out other leadership functions. Leaders who have a fair attitude tend to be objective in every situation. The assessment of a person or a problem is not based on personal preferences, such as likes or dislikes, but rather on considerations that are most favorable to the achievement of

organizational goals. In addition, a leader must be able to make fair decisions, as those decisions have far-reaching repercussions for many people. An attitude of equality or egalitarianism must also be embodied in real actions, not just speech.

Starting from the Hadith of the Prophet which states that the person who is most loved, most glorified, and sheltered by Allah in the next day is a just leader, on the other hand, the person who is most hated by Allah and will be tormented with a very painful torment is a cheating leader as in Hadith narrated by Abu said al-Khudri 105:

عَنْ أَبِي سَعِيدٍ إِلَى اللَّهِ يَوْمَ الْقِيَامَةِ وَأَقْرَبَهُمْ مِنِّي مَجْلِسًا ، إِمَامًا عَادِلًا ، وَإِنَّ أَبْغَضَ النَّاسِ إِلَى اللَّهِ يَوْمَ الْقِيَامَةِ ، وَأَشَدَّهُمُ الْخُذْرِي رَضِيَ اللَّهُ عَنْهُ ، قَالَ: قَالَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ: إِنَّ أَحَبَّ النَّاسِ عَذَابًا ، إِمَامًا جَائِرًا

"From Abu Said al-Khudri, the Prophet said: Indeed, the one who is most loved by Allah in the Last Day, and whose seat is closest to Me is a righteous leader. And indeed the one who is most hated by Allah in the Last Day, and whose torment is very painful is the deceitful leader."

Leadership in an organization is not only related to the ability to manage and direct, but also to the great responsibility that a leader must bear. In Islam, leadership is seen as a mandate that must be carried out with justice and wisdom, because every decision taken will have an impact on the welfare of the people it leads. Therefore, a leader will be held accountable for all actions and policies that he sets, as affirmed in the Qur'an, QS. Al-Isra' (17): 36.

وَلَا تَقْفُ مَا لَيْسَ لَكَ بِهِ عِلْمٌ إِنَّ السَّمْعَ وَالْبَصَرَ وَالْفُؤَادَ كُلُّ أُولَئِكَ كَانَ عَنْهُ مَسْئُولًا ﴿٣٦﴾

"Thou shalt not follow that which thou knowest not. Indeed, hearing, sight, and conscience, all of these will be held accountable."

This verse reminds that every individual, especially leaders, must act on the basis of sound knowledge and

consideration, because the hearing, sight, and heart used in making decisions will be accountable before Allah. By understanding the importance of leadership responsibility, it is hoped that a leader can carry out his duties with full integrity and trust for the common good.

In an organization, leadership has an important role in encouraging employee work motivation. The leadership style applied by a leader can affect the enthusiasm, productivity, and loyalty of employees in carrying out their duties. PT. Pegadaian (Persero) Panam Pekanbaru Branch as one of the financial services companies engaged in financing, requires effective leadership to keep employee performance and motivation high.

In Islam, good leadership must reflect the four obligatory qualities of the Prophet, namely shiddiq (honest), amanah (trustworthy), fathonah (intelligent), and tabligh (conveying well). A leader who has the nature of shiddiq will act honestly and transparently, thus creating trust in the work environment. Trust shows that a leader is responsible for the tasks and decisions taken, so that employees feel valued and treated fairly. Fathonah refers to intelligence in making decisions and developing the right strategies to manage human resources effectively. Meanwhile, tabligh emphasizes the importance of clear and inspirational communication, which can increase employee morale through good motivation and direction.

Leaders not only dare to address problems quickly and appropriately, but they are also open to receiving criticism and suggestions from everyone, especially from their colleagues and subordinates. Because every leader can't satisfy everyone they lead, there is at least one person who behaves strangely, causes difficulties, or is difficult to manage in every organization. Therefore, aspiring leaders should

prepare themselves to face at least one challenging competitor who wants to take over the position of leader. A company leader is a person who has the ability and expertise to lead, direct, teach, and lead others to work together to achieve a specific goal. They are a major factor in determining the success or failure of a company. The use of leadership styles has a great effect on employee work motivation because employee motivation to meet their needs is in dire need of support from their leader. Leaders must know what employees and the company need to work well together.

Motivation is an impulse that can motivate a person to act, both mentally and physically. If work motivation can be moved, it will be a driving force for employees to carry out task activities optimally. Motivation can come in various forms, both material and non-material. Companies need motivation because companies don't just expect talented, capable, and skilled employees more importantly, they must be willing to work hard and achieve their best work results. If employees are not willing to work hard, the company will not succeed.

