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The Effect of Leadership Style and Work Motivation on Employee Performance: A Systematic Literature Review

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Abstract

Inconsistent employee performance across organizations continues to raise questions about the effectiveness of leadership style and work motivation as drivers of productivity. Although extensively studied, the relationship among these variables lacks a unified synthesis. This study aims to investigate the influence of leadership style and work motivation on employee performance through a Systematic Literature Review (SLR) of 20 peer-reviewed journal articles published between 2019 and 2024. The SLR method ensures a transparent and replicable process of data collection, evaluation, and synthesis across diverse organizational contexts. The findings reveal a consistent positive correlation: democratic and transformational leadership styles, combined with high intrinsic and extrinsic motivation, significantly enhance employee performance. However, the effectiveness of these factors may vary based on contextual elements such as organizational culture, work environment, and leadership implementation. The implications of this study suggest that organizations must adopt tailored leadership and motivational strategies to optimize performance outcomes. Future researchers are encouraged to conduct longitudinal or experimental studies to explore mediating variables and validate causality. This study contributes to the refinement of leadership and motivation models in organizational performance research.

Keywords: Leadership Style, Work Motivation, Employee Performance, organizational behavior

INTRODUCTION

Amidst globalization and growing competitive pressures, organizations are challenged to maintain and boost employee performance to fulfill corporate goals. Employee performance is vital in ensuring an organization's success and endurance in realizing its vision and mission. In this context, leadership and work motivation significantly influence employee performance. An effective leadership style can provide employees direction, motivation, and inspiration to achieve optimal results. On the other hand, strong motivation at work encourages employees to approach their tasks with increased enthusiasm and dedication.

Leadership style, seen as the prevailing behavior pattern of a leader toward subordinates, whether overt or subtle, plays a significant role in affecting employee performance. It typically reflects the leader's faith in the capabilities of their team members (Dameria & Handoyo Edy, 2023).

Leaders shape their behavior through leadership style to influence subordinates in maximizing performance and realizing corporate (Dameria & Handoyo Edy, 2023). Click or tap here to enter text. Leadership style can affect working conditions where employees can directly receive and feel the leadership style of their leaders.

Even though leadership and work motivation are recognized as crucial, their relationship with employee performance is still frequently explored and questioned in research. Some studies show that authoritarian or less supportive leadership styles can hinder employee performance, while democratic leadership styles and fostering good relationships with subordinates will improve performance. According to(Dameria & Handoyo Edy, 2023) A person can have leadership skills if they have two basic skills: attention and concern for others. Leaders encourage their people to 'share' with each other. When a leader knows how to value people to achieve his organization's values or goals, he has encouraged and inspired them to participate in optimizing their abilities despite the pressures they face.

Apart from management style, the work motivation level also contributes to employees' overall performance. This ensures that employees gain more knowledge than they had previously and gain a clearer understanding of their roles and responsibilities in performing their tasks. Motivation is the inner drive that compels a person to take action, often to achieve a specific goal. Therefore, motivation serves as the force that propels individuals toward their objectives, and it is rarely without purpose (Dameria & Handoyo Edy, 2023).

Motivation is often interpreted as the encouragement that drives individuals to act from within a person, so that enthusiasm arises in carrying out an activity. According to (Dameria & Handoyo Edy, 2023) It is believed that motivation serves as a catalyst for employees to exert greater effort in accomplishing company goals. Motivating employees can be difficult and simple, because basically motivation is easy when we understand what they want. Employees feel motivated when the actions taken By leading to goal achievement, the rewards given can satisfy the individuals' needs. In general, employee motivation can be built by providing rewards, incentives, job security, development opportunities and career opportunities that are promising enough for their future lives. If employees' work motivation is high, it is expected that they will love their work more, do their job well and be loyal to the company.

Employee performance plays a vital role in the overall success of a company, so it is important to improve employee performance. Organizational goals cannot be achieved without good work from its employees. Employees who allow high performance are employees who are responsible, orderly, honest, harmonious and proactive in their work (Dameria & Handoyo Edy, 2023). When employees work optimally and consciously, organizational goals will be easier to achieve. Employee performance is personal, as every individual has different skills in executing and finishing tasks assigned by the company. It reflects the results of an employee's work, both qualitatively and quantitatively, in accordance with the company's standards. (Dameria & Handoyo Edy, 2023).

