AUTOCRATIC LEADERSHIP STYLE AND ORGANIZATIONAL CHANGE ON PERFORMANCE DURING PANDEMIC

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received: 25/2/22; revised: 21/7/22; approved: 24/6/23

Abstract
The COVID-19 pandemic that is overtaking the world, particularly Indonesia has undoubtedly changed business scenarios and conditions, requiring practical and strategic approaches to bring enterprises back from the verge of disaster. In order to overcome a pandemic situation like this, a leader with an autocratic leadership style is required, as well as an organizational change to make the company survive and adapt to existing changes in order to maintain the company's survival so that employee performance remains good and optimal. The goal of this research was to see if there was a relationship between autocratic leadership style and organizational transformation and the performance of “PT ABC” workers during the pandemic. The sample technique is non-probability sampling and uses 100 respondents from “PT ABC” employees. The results of this research show that the autocratic leadership style and organizational change have a positive and significant effect on employee performance during the pandemic at “PT ABC” company.

Keywords: autocratic leadership style; organizational change; employee performance; pandemic; positive effect

INTRODUCTION

The growth of the Indonesian business world, especially in companies, is currently growing rapidly with competition from various companies. The global competition in the current era is certainly the readiness to change without a break from every industrial person. The emergence of this competition has caused each company to make every effort to implement a strategy in order to compete in the business world. The condition of the COVID-19 pandemic that is sweeping the world, including Indonesia, has certainly made changes to the latest business situations and conditions (Adha et al., 2020). Therefore, the company took practical and strategic steps to bring the organization out of the brink of crisis that almost drowned some companies that were not well prepared. One of the important factors that greatly affect the company's business activities is the development of human resources within the company (Darmawan et al., 2020). This pandemic has made us aware that the role of industry is not only to absorb workers, but also to develop and manage employees within the company. Companies that have good human resources can be capital so that the company is able to compete positively with similar companies through the achievement of performance and work performance (Hamadamin & Atan, 2019). This is in line with (Anitha & Kumar, 2016) who stated that employees’ performance refers to an employee's capacity to do tasks in an effective and efficient manner in order to get the best possible results. Performance is an actual behavior that everyone exhibits as job performance created by employees in accordance with their function in the firm (Ismail et al., 2019). Organizations that are successful in meeting their objectives and fulfilling their social duties will be heavily reliant on their leaders. If the leader is able to organize well, it is very likely that the organization will achieve its goals (Caligiuri et al., 2020).

With the COVID-19 pandemic that is sweeping the globe, it disrupts the entire existing system and causes problems for companies, organizations, individuals (Azizi et al., 2021). This condition has an effect on the company's goal accomplishment of “PT ABC”, where based on the data it can be shown that the company's achievements experience sharp fluctuations due to low employee performance giving poor work results so that the company experiences instability.
Table 1. Comparison of Performance Achievements in 2018 to 2021

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenues</strong></td>
<td>120,000,000.000</td>
<td>150,000,000.000</td>
<td>155,819,250.746</td>
<td>165,000,000.000</td>
</tr>
<tr>
<td><strong>SMT I</strong></td>
<td>120,000,000.000</td>
<td>150,000,000.000</td>
<td>165,000,000.000</td>
<td>165,000,000.000</td>
</tr>
<tr>
<td><strong>SMT II</strong></td>
<td>120,000,000.000</td>
<td>150,000,000.000</td>
<td>165,000,000.000</td>
<td>165,000,000.000</td>
</tr>
<tr>
<td><strong>Achievements</strong></td>
<td>135,589,346.100</td>
<td>170,847,369.396</td>
<td>67,367,829.120</td>
<td>89,120,184.153</td>
</tr>
<tr>
<td><strong>SMT I</strong></td>
<td>129,280,053.417</td>
<td>155,819,250.746</td>
<td>120,158,219.450</td>
<td>89,120,184.153</td>
</tr>
<tr>
<td><strong>SMT II</strong></td>
<td>170,847,369.396</td>
<td>67,367,829.120</td>
<td>120,158,219.450</td>
<td>89,120,184.153</td>
</tr>
<tr>
<td><strong>Realization</strong></td>
<td>113%</td>
<td>114%</td>
<td>104%</td>
<td>72,82%</td>
</tr>
<tr>
<td><strong>SMT I</strong></td>
<td>107%</td>
<td>104%</td>
<td>40,82%</td>
<td>54,12%</td>
</tr>
</tbody>
</table>

