

The Influence of Democratic Leadership, Work Discipline and Employee Empowerment on Employee Performance at Furniture Companies in Jepara

Yusuf Ferdinan Putra ^{a,1}, Noor Arifin ^{b,2,*}

^{a,b}Department of Management, Nahdlatul Ulama Islamic University, Jepara, Taman siswa street Pekeng Tahunan Jepara, postal code 59427, Jepara City, Central Jawa Indonesia

¹ yusufferdinan0111@gmail.com; ² arifin1768@unisnu.ac.id*

Abstract

High-quality and professional human resources are the main pillars of success for any organization. Organizations that have competent and committed human resources are more capable of achieving optimal performance that aligns with organizational goals, both individually and collectively. This study aims to examine the impact of democratic leadership, work discipline, and employee empowerment on employee performance at CV Aqma Furniture. The research population includes all employees of CV Aqma Furniture, with a sample consisting of 133 individuals chosen through a saturated sampling method, ensuring full representation of the entire population. Data were gathered by distributing questionnaires that had undergone validity and reliability testing. The collected data were then analyzed using the Partial Least Squares (PLS) approach, a variance-based Structural Equation Modeling (SEM) technique, which enables simultaneous testing of relationships among variables. The analysis results indicate that democratic leadership does not significantly impact employee performance at CV Aqma Furniture. On the other hand, work discipline and employee empowerment have been proven to influence employee performance improvement significantly. These findings suggest that enhancing work discipline and employee empowerment are crucial factors in driving optimal performance at CV Aqma Furniture. Furthermore, this study offers a new perspective by revealing that democratic leadership, while often considered important, does not always have a significant impact on performance within the furniture industry context in Jepara.

Keywords: *democratic leadership, work discipline, employee empowerment, empowerment performance*

1. Introduction

Quality and professional human resources are the goal that every organization wants to achieve (Srilestari & Indriyaningrum, 2023). Organizations that have this can achieve optimal performance per their goals through individual employee efforts and teamwork. Companies need high-performance employees to get the results desired by the business (Efendi et al., 2021). This is because employees are one of the fundamental points that organizations need in the production process. Another thing that needs to be considered to achieve high work productivity is how to produce employees with optimal performance. Work productivity and optimal employee performance are two things that have the same importance in achieving organizational expectations.

High work productivity is not only influenced by individual abilities but also by a conducive work environment and efficient management system (Shafi et al., 2023). This combination of internal and external factors allows employees to work effectively, which ultimately increases the company's competitiveness in an increasingly competitive market. Therefore, companies must strive to create a supportive environment, including providing relevant training and career development opportunities for their employees. Apart from internal factors, industry dynamics also play an important role in determining strategy human resource management in every organization. Changes in markets and technology require companies to be more responsive and adaptive in facing emerging challenges. In

industrial sectors such as furniture, intense competition requires companies to focus on improving operational efficiency and continuous innovation to maintain competitive advantage (Qiu et al., 2017). Companies that can adapt to market changes and consumer needs have a greater chance of surviving and growing.

Competition in the furniture industry is currently increasingly fierce, triggered by various factors such as globalization, technological advances, and increasing consumer demand for quality products and competitive prices (Alhidayatullah et al., 2023). The existence of cheaper imitation and pirated products can erode market share and damage the reputation of manufacturing companies that produce original products, as well as rapid technological advances that spur companies to continue to innovate and design new products to meet the needs of an ever-growing market.

Rapid developments in the furniture industry require companies to not only focus on production but also on developing adaptive and innovative human resources (HR). Quality human resources can respond quickly to market and technological changes so that companies can continue to compete and survive in the industry. Referring to the importance of adaptability and innovation in facing increasingly fierce industrial competition, the focus of this research is directed at companies operating in the furniture sector. In this research, a furniture company, namely CV Aqma Furniture, was chosen as the main object. CV Aqma Furniture operates in the furniture sector which is currently developing in the city of Jepara. This company has good service for consumers and investors. This selection was based on several relevant factors, including its strategic role in the furniture industry in Jepara as well as the company's internal dynamics which reflect the challenges and opportunities faced by the industry as a whole.

This research not only focuses on operational aspects, but also explores leadership styles, work discipline, and employee empowerment that can influence employee performance in a competitive environment such as the furniture industry in Jepara. Considerations for choosing a CV. Aqma Furniture is the object because this research aims to identify the impact of democratic leadership, consistent application of work discipline, and employee empowerment efforts to improve performance in the company. The selection of CV Aqma Furniture as the research object is based on sales performance during 2022. This company has been operating in the furniture industry in recent years, however, there are challenges in maintaining sales stability. CV Aqma Furniture has faced various challenges in maintaining consistent sales, influenced by changes in consumer trends, fluctuations in demand and macroeconomic conditions. Analysis of sales data in recent years is key to understanding more deeply the factors that contribute to these fluctuations.