In today's competitive and globalized environment, employee performance is critical to organizational success. However, inconsistencies remain in understanding how leadership style

and work motivation influence employee performance. Despite abundant studies, there is still ambiguity regarding which leadership approaches and motivational strategies yield the most significant improvements in employee outcomes.

The urgency of this research stems from the fact that many organizations still struggle to translate leadership and motivation strategies into measurable employee performance gains. Ineffective leadership or insufficient motivation can result in reduced productivity, low morale, and high turnover rates. Identifying the right combination of leadership style and motivational drivers is essential for achieving sustainable performance improvements.

Additionally, as organizations shift toward more dynamic and decentralized structures, traditional leadership models may no longer be effective. This creates an urgent need to reassess how leadership and motivation interact under changing workplace dynamics. A clear understanding of these variables will help leaders make better decisions and cultivate more productive work environments.

Many studies, such as Kurnia et al. (2019) and Cindy Reviyaldy et al. (2023), found that both leadership style and work motivation significantly influence employee performance. These works confirm that democratic and transformational leadership styles typically produce better performance outcomes.

Other research, including that by Sukmawati et al. (2020), highlights how motivation must be supported by communication and training to fully realize performance gains, suggesting that leadership alone is insufficient.

Some findings, however, are less consistent. Oktarini (2021) found that leadership and motivation may not always significantly affect performance, indicating that other factors like qualifications might play a more dominant role depending on the context.

Although prior research has affirmed the influence of leadership and motivation on performance, most studies use isolated variables without systematically comparing or synthesizing findings across broader contexts. There is a lack of studies that comprehensively and systematically review the literature to identify patterns, contradictions, and areas for future inquiry.

This study offers a novel contribution by applying a Systematic Literature Review (SLR) method to analyze and synthesize findings from 20 studies published between 2019 and 2023. It provides a comprehensive overview of how different leadership styles and motivational factors impact employee performance across various industries and organizational settings.

The main objective of this study is to evaluate the relationship between leadership style, work motivation, and employee performance through a systematic synthesis of recent empirical literature, with the aim of identifying effective strategies for enhancing workforce productivity.

This research provides valuable insights for organizational leaders, HR practitioners, and policymakers. By understanding how leadership and motivation influence performance, they can design more effective leadership development programs, create motivating work environments, and improve organizational outcomes. Additionally, it serves as a foundation for further empirical studies and model development in human resource management.

RESEARCH METHODS

This study adopts the Systematic Literature Review (SLR) methodology as its core research design. The SLR approach, as outlined by Tranfield et al. (2003), emphasizes a structured and replicable process to identify, evaluate, and synthesize existing research relevant to a particular topic or research question. Unlike narrative literature reviews that may be subject to researcher bias, the SLR method provides a rigorous framework that enhances transparency and objectivity in reviewing literature. It is particularly effective in summarizing empirical evidence, identifying research gaps, and proposing future research directions.

The SLR process in this study began with the formulation of a clear research question: "How do leadership style and work motivation influence employee performance?" To address this, inclusion and exclusion criteria were defined in advance to ensure the relevance and quality of the selected studies. Only peer-reviewed journal articles published between 2019 and 2023 that examined the direct or indirect effects of leadership style and motivation on employee performance were included. Studies that lacked empirical data, focused on unrelated variables, or were not in English or Indonesian were excluded from the review.

Data collection was conducted using online academic databases and platforms, including Google Scholar and ResearchGate. These platforms were chosen for their broad access to high-quality, peer-reviewed journals and conference proceedings across management, organizational behavior, and human resource domains. A set of relevant keywords such as "leadership style", "work motivation", and "employee performance" was used to search and filter potential articles. This resulted in the identification of 20 empirical studies that met the criteria for detailed analysis

Following data collection, each article was subjected to thematic coding to extract key variables, methodologies, and findings. This step enabled a systematic comparison of results across diverse organizational settings and industries. The findings were then synthesized to identify consistent patterns and conflicting outcomes, thereby contributing to a more comprehensive understanding of how leadership and motivation interact to influence performance. The use of the SLR approach not only ensures methodological rigor but also enhances the credibility and generalizability of the conclusions drawn from this study.