Source: Company Internal Data (2021)

Table 1 shows that in 2020 the company’s realized performance achievements did not reach the targets set. So it can be said that the performance of “PT ABC”’s employees on the company’s achievements has decreased. This phenomenon indicates that the performance of employees at “PT ABC” is not optimal because the performance of employees makes the company not reach the specified target. While in 2021 the first semester of “PT ABC” can only realize 54.12% of the specified target, this shows the company’s performance in 2021 is still not as expected.

In an organization the role of a leader is very important, because the leader will move and direct in achieving organizational goals (Syakur et al., 2020). Being a leader is not easy, it takes a leader who can increase morale, be wise, can direct, and improve the performance of his subordinates. Leadership style means determining the pace of influencing the behavior of subordinates which aims to encourage high morale, job satisfaction, and worker productivity, to achieve the most extreme organizational goals (Xie et al., 2018). However, if the leader makes employees not have the spirit of encouragement from superiors, employees who feel increasingly pressured and feel confused in making decisions on analytical problems and doing so can result in less than optimal employee work results (Yuan et al., 2019). The leader factor can be related to leadership style, (McCaulley & Palus, 2021) states that leadership is a skill to constructively influence followers to work on a cooperative effort to achieve the objectives that have been specified.

According to the Human Resources Manager of “PT ABC”, in a very challenging pandemic situation for the company, on March 1, 2020 the company changed its leadership style from using a democratic style to an autocratic one to overcome the impacts and situations faced by the company. With the hope of being able to oversee the company's targets that have been set so that the company can still run optimally and not only until it reaches the target but must be able to exceed it. The autocratic is a leadership style, which an authoritarian leader will instruct people to attain his or her goal (Zaman et al., 2021). Leaders are in charge and make their own judgments without consulting others. Although the autocratic leadership style is most detested, it is ideal for making vital decisions (Bodla et al., 2019). This is in line with (Bhargavi & Yaseen, 2016) who state that an autocratic style is needed and even very important to be applied if the leader is facing a crisis or an urgent situation that need rapid action like during the current pandemic.

In addition, the management of human resources during the pandemic is a challenge in the operational process of “PT ABC”, this is because employees often do not succeed in achieving the specified targets and also often experience less conducive work situations and many internal conflicts. A leadership style that is not applied properly by superiors triggers a large boundary between employees and the leadership so that it interferes with employee comfort and hinders operational processes (Abdullahi et al., 2020). Organizations that adapt quickly to environmental changes are organizations that survive (Duchek, 2020). Changes in work system culture during the pandemic are included in innovative change because organizations try to make changes by adjusting innovation by updating from manual conditions to technology which can later improve organizational performance (Li et al., 2021). To successfully manage organizational change requires capacity building in the face of emerging challenges and opportunities (Stouten et al., 2018).

