

The Influence of Leadership and Work Discipline on Employee Performance Mediated By The Organization's Commitment To PT Nusantara Power Engineering Medan

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Abstract

This study aims to determine the Influence of Leadership and Work Discipline on Employee Performance Mediated by Organizational Commitment at PT Nusantara Power Engineering Medan. The research method used in the study is quantitative method, in this study there are one 2 independent variables, 1 intervening variable, and 1 dependent variable. The population in this study was 47 yarn employees of PT Nusantara Power Engineering Medan. The sampling technique in this study is saturated samples. The data withdrawal technique used was a questionnaire with Likert scale. The data analysis technique to answer this research hypothesis is the Structural Equation Model (SEM). The results showed that leadership variables had no effect on employee performance, leadership variables did not affect organizational commitment, work discipline variables had an effect on employee performance, work discipline variables had no effect on organizational commitment, and organizational commitment variables had an effect on employee performance.

Keywords:

Leadership, Performance Discipline, Employee Performance

Introduction

The construction sector in Indonesia will continue to grow in 2023, despite global economic uncertainty due to the slowing economy of several advanced countries. The growth of the construction sector in Indonesia reaches 6-7 percent per year, this value is expected to continue to grow to reach 10-15 percent in 2050 in line with the Masterplan for the Acceleration and Expansion of Indonesia's Economic Growth (MP3EI) program. As is known, the construction sector contributes around 14.3% of Indonesia's GDP, with a value of Rp 446 trillion. So it can be concluded that the contractor industry is one of the promising industries for the next 10 years. Coupled with support from the government which encourages synergy between small, medium and large contractors to work on these projects. In addition, with the

ACFTA in 2015 where a free trade area will be established between ASEAN members and China, the contracting industry will become the center of attention of investors from abroad. With the free market, the access possessed by foreign investors to invest in Indonesia will be very large.

The Central Statistics Agency (BPS) noted that the number of construction companies in Indonesia was 197,030 units in 2022. This number was corrected by 3.13% compared to the previous year which reached 203,403 units. Looking at the trend, construction companies in Indonesia tend to show an increase. Construction companies recorded a record high of 203,403 units last year. However, the number of construction companies fell again this year. This happens because many infrastructure projects have not been able to operate optimally. This is inseparable from the Covid-19 pandemic. In addition, this sector is overshadowed by global economic uncertainty, one of which is caused by Russia's war with Ukraine.

Of course, with this large number of business units, competition between each company engaged in the contractor industry is certainly very high. Seeing from the many business links that exist in a contractor industry, it is certain that this will be the main focus of competition. The more complete the business link to a company engaged in the contracting industry, the higher the competitiveness possessed by the company. PT Nusantara Power Engineering is a construction company that has qualifications as building construction services, power plant installation construction, thermal installation, piping installation construction (engineering workers), etc. In line with the increasing competition, construction service companies, especially PT Nusantara Power Engineering to always improve their performance. Employee performance is one of the important factors that can affect the success of an organization

Performance According to (Afandi, 2018) is the result of work that can be achieved by a person or group of people in a company in accordance with their respective authorities and responsibilities in an effort to achieve organizational goals illegally, does not violate the law and does not conflict with morals and ethics. Good employee performance with a high work ethic will help the company to be able to meet the company's set targets and help the company earn profits (Tampubolon, 2016), while if employee performance decreases and is poor it will harm the company. Therefore, Human Resources (HR) are needed who are able to develop themselves proactively. Human resources must be individuals who are willing to learn and work hard with passion, so that their human potential develops optimally (Sutrisno, 2016). To achieve this, the efforts made begin by paying attention to factors that affect employee performance. Many factors influence this, including leadership, work discipline, and organizational commitment.

Leadership is instrumental in the progress of the company, Porter (1996) in (Sunarsih, 2001). Green Berg and Baron (2000: 444) in (Sunarsih, 2001) stated that leadership is a key element in organizational effectiveness. According to (Saefullah & Rusdiana, 2016) leadership is one of the determining elements of organizational success, especially in leading to change. Leadership is something that is inherent in the leader and therefore leadership is then



associated with traits, personality, abilities, and capabilities, all of which affect certain characteristics or traits (Isyandi, 2004).