Leaders must have a style to dig into employees' motivation to work. They must pay attention to job security by providing a comfortable work environment for employees to achieve organizational goals. Furthermore, the interpersonal relationship between the leader and subordinates. If these relationships are good and motivated by leadership, organizational goals can be achieved. Conversely, a decrease in motivation will hinder the organization from achieving its goals. Therefore, the existence of human resources requires increased motivation.

Leaders try to influence or motivate their subordinates so that they can work according to the expected goals. The right leadership style can support high work motivation, so if the leadership style is not implemented

correctly, his subordinates will not be motivated to carry out activities. However, what is very interesting is that the leader cannot surpass the intelligence of his followers. This is because leaders tend to be mature and have stable emotions because they are involved in social activities so that a sense of mutual respect arises. Successful leaders are willing to acknowledge the pride and honor of their followers and are able to side with them. A leader's success in moving others to achieve a goal depends on how the leader cultivates motivation within it. Thus, their leadership style has a significant impact on work motivation.

PT Pegadaian (persero) Panam Pekanbaru Branch as a state-owned company, operates in the Indonesian financial sector with three main business lines: financing, gold, and various services. Various services are provided by this company, such as KCA (Kredit Cepat Aman), Kreasi, Krasida, precious metal sales, gold savings, hajj savings, and vehicle purchase credits. In addition, Pegadaian also offers services for paying electricity, telephone, water, subscription TV, credit, and prepaid electricity, domestic and foreign remittances, and train ticket purchases. As a financial institution, Pegadaian continues to strive to compete in a market that has great potential.

One of the branches of Pegadaian in Indonesia is PT. Pegadaian (persero) Panam Pekanbaru Branch. The Panam Branch Pawnshop is very helpful for MSMEs to develop their businesses. Pawnshops are considered the best choice in solving problems because the process is faster. The reason that is the basis for this research is the importance of the role of human resources in the sustainability of a company. Therefore, the researcher chose the title "The Influence of Leadership Style on Employee Work Motivation at PT. Pegadaian (persero)

Panam Pekanbaru Branch". In a company, human resources that include leaders and employees are a crucial factor that is often a challenge as well as a determinant of success. A leader has a significant influence on the company through his leadership style and ability to motivate subordinates, which ultimately has a direct impact on the quality of employee performance. However, it is not uncommon for a leader to ignore the important components around him, thus creating discomfort in the work environment. This has the potential to be detrimental to the company, because the progress and success of a company is greatly influenced by the existence of good synergy between all elements in it.

In the initial survey conducted by researchers at PT. Pegadaian (persero) Panam Pekanbaru Branch, researchers found a phenomenon where leadership applied by superiors tends to lead to a transactional style. This can be seen from how leaders set strict rules and clear work targets for each employee. Those who manage to achieve the target will generally receive appreciation in the form of bonuses or certain incentives, while those who do not meet the standards will receive a reprimand or sanction according to the company's rules. This kind of approach is indeed effective in encouraging employees to work harder, especially because of the motivation in the form of rewards. However, in the long run, this leadership style that focuses too much on rewards and punishment can cause employee motivation to become unstable. Employee morale becomes dependent on external incentives, not on encouragement from within themselves. As a result, if there are no more adequate rewards or work relationships feel stiff, employees can feel bored, less motivated, and even lose enthusiasm for work.

The appointment of leaders at PT Pegadaian (Persero), as a State-Owned Enterprise (BUMN), follows the

regulations set by the Ministry of SOEs. Regulation of the Minister of SOEs Number PER-11/MBU/07/2021 regulates the requirements, procedures for the appointment and dismissal of members of the SOE board of directors. This regulation was then amended by the Regulation of the Minister of SOEs Number PER-7/MBU/09/2022.

According to the regulation, the appointment of members of the board of directors of SOEs is carried out through a transparent and accountable selection process, taking into account the candidate's competence, integrity, and experience. The decision to appoint and dismiss members of the board of directors is determined by the Minister of SOEs as the government's representative as a shareholder. For the position of branch leader, such as at PT Pegadaian (Persero) Panam Pekanbaru Branch, appointment is usually carried out by the company's directors in accordance with internal policies that refer to applicable guidelines and regulations. Branch leaders are responsible for planning, organizing, executing, and controlling operational, administrative, and financial activities at the branch level. Thus, the mechanism for appointing leaders at PT Pegadaian (Persero) follows the regulations of the Ministry of SOEs for the board of directors level and the company's internal policies for other managerial levels, including branch leaders.

