The Influence Of Empowering Leadership And Talent Management On Employees' Performance Through Job Satisfaction As An Intervening Variable At PT. Pelindo New Makassar Container Terminal

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Abstract:

This research aimed to determine the influence of empowering leadership and talent management on employees' performance through job satisfaction at PT. Pelindo Terminal Petikemas New Makassar. The type of research used was quantitative research. The population in this research data were all employees of PT. Pelindo New Makassar Container Terminal as many as 135 persons. The number of samples used were 101 persons using the proportional stratified random sampling method.Based on the results of research using the AMOS 24 program, it can be concluded that empowering leadership got a significant positive influence on job satisfaction, talent management brought a significant positive influence on job satisfaction, empowering leadership has influence on employees' performarice, talent management has influence on employees' performance, empowering leadership brought influence on performance through satisfaction work, and talent management had positive and significant influence on performance through job satisfaction.

Keywords: *Empowering Leadership, Talent Management, Satisfaction, Performance*

1. Introduction

PT. The New Makassar Container Terminal is basically oriented towards several basic policies, namely: time effectiveness, cost efficiency and customer satisfaction as contained in the company's vision and mission in facing the ever-changing competitive world.

PT. Pelindo Terminal Petikemas has an annual RKAP (Company Work Plan and Budget). However, under the auspices of PT. Pelindo Container Terminals, objectives, and strategies to achieve long-term planning will differ across container terminals. Correct understanding of the importance of planning for PT. Pelindo New Makassar Container Terminal will have a good impact on its future development.

Institutional performance realization is a different concept from individual employee performance. Wickramaaratchi and Perera (2020) quote that employee performance

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is the behavior carried out by employees which is reflected in their actions (Campbell et al, 2009). Thus, it does not rule out the possibility that there are employees who have a high level of performance while the realization of performance is low institutionally.

Human resources are an important element in performance. Agbaeze et al (2017) quote that to improve company performance, several resources can be used to achieve this, which include money, people, and machines; of these resources, the most important of all is humans (Kehinde, 2012). Bernardin and Russel (2008) in Chandra and Priyono, (2016:131) state that performance assessment is a way to measure individual contributions to their organization. In this measurement, Bernardin and Russel (2008) in Nwakoby, et al (2019: 1216) introduced dimensions of employee performance which consist of; 1) Quality, showing the level of work process or work that has been achieved from a job; 2) Quantity, namely the number of products produced expressed in currency, number of production units, or number of activity cycles that have been completed; 3) Timelines, namely the speed of a job being completed within a predetermined time; 4) Cost-Effectiveness, namely the level of maximum use of existing resources in carrying out certain work; 5) Supervision, namely the extent to which an employee can complete his work without needing supervision; 6) Interpersonal impact, namely the level of circumstances where employees can create a comfortable atmosphere at work, be confident, do good, and work together with colleagues.

Empowering leadership is important at PT. Pelindo New Makassar Container Terminal. Minseo Kim, et al (2018) cite empowering leadership as a form of intrinsically motivating employees by sharing power and by providing support for employee development (Amundsen and Martinsen, 2014). Weak efforts to provide an understanding of the purpose of work, socialization regarding understanding of the company's large income can have an impact on improving the welfare of subordinates is also less effective. This was discovered when the author asked about the opportunities for improving their welfare, ignorance of the factors causing this increase is evidence of weak efforts to provide understanding to employees. Lee Allan, et al., 2018 in Chung-Jen Wang and I-Hsiu Yang (2021) explained that empowering leadership increases individual skills and employee motivation in the workplace by providing them with feedback and opportunities and supporting them in improving their skills and mastery of tasks.

The concept of empowering leadership was revealed and quoted by several authors by explaining the definition. Liu et al in Wu and Chen (2015) reveal that empowering leadership is a leadership style in which leaders can regulate the distribution and implementation of power to subordinates to develop subordinates' self-control and autonomy. Ahearne et al. (2005) in Kundu S.C and Kumar S, (2019) defines empowering leadership as a combination of four behaviors, namely increasing the meaningfulness of work, encouraging participation in decision making, expressing confidence in high performance, and providing autonomy from bureaucratic constraints.

Apart from empowering leadership, talent management also has implications for employee performance. Bolander, et al., (2017) revealed that the literature on talent management discusses a few different talent management applications. By combining applications that are often discussed separately in the literature, the proposed framework covers five main applications: recruitment, talent identification, talent development, career management and succession planning, and retention management. Dixit and Arrawatia (2018) also quote that talent management is a strategic tool to improve employee performance (David G. Collings and Kamel Mellahi, 2009). Talent management is a systematic process for identifying and screening employees who have the potential to grow and are highly committed to work (Meyers & Woerkom, 2014). Employee placement patterns are an interesting thing to analyze further to produce constructive solutions and improve talent management strategies in order to improve individual employee performance. Based on existing employee data, it was found that certain employees were placed in areas of work that were not in accordance with their areas of competence. This causes the neglect of the concept of the right man in the right place in the process of placing employees in certain positions.

