

Democratic Leadership Strategy in Enhancing Employee Performance and Motivation

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Abstrak

This study analyzes the impact of democratic leadership on employee performance and motivation at PT. XYZ. Using a descriptive qualitative approach and a case study method, this research explores how a participative leadership style can enhance employee engagement, work effectiveness, and organizational communication. The findings indicate that democratic leadership positively influences employee productivity and job satisfaction through involvement in decision-making, open communication, and a more collaborative work environment. However, the study also identifies challenges such as slower decision-making processes and potential conflicts arising from differing opinions. Therefore, strategies such as structured discussions, a workplace culture that values diversity, the utilization of communication technology, and training in communication and negotiation skills serve as solutions to optimize democratic leadership within the organization.

Keyword : Democratic Leadership, Employee Performance, Work Motivation, Employee Participation, Organizational Communication.

INTRODUCTION

Human Resources (HR) is one of the key factors in a company's success. Effective HR management by managers and leaders is essential to optimizing employee performance and motivation in achieving corporate goals (Robbins & Judge, 2021). One of the main factors influencing employee performance and motivation is the leadership style applied in the workplace.

Democratic leadership is an approach that emphasizes employee participation in decision-making processes, making them feel more valued and motivated in carrying out their tasks (Goleman et al., 2020). Recent studies have shown that implementing democratic leadership can significantly enhance employee productivity and engagement by fostering a more open and collaborative work environment (Northouse, 2021).

Research conducted by Kim et al. (2021) revealed that democratic leadership positively impacts job satisfaction and employee loyalty, particularly in highly competitive industries. Additionally, a study by Wang & Xu (2022) found that this leadership style enhances innovation and team performance through more effective communication and employee empowerment.

Based on these findings, this study aims to analyze how the implementation of democratic leadership can improve employee performance and motivation at PT. XYZ. PT. XYZ is a logistics company that has been operating since 1995 and has branches in various regions. With a large workforce and complex work dynamics, PT. XYZ serves as a relevant case study for examining the effectiveness of democratic leadership in the workplace.

This research is based on the leadership theories proposed by Northouse (2021) and the managerial role concepts introduced by Mintzberg (2020). Thus, the findings of this study are

expected to provide deeper insights into the relationship between democratic leadership and the improvement of employee performance and motivation in a dynamic business environment.

RESEARCH METHODS

The research method used in this study is a descriptive qualitative approach with a case study method to analyze democratic leadership strategies in enhancing employee performance and motivation. This approach allows the researcher to explore in depth how democratic leadership is implemented within the organization and its impact on employees. The study is conducted in a natural setting, ensuring that the data collected is more accurate and aligned with real-world conditions.

The primary instrument in this research is the researcher, who acts as both an observer and analyst in interpreting the collected data. Data collection techniques include in-depth interviews with leaders and employees of Company XYZ, observations of leadership practices in the workplace, and document analysis related to organizational policies and culture. Through this approach, the study aims to provide a comprehensive understanding of the effectiveness of democratic leadership in improving employee performance and motivation.

RESULTS AND DISCUSSION

The Branch Manager of PT. XYZ adopts a democratic leadership style, which is reflected in efforts to motivate employees and foster harmonious working relationships through a flexible approach. The implementation of this leadership style contributes to improving employee performance within the company.

One of the key implementations of democratic leadership at PT. XYZ is a weekly routine activity called the Meeting Coordinator. During this session, the Branch Manager and Division Heads hold discussions, brainstorming sessions, and performance evaluations for the past week. In the decision-making process, the Branch Manager involves Division Heads in providing input and suggestions, ensuring that the decisions made are fair and accommodate both company and employee interests.

This participative leadership approach creates a more conducive work environment where employees feel valued and motivated to enhance their performance. The following are the key findings of this study:

1. Employee Participation in Decision-Making

Interviews with leaders and employees at Company XYZ revealed that organizations implementing democratic leadership provide ample opportunities for employees to be involved in decision-making. Employees feel valued as their opinions are heard and considered in various organizational policies. This fosters a sense of ownership over their work and enhances their intrinsic motivation.

