ABSTRACT

Jajang A., 2014 THESIS. Title: "The Impact of Leadership Style on Employees'

Performance (Investigation Conducted in Tile Enterprise Malang

Indah Genteng Rajawali)"

Supervisor : Dr. H. Achmad Sani Supriyanto, SE., M.Si Key words : Leadership style, employees' performance

Leadership style plays a significant role to employees' performance. This is because the leadership style is the most determinant factor to the success or failure of the organization. This research aims to investigate the effect of independent variables (authoritarian, democratic, laissez-faire) to employees' performance.

This study used qualitative approach. The data was collected through distributing questionnaire to fifty two (52) part-time employees. Multiple linier regressions was the analytical method employed covering validity and reliability tests, classic assumption test, F test, t test and SPSS 16.00 *for windows* application.

The current investigation shows that independent variables (authoritarian, democratic, laissez-faire) partially have a significant impact on employee's performance. It has been proven by the fact that the significance of t values (authoritarian = 0,032, democratic = 0,000, Laissez-faire = 0,001) are lesser than 5%. Simultaneously, independent variables (authoritarian, democratic, laissez-faire) significantly contribute to employees' performance. The evidence shows that the significance of F value $(0,000^{a})$ is lesser than 5%. On the one hand, democratic aspect (X2) is the most dominant contribution in this context. It has been shown by the evidence that r^{2} value is 0,219 or it is equivalent to 21,9% of the entire elements studied in this investigation. Therefore, the democratic variable (X2) has a dominant factor to the success or failure of the organization compared to the employees' performance variable (Y).