The application of a particular leadership style is not always acceptable and adhered to instantly by members of the organization, as each individual in the organization has different characteristics. The same thing also happened at PT. Pegadaian (persero) Panam Pekanbaru Branch. Within a certain period of time, the company routinely conducts leadership changes in each unit, where each leader brings a different leadership style. Each of these leadership styles certainly has an impact, both positive

and negative, on employee performance. This change of leadership also provides an opportunity for employees to compare previous leaders with new leaders. Although the leadership styles of each leader have differences, they still have a significant impact on the company. Employees, on the other hand, are required to maintain good performance to support the company's success, while adapting to the differences in leadership styles. The following is the name of the Leader of the Panam Pekanbaru Branch Pawnshop based on the Year of Tenure from 2017 until now.

Table 1 : Name of Pekanbaru Branch Leader of Panam Pekanbaru Branch Based on Year of Tenure from 2017 - 2024.

No.	Name of Branch Leader	Year of Tenure
1.	Deswizar Arif	2017 – 2019
2.	In Irving Yulis	2019 – 2020
3.	Donni Rinaldi	2020 – 2022
4.	Fuad Prima Putra	2022 – 2023
5.	Akmal	2023– to date

Source: PT. Pegadaian Panam Pekanbaru Branch 2024.

From the results of the interview conducted by the researcher with the Unit Manager of the Panam Pekanbaru branch regarding the change of leader, at least the leader serves every 2 years. If the change of leader is less than 2 years, it can be caused by the leader proposing mutations and the needs of the Company that have been regulated by HR management. It is explained in article 28 of the Joint Labor Regulation (PKB) that in principle, the reason for the Mutation is for the benefit of the Company, which also includes the interests of the Employee, namely for refreshment, capability development, restructuring of the Company, learning

tasks, avoiding conflicts of interest, increasing Employee productivity, the need for formation, the Employee's performance awards, facilitating the process of examining violations, the impact of disciplinary sanctions, and because employees are elected to become SP Administrators in accordance with the requirements stipulated in this PKB.

The employee turnover report (LTO) in percentage describes the employee turnover rate at PT Pegadaian Persero Panam Pekanbaru

Branch every year. LTO is calculated based on the number of employees who leave compared to the number of employees who were there at the beginning of the year. This figure gives an idea of how much the number of employees has changed over the course of a year. The higher the percentage of LTO, the greater the turnover of employees in the company. The following table shows the LTO per year at PT Pegadaian Persero Panam Pekanbaru Branch from 2019 to 2024:

Table 2: Labor Turnover Rate of Pekanbaru Panam Branch Pawnshop Based on Year of Tenure from 2019 - 2024.

No.	Year	Number of Employees at the Beginning of the Year	Log in	Exit	Number of Year-End Employees	LTO (%)
1.	2019	31	1	1	31	4%
2.	2020	31	3	3	31	10%
3.	2021	31	-	-	31	0%
4.	2022	31	1	1	31	3%
5.	2023	31	2	1	32	3%
6.	2024	32	-	-	32	0%
7.	Quantity	187	7	6	188	20%
8.	Average	31	1	1	31	3%

Source: PT. Pegadaian Panam Pekanbaru Branch 2024

Based on the provisions listed in Article 13 of the collective labor regulations, the employment relationship status of employees at Pegadaian Panam Pekanbaru Branch is divided into two main types, namely Employment Relations Based on Indefinite Time Work Agreements (PKWTT), This is a form of permanent employment relationship, where employees have long-term work guarantees without a certain time limit, as regulated by company provisions

and applicable laws and regulations. Employment Relationship Based on Fixed-Time Employment Agreement (PKWT) This type of employment relationship is contractual with a certain period of time, in accordance with the provisions of Article 54 of Law Number 13 of 2003 and its amendments. The implementation of this employment relationship refers to the technical regulations regulated by the Board of Directors.