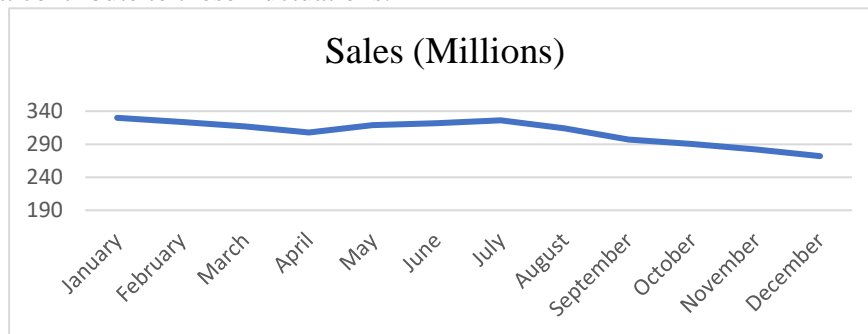


Figure 1. Sales Chart
Source: CV. Aqma Furniture processed (2024)

Based on Figure 1. Sales Chart, it can be observed that the sales of CV Aqma Furniture exhibited a fluctuating pattern throughout 2022. The highest sales occurred at the beginning of the year in January, but a consistent decline followed, with exceptions in May, June, and July, where there was a slight increase of 5.52% compared to April. However, the downward trend continued, resulting in a 16.57% drop from July to the end of the year. Overall, sales from January to December 2022 decreased

by 17.6%. This pattern indicates challenges faced by the company in maintaining its sales performance, which is also reflected in the company's declining revenue.

The instability of sales at CV Aqma Furniture has created various issues for the company in sustaining and growing its business. The intense competition among companies demands that each company strives to survive, while the influence of leadership plays a crucial role in determining success. One way for the company to stay competitive is by improving employee performance. In addition to effective management, every company requires leadership that can communicate and articulate the company's goals.

One of the determining factors for a company's success is leadership style. This is similar to research findings obtained by (Nopitasari & Krisnandy, 2019) which state the democratic leadership style positively and significantly impacts employee performance. This is due to the fact that it engages employees in every aspect of organizational activities and decision-making process based on their abilities and skills. In this way, employees will achieve good performance through a good leadership style.

Another factor that influences employee performance is employee empowerment, namely individual motivation to develop personal responsibility in carrying out their duties related to achieving company goals. The success of company management is very dependent on HR empowerment efforts, so it is necessary to pay attention to employee attitudes, behavior, desires and needs. Thus, employees feel motivated to improve their performance. Employee empowerment is expected to improve morale and work quality which ultimately influences employee performance (Yolanda et al., 2022).

Previous studies on democratic leadership and work discipline about employee performance include research conducted by Suprihatin et al., (2023) which examined democratic leadership and work discipline on employee performance at the East Bunguran Sub-district Office, Natuna Regency. Another similar study was carried out by Nopitasari & Krisnandy (2019), this study investigated the impact of democratic leadership style, intrinsic motivation, and work discipline on employee performance at PT Pangansari Utama Food Industry. However, based on prior research, no studies have specifically explored the combined effects of democratic leadership style, work discipline, and employee empowerment on employee performance. Therefore, this study aims to investigate the influence of democratic leadership style, work discipline, and employee empowerment on employee performance, with the expectation that it will serve as a breakthrough, offering potential contributions to the field of Management, particularly in human resource management studies within companies.

2. Literature Review

2.1 Employee Performance

Employee performance is something that a person succeeds in carrying out the tasks given based on ability, experience, seriousness and time (Muhammad Rochimin & Sukrispiyanto, 2022). Corporate organizations are formed with specific goals that must be achieved. Organizational behavior influences efforts to achieve these goals, while employee performance reflects how they complete tasks related to their role or job. The concept of performance refers to the level of implementation of activities or policies contained in an organization's strategic plan to achieve its goals, objectives, vision and mission. This is further categorized into three factors, namely task performance, adaptive performance, and contextual performance (Curpanaru, 2021).

Task performance includes the knowledge, skills, and habits required to fulfill job responsibilities. Adaptive performance refers to the ability to deal with a dynamic organizational environment. The contextual dimension indicates the attitudes and behavior shown by individuals in their work. These three dimensions play a very important role in supporting employee performance in achieving organizational goals. Apart from that, disciplined work behavior is the key to achieving

organizational goals. By obeying social regulations and norms, employees can ensure that they have completed all tasks, rules and regulations (Dewi et al., 2023). (Kairupan, 2021) mentions six indicators of employee performance, namely work quality, work quantity, responsibility, timeliness, effectiveness and independence.

2.2 Democratic Leadership

The democratic leadership style begins with the belief that achieving quality goals can only be realized through teamwork (Nandasinghe, 2020). This leadership style encourages active participation and involvement of team members in the decision-making process. (Lestari et al., 2018) also stated that a democratic leadership style fosters a sense of ownership and shared responsibility, because team members are given the opportunity to contribute their thoughts and ideas.

Research conducted by (Susanti, 2015), shows that the democratic leadership style has a high influence on employee performance and has been proven to be true. The research results show that there is a significant and linear regression equation between democratic leadership style and employee performance, which means that employee performance variables can be explained by democratic leadership style variables. This is reinforced by (Setiawan, 2017) who believes that democratic leadership style has a significant influence on employee performance.

H1 : Democratic leadership influences employee performance

2.3 Work Discipline

Work discipline is an attitude and behavior that shows order, obedience, responsibility, and enthusiasm in carrying out duties and obligations. Work discipline is the key to achieving company goals, where employees need to go home on time, complete their tasks, and comply with all regulations and social norms. Work discipline plays an important role in increasing productivity and performance (Efendi et al., 2021). Work discipline also involves the ability to manage time well, take responsibility for work, and have the integrity to do work well (Apriyani et al., 2023).

Work discipline also includes awareness of work quality and efforts to continuously improve it. A high level of work discipline in a company will create efficiency, increase trust, credibility and company reputation (Rezza & Wisnalmawati, 2020).

According to research conducted (Putri et al., 2015), work discipline plays a crucial role in shaping employee performance. A simple linear regression analysis revealed that work discipline positively affects performance. Therefore, as employees' work discipline increases, their performance improves, whereas lower work discipline leads to poorer performance.