Good leadership can also be a source of inspiration for employees. Leaders who demonstrate dedication, integrity, and a positive attitude in their work can influence employees to try harder and do their best. They show exemplary examples that can inspire employees to improve their performance. Based on observations made at PT Nusantara Engineering Medan, it was found that problems regarding leadership, namely the lack of direction from the leadership regarding effective work mechanisms, so that employees have not been able to carry out their work perfectly. This can make employee performance decrease because leadership can also affect employee performance. Research related to the effect of leadership on employee performance is in line with previous research conducted by (Oktavia, 2014) and (Lestari, Nurita, & Octavianti, 2022) which stated that leadership partially affects employee performance.

Another factor that affects employee performance is work discipline. Discipline is a management action to encourage members of the organization to meet the demands of various provisions. According to (Hasibuan, 2017) suggests that work discipline is a person's awareness and willingness to obey all company regulations and applicable social norms. Meanwhile, according to Rivai (2016), work discipline is a tool used by managers to communicate with employees so that they are willing to change a behavior and as an effort to increase awareness of applicable social norms.

Employees who are disciplined at work will tend to carry out all their activities in accordance with the rules, standards as well as duties and responsibilities that are their obligations. Compliance with regulations and work standards that have been set by management is a guarantee of successful achievement of goals, by individuals in the organization concerned which in turn will affect the performance of the organization.

Related to the level of work discipline at PT Nusantara Power Engineering Medan can still be said to be not optimal, this can be seen from the level of delay in entering work that has not been maximized, there are still employees who enter work late. In addition, there are still employees who do not complete work on time. The high frequency of absenteeism is indicated to occur due to laziness or employee saturation of regulations and policies from superiors, an unfavorable workplace environment and inability to complete work.

In addition, organizational commitment also has an important role in mediating the relationship between leadership, work discipline, and employee performance. Organizational commitment is the attitude of employees towards the organization in which they work, reflecting their loyalty, identification, and attachment to organizational goals and values. Employees who have a high level of organizational commitment tend to have a strong intrinsic motivation to give their best in their jobs. The work commitment factor is no less important in improving employee performance. Highly committed employees will have high productivity (Luthans, 2002). (Priansa, 2014) states that organizational commitment is a belief



that binds employees to the organization where they work, which is aimed at loyalty, involvement in work, and identification with organizational values and goals.

Employees with high commitment are expected to be able to produce optimal performance. Work commitment can be measured through how high the level of the number of violations committed, the so-called work commitment is how employees are able to show up on time and work according to their respective duties and functions. Based on the phenomenon found during the pre-survey that the work commitment at PT Nusantara Power Engineering Medan has not been maximized. It is characterized by low employee absenteeism. Employee absenteeism is one indicator of low employee work commitment. In this condition, it can be assumed that work discipline and organizational commitment in carrying out tasks are less than optimal. Low employee work commitment can reduce employee performance and vice versa. This means that work commitments can affect employee performance. Employee commitment to the agency is a factor that must be owned by every member of the agency because commitment to the agency is believed to be a driver for employees to be serious in working so that they can meet the work targets given to them. Organizational Performance and Commitment of employees are under the influence of leadership and work discipline.

From the description above, the author is interested in examining the leadership, commitment and work discipline that exist at PT Nusantara Power Engineering Medan so that the title raised in this study is "The Influence of Leadership and Work Discipline on Employee Performance Mediated by Organizational Commitment at PT Nusantara Power Engineering Medan."

Literature Review

Employee Performance

a. Understanding Employee Performance

Performance in Indonesian is actually a free translation of the word "*performance*". Performance in a somewhat limited sense is often used to measure a person's work achievement such as a task assigned to someone in an organization. In this case, there is actually a close relationship between individual performance and corporate *performance*. In other words, if employee performance is good, then most likely the company's performance is also good.

Theoretically (Mangkunegara, 2017) explains, that performance is the result of work in quality and quantity achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. So what is meant by quality is the level of good and bad results obtained, while quantity is the amount obtained from the results of work.

Performance According to (Afandi, 2018) is the result of work that can be achieved by a person or group of people in a company in accordance with their respective authorities and responsibilities in an effort to achieve organizational goals illegally, does not violate the law



and does not conflict with morals and ethics. According to (Hasibuan M., 2018) performance is a result of work achieved by a person in carrying out his duties on skills, efforts and opportunities.