Table 3: Target Data and Revenue Realization at PT. Panam Pekanbaru Riau Branch Pawnshop in 2019-2023

Year	Target	Revenue Realization	Percentage
2019	95.105.722.504	100.505.710.341	106%

2020	98.272.681.025	105.999.078.443	108%
2021	126.563.024.466	100.121.389.187	79%
2022	129.746.224.667	124.838.477.380	96%
2023	137.814.485.822	149.191.151.017	108%
Quantity	587.502.138.484	580.655.806.368	497%
Average	117.500.427.696	116.131.161.273	99.43%

Source: PT. Pegadaian Panam Pekanbaru Branch 2024

If the target is achieved or even exceeded, then employees have the opportunity to get bonuses and salary increases based on a performance evaluation system that refers to Key Performance Indicators (KPIs) that have been set by the company. On the other hand, if the target is not achieved,

employees may experience career path adjustments and restrictions in providing incentives or bonuses as a form of evaluation of their performance achievements. Thus, the achievement of targets has a direct effect on employee welfare and overall business development.

Table 4: Employee Status Data at PT. Pegadaian Panam Pekanbaru Riau Branch in 2019-2024

Employee Status	Target Assessment (KPI)	PL (Performance Level)	Salary Increase & Bonuses
Permanent/Contract Employees	All targets are measured by KPIs	PL1: 1.2 (Target $\geq$ 110%)	Salary increases & high bonuses
Permanent/Contract Employees	All targets are measured by KPIs	PL2: 1.1 (105% $\geq$ target)	Salary increases and bonuses are good
Permanent/Contract Employees	All targets are measured by KPIs	PL3: 1.0 (100% Target)	Standard salary increase
Permanent/Contract Employees	All targets are measured by KPIs	PL4: 0.9 (90% target)	Small salary increases, reduced bonuses
Permanent/Contract Employees	All targets are measured by KPIs	PL5: 0.8 (80% target)	No raise, minimum bonus
Permanent/Contract Employees	Not reaching the target < 80%	-	No salary increases & bonuses, performance evaluations

Source: PT. Pegadaian Panam Pekanbaru Branch 2025.

The level of work motivation of employees at PT Pegadaian Panam Pekanbaru Branch is influenced by their employment status and the targets that must be achieved. Both

permanent and contract employees have relatively similar workloads and responsibilities, especially in terms of achieving monthly targets that have been set by the company. To

encourage work morale, companies usually give bonuses or incentives to employees who manage to meet or even exceed these targets. The provision of this bonus is a form of appreciation that is able to increase the work enthusiasm of employees, as well as an external encouragement that is quite effective in maintaining their performance.

From the explanation above, the author concludes some of the phenomena obtained from the results of observations and interviews as follows:

1. At PT Pegadaian Panam Pekanbaru Branch, the leadership pattern applied by superiors tends to lead to a transactional style. This can be seen from how leaders set strict rules and clear work targets for each employee. Those who manage to achieve the target will generally receive appreciation in the form of bonuses or certain incentives, while those who do not meet the standards will receive a reprimand, evaluation or sanction according to company rules.
2. Based on the author's observations and the results of an interview with Mr. Dwipha Satya Perkasa, Manager of Gadai PT. The author of the Pekanbaru Panam Branch Pawnshop found that there was a change of branch leadership in several periods, namely from 2017 to 2024 there were 5

changes of leaders, where erratic changes of leaders can be every 2 years and 1 year.

3. Revenue realization shows fluctuations, and a decrease in revenue realization targets. This indicates that employee performance is still not optimal.
4. Turnover data at pawnshops shows a stable level in the number of employees at PT Pegadaian Persero Panam Pekanbaru Branch, with relatively small fluctuations in the number of employees and no significant changes in the composition of employees every year.
5. This leadership that focuses too much on rewards and punishments can cause employee motivation to become unstable. Employee morale becomes dependent on external incentives, not on encouragement from within themselves.

Based on the results of the observations and phenomena that the author found above, the author is interested in conducting research with the title **"The Influence of Leadership Style on Employee Work Motivation at PT. Pegadaian (persero) Panam Pekanbaru Branch "**

B. PROBLEM FORMULATION

- a. How is the Leadership Style at PT. Pegadaian (persero) Panam Pekanbaru Branch?
- b. How is Work Motivation at PT. Pegadaian (persero) Panam Pekanbaru Branch?
- c. Does Leadership Style Affect Work Motivation at PT. Pegadaian (persero) Panam Branch?

C. RESEARCH OBJECTIVES

- a. To analyze and explain how the Leadership Style at PT. Pegadaian (persero) Panam Pekanbaru Branch.
- b. To analyze and explain how Work Motivation at PT. Pegadaian (persero) Panam Pekanbaru Branch.
- c. To analyze and explain whether Leadership Style affects Work Motivation at PT. Pegadaian (persero) Panam Pekanbaru Branch.