H2 : Work discipline influence employee.

2.4 Employee Empowerment

(Kadarisman, 2012) describes employee empowerment as management's effort to give trust to its staff, and encourage them to innovate in completing their tasks optimally. Employee empowerment plays an important role in improving employee performance at CV Aqma Furniture. This is in line with the opinion expressed (Nursam, 2017) that empowerment is considered the main factor that influences performance. By empowering individuals, they are more involved in the decision-making process, which in turn increases their capabilities, sense of ownership, and responsibility. According to (Sedarmayanti, 2018), empowerment is a process that involves change and development in terms of ability, trust, authority and responsibility to improve performance.

Employee empowerment has become an important focus in corporate research because It is believed to improve performance and job satisfaction. Research conducted by Rayan et al., (2019) shows that employee empowerment contributes significantly to increasing individual performance and team collaboration. These results emphasize the importance of creating a work environment that supports participation and empowerment, so that employees feel more involved in the decision-making process.

H3 : Employee empowerment influences employee performance

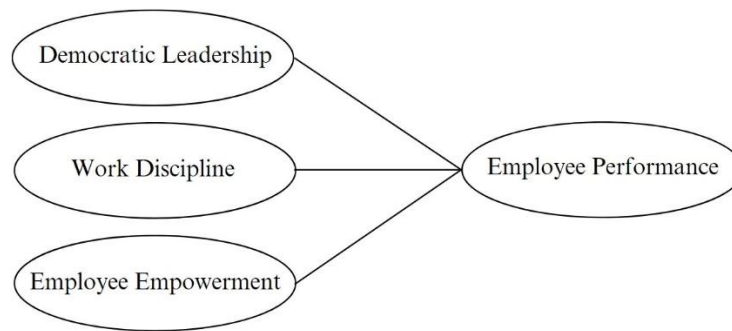


Figure 2. Research Model

3. Research Methods

Selection of appropriate research methods is very necessary to ensure that the results research can be identified and analyzed accurately. Quantitative research is an analysis activity of the calculation process using numbers, must first ensure the population and sample, must be value-free with very strict objectivity and use tools or instruments that have been validated and meet reliability criteria (Veronica et al., 2022). This research uses a quantitative approach because it is considered the most appropriate to use in answering the research problem formulation and the quantitative research method is also very suitable for this research, namely to be able to determine whether or not there is an influence of democratic leadership, work discipline and employee empowerment on employee performance at furniture companies in Jepara.

All types of research have an approach that needs to be taken. It is important to use the right research approach because each research approach has different methods and goals. The research approach chosen will influence the stages of formulating questions or statements, collecting and analyzing data, as well as the results of research findings (Iswahyudi et al., 2023). This research uses a quantitative approach with component or variant-based Structural Equation Modeling (SEM) methods. This approach was chosen because of its deep capabilities to analyze the relationship between independent and dependent variables, identify direct and indirect effects in complex models.

Data collection is used to support research. In this research, the tool used to collect data was a questionnaire. A questionnaire is a method used to collect data by distributing questions or statements that have been prepared in the form of a written questionnaire, either printed or electronic (Herlina, 2019). The questionnaire distributed was in the form of five choice scales using a Likert scale to measure the influence of democratic leadership, work discipline and employee empowerment on employee performance at CV Aqma Furniture. The Likert scale is used to measure the perceptions, opinions and attitudes of an individual or group of people regarding external phenomena (Sugiyono, 2020). The measurement scale for the independent and dependent variables uses a Likert scale as follows: 1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; and 5 = Strongly Agree. The scale allows respondents to express their level of agreement with a given statement. This research was carried out at CV Aqma Furniture which is located on Jl. Raya Bulungan RT. 001, RW. 001, Wonorejo, Jepara, Central Java 59431.

Operational variables aim to explain a researcher's perspective regarding the meaning of the variable being researched based on theoretical exploration that has been understood by the researcher. Research variables refer to any element selected by the researcher for study, with the purpose of gathering information about it and forming conclusions (Sugiyono, 2020). In this study, there are two categories of variables: the independent variable, typically represented by the letter X, and the dependent variable, often symbolized by the letter Y. In this study, democratic leadership, work discipline and employee empowerment is the independent variable. Employee performance is a dependent variable.

Table 1. Operational Variables

Variable Concept	Variable Definition	Indicator
Variabel X1 (Democratic Leadership)	Democratic leadership is a style that fosters a sense of ownership and shared responsibility because team members are given the opportunity to contribute thoughts and ideas (Lestari et al., 2018).	1. Leadership authority is not absolute 2. Decisions are made together 3. Two-way communication 4. Reasonable supervision 5. Responsibility
Variabel X2 (Work Discipline)	Work discipline is an attitude and behavior that shows order, obedience, responsibility, and enthusiasm in carrying out duties and obligations (Efendi et al., 2021).	1. Comply with all regulations 2. Responsibility 3. Absenteeism rate 4. Inherent supervision 5. Punishment sanctions
Variabel X3 (Employee Empowerment)	Employee empowerment is management's effort to give confidence to its staff, while encouraging them to innovate in completing tasks optimally (Kadarisman, 2012).	1. Knowledge and skills 2. Communication 3. Trust 4. Incentives
Variabel Y (Employee Performance)	Employee performance is something that a person successfully achieves in carrying out the tasks given based on ability, experience, seriousness and time (Muhammad Rochimin & Sukrispiyanto, 2022)	1. Quality of work 2. Working quantity 3. Responsibility 4. Punctuality 5. Effectiveness 6. Independence

Based on the table above, the operational variables contained in this research are explained. The concept of variables in this research is divided into two, namely variable X (Democratic Leadership, Work Discipline and Employee Empowerment) and variable Y (Employee Performance).