During a pandemic, “PT ABC”’s company is required to start adapting to the current conditions. Organizational changes carried out by the company are expected to be more resilient and relevant so that the company has sufficient capabilities, which are expected to remain superior and able to compete in times of high uncertainty (Bouaziz & Hachicha, 2018). A survey explains that during this pandemic, it requires job providers to understand sufficient capabilities, which are expected to remain superior and able to compete in times of high uncertainty (Syakur et al., 2020). In an organization the role of a leader is very important, because the leader will move and direct in achieving organizational goals (Syakur et al., 2020). Being a leader is not easy, it takes a leader who can increase morale, be wise, can direct, and improve the performance of his subordinates. Leadership style means determining the pace of influencing the behavior of subordinates which aims to encourage high morale, job satisfaction, and worker productivity, to achieve the most extreme organizational goals (Xie et al., 2018). However, if the leader makes employees not have the spirit of encouragement from superiors, employees who feel increasingly pressured and feel confused in making decisions on analytical problems and doing so can result in less than optimal employee work results (Yuan et al., 2019). The leader factor can be related to leadership style, (McCaulley & Palus, 2021) states that leadership is a skill to constructively influence followers to work on a cooperative effort to achieve the objectives that have been specified.

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With this organizational change, the complexity of the challenges faced by the organization is increasing, this raises the organizational need for an organizational culture that can direct and develop employees to manage and control the organization so that it remains consistent with what is being implemented in accordance with the vision and mission of “PT ABC”. Changes made by the organization basically contribute to increased organizational efficiency with the goal of strengthening the organization's ability to respond changes in the conduct of organizational members as a result of environmental changes (Pudjiarti, 2018). However, based on the data obtained by the researcher from the Human Resources Manager of “PT ABC” there was a high increase in employee absenteeism and work delays at the “PT ABC” company throughout 2020 - 2021. This was due to a change in the attendance system where manual input in the office became digital attendance using the application so that employees are not used to it, and the lack of control over attendance makes employee absenteeism and work delays a cause for concern (Table 2).

Seeing the changing organizational environment that is companies must become more responsive in order to thrive in an increasingly complicated and competitive environment. Every firm must be prepared to deal with technology advancements, consumer requirements, and severe rivalry from other companies or organizations (Dwivedi et al., 2020). Organizations that wish to survive must adapt their tactics to these developments. One of these tactics is to maintain good staff performance; this increases the likelihood that the firm will be able to survive and grow (Hasanah & Aima, 2018). The influence of authoritarian leadership on employee performance has been studied. (Chukwusa, 2019) claims that authoritarian leadership has a big impact on employee performance, however research carried out by (Caillier, 2020) states that there is a considerable negative association between views of authoritarian leadership style and employee performance. Meanwhile, the research conducted (Hasanah & Aima, 2018) stated that organizational transformation, organizational culture, and motivation all occur at the same time significantly affected the performance of PPPIJ Management Agency employees. However, partial organizational changes have no discernible impact on the performance of employees (Hasanah & Aima, 2018). So on that basis, researchers are eager to do study on autocratic leadership styles and organizational change at “PT ABC” to find out whether there are factors that affect employee performance so that it can be optimized.

Based on the background described previously, it can be identified research problems regarding how the influence of autocratic leadership style and organizational change on performance during the pandemic partially and simultaneously? Therefore, it is necessary to conduct a study, whether the presence of autocratic leadership and organizational changes applied by the company to employees will affect employee performance. Based on the foregoing, the researchers attempt to perform a study titled The Effect of Autocratic Leadership Style and Organizational Change on Performance at “PT ABC” Company in the Pandemic Period, with the following research framework model.

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Before a Pandemic</th>
<th>During a Pandemic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure (Coordination Mechanism)</td>
<td>Work From Office/Onsite (Fast)</td>
<td>Work From Home/Online (Slow)</td>
</tr>
<tr>
<td>Technology</td>
<td>Manual</td>
<td>Digital</td>
</tr>
<tr>
<td>Physical Setup</td>
<td>Congested</td>
<td>Far Apart</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Independent</td>
<td>Limited</td>
</tr>
</tbody>
</table>

Source: Company Internal Data (2021)
METHODS

The descriptive quantitative research approach is used in this study, along with a causal hypothesis connection approach (causality research). This study aims to create a realistic image of a phenomena that is relevant to the study’s setting. Various types of information will be gathered for this descriptive research in order to test hypotheses or answer queries about research challenges. This study's population was drawn from all workers of the firm “PT ABC”, which totalled 100 persons. The sampling approach utilized is a saturated sample in which all individuals of the population are used as samples. This study's population is based on the known population, the researcher in the course of performing a search for data or information related to the research being carried out was 100 samples of respondents according to the population of the company “PT ABC”.

