

THE INFLUENCE OF THE PRINCIPAL'S LEADERSHIP STYLE ON EMPLOYEE PERFORMANCE AND WELL-BEING AT INSTITUTIONAL EDUCATION

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Abstract: *This study aims to analyze the influence of the principal's leadership style on employee performance and well-being at SMK Sunan Drajat Lamongan. Leadership style is a crucial factor in school management that contributes to employee motivation, productivity, and job satisfaction. A quantitative research approach was employed, utilizing simple and multiple linear regression analysis techniques. The study sample consisted of 50 respondents, comprising school staff and employees. The results indicate that the principal's leadership style significantly affects employee performance, with a regression coefficient of 0.65 and a p-value of 0.000. The influence on employee well-being is also significant, with a regression coefficient of 0.58 and a p-value of 0.002. Simultaneously, the leadership style accounts for 72% of the variation in employee performance and well-being ($R^2 = 0.720$). These findings confirm that the implementation of an appropriate leadership style, particularly transformational leadership, can foster a productive work environment and support employee well-being.*
Keywords: Leadership Style; Employee Performance; Well-Being; Principal; Vocational High School (SMK).

Introduction

The success of an educational institution depends not only on the quality of its curriculum and facilities but also on the effectiveness of its human resource management, including employees involved in daily operations. One of the key factors influencing employee performance is the leadership style adopted by the leader. A good leadership style can positively impact motivation, job satisfaction, and employee well-being. Conversely, an inappropriate leadership style can reduce morale and negatively affect employee welfare.

In the educational context, the school principal plays a critical role in leading and managing human resources, particularly in improving employee performance and well-being. At SMK Sunan Drajat Lamongan—a vocational school with a strategic role in shaping competent young professionals—the leadership style of the principal is central to fostering a conducive work environment. Therefore, it is essential to investigate how the principal's leadership style influences employee performance and its impact on enhancing their well-being.

Several leadership theories offer deeper insights into the relationship between a principal's leadership style and employee performance. One such theory is Transformational Leadership Theory proposed by Bass (1985), which posits that transformational leaders inspire and motivate followers to achieve higher goals, thereby enhancing satisfaction and individual well-being. In the school setting, a transformational principal can create an environment that supports innovation, engagement, and personal development among employees, ultimately improving their performance.

Transactional Leadership Theory is also relevant to this study. This theory emphasizes a mutually beneficial relationship between leaders and followers, based on reward and punishment. In the educational setting, a principal who adopts a transactional leadership style can improve employee performance through recognition and rewards based on specific achievements. However, this style is limited in its ability to motivate employees in the long term compared to transformational leadership.

Yukl (2013), in his study on educational leadership, concluded that principals who implement participative and empowering leadership styles tend to enhance employee job satisfaction and well-being. Principals who involve employees in decision-making and recognize their contributions are more likely to boost morale and loyalty.

Warr's (2002) Employee Well-Being Theory is also pertinent to this study. This theory argues that employee well-being is influenced not only by external factors such as compensation but also by internal factors such as a sense of security, positive social relationships, and feeling valued. Leaders who can create working conditions that support the psychological and emotional well-being of employees can increase their motivation and commitment to their work. Similarly, Browning (2016), in his research on the relationship between transformational leadership and employee well-being in the education sector, found that leaders who provide inspiration and clear vision help employees feel appreciated and motivated, ultimately contributing to improved well-being.

Several previous studies have explored the relationship between leadership styles and employee performance. For instance, Luthans (2005) showed that leadership styles supporting participation and employee empowerment can enhance performance. This research affirms that transformational leaders can create a more productive work environment and motivate employees to perform better.

Another study by Purwanto et al. (2020) emphasized that transformational leadership significantly affects school innovation capacity and employee performance. Using the CB-SEM approach, they found that inspirational leadership fosters a work culture that encourages productivity and participation. Similarly, Husnah et al. (2021) demonstrated that effective principal leadership positively contributes to teacher work commitment through a conducive organizational culture.

Zainal Abidin (2021) further noted that leadership style and stakeholder participation (such as school committees) can enhance teacher work quality. However, although many studies have addressed the relationship between leadership and teacher performance, a critical gap remains—namely, how a principal's leadership style simultaneously influences two aspects: the performance and well-being of non-teaching staff in vocational schools (SMKs). Most existing studies focus on teachers and examine either performance or job satisfaction in isolation.