The data analysis method used is Partial Least Square (PLS), which comprises two sub-models: the structural or inner model and the measurement or outer model. (Irwan & Adam, 2015). This sub-model plays a role in testing the relationship between variables and the validity and reliability of the research instrument.

Respondents can be categorized as participants because people who are called respondents have met the sample criteria. Before determining the sample, it is necessary to first know the population in the study. The population used in this research consisted of employees at CV Aqma Furniture. The sampling method applied is Non Probability Sampling with a saturated sample type. This can be interpreted as meaning that all members of the population, namely 133 employees from CV Aqma Furniture, were used as the research sample. Choosing this method can help to obtain data that covers the entire population, thereby providing a more comprehensive and accurate picture of the characteristics being studied.

4. Results and Discussion

4.1 Characteristics of Respondents

Among the 133 respondents surveyed in this study at CV Aqma Furniture, a significant portion were male, representing 55.64%, while females comprised 44.36%. Regarding age distribution, 52.64% of the respondents were under 39 years old, and the remaining 43.37% were over 39 years old. This data offers a clear insight into the gender and age composition within CV Aqma Furniture.

4.2 Estimation Method

A loading factor value of 0.50 or higher is considered to have sufficiently strong validation to explain a latent construct, indicating that the indicator has a significant influence on the measured variable. In

this study, the initial outer loading values for the variables of Democratic Leadership, Work Discipline, Employee Empowerment, and Employee Performance are presented in Table 1. According to Hair et al., (2014) a Cronbach’s alpha value above 0.7 indicates that the instrument used has good reliability, which is essential in ensuring that indicators with high loading factors are reliable in measuring the construct. This underscores that a high loading factor also demonstrates that the variables tested have a significant impact on the measured construct, thereby strengthening the findings and conclusions of this study. It highlights the importance of considering the research context and analytical objectives when evaluating the validity and reliability of the measurement instruments used in this research.

Table 2. *Outer Loading*

	Democratic Leadership	Work Discipline	Employee Empowerment	Employee Performance
WD1		0,739		
WD2		0,824		
WD3		0,774		
WD4		0,688		
WD5		0,586		
DL1	0,449			
DL2	0,677			
DL3	0,713			
DL4	0,729			
DL5	0,811			
EP1				0,725
EP2				0,738
EP3				0,791
EP4				0,801
EP5				0,776
EP6				0,510
EE1			0,544	
EE2			0,701	
EE3			0,679	
EE4			0,821	

Source: Data processing with Smart PLS 3.0 (2024)

After the initial analysis, this model revealed that indicators DL1, WD5, EE1, and EP6 should be removed due to their loading factor values being below the acceptable threshold of 0.70. Indicators with loading factor values below 0.70 are considered less representative or not strong enough in reflecting the latent variables being measured. Removing these indicators from the model is a necessary step to improve its validity and reliability. Once the indicators were removed, the model was recalculated to obtain new outer loading values. These outer loading values reflect how well each remaining indicator represents the latent variables being measured. The recalculated results are presented in the final path diagram in Figure 3, showing the relationships between variables and the strength of each indicator after the adjustments. The adjusted model provides a more accurate and reliable depiction of the relationships between the variables studied, making it a solid foundation for decision-making or further theoretical development.