The researchers employed primary data in the form of data gathered from surveys in their investigation of researcher's research object, namely “PT ABC” Company and the questionnaires were taken and modified from related books and journals where the questionnaires were given to people who were used as samples in this study. Hypothesis testing or also called the average difference test is being performed the differences of the two different characteristics (independent) samples and is used to compare the null hypothesis (Ho) with the alternative hypothesis (Ha) and to determine whether a statement (hypothesis) has reasons (reasonable) must be rejected (Snyder, 2019). A partial test (t test) and a simultaneous test (F test) were used in this investigation were performed using IBM SPSS 25 software to assess the hypothesis concerning the influence of the independent factors on autocratic leadership and organizational change on a performance dependent variable separately.

RESULTS

The participants in this study were all workers of the firm “PT ABC”, a total of 100 persons. In this study, researchers collected primary data online by delivering questionnaires to respondents using Google Forms and doing field observations. Following that, secondary data was gathered from library sources, journals, and previous study. If all of the questions on the questionnaire are answered completely and there is only one answer to each statement, the questionnaire is considered legitimate. Researchers distributed online questionnaires via google form to 100 employees of the company “PT ABC”, then as many as 100 people filled out the questionnaire, and obtained a valid questionnaire of 100 answers. Before testing the questionnaires that have been collected, the validity and reliability tests are carried out first.

Validity measurement technique using Pearson Product Moment in this study the researcher uses an alpha of (α) = 0.05. Which means when the significance result > rule of thumbs (0.197) then the indicator is considered valid and can be used. To assess the amount of instrument reliability from the test results using the Cronbach method is determined by the correlation coefficient, if the reliability test results show 0.6 then the instrument size indicates satisfactory internal consistency reliability so that it is suitable to be used as a measuring instrument in research. From the calculations, it may be inferred that all of the statement items have met the validity and reliability test prerequisites.

There is a standard assumption test that must be satisfied before evaluating the hypothesis using multiple linear regression analysis, which involves testing for normality, multicollinearity, and heteroscedasticity. The normality test was performed to verify whether the predictor variables in the regression model were normally distributed. The data distribution in a good regression model is nearly normal. The researcher utilized the Kolmogorov-Smirnov One-Sample normality test and the P-P Plot graph normality test to determine if the data distribution was normal or not. The significance value (Asymp. Sig. 2-tailed) derived from the normality test is 0.200 > 0.05. As a result, it is possible to infer that the data utilized in this investigation is often normal-distributed. The outcome of the normalcy test was performed using IBM SPSS 25 software to assess the hypothesis concerning the influence of the independent factors on autocratic leadership and organizational change on a performance dependent variable separately.

The results of the multicollinearity test conducted by the researchers show that the autocratic leadership style variable (X₁) has a tolerance score of 0.693 and the VIF score is 1.444 and the organizational change variable (X₂) also has a tolerance score of 0.693 and the VIF score is 1.444. Both variables have tolerance values more than 0.1, and the VIF value is less than 10. As a result, the two independent variables in this investigation show no signs of multicollinearity. The scatterplot graph test was employed by the researchers to determine whether or not there were heteroscedasticity issues. There is no discernible pattern in the distribution of the data (plot points) above and on the Y axis underneath the number 0 (zero). This means that there is no heteroscedasticity in the regression model.
An autocratic leadership style variable has a t-count value of 2.469 with a significance value of 0.015, and the organizational change variable has a t-count value of 6.246 with a significance value of 0.000, according to Table 3. As a result, it is possible to infer that the autocratic leadership style variable and organizational change have a partially significant and positive influence on the performance (Y) of “PT ABC” personnel during the pandemic. The F-count number is then known to be 44,914 with a significant level of 0.000. As a result, it is possible to conclude that the autocratic leadership style variable, as well as organizational change, have a substantial and positive impact on the performance of “PT ABC” personnel during the pandemic. In terms of the coefficient of determination (R²) test findings, the magnitude of the R-square value is 0.481 or 48.1 percent. This suggests that autocratic leadership styles and organizational reforms affected 48.1 percent of the performance of “PT ABC” employees during the epidemic. Furthermore, the correlation coefficient (R) is 0.693. Thus, it can be stated that there are substantial links between autocratic leadership style and organizational transformation and the performance of “PT ABC” personnel during the pandemic.