Vroom (1964) in George and Zakkaria (2018) explains the interaction between personal and workplace variables. He also included elements of worker expectations in his theory. The essence of this theory is that if workers perform better at work, they will be compensated accordingly. The difference that occurs between expected compensation and actual results causes dissatisfaction, Vroom states that human behavior is a function of three factors, namely; 1) the perceived value of the reward that a particular behavior produces, 2) the expectation within the behavior that a particular behavior will result in a reward, and 3) the probability that states the perceived relationship between the level of effort and the level of performance. According to Cascio (2003) in Sari, O. S. I. P. (2018) explains that employee satisfaction with their work depends on the right placement of employees with their desires, abilities and education. Placing employees in the right place according to their skills is often an important element in managing human resources which will have an impact on company performance, thus opening up a big opportunity for a match between what has been obtained and what is expected.

Based on the description above, the problem can be formulated as follows; (1) Does empowering leadership influence employee job satisfaction at PT. Pelindo New Makassar Container Terminal? (2) Does talent management influence employee job satisfaction at PT. Pelindo New Makassar Container Terminal? (3) Does empowering leadership affect the performance of PT employees. Pelindo New Makassar Container Terminal? (4) Does talent management influence the performance of PT employees. Pelindo New Makassar Container Terminal? (5) Does job satisfaction influence the performance of PT employees. Pelindo New Makassar Container Terminal? (6) Does empowering leadership influence employee performance through job satisfaction as an intervening variable at PT. Pelindo New Makassar Container Terminal? (7) Does talent management influence employee performance through job satisfaction as an intervening variable at PT. Pelindo New Makassar Container Terminal?

2. Methodology

The method used in this research is descriptive with a quantitative approach which aims to obtain an overview of the relationship between the variables empowering leadership, talent management, job satisfaction and employee performance. The sample used in this research was 101 employees of PT. Pelindo New Makassar Container Terminal. Data collection was carried out through observation and administering questionnaires before being tested and analyzed using the Structural Equation Model (SEM). Questions are made in such a way that respondents are limited in giving answers on a scale of 1 to 5 according to the Likert Summated Rating (LSR) method with the specifications of strongly agree (5), agree (4), disagree (3), disagree (2) and strongly disagree (1).

3. Empirical Findings/Result

Analysis of research results used a structural equation model (SEM) with confirmatory factor analysis (CFA) of the AMOS 24.0 program (Analysis of Moment Structure, Arbukle, 1997).

The benchmark used in testing each hypothesis is the critical ratio (CR) value on the regression weight with a minimum value of 2.0 in absolute terms. The criteria used are to test whether the proposed model fits the data or not. The model fit criteria consist of: 1) the degree of freedom must be positive and 2) non-significant Chi-square is required ($p \geq 0.05$) and above the accepted conservative ($p = 0.10$) (Hair et al., 2006), 3) incremental fit above 0.90, namely GFI (goodness of fit index), Adjusted GFI (AGFI), Tucker Lewis Index (TLI), The Minimum Sample Discrepancy Function (CMIN) divided by the degree of freedom (DF) and Comparative Fit Index (CFI), and 4) low RMSEA (Root Mean Square Error of Approximation).

Confirmatory Factor Analysis is used to examine variables that define a construct that cannot be measured directly. Analysis of the indicators used gives meaning to the labels given to latent variables or other confirmed constructs.

Measurement Results of Each Construct or Latent Variable
Model fit analysis with model fit criteria such as GFI (Goodness of fit index), adjusted GFI (AGFI), Tucker Lewis Index (TLI), CFI (Comparative of fit index), and RMSEA (Root Mean Square Error of Approximation) is good for the model individual and complete models. The results of measurements of dimensions or variable indicators that can form a construct or latent variable using confirmatory factor analysis are explained respectively as follows:

Table 1. Evaluasi Kriteria Goodness of Fit Indices Empowering Leadership dan Talent Management

Goodness of Fit Indices	Cut off Value	Results	Model Evaluation
Chi – Square	≤ 139,921 (df = 114)	120,624	Good Fit
Probability	≥ 0,05	0,318	Good Fit
CMIN/DF	≤ 2,00	1,058	Good Fit
RMSEA	≤ 0,08	0,024	Good Fit
GFI	≥ 0,90	0,885	Marginal Fit
AGFI	≥ 0,90	0,845	Marginal Fit
TLI	≥ 0,90	0,993	Good Fit
CFI	≥ 0,90	0,994	Good Fit

Source: AMOS data processing results 24, 2024

It can be seen in table 4.9 which shows that in the empowering leadership and talent management measurement model there are only two fixed criteria that do not yet meet the criteria but are close. The majority of goodness of fit index criteria are included in the good fit category, especially the RMSEA value which is smaller than 0.08 so no model modification is needed.