Performance refers to the level of achievement and results achieved by a person, group, or organization in carrying out a particular task, responsibility, or goal. Performance includes an assessment of concrete results produced, the quality of work performed, and the level of efficiency and effectiveness in achieving the desired results.

b. Employee Performance Indicators

Some experts put forward about employee performance indicators, including according to (Mangkunegara A. P., 2017) to measure employee performance can be used 4 (aspects) as follows:

1. Quality: a result that can be measured from the level of efficiency and effectiveness of an employee in doing a job, in other words an employee is able to carry out work according to the standards given by the company effectively and efficiently, which is supported by other resources in achieving general company goals.
2. Quantity: any form of unit of measure related to the amount of work and expressed in numerical measures, so quantity of work is the amount of work performed by an employee in a certain period. This can be seen from the results of employee work at work and the use of certain time and speed of time in completing their duties and responsibilities.
3. Task execution: how far the employee is able to do his job accurately or there are no mistakes. So it can be said that the implementation of duties is whether or not an employee can be relied on in carrying out duties according to instructions at work and how an employee is able to take initiative and be careful at work in order to be able to carry out his work well.
4. Responsibility: human awareness in his behavior or actions that are intentional or unintentional. Responsibility for work is a manifestation of awareness of the obligation of employees to carry out the work given by the company.

Leadership

a. Definition of Leadership

Leadership is the way a leader influences the behavior of subordinates, in order to cooperate and work productively to achieve organizational goals. Understanding Leadership according to (Kartono & Kartini, 2014), leadership "is a trait, habit, temperament, character and personality that distinguishes a leader in interacting with others. Leadership is the ability to influence the activities of others through communication, both individual and group towards achieving goals (Anoraga, 2004).



According to Terry in (Sutrisno, 2016), leadership is an activity to influence people to work willingly to achieve common goals. Leadership is the way a leader influences the behavior of his subordinates, in order to be willing to work together and work productively to achieve organizational goals (Hasibuan, 2017).

It can be concluded that the notion of leadership is the ability or process of a person in influencing, motivating, and directing individuals or groups to achieve common goals. Leadership involves various aspects, including making decisions, providing direction, motivating, inspiring, coordinating, and facilitating interaction between team members or organizations.

b. Leadership Indicators

According to (Kartono & Kartini, 2014) a person's leadership can be seen and assessed from several indicators as follows:

1. Decision-making ability

Decision making is a systematic approach to the nature of the alternatives faced and taking actions that according to calculations are the most appropriate actions.

2. Ability to motivate

The ability to motivate is the driving force that causes a member of the organization to be willing and willing to mobilize his ability (in the form of expertise or skills) energy and time to carry out various activities that are his responsibility and fulfill his obligations, in order to achieve the goals and objectives of the organization that have been determined before.

3. Communication skills

Communication skills are the ability or ability to convey messages, ideas, or thoughts to others with the aim of the other person understanding what is meant well, directly verbally or indirectly.

4. Ability to control subordinates

A leader must have the desire to make others follow his wishes by using personal power or the power of office effectively and in place for the long-term benefit of the company. This includes telling others what to do in tones that vary from assertive to asking or even threatening. The goal is that the tasks can be completed properly.

5. Responsibility

A leader must have responsibilities to his subordinates. Responsibility can be defined as an obligation that is obliged to bear, bear responsibility, bear everything or give responsibility and bear the consequences.

6. Emotional control ability



The ability to control emotions is very important for the success of our lives. The better our ability to control our emotions, the easier it will be for us to achieve happiness.

Organizational Commitment

a. Understanding Organizational Commitment

According to Mathis and Jackson (2001) in (Busro, 2018), organizational commitment is the level of trust and acceptance of the workforce towards organizational goals and has the desire to remain in the organization.

(Priansa, 2014) states that organizational commitment is a belief that binds employees to the organization where they work, which is aimed at loyalty, involvement in work, and identification with organizational values and goals. Meanwhile, according to (Samsuddin, 2018) The understanding of organizational commitment is a promise (agreement / contract) to do something. Promises to ourselves or to others are reflected in our actions. Commitment is a complete recognition, as a true attitude that comes from a disposition that comes out of one's inner being.

Organizational commitment is "An attitude that reflects employee loyalty to the organization and the ongoing process by which organizational members express their concern for the organization and its success and continuous progress" (Luthans F., 2013).