THEORETICAL FRAMEWORK

A. Leadership Style

According to Thoha (2015; 303) Leadership Style is a pattern of behavior that is applied by a person when trying to influence the actions or behavior of others according to his perception. This leadership style is a habit that a person uses to try to influence the behavior of others according to their views.

Transactional leadership essentially states that a leader must decide what team members must do to achieve an organizational goal. On the other hand, transactional leaders usually also focus on completing tasks for their organization. To motivate subordinates to fulfill the responsibilities taken by them, the transaction manager relies heavily on a reward system and assigns punishments to subordinates. (Assyria,et al., 2024). Various leadership styles and types will emerge from the concepts, natures, attitudes, and ways a leader conducts and develops leadership activities in the work environment.

According to Wulandari and Mulyanto (2024; 35) There are several leadership styles, one of which is:

1. Transactional leadership style

Transactional leadership style is a leadership approach in which leaders and followers engage in relationships that are based on clear and specific exchanges. In transactional leadership, leaders guide, guide, and motivate their followers towards set goals by clarifying their roles and duties. Leaders reward followers for achieving certain goals or adhering to established rules, while followers provide obedience and expected performance in return for the reward.

2. Authoritarian leadership style

Authoritarian leadership style, also known as autocratic, is a leadership approach in which leaders make decisions singularly without involving team members or subordinates in the decision-making process. Leaders in this style provide clear direction, enforce strict rules and procedures, and emphasize adherence to authority and hierarchy.

3. Transformational leadership style

Transformational leadership style is a leadership approach in which the leader influences and inspires his followers by paying attention to their psychological needs, proposing an inspiring vision, and motivating them to achieve a high level of performance beyond expectations. Transformational leadership focuses on creating significant change within an organization or group through positive and inspirational influence.

According to Kartono in (Khaeruman et al., 2021:54) there are four indicators of leadership style, namely:

1. The level of interaction between leaders and employees

A leader needs to have good communication skills because this plays an important role in guiding,

influencing, directing and motivating members to carry out their duties and activities to achieve common goals.

2. Submission of ideas and suggestions.

The level of willingness of the boss to encourage employees to convey ideas and suggestions (motivate) is one of the roles of leaders in the company. Providing motivation to employees aims to increase and maintain work morale because motivation functions to encourage, direct and support employee behavior to work harder.

3. The level of freedom given by the leadership to subordinates to complete tasks decisively.

Authoritarian leadership styles will only be effective if they are accompanied by the application or control of strict supervision by the group, because leaders with this style tend to design supervisory instruments that ensure subordinate obedience based on fear rather than awareness.

4. How much attention does the leader pay to the achievement of employee performance.

Recognition, acceptance and appreciation from company leaders are important needs for employees. Receiving these honors and awards can increase employee motivation, enthusiasm, and confidence.

B. Work Motivation

Every employee needs motivation in him to create enthusiasm and enthusiasm in carrying out his work. Motivation can be interpreted as desires, desires, hopes, goals, goals, needs, encouragement, and incentives. Motivation is the drive that gives a person a work ethic so that they are willing to work together, work

effectively, and put all their effort into achieving satisfaction (Bukit et al., 2019).

According to Sutrisno (2009:110), motivation is the result of the way a person interacts with a certain situation, so there is a difference in the strength of motivation shown by a person in a certain situation compared to others in the same situation. Meanwhile, according to Indrastuti and Tanjung (2021:149), motivation is a process of physiological and psychological defiance that drives behavior or impulses intended for the purpose of incentives. Based on the explanation above, it can be concluded that Motivation is an impulse that can encourage a person to act, both mentally and physically. If work motivation can be moved, it will be a driving force for employees to carry out task activities optimally. Motivation can come in various forms, both material and non-material.

The indicators of work motivation according to Mc Clelland (in Sawitri et al., 2022) are as follows:

1. Responsibility. Companies that provide work motivation to each of their employees expect to be more responsible for the work that has been given, because the company prefers employees who are responsible to employees rather than employees who are not responsible for their work.
2. Work performance. Companies that provide work motivation to employees so that the employee gets achievements in their field of work
3. Opportunities to advance. Work motivation is given to employees so that every employee has a thought to advance in their field of work.
4. Recognition for performance. Companies are more likely to recognize the work of highly motivated employees.

5. Challenging work. The company provides work motivation to be able to complete every challenging job, even the employee must be ready to get a job that is more difficult than the previous one.