RESULT AND DISCUSSION

Table 1.

No	Author	Name Journal	Method	Result
1	(Kurnia et al., 2019)	Ekobis Journal: Economics, business, and management.	Quantitative	The relationship between leadership style and employee performance is both positive and significant. Leadership style also significantly affects employee loyalty, and employee performance plays a positive role in enhancing employee loyalty. Furthermore, leadership style influences employee loyalty indirectly through employee performance.

No	Author	Name Journal	Method	Result
2	(Cindy Reviyaldy et al., 2023).	Journal of Research and Publication Innovation.	Quantitative.	According to partial hypothesis testing, the leadership style variable has an effect on performance, indicating that management style significantly influences employee performance. Additionally, work motivation also has a notable impact on employee performance. Moreover, both management style and work motivation significantly contribute to employee performance.
3	(Ananda et al., 2023)	Journal of Management Applications and Business Innovation.	Quantitative.	At PT Tirta Sukses Perkasa Panda, leadership style significantly affects employee performance. Similarly, work motivation significantly influences employee performance at PT Tirta Sukses Perkasa Pandale. Both management style and work motivation together have a considerable effect on employee performance at PT Tirta Sukses Perkasa Pandale.
4	(Jennifer Widiarsa et al., 2023)	Journal of Tourism and Business.	Quantitative.	Based on the research results, leadership style and motivation simultaneously influence performance in a significant way.
5	(Hamidi., 2020)	Journal of Dimensions.	Quantitative.	According to the hypothesis testing outcomes, leadership style significantly influences performance, as does work motivation. Furthermore, the combined effect of leadership style and work motivation has a significant impact on performance.
6	(Irwan R et al., 2022)	Journal of Ikraith Ekonomika.	Quantitative.	The hypothesis results indicate that leadership style significantly influences work performance. Furthermore, it can be concluded that, in part, the work motivation variable has a notable impact on work performance.
7	(Sukmawati et al., 2020)	Dimensions Journal.	Quantitative	While leadership style individually has a positive and significant effect on employee performance, communication, training, work ethic, and individual traits, when considered together, also have a strong and significant effect on employee performance.
8	(Armadita., 2021)	Journal of Management Science and Research.	Quantitative	The results of the hypothesis suggest that leadership style has a positive and significant effect on employee performance. This implies that as Mercure

No	Author	Name Journal	Method	Result
				managers' attitudes, character, style, and performance improve, the performance of their employees improves as well. Furthermore, motivation plays a significant positive role in enhancing employee performance.
9	(Oktarini., 2021).	Journal of Economics Management Information Systems	Quantitative.	Although leadership style, competence, and work motivation collectively do not have a significant impact on performance, the qualification variable stands out as the most influential factor on performance.
10	(Lutfianah Ulfa et al., 2019)	Journal Economics and Management.	Quantitative.	In research on leadership style, motivation, discipline, and organizational culture, these factors have a partial positive effect on employee performance. However, work stress variables do not have a partial impact on employee performance. Despite this, all independent variables collectively influence employee performance.
11	(Angelique et al., 2021)	Journal of Business Administration.	Quantitative.	Leadership style significantly influences employee performance, management style has a notable impact on work motivation, and the work environment significantly affects both work motivation and employee performance. Additionally, work motivation positively and significantly influences employee performance.
12	(Yannik Ariyati et al., 2019)	Journal of Global Bussines and Management Review.	Quantitative.	Leadership style has a significant impact on employee performance, management style significantly affects work motivation, and the work environment plays a key role in both work motivation and employee performance. Moreover, work motivation has a positive and significant effect on employee performance.
13	(Happy Y Mogo et al., 2019)	EMBA Journal.	Quantitative.	While leadership style does not have a significant partial effect on employee performance at PT PLN Manado Branch, work ethic, competence, and work discipline significantly impact employee performance. Moreover, management style, work ethic, competence, and work discipline together have a substantial effect on employee performance at the company.
14	(Oxi Prabowo., 2019)	Journal of Economics and Business.	Quantitative.	The hypothesis results show that leadership style, motivation, and discipline have a significant impact on employee