It can be concluded that organizational commitment is the attitude or authenticity of an employee's character or an employee's earnest attitude towards an organization, and aims to be maintained in the organization.

b. Organizational Commitment Indicators

The Organizational Commitment Indicator in (Busro, 2018) states that:

1. Affective Commitment *indicators* include:
 - a. Strong trust and acceptance of organizational values and goals,
 - b. Loyalty to the organization, and
 - c. Willingness to use efforts for the benefit of the organization.
2. Continue Commitment *indicators* include:
 - a. Taking into account the advantages of staying employed in the organization,
 - b. Calculating losses in case of leaving the organization
3. Normative Commitment indicators include:
 - a. Willingness to work and
 - b. The responsibility of advancing the organization.

Work Discipline

a. Understanding Work Discipline



Discipline comes from the root word "*disciple*" which means to learn. Discipline is a direction to train and shape someone to do something better. The attitude of a person's willingness and willingness to obey and obey the norms of regulations that apply around him is a discipline (Sutrisno, 2016). Discipline is a force that develops in the body of employees and causes employees to adjust voluntarily to decisions, regulations and high values of work and behavior (Hamali, 2016).

Discipline is a management action to encourage members of the organization to meet the demands of various provisions. According to (Hasibuan M., 2017) suggests that work discipline is a person's awareness and willingness to obey all company regulations and applicable social norms. While (Rivai, 2015) argues that work discipline is a tool used by managers to communicate with employees so that they are willing to change a behavior and as an effort to increase awareness and willingness of someone to obey all company regulations and applicable social norms. So the notion of work discipline is an attitude that reflects the magnitude of the sense of responsibility in an organization.

b. Work Discipline Indicators

According to (Sutrisno, 2016) the indicators of work discipline are as follows:

1. Obey the rules of time
Judging from the hours of entering work, leaving work, and resting hours on time in accordance with the rules that apply in the company.
2. Obey company regulations
Basic rules on how to dress and behave on the job.
3. Obey the rules of behavior in work
Shown by ways of doing work in accordance with duties, positions, and responsibilities as well as ways of relating to other work units.
4. Obey other regulations in the company
Rules about what employees can and cannot do in the company.

Based on previous research studies and the development of research models, a theoretical framework was compiled that states the influence between variables in this study. Figure 1. Below is an overview of the conceptual framework in research.

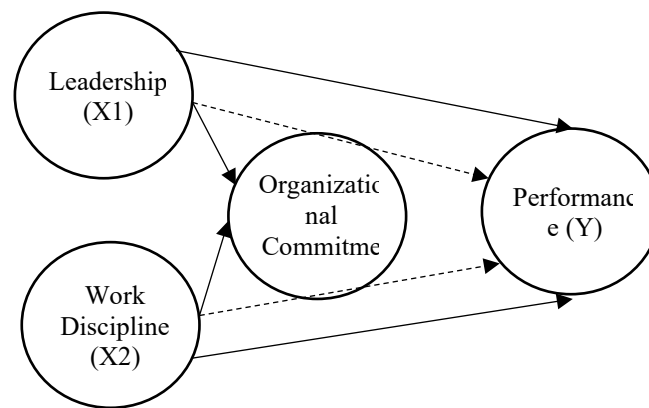


Figure 1. Conceptual Framework

Materials & Methods

This research is an *explanatory research* with data collection carried out in one stage (one *short study*) or cross-section, with the aim of determining the influence of leadership, work discipline on employee performance mediated by organizational commitment to PT Nusantara Power Engineering Medan. Population is a group of research elements, where elements are the smallest units that are the source of the data needed from research (Manullang & Pakpahan, 2014). The population in this study is employees of PT Nusantara Power Engineering Medan which amounts to 47 people, workers in the production department are wholesale workers who can be called at any time if there is a project or order to be carried out. The amount of wholesale labor depends on the project or order to be carried out. According to (Arikunto, 2013) that the sample is a portion or representative of the population studied. Because the population is less than 100, the determination of the number of samples used is a saturated sample where the number of samples is equal to the total population, which is 47 respondents. The data collection method using questionnaires distributed to respondents is related to the variables discussed in this study. The questionnaire used is a type of choice, where respondents are given alternative answers to choose one of the five answers provided. The data analysis technique to answer this research hypothesis is *the Structural Equation Model (SEM)*.