The results of the CFA test for job satisfaction and employee performance variables on the overall model are as follows:

Table 2. Evaluation of Goodness of Fit Indices Criteria for Job Satisfaction and Employee Performance

Goodness of Fit Indeks	Cut off Value	Result	Model Evaluation
Chi – Square	≤ 48,602 (df = 34)	37,688	Good Fit
Probability	≥ 0,05	0,304	Good Fit
CMIN/DF	≤ 2,00	1,108	Good Fit
RMSEA	≤ 0,08	0,033	Good Fit
GFI	≥ 0,90	0,935	Good Fit
AGFI	≥ 0,90	0,894	Marginal Fit
TLI	≥ 0,90	0,995	Good Fit
CFI	≥ 0,90	0,996	Good Fit

Source: AMOS data processing results 24, 2024

Furthermore, to find out the manifest variables that can be used as indicators, you can observe the loading factor or lambda coefficient (λ) and its significance level. Each variable appears in table 3.

Table 3. Loading Factor (λ) Variable Measurement

Variable Dimensions	Loading Factor (λ)	Critical Ratio	Probability Ratio	Ket.
Empowering Leadership				
X1.1	0,889	Fix	< 0,001	Signifikan
X1.1.1	0,761	Fix	< 0,001	Signifikan
X1.1.2	0,791	7,723	< 0,001	Signifikan
X1.1.3	0,791	7,691	< 0,001	Signifikan

X1.2	0,879	6,447	< 0,001	Signifikan
X1.2.1	0,832	Fix	< 0,001	Signifikan
X1.2.2	0,759	8,100	< 0,001	Signifikan
X1.2.3	0,784	8,519	< 0,001	Signifikan
X1.3	0,858	6,160	< 0,001	Signifikan
X1.3.1	0,798	Fix	< 0,001	Signifikan
X1.3.2	0,789	7,934	< 0,001	Signifikan
X1.3.3	0,779	7,950	< 0,001	Signifikan
X1.4	0,873	6,588	< 0,001	Signifikan
X1.4.1	0,830	Fix	< 0,001	Signifikan
X1.4.2	0,858	9,644	< 0,001	Signifikan
X1.4.3	0,770	8,611	< 0,001	Signifikan
Talent Management				
X2.1	0,845	Fix	< 0,001	Signifikan
X2.2	0,888	11,585	< 0,001	Signifikan
X2.3	0,906	12,095	< 0,001	Signifikan
X2.4	0,837	10,482	< 0,001	Signifikan
X2.5	0,772	9,192	< 0,001	Signifikan
Job satisfaction				
Y1.1	0,896	12,840	< 0,001	Signifikan
Y1.2	0,881	13,053	< 0,001	Signifikan
Y1.3	0,885	11,895	< 0,001	Signifikan
Y1.4	0,851	Fix	< 0,001	Signifikan
Employee performance				
Y2.1	0,831	Fix	< 0,001	Signifikan
Y2.2	0,876	11,157	< 0,001	Signifikan
Y2.3	0,873	11,126	< 0,001	Signifikan
Y2.4	0,872	11,066	< 0,001	Signifikan
Y2.5	0,891	11,552	< 0,001	Signifikan
Y2.6	0,849	10,531	< 0,001	Signifikan

Source: Primary data processed, 2024

Berdasarkan tabel 3. loading factor (λ) pengukuran variabel menunjukkan hasil uji yang signifikan terhadap model pengukuran variabel kepuasan kerja dan kinerja karyawan dari setiap indikator yang menjelaskan konstruk, sehingga seluruh indikator diikutkan ke dalam pengujian selanjutnya.
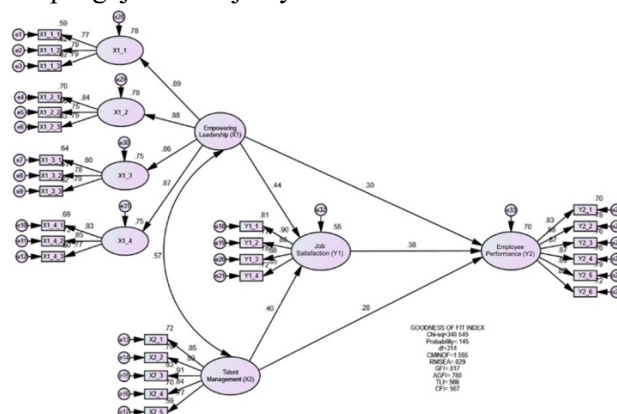

Figure 1. Analysis Structural Equation Model/SEM
Source: AMOS data processing results 24, 2024

Model evaluation shows that there are seven goodness of fit index criteria that meet the criteria. Overall Goodness of Fit (GOF) can be assessed based on a minimum of 5 (five) criteria (Hair Jr et al., 2019). The GFI criteria are considered and concluded to be good because the GFI value is close to   0.90 as the cut off value so no model modification is needed.