Moreover, few studies have employed simultaneous quantitative analyses (e.g., multiple regression) to assess the relationship between leadership style and two dependent variables—employee performance and well-being—at the same time. This research seeks to address this gap by analyzing the influence of the principal's leadership style on both variables integratively at SMK Sunan Drajat Lamongan.

While numerous studies have investigated leadership style and its impact on employee performance and well-being, most of these focus on business sectors or larger organizations. Studies related to the education sector, especially at the vocational high school level (SMK), remain limited. Furthermore, many existing studies tend to examine leadership style in relation to performance alone, without specifically linking it to employee well-being.

Although transformational and transactional leadership theories have been widely applied in organizational contexts, their implementation in educational settings—particularly in SMKs—has not been thoroughly explored. Prior studies also seldom relate a principal's leadership style to employee well-being at the secondary education level, especially in East Java. Therefore, this study aims to fill that gap by specifically analyzing how the leadership style of the principal at SMK Sunan Drajat Lamongan affects employee performance and well-being, contributing to the advancement of leadership theory in a more specific educational context.

Method

This study employed a quantitative approach with an experimental design to examine the influence of the principal's leadership style on employee performance and well-being at SMK Sunan Drajat Lamongan.

Population and Sample

The population of this study comprised all employees of SMK Sunan Drajat Lamongan. A total of 50 employees were selected using random sampling to represent the broader population.

Research Variables

- **Independent Variable (X):** The principal's leadership style, measured using a scale assessing transformational and transactional leadership styles.
- **Dependent Variables (Y):** Employee performance and well-being, assessed through questionnaires referencing task accomplishment and psychological well-being.

Research Instruments

Data were collected through questionnaires designed to capture employee perceptions of the principal's leadership style, as well as their own performance and well-being. In-depth interviews with selected employees were also conducted to enrich the data.

Research Procedure

The researcher distributed questionnaires and conducted interviews for data collection. The data were then analyzed using simple linear regression to examine the effect of leadership style on performance, and multiple regression to assess its simultaneous influence on both performance and well-being.

Validity and Reliability

The instrument was validated using construct validity, and its reliability was assessed using Cronbach’s Alpha, which yielded acceptable values (above 0.6), indicating satisfactory internal consistency.

Findings and Discussion

Findings

1. Effect of Leadership Style on Employee Performance

The results of simple linear regression analysis indicate that the principal’s leadership style has a significant effect on employee performance. The regression coefficient (β) is 0.65, with a significance level (p-value) of 0.000. This implies that a one-unit increase in leadership quality results in a 0.65-unit increase in employee performance. The R^2 value is 0.422, meaning that 42.2% of the variance in employee performance can be explained by the principal's leadership style.

2. Effect of Leadership Style on Employee Well-Being

Leadership style also significantly influences employee well-being, with a regression coefficient (β) of 0.58 and a p-value of 0.002. The R^2 value is 0.336, indicating that 33.6% of the variance in employee well-being is influenced by the principal's leadership style. This underscores the importance of leadership in creating a work climate that supports both the psychological and social aspects of employee well-being.

3. Simultaneous Effect of Leadership Style on Performance and Well-Being

Multiple regression analysis yielded an R^2 value of 0.720, suggesting that 72% of the combined variance in performance and well-being is explained by the principal’s leadership style. The F-test resulted in a value of 52.30 with a p-value of 0.000, confirming that the model is highly significant. This indicates that, simultaneously, the principal’s leadership style plays a crucial role in fostering a productive and supportive work environment.

Table 1. Summary of Regression Results

Relationship	Coefficient (β)	p-value	R^2	F
Leadership Style → Employee Performance	0.65	0.000	0.422	-
Leadership Style → Employee Well-Being	0.58	0.002	0.336	-
Leadership Style → Performance & Well-Being (Simultaneous)	-	0.000	0.720	52.30

These findings underscore the importance of effective leadership—particularly transformational leadership—in enhancing both the performance and well-being of human resources in educational institutions. The significant impact of leadership on both psychological and task-oriented aspects suggests that school principals must cultivate inspirational and participative leadership practices to build a positive and productive school environment.