Result

PLS (Partial Least Square) is a variant-based structural equation analysis (SEM) that can simultaneously test measurement models as well as structural model testing. Model evaluation in PLS consists of evaluation of measurement models, evaluation of structural models, and evaluation of model goodness and fit.

Evaluation of the Measurement Model (Outer Model)



The measurement model in this study is derived from a reflective measurement model where the variables of Leadership, Work Discipline, Organizational Commitment, and Employee Performance are measured reflectively. In Hair et. Al (2021), reflective measurement evaluation consists of loading factor >0.70 , composite reliability >0.70 , Cronbach's alpha and average variance extracted (AVE) >0.50 and discriminant evaluation, namely fornell and lacker criteria and HTMT (Heterotrait Monotrait Ratio) below 0.90.

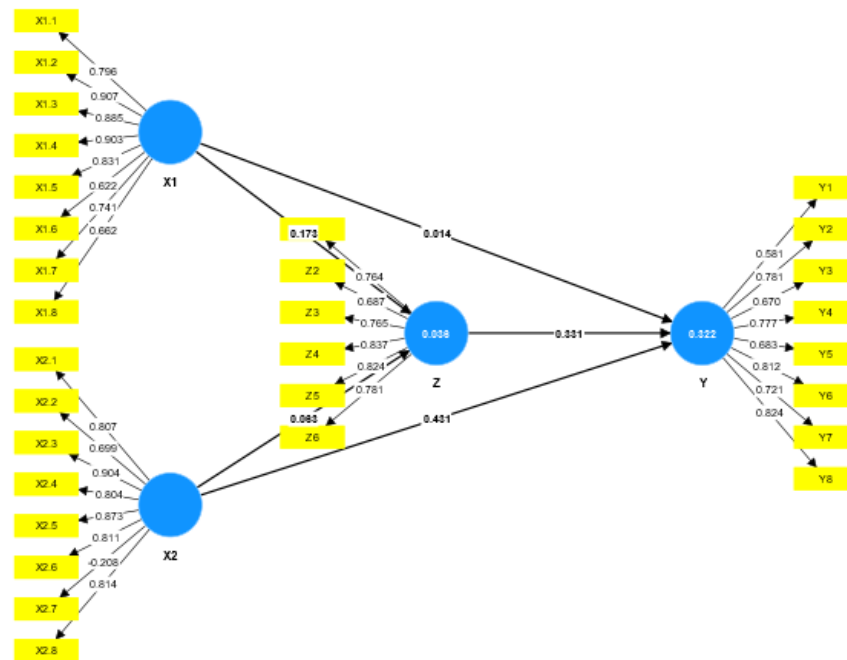


Figure 2. PLS Algorithm Results

Based on Figure 2 it can be seen that the results of convergent validity testing, each indicator has met convergent validity because it has a loading factor value above 0.70. However, in the variables of brand image and service quality, indicators X1.6, X1.8, X2.2, X2.7, Z2, Y1, Y3, and Y5 have outer loadings values below 0.70 so that modifications are made by dropping or removing indicators so that further analysis can be carried out. Here is the output result of the recalculation of the omission of the indicator.

Table 1. Outer Loadings (Measurement Model) Modified Model

	X1	X2	Y	Z
X1.1	0.820			
X1.2	0.913			
X1.3	0.902			
X1.4	0.912			
X1.5	0.849			

X1.7	0.778			
X2.1		0.813		
X2.3		0.914		
X2.4		0.797		
X2.5		0.913		
X2.6		0.824		
X2.8		0.822		
Y2			0.807	
Y4			0.796	
Y6			0.837	
Y7			0.735	
Y8			0.840	
Z1				0.720
Z3				0.787
Z4				0.845
Z5				0.854
Z6				0.803

Based on table 1 which is the result of reestimation, it can be seen that all loading values of each reflex construct produce an outer loading value of > 0.70 , thus all indicators are declared feasible or valid for research use and can be used for further analysis.