2. Impact on Employee Performance

Observations indicate that employees in organizations practicing democratic leadership tend to have higher productivity levels. They are more proactive in completing tasks, exhibit greater initiative, and demonstrate higher job satisfaction compared to organizations with authoritarian leadership styles. These findings align with previous research stating that democratic leadership enhances individual performance by increasing employee engagement and loyalty.

3. Transparent and Open Communication

An analysis of organizational policy documents found that organizations successfully implementing democratic leadership maintain an open and transparent communication system. Employees feel comfortable expressing ideas, providing feedback, and addressing workplace challenges without fear of negative consequences. This transparency creates a healthier and more conducive work environment for professional growth.

4. Challenges in Implementing Democratic Leadership

Despite its many benefits, this study also identified several challenges in implementing democratic leadership. One of the primary challenges is the slower decision-making process due to extended discussions and debates. Additionally, differing opinions can sometimes lead to interpersonal conflicts if not managed properly. Therefore, effective communication strategies and strong conflict resolution mechanisms are necessary to ensure the optimal functioning of democratic leadership.

5. Strategies for Optimizing Democratic Leadership

Based on interviews and observations, several strategies have been successfully implemented by organizations to overcome the challenges of democratic leadership, including:

- Establishing structured discussion mechanisms to ensure an efficient decision-making process.
- Encouraging a workplace culture that values differing opinions and providing forums for constructive conflict resolution.
- Utilizing communication technology to accelerate coordination and information dissemination.
- Providing training for leaders and employees on communication and negotiation skills to enhance the effectiveness of interactions.

Discussion

The findings of this study indicate that democratic leadership has a positive impact on employee performance and motivation. Employee participation in decision-making is one of the key factors that enhance their engagement in their work. Employees feel more valued when their opinions are heard and considered, ultimately increasing their sense of ownership over their tasks and the organization. This aligns with the theory that leadership involving employee participation can boost intrinsic motivation and job satisfaction.

Furthermore, the study found that organizations implementing democratic leadership tend to have employees with higher productivity levels. Employees in such organizations demonstrate a more proactive attitude in completing tasks, show greater initiative, and express higher satisfaction with their work environment. Democratic leadership fosters a more open workplace atmosphere, where employees feel comfortable sharing ideas without fear of negative consequences. Transparent and open communication within the organization is also a key factor that promotes better collaboration between leaders and employees.

However, this study also identifies several challenges in implementing democratic leadership. One major challenge is the slower decision-making process compared to other leadership styles, mainly due to extended discussions and debates before reaching a conclusion. Additionally, differences in opinions during the decision-making process can potentially lead to interpersonal conflicts, which may hinder work efficiency if not managed properly. Therefore, democratic leadership requires effective communication strategies and conflict resolution mechanisms to maintain harmony within the team.

To optimize the implementation of democratic leadership, organizations should establish structured discussion mechanisms to ensure an efficient decision-making process. Moreover, a workplace culture that values differing opinions should be cultivated so that conflicts can be resolved constructively. The use of communication technology can also enhance coordination and the flow of information within the organization. Additionally, training programs for leaders and employees on communication and negotiation skills can help improve the effectiveness of interactions in the workplace.

By implementing these strategies, organizations can maximize the benefits of democratic leadership. The findings of this study provide valuable insights for leaders in managing human resources in a more participative and productive manner. When applied effectively, democratic leadership not only enhances employee motivation and performance but also fosters a more harmonious and innovative work environment.

CONCLUSION

This study demonstrates that democratic leadership positively contributes to employee performance and motivation. By involving employees in decision-making, fostering transparent communication, and encouraging active participation, organizations can enhance employees' sense of ownership and overall productivity.

However, democratic leadership also presents challenges, such as slower decision-making processes and potential conflicts arising from differing opinions. To address these issues, organizations should implement strategies such as structured discussions, a workplace culture that values diversity, and the use of communication technology. With the right strategies, democratic leadership can serve as an effective approach to creating a collaborative, innovative, and productive work environment.

SUGGESTION

Based on the results of this study, several recommendations can be made to enhance the effectiveness of democratic leadership in organizations:

1. Leaders and employees should receive training in effective communication to convey ideas and resolve differences constructively.
2. Organizations can implement more structured and efficient discussion methods to ensure that decision-making processes are not excessively slow while maintaining employee participation.
3. The use of communication and collaboration technology can help accelerate coordination and ensure transparency of information within the organization.

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