RESEARCH METHODS

A. Type of Research

The research uses a type of descriptive survey, which aims to provide a complete picture of the social setting or is intended to explore and explain a social phenomenon or reality. To achieve this goal, the author describes a number of variables relevant to the problem and the tested units between the phenomena.

Descriptive researchers explain theories and research findings related to variables that are systematically studied (Sugiyono, 2017:63). The method of this research is a Quantitative methodology. Quantitative According to Sugiyono (2017:63), it is a research method based on positive philosophy, and is used to research certain populations and samples.

B. Research Location

This research was conducted at PT. Pegadaian (persero) Panam Pekanbaru Branch which is located on JL. HR. Soebrantas Panam, Tuah Karya, Tampan, Kota Pekanbaru, Riau 28293. The object in this study is an employee of PT. Pegadaian (persero) Panam Pekanbaru Branch. The research time will be carried out from October 2024 until it is completed.

The reason the author took this location is because there is a lack of leadership style in motivating employees of PT. Pegadaian (persero) Panam Pekanbaru Branch which resulted in employee motivation in work not being maximized.

C. Population and Sample

1. Research Population

Sugiyono (2017; 80) A population is a generalized area consisting of subjects or objects that have certain qualities and features that the researcher chooses to study and then draws conclusions. in this study, the population is all employees of PT. There are 32 pawnshops (persero) of the Panam Branch.

2. Research Sample

Samples are part of the number and characteristics possessed by the population (Sugiyono, 2017; 81). If the population is large and the researcher does not have enough funds, energy, or time to study all the information, then the researcher can use samples taken from that population. The sample used in this study is all employees of PT. Pegadaian (persero) Panam Pekanbaru Branch which totals 31 people.

D. Sample Drawing Techniques

In this study, there is a technique used, namely non-probability sampling and also a method used for saturated sampling. Saturated sampling is a technique in determining a sample if the entire population can be used as a sample. This is done when the population is relatively small or less than 30 people, or the study wants to make generalizations with very small errors. The term for saturated samples is a census in which members of this population are used as samples (Sugiyono 2013; 85).

E. Types and Data Sources

1. Primary Data is data that the author directly obtained from the research object at PT. Pegadaian (persero) Panam Pekanbaru Branch, as a result of filling out a questionnaire on respondents' responses regarding leadership style to employee work motivation.
2. Secondary data is data obtained to draw a situation where the

research data supports the results in this study. And it was obtained from documents and written materials obtained from PT. Pegadain (persero) Panam Pekanbaru Branch. As for what is needed related to:

- a. A brief history of PT. Pegadain (persero) Panam Pekanbaru Branch.
- b. The number of employees of PT. Pegadain (persero) Panam Pekanbaru Branch.
- c. Organizational Structure of PT. Pegadain (persero) Panam Pekanbaru Branch.
- d. And other data that will improve the completion of the research that is being carried out.

F. Data Collection Techniques

The data collection techniques carried out in this study are as follows:

1. Quizzes (Questionnaire)

According to Sugiyono (2017; 142) Questionnaires are a data collection method that provides respondents with a set of questions or written statements to answer. This study uses a questionnaire (questionnaire), which collects data with a list of statements about the variables to be studied. Later it will be distributed to employees of PT. Pegadain Panam Pekanbaru Branch.

2. Interview

According to Sugiyono (2017; 137) Interviews are used for data collection if they are going to conduct preliminary studies in finding the problem to be researched, and if the researcher wants to know the things of the in-depth respondents and also the number of respondents is small or small.

An interview is a conversation conducted by two people that is carried out for a specific purpose, the

interviewer who gives the question and the interviewee who answers the question.

3. Observations

According to Hadi (in Sugiyono 2017; 145) Observation is a complete process, a process that is composed of biological and also psychological. There are two important processes, namely the observation process and memory. The researcher observed directly at PT. Pegadain (persero) Panam Pekanbaru Branch.

4. Documentation

According to Arikunto (in Sugiyono, 2017:147), documentation is a data collection technique by collecting, recording, and analyzing research-related documents. The results of observations or interviews will be more credible if they are supported by documents, photographs, or academic papers. However, not all documents have high credibility, as they can be created for specific purposes. In this study, the documentation includes performance reports and leadership policies at PT. Pegadain (Persero) Panam Pekanbaru Branch to support data validity.