Discriminant Validity

The removal of 8 indicators that have an outer loading factor below 0.70 results in all indicators that are said to be valid and can lead to further testing, namely internal consistency or construct reliability. Discriminant validity is done to ensure that each concept of each latent variable is different from other variables. The model has good discriminant validity if each loading value of each indicator of a latent variable has the greatest loading value with another loading value against other latent variables. The results of discriminant validity testing are obtained as follows: Validity and reliability criteria can also be seen from the reliability value of a construct and the Average Variance Extracted (AVE) value of each construct. The construct is said to have high reliability if the value is 0.70 and AVE is above 0.50. In Table 2. Composite Reliability and AVE values for all variables will be presented.

Table 2. Composite Reliability and

	Cronbach's alpha	Composite reliability (rho_a)	Average variance extracted (AVE)

X1	0.935	1.031	0.746
X2	0.923	0.950	0.720
Y	0.865	0.880	0.646
Z	0.866	0.912	0.645

Based on Table 2. It can be concluded that all constructs meet the criteria of reliability. This is indicated by a composite reliability value above 0.70 and an AVE value above 0.50 as recommended criteria. That means that the questionnaires used as research tools have been reliable or consistent.

Structural Model Evaluation/Hypothesis Test (Inner Model)

Structural model evaluation is concerned with testing the hypothesis of influence between research variables. The evaluation of the structural model is carried out in three stages: a) Checking for the absence of multicollinary. b) Testing hypotheses between variables. c) F Square value.

a. Multicollinearity Test

Before testing the structural model hypothesis, it is necessary to see whether there is a multicollinary between variables, namely with the statistical size of inner VIF. An Inner VIF value below 5 (<5) indicates there is no multicollination between variables.

Table 3. Inner VIF

	Y	Z
X1	1.023	1.003
X2	1.009	1.003
Y		
Z	1.029	

The estimation results show an inner VIF value of <5, so the level of multicoordination between variables is low. These results corroborate the parameter estimation in SEM PLS is robust (unbiased).

b. Hypothesis Testing (Direct Effect)

Table 4. Hypothesis Testing Results

Hypothesis	Path Coefficient	P values
H1. X1 -> Y	0.127	0.364
H2. X1 -> Z	0.142	0.438

H3. X2 -> Y	0.412	0.001
H4. X2 -> Z	0.081	0.649
H5. Z -> Y	0.304	0.034

Based on the results of testing the hypothesis above, the following results are obtained:

1. The results of the first hypothesis test showed the relationship between the Leadership variable (X1) and Employee Performance (Y) with the path coefficient value (0.127) and p-value (0.364>0.05). This result means that the Leadership variable (X1) has no relationship or no effect on Employee Performance (Y).
2. The results of the second hypothesis test showed the relationship between the Leadership variable (X1) and Organizational Commitment (Z) with the path coefficient value (0.142) and p-value (0.438>0.05). This result means that the Leadership variable (X1) has no relationship or has no effect on Organizational Commitment (Z).
3. The results of testing the third hypothesis show that the relationship between the variable Work Discipline (X2) and Employee Performance (Y) with the value of path coefficient (0.412) and p-value (0.001<0.05). This result means that the Work Discipline variable (X2) has a relationship to Employee Performance (Y). However, the existence of Work Discipline (X2) in improving Employee Performance (Y) has a moderate influence on the structural level (f square = 0.246).
4. The results of testing the fourth hypothesis show that the relationship between the variable Work Discipline (X2) and Organizational Commitment (Z) with the value of path coefficient (0.081) and p-value (0.649>0.05). This result means that the Work Discipline variable (X2) has no relationship or no effect on Organizational Commitment (Z).
5. The results of testing the fifth hypothesis show that the relationship between the variable Organizational Commitment (Z) and Employee Performance (Y) with the value of path coefficient (0.304) and p-value (0.034<0.05). This result means that the variable Organizational Commitment (Z) has a relationship to Employee Performance (Y). However, the existence of Organizational Commitment (Z) in improving Employee Performance (Y) has a moderate influence on the structural level (f square = 0.132).