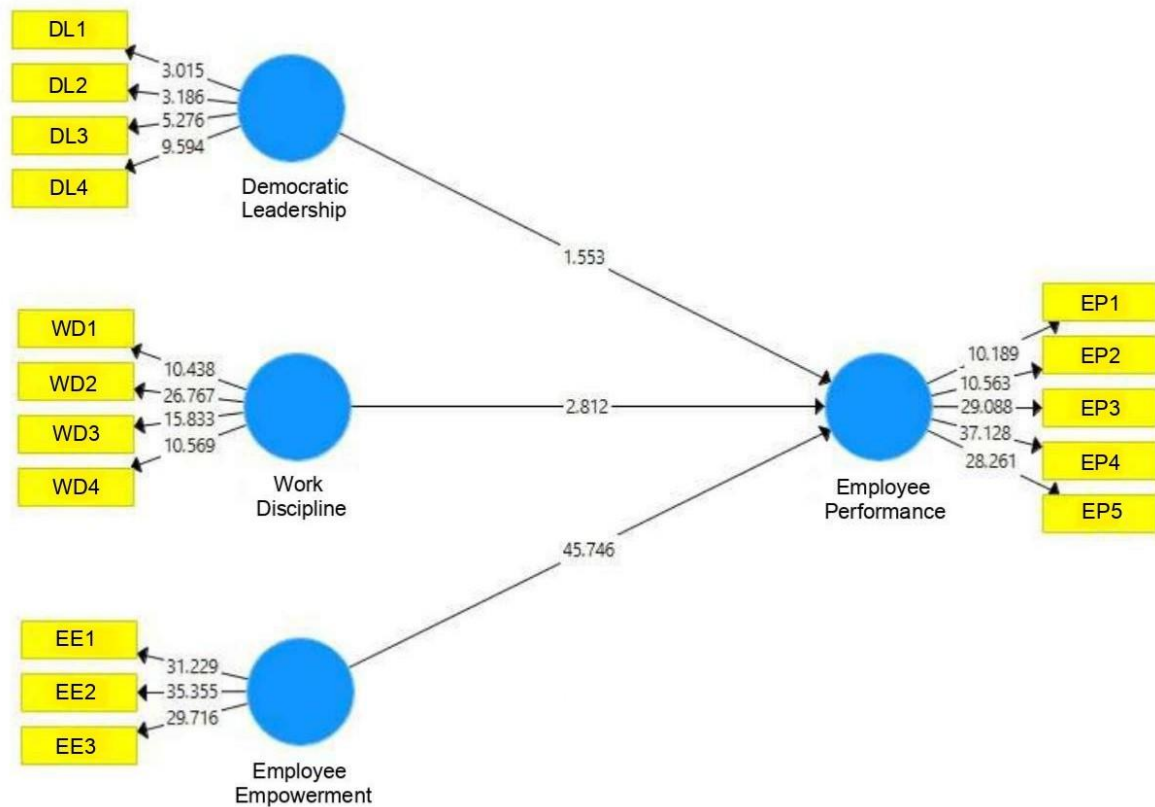


Figure 3. Path Diagram

Source: Data processing with Smart PLS 3.0 (2024)

4.3 Reliability

Before starting the analysis on the actual model, initial testing is carried out to determine the level of significance of the variables in the conceptual model used. This test aims to ensure that each variable has a significant contribution to the model. The instrument's reliability in this study was evaluated based on two key criteria: composite reliability and Cronbach's alpha. Both indicators serve to measure the internal consistency of the instrument employed. Detailed results of this reliability assessment are provided in Table 3, which outlines the relevant data on the instrument's reliability. The test results can be seen from Table 3 below.

Table 3. Reliability

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Work Discipline	0,765	0,794	0,849	0,586
Democratic Leadership	0,732	0,806	0,820	0,534
Employee Performance	0,834	0,860	0,881	0,598
Employee Empowerment	0,823	0,824	0,894	0,739

Source: Data processing with Smart PLS 3.0 (2024)

The output results in Table 3 show that the composite reliability values for all constructs are above the recommended threshold, namely more than 0.70. This indicates that these constructs have good internal consistency. On the other hand, the results of Cronbach's Alpha calculations show that almost all constructs have values above 0.70, which means the level of reliability is quite adequate.

4.4 Discriminant Validity

The discriminant correlation test aims to observe the correlation between one construct and another construct. Table 3 shows that all AVE squared values are greater than the correlation between the other two latent variables, both horizontally and vertically. The AVE squared value is also more than 0.50. AVE is considered good if the value is greater than 0.50 (Ghozali, 2016). If the square root of the average AVE for each construct exceeds the correlation between that construct and others in the model, it indicates that the construct has a high degree of validity.

Table 4. Discriminant Validity

	Work Discipline	Democratic Leadership	Employee Performance	Employee Empowerment
Work Discipline	0,766			
Democratic Leadership	0,323	0,731		
Employee Performance	0,558	0,255	0,773	
Employee Empowerment	0,498	0,202	0,962	0,859

Source: Data processing with Smart PLS 3.0 (2024)

In Table 3, the comparison of Average Variance Extracted (AVE) root values show that each AVE root value is higher than the correlation between other latent variables in this study. This shows that all latent variables measured have adequate construct validity. Thus, each variable can measure the concept it wants to measure accurately. In addition, the significant difference between the AVE root value and the correlation between latent variables indicates good discriminant validity. This means that each latent variable can be differentiated from other latent variables, so that there is no overlap in the measurement of different concepts.

4.5 Determinant Coefficient (R²)

Structural model testing is conducted to comprehend and examine the connections among different constructs within the research framework. In this study, the purpose of structural model testing is to assess the relationships between research variables by utilizing significance levels and R-square values. The R-square value is an important indicator that describes how much influence the independent variable has on the dependent variable in the model. The higher the R-square value, the greater the influence of the independent variable on the dependent variable. The results of the R-square estimation of each construct in this study can be seen in Table 4 which provides detailed information regarding how well the model explains the variation in the observed dependent variable. The estimated R-square value can be seen in Table 5 below.

Table 5. R-Square Value

	R Square	R Square Adjusted
Employee Performance	0,936	0,934

Source: Data processing with Smart PLS 3.0 (2024)

Based on Table 5, it is known that the R-square value for the employee performance variable is 0.936. This can be interpreted as saying that the variables of democratic leadership, work discipline and employee empowerment have contributed 93.6% to increasing employee performance. In other words, these three variables are able to explain about a third of the variation in employee performance. Meanwhile, the remaining 6.4% is explained by other variables not included in this research.

4.6 Hypothesis Testing

To determine whether a proposed hypothesis is accepted or not, it is necessary to test the hypothesis using the Bootstrapping function in SmartPLS 3.0. The hypothesis is accepted when the significance

level is smaller than 0.05 or the t-value exceeds the critical value (Hair et al., 2014). The t statistics value for the 5% significance level is 1.660.

Table 6. The Result of *Path Analysis*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Work Discipline -> Employee Performance	0,094	0,092	0,033	2,812	0,005
Democratic Leadership -> Employee Performance	0,041	0,041	0,026	1,553	0,121
Employee Empowerment -> Employee Performance	0,907	0,909	0,020	45,746	0,000

Source: Data processing with Smart PLS 3.0 (2024)

4.7 The Effect of Democratic Leadership on Employee Performance

In this study, (H1) stated that the democratic leadership variable obtained a calculated t value of $1.553 < t \text{ table } 1.656$ and a significance value (Sig.) of $0.121 > 0.05$. These results indicate that hypothesis 1 (H1) which states that democratic leadership will improve employee performance is not accepted or rejected. This indicates that although democratic leadership has many positive aspects in certain conditions, such as situations that require quick and firm decision making, this leadership style can actually hinder organizational effectiveness. Democratic leadership tends to involve discussion and deliberation from multiple parties, which can slow down the decision-making process, and in some cases result in the loss of valuable opportunities for employee performance.