G. Data Analysis Techniques

Data analysis of quantitative methods, which is a method that manifests into research in the form of formulas to find out how much influence Leadership Style has on employee work motivation at PT. Pegadain (Persero) Panam Pekanbaru Branch.

RESULTS AND DISCUSSION

A. Recapitulation of Respondents' Answers

Table 5: Recapitulation of Leadership Style Variables

Yes	Indicator	Score	Categories
1.	Interaction between leaders and employees	181	Agree
2.	Submission of ideas and suggestions.	177	Agree
3.	The level of freedom given by the leadership to employees	177	Agree
4.	How much attention does the leader pay to the achievement of employee performance.	180	Agree
Quantity		715	Agree
Average		179	

Source : Research Processing Data, 2025.

Based on the recapitulation table of employee Leadership Style variables at PT. Pegadaian Panam Pekanbaru Branch, data was obtained that respondents' responses to the

Leadership Style (X) variable showed scores on each indicator with overall the four indicators being in the agree category with a total cumulative score of 715.

Table 6: Recapitulation of Work Motivation Variables

Yes	Indicator	Score	Categories
1.	Work Performance	179	Agree
2.	Opportunities to Advance	178	Agree
3.	Responsibilities	181	Agree
4.	Challenging work	179	Agree
Quantity		717	Agree
Average		179	

Source : Research Processing Data, 2025.

Based on the recapitulation table of employee Work Motivation variables at PT. Pegadaian Panam Pekanbaru Branch, data was obtained that respondents' responses to the

Work Motivation (Y) variable showed scores on each indicator. Overall, the four indicators are in the agree category with a total cumulative score of 717.

B. Validity Test

Table 7: Results of the Validity Test of the Variable of Leadership Style (X) on Work Motivation

Variable	Statement	r -count	R- Table ($\alpha=0.05$)	Remarks
Leadership Style(X)	X.1	0,530	0,355	Valid
	X.2	0,544	0,355	Valid
	X.3	0,667	0,355	Valid
	X.4	0,612	0,355	Valid
	X.5	0,612	0,355	Valid
	X.6	0,602	0,355	Valid
	X.7	0,530	0,355	Valid
	X.8	0.530	0,355	Valid
Work Motivation (Y)	Y.1	0,611	0,355	Valid
	Y.2	0,740	0,355	Valid
	Y.3	0,799	0,355	Valid
	Y.4	0,611	0,355	Valid
	Y.5	0,461	0,355	Valid
	Y.6	0,393	0,355	Valid
	Y.7	0,547	0,355	Valid
	Y.8	0,611	0,355	Valid

Source : Research Processing Data, 2025.

Based on the test results shown in the table, it can be concluded that all question indicators from the Leadership Style (X) and Work Motivation (Y) variables are declared

valid. This can be seen from the r-calculation value which is larger than the r-table in each indicator. Thus, all instruments in this study are suitable for use for the next stage of analysis.

C. Reliability Test

Table 8: Reliability Test Results

Yes	Variable	Cronbach's Alpha	The Limits of Reality	Remarks
1.	Leadership Style (X)	0,716	0,60	Realistic

2.	Work Motivation (Y)	0,750	0,60	Realistic
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Source : Research Processing Data, 2025.

Based on the results shown in the table above, the value of the alpha coefficient for variable X is 0.716 and for variable Y is 0.750. Both exceeded the threshold value of 0.60, which indicates that the instruments used in

this study have a good level of reliability. Thus, all instruments are declared reliable and feasible for use in further analysis.

D. Simple Linear Regression Analysis

Table 9: Results of Simple Linear Analysis

Models	Coefficients ^a		Standardized Coefficients Beta	t	Sig.
	Unstandardized Coefficients B	Std. Error			
1 (Constant)	3.846	2.446		1.573	.127
Leadership Style	.836	.106	.826	7.899	.000

a. Dependent Variable: Work Motivation
Source : SPSS Processed Data 27, 2025.

Based on the table above, obtained from SPSS 27, the following simple linear regression equation is obtained:

$$Y = 3.846 + 0.836 X$$

- A constant of 3,846 means that if the work discipline (variable X) is fixed, then the employee's work motivation is 3,846.
- The regression coefficient of leadership style (X) is 0.836, which means that if the work discipline variable increases by 1 unit, then the work productivity of employees also increases by 0.836 units. Positive value means that there is a positive relationship between work discipline and employee work productivity.