No	Author	Name Journal	Method	Result
				performance, with all four variables
				exerting a strong influence.
15	(Yoga Damara et al., 2019),	Journal of Management Science and Research.	Quantitative.	Based on the hypothesis results, leadership style, work discipline, and motivation are positively and significantly linked to the performance of UD Maju Mapan employees.
16	(Yuan Badrianto et al., 2022)	Jurnal Ekonomi dan Ekonomi Syariah.	Quantitative.	Leadership style significantly affects employee performance, and the work environment, along with workload, also has a considerable influence on employee performance.
17	(Kepi Kusumayanti et al., 2020)	BENING Journal.	Quantitative.	Work motivation positively and significantly impacts employee performance, while work discipline also has a positive and significant effect on performance. However, the work environment does not have a positive or significant impact on employee performance. On the other hand, management style positively and significantly influences civilian work performance.
18	(Anggun Farisa Firdaus Agari., 2021)	Journal of Management Science and Research.	Quantitative.	The leadership style has a significant effect on the performance of PT Distrindo Bakti Wutama employees, work motivation significantly influences their work, and work discipline significantly impacts employee performance at PT Distrindo Bakti Wutama.
19	(Johanis D et al., 2023).	Journal of Information Systems Management Economics.	Quantitative.	Leadership style, work discipline, and the work environment all have an effect on employee performance. Additionally, leadership style affects work motivation, as does work discipline and the work environment. Work motivation acts as a mediator in the relationship between leadership style, discipline, and the work environment.
20	(Anita Sumelvia et al., 2023)	Journal of Economics, Business and Management.	Quantitative	The findings of this study show that leadership style significantly influences employee performance. Additionally, work morale has a significant impact on employee performance.

The results of the research highlight the findings (Sinta Sundari et al, 2021) In his study, which used quantitative methods, it was proven that leadership style significantly influences employee performance. The primary objective of leadership is to provide opportunities for

subordinates to actively participate and involve them in decision-making, which pertains to their rights, tasks, and authority. The work environment significantly affects employee performance, with a positive work environment playing a crucial role in achieving company goals. Additionally, work stress has a significant impact on employee performance. While work stress can offer a competitive edge for a company, excessive stress can disrupt employee performance.

Research hypothesis testing (Hamidi, 2020) It shows that leadership style and work motivation both have a significant impact on performance, with performance being strongly influenced by both factors. A study (Susantininggrum et al, 2023) It is shown that leadership style has a significant effect on performance, with work motivation similarly influencing performance. The study concludes that leadership style and work environment each have a positive and significant impact on employee performance, with performance being significantly shaped by both leadership style and work motivation. A study (Achmad Febriansyah El Cahyono et al., 2023) This study reveals that the work environment significantly and positively influences employee performance, while leadership style and motivation each have a positive and significant effect on performance at PT. Indonesia Port Services.

Research hypothesis testing (Noor Sita Kusumadewi, 2023) From the research findings, it can be concluded that management style, work environment, and work discipline have a positive influence on the performance of BKPDSDM employees in Madiun City. The analysis of regression tests and hypotheses confirms that these variables, when considered together, have a positive impact on performance. This shows that an excellent management style, a conducive work environment, and disciplined work practices play a key role in boosting the performance of BKPDSDM employees in Madiun City.

CONCLUSION

The findings of this study demonstrate that leadership style and work motivation have a positive impact on employee performance. Strong organizational culture, effective leadership, and high levels of motivation are critical factors in enhancing individual and collective employee outcomes. Using the Systematic Literature Review (SLR) method, this research evaluated twenty peer-reviewed articles published between 2019 and 2024, revealing consistent evidence of a positive correlation among these variables. Based on these findings, future researchers are encouraged to explore the moderating or mediating roles of organizational culture, work environment, or employee engagement in the relationship between leadership and performance. Additionally, longitudinal or experimental studies could be conducted to validate causality and examine how leadership and motivation strategies evolve in different organizational contexts or during periods of crisis and change.

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