Based on the proposed empirical model, hypothesis testing can be carried out by submitting path coefficients in the structural equation model. Table 4 below is the result of hypothesis testing by looking at the p-value, if the p-value is smaller than 0.05 then the relationship between the variables is significant.

Table 4. Hypothesis test

HIP	Variable		Direct Effect				
	Independent	**Dependent**	**Estimate**	**S.E**	**C.R**	**p-Value**	**Information**
H1	Empowering Leadership	Job Satisfaction	0,500	0,129	3,863	< 0,001	Significant
H2	Talent Management	Job Satisfaction	0,391	0,101	3,887	< 0,001	Significant
H3	Empowering Leadership	Employee Performance	0,331	0,116	2,849	0,004	Significant
H4	Talent Management	Employee Performance	0,262	0,089	2,926	0,003	Significant
H5	Job Satisfaction	Employee Performance	0,364	0,104	3,499	< 0,001	Significant
	Indirect Effect						
HIP	**Independent Variable**	**Intervening Variables**	**Dependent Variable**	**sobel test statistics**	**p-Value**	**Information**	
H6	Empowering Leadership	Job Satisfaction	Employee Performance	2,598	0,009	Significant	
H7	Talent Management	Job Satisfaction	Employee Performance	2,596	0,009	Significant	

Source: Primary data processed, 2024

Based on the model, the five direct paths hypothesized are all significant and between the two indirect influence paths, all have a significant effect. The interpretation of Table 4 is as follows; Empowering leadership has a positive and significant effect on employee job satisfaction at PT. Pelindo Terminal Petikemas New Makassar with a value of P = 0.000 < 0.05 and an estimated value of 0.500, talent management has a positive and significant effect on employee job satisfaction at PT. Pelindo Terminal Petikemas New Makassar with a value of P = 0.000 < 0.05 and an estimated value of 0.391, Empowering leadership has a positive and significant effect on the performance of PT. Pelindo Terminal Petikemas New Makassar employees with a value of P = 0.004 < 0.05 and an estimated value of 0.331, Talent Management has a positive and significant effect on the performance of PT. Pelindo Terminal Petikemas New Makassar employees with a value of P = 0.003 < 0.05 and an estimated value of 0.262, Job satisfaction has a positive and significant effect on the performance of PT.

Pelindo Terminal Petikemas New Makassar employees with a value of $P = 0.000 < 0.05$ and an estimated value of 0.364, empowering leadership has a positive and significant effect on the performance of PT. Pelindo Terminal Petikemas New Makassar employees with a value of $P = 0.009 < 0.05$ and a sobel test statistics value of 2.598, talent management has a positive and significant effect on the performance of PT. Pelindo Terminal Petikemas New Makassar employees with a value of $P = 0.009 < 0.05$ and a sobel test statistics value of 2.596.

4. Conclusions

Empowering leadership has a significant positive effect on job satisfaction. This shows that the better the implementation of empowering leadership by superiors, the better job satisfaction will be. To implement the empowering leadership variable, superiors need to provide an understanding of the work and provide autonomy over bureaucratic obstacles and encourage subordinate participation in order to provide confidence in achieving high performance.

Talent management has a positive and significant effect on job satisfaction. These findings show that the better the talent management practices, the better the job satisfaction that employees will feel. In implementing talent management, efforts are made to establish a connection between individual goals that reflect job satisfaction and organizational goals.

Empowering leadership has a significant positive effect on performance. This shows that the better the implementation of empowering leadership by superiors, the better employee performance will be. Understanding the main tasks and functions through empowering leadership for employees is able to provide awareness of responsibility so that they are able to provide good performance.

Talent management has a positive and significant effect on employee performance. Talent management practices to support employee performance are important to implement. This shows that the better the implementation of talent management, the better employee performance will be.

Job satisfaction has a positive and significant effect on employee performance. These results reflect that the better the employee's job satisfaction, the higher their performance will be. To create high satisfaction, it is necessary to feel happy by not giving expectations but also providing conformity to expectations so that a certain level of effort in carrying out tasks with the level of performance is in harmony.

Empowering leadership has a positive and significant effect on employee performance through job satisfaction. The better the empowering leadership, the better the level of employee job satisfaction, which in turn will result in higher employee performance. Talent management has a positive and significant effect on employee performance through job satisfaction. This shows that the better the implementation of talent management, the better employee performance will be.

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