E. Hypothesis Test

1. T Test

Table 10: T Test Results

Table 9: Results of Simple Linear Analysis

Coefficients^a

Models	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3.846	2.446		1.573	.127
Leadership Style	.836	.106	.826	7.899	.000

a. Dependent Variable: Work Motivation

Source : SPSS Processed Data 27, 2025.

$$= 0.025 : 29)$$

$$= 2,045$$

Based on the calculation, the r-table value was obtained using the number of samples (n) = 31, the number of variables (k) = 2, the significance level of $\alpha = 5\%$ or 0.05, and the degree of freedom (df). The formula used is:

$$t\text{-table} = t(\alpha/2; n-k)$$

$$= t(0.05 / 2 : 31 - 2)$$

From the results of the analysis, it is known that the t-calculated value for the leadership style variable (X) is 7.899 with a significance value of 0.000, which is smaller than 0.05. Thus, T-count = 7,899 > T table 2,045 means that there is a positive and significant influence between leadership style on work motivation.

2. Test Coefficient of determination (R^2)

Table 11: Determination Coefficient Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.826a	.683	.672	.872

a. Predictors: (Constant), Leadership Style

Source : SPSS Processed Data 27, 2025.

CONCLUSION

A. Conclusion

Based on the results of research using questionnaires, interviews, observations and hypothesis testing documentation, it can be concluded that leadership style

has a significant influence on employee work motivation at PT. Pegadaian (Persero) Panam Pekanbaru Branch.

And from the results of the recapitulation, the total score obtained was 715 from a maximum range of 744, with a difference of 29 points. Based on the breakdown of the scores

per indicator, the main weaknesses are in the indicators of the delivery of ideas and suggestions and the level of freedom given by the leadership to employees, both of whom received the lowest score of 177. This shows that there are still limitations in giving space to employees to express their opinions and act independently at work. Therefore, these two aspects need to be the main concern in an effort to increase the effectiveness of leadership styles and encourage more optimal work motivation.

Meanwhile, the work motivation variable obtained a total score of 717 out of a maximum score range of 744, with a difference of 27 points. The indicator with the lowest score is the chance to advance, which is 178. This reflects that employees still feel limited in terms of career paths or opportunities to develop themselves in the work environment. Therefore, in addition to strengthening leadership style, it is also necessary to make managerial efforts to create a more open career development system to increase work motivation in a sustainable manner.

In the implementation of this study, the researcher distributed questionnaires to 31 employees of PT. Pegadaian (Persero) Panam Pekanbaru Branch. Based on the results of the recapitulation of respondents' responses to the Leadership Style variable, it can be concluded that the indicator that obtained the highest score was the interaction between leaders and employees, with a total score of 181 and was in the agree category. Meanwhile, for the Work Motivation variable, the indicator with the highest rating from respondents was responsibility, which also obtained a score of 181 and was included in the category of agree.

From the results of the t-test, it is known that t-table is 2,045 with a t-count value of 7,899 > 2,045. Therefore, it can be concluded that the hypothesis proposed: It is suspected that Leadership Style has a significant effect on employee Work Motivation at PT. Pegadaian (Persero) Panam Pekanbaru Branch is correct and can be proven by statistical analysis.

B. Suggestions

Based on the results of the research, it is suggested that the leadership at PT Pegadaian (Persero) provide a wider space for employees to convey ideas and suggestions, both through formal and informal forums. Active participation of employees in decision-making can increase their sense of ownership of the job and strengthen the relationship between leaders and subordinates. Additionally, it is important for leaders to provide a more proportionate level of freedom in the execution of tasks. Employees need to be given the trust to take the initiative in getting the job done, which in turn will increase their motivation and responsibility. In terms of work motivation, companies also need to pay attention to the aspect of opportunities to advance. A clearer and more open career development system, such as training, performance-based promotions, or mentoring programs, is needed to make employees feel better about their prospects in the long run.

Overall, the strengthening of a more participatory and transformative leadership style needs to be continuously developed, along with the creation of a work environment that supports the continuous growth and self-development of employees.

In future research, it is suggested that the scope of the variables studied be expanded by considering other factors that can also affect employee work motivation, such as work environment conditions,

organizational culture, and reward systems. In addition, similar studies can be conducted in other units or branches of PT. Pawnshops, as well as different companies with varied organizational characteristics, so the results obtained can provide a more comprehensive picture. Researchers can also consider the use of qualitative approaches or mixed methods to delve deeper into the dynamics between leadership style and work motivation. Thus, the results of the research will make a richer contribution to the development of optimal human resource management strategies.

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