DISCUSSIONS

Based on the research findings’, the autocratic leadership style has a substantial (significant and positive) influence on the performance of “PT ABC” personnel during the pandemic. As a result, the first hypothesis suggested is “There is a significant and positive influence of autocratic leadership style on the performance of “PT ABC” in a pandemic”. According to (Luqman et al., 2019), in an autocratic leadership style, leaders should be in charge of organizing, regulating and making decisions with as little input from their subordinates as possible. Autocratic leaders frequently make choices based on their own opinions and judgements, and they seldom entertain follower proposals that necessitate total and authoritarian group control (Chawla & Sharma, 2017). In emergency scenarios, like as the present COVID-19 epidemic, if there is a cohesive workforce, and the leader is clever, fair, and understands followers well, autocratic leadership may be effective (Sanusi et al., 2020). In some instances, acting autocratically is appropriate (Bhargavi & Yaseen, 2016). This is especially critical when a corporation is dealing with a crisis or an urgent situation that need fast action. Furthermore, this study’s findings back up the earlier investigations which found that employee performance was significantly influenced by autocratic leadership style (Chukwusa, 2019; Dyczkowska & Dyczkowski, 2018; Mahdayanithi & Astuti, 2020; Puni & Bosco, 2016). However, on the other hand the conclusions of this study contradict the findings of previous studies by Kevin Buana (2020) and (Caillier, 2020; Imhangbe et al., 2019; Kalu et al., 2019) which found that the employee performance was significantly harmed by authoritarian leadership styles. Certain leadership styles may not necessarily inspire high levels of performance. It is advised to adapt one's leadership style to different situations, and each leader should be able to recognize when and with whom to use a certain technique (Bäcklander, 2019). There is no one optimum leadership style for each occasion, a leader maybe have different ability and knowledge to act effectively in one situation but not in another (Goleman et al., 2015). Organizations require effective leaders who understand the complexity of the ever-changing global environment (Kim & Yoon, 2015). Structured activities and leaders who have strong connections with their staff are the ideal mix for producing high levels of employee performance (Boehm et al., 2015).

Organizational change factors have a positive and significant influence on performance of “PT ABC” staff during the pandemic, according to the findings of data analysis. Thus, the second hypothesis proposed, namely ”There is a significant and positive effect of organizational change on the performance of “PT ABC” during the pandemic” is accepted. Organizational change is a deliberate and goal-oriented activity (Rostek & Młodzianowski, 2018). Planned change is a form of organizational response to seek to strengthen the organization's ability to respond to external changes and to seek behavioral adjustments in employees (Harvey et al., 2018). In accordance with the findings of this investigation, (Soehari et al., 2019) stated that organizational changes followed by changes in structure, technology, physical arrangement, and human resources, will force employees to add new skills and knowledge to improve their work abilities, along with the changes made. This will ultimately be able to improve employee performance. In addition, organizational change will assist
employees in completing their work due to the automation of work processes and simplification of work processes (Faupel & Süß, 2019). Then the results of this research also backs up the findings of previous studies conducted by (Cahyaningsih et al., 2020; Petrou et al., 2018; Poluakan, 2016) which found that organizational change had an impact on significant to employee performance. However, the findings of this study contradict the findings of (Shabrina, 2021) research, which revealed that organizational change had no significant influence on employee performance. Seeing changes in an increasingly complex and competitive organizational environment necessitates firms becoming more responsive in order to thrive (Miceli et al., 2021). Every firm must be prepared to deal with technology advancements, consumer requirements, and severe rivalry from other companies or organizations (Lutfie & Marcelino, 2020).

