

ABSTRACT

THE EFFECT OF LEADERSHIP AND PERFORMANCE ALLOWANCES ON EMPLOYEE PERFORMANCE MEDIATED BY JOB SATISFACTION AT THE DISTRICT SECRETARIAT OF BANDAR LAMPUNG CITY

By

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This study aims to determine the influence of leadership and performance allowances on employee performance and job satisfaction. This study adopts the theory of social exchange to explain the relationship between these variables. The respondents in this study were 100 employees who worked at the Regional Secretariat of Bandar Lampung City. Design for sampling using the Simple Random Sampling technique. The data was processed using Structural Equation Modeling with the LISREL application. The results of the study show that leadership and performance allowances have a positive influence on job satisfaction. Leaders who support employees' mental and emotional health by creating a comfortable work environment and providing benefits as rewards for employees will increase job satisfaction and overall well-being. Leadership, Performance Allowances, and Job Satisfaction have a positive and significant effect on employee performance. Employee performance is the main focus of the agency to achieve goals, therefore the role of leadership is needed to protect the competence of employees in carrying out their work. Performance allowances as rewards are also a significant factor in improving their work due to the sense of job satisfaction of employees who feel appreciated by the agency.

Keywords: performance allowance, employee performance, job satisfaction