1. Hypothesis Testing of Indirect Effect

Table 5. Indirect Effect



	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
X1 -> Z -> Y	0.043	0.047	0.064	0.679	0.497
X2 -> Z -> Y	0.025	0.027	0.059	0.420	0.675

Based on Table 5. Shows empirically that:

1. The effect of mediating variables between Leadership (X1), Organizational Commitment (Z) and Employee Performance (Y) has a coefficient value of 0.043 and a p-value of 0.497 ($0.497 > 0.05$) then Leadership (X1) indirectly has a positive and but not significant influence on Organizational Commitment (Z) and Employee Performance (Y).
2. The effect of Work Discipline (X2) on Organizational Commitment (Z) and Employee Performance (Y), with the value of the indirect influence coefficient is 0.025 with P-Values = $0.675 > 0.05$, then Work Discipline (X2) has an indirect positive but not significant impact on Organizational Commitment (Z) and Employee Performance (Y).

Discussion

1. Influence of Leadership (X1) on Employee Performance (Y)

Based on the results of direct influence testing, it is known that Leadership (X1) has no relationship or no effect on Employee Performance (Y). This is indicated by the path coefficient (0.127) and p-value ($0.364 > 0.05$). This result means that the Leadership variable (X1) has no relationship or no effect on Employee Performance (Y). This means that **Hypothesis 1 is rejected**.

2. The Influence of Leadership (X1) on Organizational Commitment (Z)

Based on the results of direct influence testing, it is known that the Leadership variable (X1) with Organizational Commitment (Z) has no relationship or no effect on Organizational Commitment (Z). This is indicated by the path coefficient (0.142) and p-value ($0.438 > 0.05$). This result means that the Leadership variable (X1) has no relationship or has no effect on Organizational Commitment (Z). This means that **Hypothesis 2 is rejected**.

3. The Effect of Work Discipline (X2) on Employee Performance (Y)

Based on the results of direct influence testing, it is known that the relationship between the Work Discipline variable (X2) and Employee Performance (Y) shows the path coefficient value (0.412) and p-value ($0.001 < 0.05$). This result means that the Work Discipline variable (X2) has a relationship to Employee Performance (Y). This means that



Hypothesis 3 is accepted. However, the existence of Work Discipline (X2) in improving Employee Performance (Y) has a moderate influence on the structural level (f square = 0.246).

4. The Effect of Work Discipline (X2) on Organizational Commitment (Z)

Based on the results of direct influence testing, it is known that the relationship between the Work Discipline variable (X2) and Organizational Commitment (Z) shows the path coefficient value (0.081) and p-value (0.649>0.05). This result means that the Work Discipline variable (X2) has no relationship or no effect on Organizational Commitment (Z). This means that **Hypothesis 4 is rejected.**

5. The Effect of Organizational Commitment (Z) on Employee Performance (Y)

Based on the results of direct influence testing, it is known that the relationship between the variable Organizational Commitment (Z) and Employee Performance (Y) shows the value of path coefficient (0.304) and p-value (0.034<0.05). This result means that the variable Organizational Commitment (Z) has a relationship to Employee Performance (Y). This means that **Hypothesis 5 is accepted.** However, the existence of Organizational Commitment (Z) in improving Employee Performance (Y) has a moderate influence on the structural level (f square = 0.132).

6. Leadership (X1), Organizational Commitment (Z) and Employee Performance (Y)

Based on the results of indirect influence testing, it is known that the relationship between the mediating variable between Leadership (X1), Organizational Commitment (Z) and Employee Performance (Y) has a coefficient value of 0.043 and a p-value of 0.497 (0.497>0.05) then Leadership (X1) indirectly has a positive and but not significant influence on Organizational Commitment (Z) and Employee Performance (Y). This means that **Hypothesis 6 is rejected.**

7. Work Discipline (X2) to Organizational Commitment (Z) and Employee Performance (Y),

Based on the results of direct influence testing, it is known that the relationship between the variable Work Discipline (X2) on Organizational Commitment (Z) and Employee Performance (Y), with the value of the indirect influence coefficient is 0.025 with P-Values = 0.675 > 0.05, then Work Discipline (X2) has an indirect positive but not significant impact on Organizational Commitment (Z) and Employee Performance (Y). This means that **Hypothesis 7 is rejected.**

Conclusion

From the results of the discussion in the research above, the following conclusions can be drawn:

1. Leadership (X1) has no effect on Employee Performance (Y).



2. Leadership (X1) has no effect on Organizational Commitment (Z)
3. Work Discipline (X2) affects Employee Performance (Y)
4. Work Discipline (X2) has no effect on Organizational Commitment (Z)
5. Organizational Commitment (Z) affects Employee Performance (Y)

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