Furthermore, in organizations operating under a more autocratic or hierarchical culture, employees may be more accustomed to clear direction and top-down decisions. In conditions like these, implementing a democratic leadership style can confuse or even decrease work efficiency. This research is in line with previous findings by (Jaya & Risnawati, 2023) which also shows that democratic leadership does not have a significant positive influence on employee performance. These results indicate that adapting leadership style to organizational culture and specific situations is critical to achieving optimal performance. Therefore, the choice of leadership style must be adjusted to the situation and needs of the organization to ensure employee performance remains high and the decision-making process runs effectively.

4.8 The Influence of Work Discipline on Employee Performance

The results of this research indicate that the second hypothesis (H2) related to the work discipline variable can be accepted. This is proven by the calculated t value of $2.812 > t \text{ table } 1.656$ and a significance value (Sig.) of $0.005 < 0.05$. In other words, H2 is accepted, which means that the more a leader applies work discipline, the more employee performance will increase. The application of work discipline by leaders fosters a high sense of responsibility in employees for the tasks assigned. When employees have good work discipline, they tend to focus more on completing tasks on time and accurately, as well as minimizing possible errors. Consistently applied discipline also helps employees understand the importance of their role in the organization, so they are motivated to provide the best performance.

In line with the results of this research, the findings obtained support previous research conducted by (Yudiningsih et al., 2016) and (Nopitasari & Krisnandy, 2019). Both studies concluded that work discipline has a positive influence on employee performance. In research Yudiningsih et al., (2016 states that work discipline is identified as the main factor that encourages employees to work more efficiently and effectively, while Nopitasari dan Krisnandy (2019) found that strong discipline can significantly improve the quality of work results. This research strengthens the view that work discipline is not just rules that must be followed, but also an important foundation for employees to achieve optimal results. Therefore, the application of good work discipline by leaders is very crucial in creating a productive work environment and contributing to improving the overall performance of employees.

4.9 The Effect of Employee Empowerment on Employee Performance

In this research, the third hypothesis (H3) regarding the employee empowerment variable shows that the calculated t value is $45.746 > t$ table which is 1.656 with a significance value (Sig.) of $0.000 < 0.05$. These results indicate that H3 is accepted, which means that the higher the implementation of employee empowerment by leaders, the more employee performance will increase. Empowered employees tend to focus more on their work, complete tasks with higher efficiency, and are encouraged to think creatively and innovatively in completing work.

Additionally, empowered employees are more likely to take responsibility for solving problems and finding solutions, which can ultimately save time and increase productivity. Employees who feel empowered also generally show higher commitment and loyalty to the company. The results of this research are in line with the findings of previous research by (Irwan & S, 2022) and (Padang, 2019), which also states that employee empowerment has a positive influence on employee performance. This empowerment is an important strategy in management to improve the quality of human resources and work productivity in the company.

5. Conclusion

5.1. Conclusion

Referring to the results of research that has been conducted, it can be seen that democratic leadership does not have a significant influence on employee performance at CV. Aqma Furniture. On the other hand, work discipline and employee empowerment have been proven to have a strong positive relationship with increasing employee performance. These findings emphasize the importance of consistent application of work discipline and employee empowerment in creating a productive work environment. It is hoped that the results of this research will provide insight into HR management in furniture companies in Jepara, as well as enrich literature in the field of management, especially regarding democratic leadership, work discipline and employee empowerment.

5.2. Limitations

This study has three limitations that need to be considered in interpreting the results. First, this research is limited to one company, namely CV Aqma Furniture, so the findings obtained cannot be directly generalized to other companies with different characteristics. Second, the number of respondents involved in this research was relatively limited, which could potentially affect the validity and reliability of the data collected. Third, the method used in this research is mostly quantitative with a questionnaire approach, so it is not possible to explore the qualitative and contextual aspects of the variables studied. This limitation is important to pay attention to in order to make decisions and apply research results to other similar topics.

5.3. Suggestions

Further research is recommended to expand the scope of research by involving more companies in the furniture industry in Jepara to increase the generalization of the findings. This will enable research results that are more representative of the dynamics of the industry. In addition, future researchers are advised to increase the number of respondents to increase the validity of the data and enrich the analysis with more diverse points of view. Mixed methods that combine quantitative and qualitative data can also be used to obtain a deeper understanding. The addition of variables such as organizational culture or other external factors will provide more comprehensive insight into the factors that influence employee performance. In addition, considering the addition of intervening variables such as job satisfaction can provide deeper insight into how these factors influence employee performance.