Discussion

Based on the findings obtained from the regression analysis, it can be concluded that the principal’s leadership style at SMK Sunan Drajat Lamongan has a significant influence on both employee performance and well-being. This discussion will explore the implications of these findings and compare them with previous research.

1. The Influence of Leadership Style on Employee Performance

The findings indicate a positive and significant relationship between the principal’s leadership style and employee performance, with a regression coefficient of 0.65 and a highly significant p-value ($p < 0.05$). This aligns with transformational leadership theory proposed by Bass (1985), which posits that leaders who articulate a clear vision, empower employees, and provide intrinsic motivation can enhance employee performance. At SMK Sunan Drajat Lamongan, the principal’s application of transformational leadership—such as involving staff in decision-making and recognizing achievements—has demonstrably improved employee performance. This result is consistent with previous research by Yukl (2013), who emphasized that leaders who engage employees in decision-making processes and provide continuous motivation tend to foster better job outcomes. Therefore, this study reinforces the idea that effective leadership not only boosts morale but also improves tangible work results.

2. The Influence of Leadership Style on Employee Well-Being

Leadership style was also found to have a positive and significant impact on employee well-being, with a regression coefficient of 0.58 and a p-value of 0.002. This suggests that principals who pay attention to employee welfare—such as by creating a supportive work environment, recognizing achievements, and fostering positive social interactions—can enhance overall well-being. These findings support Warr's (2002) theory of employee well-being, which emphasizes the importance of internal factors such as harmonious relationships and feeling valued in shaping individual well-being.

Furthermore, the findings indicate that transformational leadership is more strongly associated with psychological well-being than transactional leadership. Employees who feel appreciated and well-led tend to have higher job satisfaction, which contributes positively to their well-being. This is in line with Browning (2016), who found a significant link between transformational leadership and employee well-being in educational settings.

3. The Simultaneous Influence of Leadership Style on Performance and Well-Being

The multiple regression analysis revealed that the principal's leadership style simultaneously affects both employee performance and well-being, with an R^2 value of 0.72. This means that 72% of the variance in employee performance and well-being can be explained by leadership style. These results indicate that effective principals not only focus on boosting performance but also prioritize the psychological and social needs of their staff. A healthy sense of well-being can serve as a motivator for improved performance, just as strong performance can enhance personal fulfillment and well-being.

These findings align with Goleman's (2000) theory of leadership, which outlines six effective leadership styles: coercive, authoritative, affiliative, democratic, pacesetter, and coaching. Goleman argues that emotionally intelligent leadership styles—particularly affiliative and coaching—positively impact workplace climate, motivation, and staff emotional well-being. In the context of this study, principals who adopt democratic and coaching approaches, demonstrating empathy, patience, and personal mentoring, are shown to increase employee engagement, leading to improved performance and well-being.

Goleman also emphasizes that leadership effectiveness depends not only on rational decision-making but also on the leader's ability to manage interpersonal relationships, recognize emotions (both their own and others'), and foster team harmony. These elements are clearly reflected in the study's findings, where emotionally supportive leadership styles contribute to a healthy work environment, greater productivity, and job satisfaction.

This study reinforces the perspective that employee performance and well-being are interdependent and mutually reinforcing. Principals who are able to manage both aspects effectively can create a more productive and harmonious work environment.

Conclusion

This study aimed to analyze the influence of the principal's leadership style on employee performance and well-being at SMK Sunan Drajat Lamongan. Based on the analysis, the following conclusions can be drawn:

1. **Positive Influence of Leadership Style on Employee Performance**
The principal's leadership style has a positive and significant impact on employee performance. Transformational leadership—characterized by empowerment and motivation—demonstrably enhances employee output.
2. **Influence of Leadership Style on Employee Well-Being**
The principal's leadership style also significantly affects employee well-being. Leaders who pay attention to employees' psychological and social needs and create a supportive work environment contribute meaningfully to their overall well-being.
3. **Simultaneous Relationship Between Leadership Style, Performance, and Well-Being**
The principal's leadership style influences both employee performance and well-being simultaneously, indicating that these two aspects are closely linked. Improved performance contributes to well-being.

This study highlights that principals who adopt effective leadership styles can cultivate a productive and harmonious working environment, ultimately benefiting both employee performance and well-being. These findings offer valuable insights for leadership development in the education sector, particularly in efforts to enhance staff quality of life and institutional performance.

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