According to the findings of the data analysis, the factors of autocratic leadership style and organizational transformation have a positive and significant (substantial) influence on the performance of “PT ABC” personnel during the pandemic. Then, the third hypothesis suggested is "There is a significant and positive influence of autocratic leadership style and organizational change simultaneously on the performance of “PT ABC” during the pandemic" accepted. If the leaders in whatever capacity do not evolve and grow, the firm or organization will not change and will not go in the desired direction (Bhaduri, 2019). A company cannot flourish on the outside unless its leaders thrive on the inside (Lombardi et al., 2021). If the entire leadership unit changes for the better, the organization or firm will flourish on its own (Podolny & Hansen, 2020). A poor leader equates to a poor corporation, while a powerful leader equals a powerful organization (Schoemaker et al., 2018). Everything will rise or fall in response to the strength of leadership. Organizational change is making something else, but such an understanding cannot be accepted because change must have a goal, namely improvement of organizational performance that not only makes changes but also results in improvements (Amarantou et al., 2018). Based on the different characteristics of each individual and different perspectives on change, it will lead to unequal behavioral attitudes towards change, despite the fact that any change necessitates adjustment, employees typically appreciate the way they operate thus far (Elsan Mansaray, 2019). They do so so that when leaders execute changes, they can understand how far workers' preparedness is, identify the reasons of resistance to change, and overcome them so that changes may meet corporate goals optimally (Cichosz et al., 2020).

CONCLUSIONS

The outcomes of hypothesis testing prove that the autocratic leadership style and organizational change partially have a positive and significant effect on the performance of “PT ABC” during the pandemic. In addition, the results of hypothesis testing also prove that the autocratic leadership style and organizational change simultaneously have a significant and positive effect on the performance of “PT ABC” during the pandemic. The thinking habits of leaders and all employees in analyzing situations and responding to problems can trap them in conventional-organizational thinking patterns (group think). It will tend to block the fresh thinking needed for change. Considering the significance of attempts towards organizational reform organizational change is usually not permitted to occur in a fast changing and often interrupted context, and taking into consideration the strategic and essential significance of the objective drivers of growth, and also the intricacy of the elements that might impede change attempts "naturally" just. A strong, imaginative, intellectual, and development-oriented leadership is frequently required to plan, create, and manage change. Change need strong leadership, both in terms of authority and personality, since leading change with all of the complexities of difficulties and hurdles necessitates extra power, confidence, self-assurance, and self-involvement. A leader must take an active role in achieving corporate goals rather than being inactive. That manner, he won't be completely demolished by obstacles and opposition. Rather, he will be captivated by the difficulties of transformation, which he sees as a litmus test for his leadership.

Following the completion of the investigation, the following ideas might be presented in this research. In leadership, the company should be a shared responsibility, not just the burden of the leader. Dreamers should not be single players, but there should be good cooperation between leaders and those they lead, and leaders should be good at varying leadership styles according to various situations, especially during the COVID-19 pandemic, and every leader should be aware of when and with whom to use a certain method. Leaders should communicate first before making decisions. Leaders must be able to accept suggestions from subordinates and provide motivation for the smooth running and progress of the company. Leaders must have a wise nature according to company conditions. Leaders should set policies by way of deliberation (discussion). Employees should work from home or work from the office to carry out their work efficiently and maximally. For further researchers, this study is anticipated to be able to contribute a model on improving company performance that involves the concept of autocratic leadership style and organizational change, so that it can enrich the research theme on human resources, especially Talents Management in conditions of turbulence due to the pandemic. The statement item in the autocratic variable is expected to help further research in investigating its effect on company performance.
REFERENCES