Acknowledgment

Praise be to the presence of Allah SWT, who has bestowed His blessings and mercy, so that the author was given ease in completing his thesis with the title "The Influence of Democratic Leadership, Work Discipline, and Employee Empowerment on Employee Performance at a Furniture Company in Jepara". On this occasion, the author would like to thank the following parties:

1. Dr. H. Noor Arifin, SE., M.Si., as Dean of the Faculty of Economics and Business, Nahdlatul Ulama Jepara Islamic University, who has provided support for licensing research implementation;

2. Nurul Huda, S.E., M.M., as Chair of the Bachelor of Management Study Program, Faculty of Economics and Business, Nahdlatul Ulama Islamic University, Jepara, who has provided support for licensing research implementation;
3. Dr. H. Noor Arifin, SE., M.Si., as supervisor who has taken the time, provided direction and motivation to the author in completing the research;
4. All lecturers in the Undergraduate Management Study Program, Faculty of Economics and Business, Nahdlatul Ulama Jepara Islamic University who have provided knowledge and knowledge to the author during lectures;
5. CV owner. Aqma Furniture which has given permission and is willing to be the object of research and active participation of all its employees in providing the necessary data;
6. The writer's parents who always provide prayers and support, as well as the writer's older sister who always gives encouragement and motivation to the writer;
7. Respondents who are willing to take the time to share information and knowledge with the author in the form of questionnaire responses;
8. Friends of the Bachelor of Management Class of 2021 who helped and prayed for smooth running of the research;
9. All parties that the author cannot mention one by one have made positive contributions to the research process.

Hopefully the goodness that has been given to the author will be rewarded by Allah SWT. The author realizes that this research is still far from perfection. So, the author is open to receiving constructive criticism and suggestions.

Reference

- Alhidayatullah, A., Lestari, N. A., & Antony, A. (2023). Kepemimpinan Dan Motivasi Kerja Dalam Meningkatkan Kinerja Karyawan. *Jurnal Inspirasi Ilmu Manajemen*, 1(2), 103. <https://doi.org/10.32897/jiim.2023.1.2.2434>
- Apriyani, A., Isyanto, P., & Yani, D. (2023). Implementation of Working Discipline In Improving Employee Performance: Case Study on the CV. XYZ. *Journal Integration of Social Studies and Business Development*, 1(1), 1–5. <https://doi.org/10.58229/jissbd.v1i1.24>
- Curpanaru, M. (2021). Performance management – a strategic and integrated approach to ensuring the success of organizations. *IOP Conference Series: Materials Science and Engineering*, 1169(1), 012039. <https://doi.org/10.1088/1757-899X/1169/1/012039>
- Dewi, T., Pertiwi, W., & Yuliawati, J. (2023). Implementation of Work Discipline That Affects Employee Performance in the Genera Administrative Services Section in the Pebayuran District Office Bekasi District. *Edutran Business and Management*, 1(1), 69–76. <https://doi.org/10.59805/ebm.v1i1.27>
- Efendi, S., Sugiono, E., & Estorina, L. D. (2021). The Influence of Leadership Style, Work Discipline and Competence on Employee Performance At the Directorate General of Human Rights. *Jurnal Ilmiah MEA*, 5(2), 1886–1902. <http://journal.stiemb.ac.id/index.php/mea/article/view/1471>
- Ghozali, I. (2016). Aplikasi Analisis Multivariate dengan Program SPSS Edisi Kesembilan. Semarang: Badan Penerbit Universitas Diponegoro. *Alfabeta*, 1(1), 1–99.
- Hair, J. F., Sarstedt, M., Hopkins, L., & Kuppelwieser, V. G. (2014). Partial least squares structural equation modeling (PLS-SEM): An emerging tool in business research. *European Business Review*, 26(2), 106–121. <https://doi.org/10.1108/EBR-10-2013-0128>
- Herlina, V. (2019). *Panduan praktis mengolah data kuesioner menggunakan SPSS*. Elex Media Komputindo.
- Irwan, A., & S, S. (2022). Pengaruh Pemberdayaan Karyawan Terhadap Kinerja Karyawan Pada PT.

- PLN (Persero) Sektor Tello Kota Makassar Andi. *Kaizen*, 1(2).
- Irwan, & Adam, K. (2015). METODE PARTIAL LEAST SQUARE (PLS) DAN TERAPANNYA (Studi Kasus: Analisis Kepuasan Pelanggan terhadap Layanan PDAM Unit Camming Kab. Bone). *Jurnal Teknosains UIn*, 53–68.
- Iswahyudi, M. S., Wulandari, R., Samsuddin, H., Sukowati, I., Nurhayati, S., Makrus, M., Amalia, M. M., Faizah, H., & Febianingsih, N. P. E. (2023). *Buku Ajar Metodologi Penelitian*. PT. Sonpedia Publishing Indonesia.
- Jaya, U. A., & Risnawati, N. (2023). Pengaruh Gaya Kepemimpinan Demokratis Dan Kemampuan Kerja Terhadap Kinerja Karyawan Pabrik Boneka Sukabumi. *Edunomika*, 8(1), 1–9.
- Kadarisman, M. (2012). Manajemen pengembangan sumber daya manusia. *Jakarta: Rajawali Pers*, 2, 13.
- Kairupan, D. (2021). Kinerja Karyawan (Tinjauan Teori Dan Praktis). In *News.Ge* (Issue July).
- Lestari, Y., Rosdiana, W., & Noviyanti. (2018). Democracy leadership (study approach of bureaucrats leadership at sub bagian tata usaha badan perencanaan pembangunan daerah, East Java province). *Journal of Physics: Conference Series*, 953(1). <https://doi.org/10.1088/1742-6596/953/1/012165>
- Muhammad Rochimin, & Sukrispiyanto. (2022). Pengaruh Pelatihan Kerja Dan Motivasi Kerja Terhadap Kinerja Karyawan. *Akademika*, 20(2), 100–106. <https://doi.org/10.51881/jak.v20i2.18>
- Nandasinghe, G. (2020). Leadership and Organization Performance: A Review on Theoretical and Empirical Perspectives. *Global Journal of Management and Business Research*, 20(July), 25–30. <https://doi.org/10.34257/gjmbavol20is4pg25>
- Nopitasari, E., & Krisnandy, H. (2019). Pengaruh Gaya Kepemimpinan Demokratis, Motivasi Intrinsik Dan Disiplin Kerja Terhadap Kinerja Karyawan Pt Pangansari Utama Food Industry. *Oikonomia: Jurnal Manajemen*, 14(1). <https://doi.org/10.47313/oikonomia.v14i1.511>
- Nursam, N. (2017). Manajemen Kinerja. *Kelola: Journal of Islamic Education Management*, 2(2), 167–175. <https://doi.org/10.24256/kelola.v2i2.438>
- Padang, P. (2019). Pengaruh pemberdayaan karyawan dan kompensasi terhadap kinerja karyawan pt. laboratorium klinik pramita padang. *Menara Ekonomi*, V(1), 30–42.
- Putri, W. S., Radhiyah, & Nugraha, susanta hadi. (2015). PENGARUH LINGKUNGAN KERJA FISIK, STRES KERJA DAN DISIPLIN KERJA TERHADAP KINERJA KARYAWAN BAGIAN PRODUKSI PT. KIMIA FARMA, Tbk. SEMARANG. *Diponegoro Journal of Social and Political Science*, 10, 1–8. <http://ejournal-s1.undip.ac.id/index.php/>
- Qiu, X., Cano-Kollmann, M., & Mudambi, R. (2017). Competitiveness and Connectivity in Design Innovation: A Study of The Norwegian Furniture Industry. *Competitiveness Revuwe: An International Business Journal*, 27(5), 533–548.
- Rahman, G. A., Panorama, M., & Azwari, P. C. (2021). Pengaruh Product Knowledge dan Financial Literacy terhadap Investment Decisions dengan Investor Behavior sebagai Variabel Intervening. *Jurnal Intelektualita: Keislaman, Sosial Dan Sains*, 10(2), 273–281. <https://doi.org/10.19109/intelektualita.v10i1.8830>
- Rayan, A. R. M., Sebaie, A. S. M., & Ahmed, N. A. (2019). Empowering Leadership Behavior and Work Engagement: The Mediating Role of Psychological Empowerment. *Current Perspective to Economics and Management*, 3(12), 27–43.
- Rezza, A. M., & Wisnalmawati, W. (2020). the Influence of Work Discipline and Organizational Communication. *Universitas Pembangunan Nasional Veteran Yogyakarta*, 9(September), 94–102.

- Sedarmayanti, H. (2018). *Manajemen sumber daya manusia; reformasi birokrasi dan manajemen pegawai negeri sipil*. Reflika Aditama.
- Setiawan, A. (2017). Pengaruh Gaya Kepemimpinan Partisipatif Terhadap Kinerja Karyawan Melalui Motivasi Kerja dan Kepuasan Kerja. *Agora*, 5(3), 1–7. <https://publication.petra.ac.id/index.php/manajemen-bisnis/article/view/6067/5566>
- Shafi, M. A., Le, N. S., Zulkipli, H., & Hasim, M. A. (2023). The Effect of Work Environment on Employee Productivity: A Case Study of Manufacturing Company. *Journal of International Business, Economics and Entrepreneurship*, 8(1), 77–87. <https://doi.org/10.24191/jibe.v8i1.24025>
- Srilestari, N. A., & Indriyaningrum, K. (2023). Pengaruh Kepemimpinan Transformasional, Pemberdayaan Karyawan Dan Kepuasan Kerja Terhadap Kinerja Karyawan Pt. Kota Woodcraf Furniture Jepara. *Jesya*, 6(2), 1806–1812. <https://doi.org/10.36778/jesya.v6i2.1096>
- Sugiyono. (2020). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Alfabeta.
- Suprihatin, N. P., Huseno, T., Darmanto, D., & Fatimatussahrah, H. A. (2023). Pengaruh Gaya Kepemimpinan Demokratis Dan Disiplin Kerja Terhadap Kinerja Pegawai Kecamatan Bunguran Timur Laut Kabupaten Natuna. *Jurnal Ilmu Pemerintahan Suara Khatulistiwa*, 8(2), 165–179. <https://doi.org/10.33701/jipsk.v8i2.3602>
- Susanti, Y. (2015). Pengaruh Gaya Kepemimpinan Demokratis Terhadap Kinerja Pegawai Pada Kantor Kecamatan Sungai Pinang Kota Samarinda. *EJournal Administrasi Negara*, 3 (1), 3(1), 271–284.
- Veronica, A., Ernawati, Rasdiana, Abas, M., Yusriani, Hadawiah, Hidayah, N., Sabtohadhi, J., Marlina, H., Mulyani, W., & Zulkarnaini. (2022). Metodologi Penelitian Kuantitatif. In *Pt. Global Eksekutif Teknologi*.
- Yolanda, P., Widiana, H. S., & Sari, E. Y. D. (2022). Kinerja Karyawan: Faktor-Faktor yang Memengaruhi. *Jurnal Diversita*, 8(2), 148–157. <https://doi.org/10.31289/diversita.v8i2.5788>
- Yudiningsih, N. M. D., Yudiaatmaja, F., & Yulianthini, N. N. (2016). Pengaruh Lingkungan Kerja dan Disiplin Kerja Terhadap Kinerja Pegawai. *Jurnal Manajemen Indonesia*, 4(1).