

CHAPTER I

INTRODUCTION

A. Background of the Study

According to Bass on Heilman and Reips (2009: 3) leadership is about developing and maintaining relationships, structuring or restructuring of the situation and the perceptions and expectations of the members. According to Ahmad and Sumantri (2014: 26) leadership is the ability to influence others to work together in accordance with a plan to achieve the stated goals. Thus, leadership plays an important role in the management.

Job satisfaction is made up of two unipolar traits is not unique, but it does represent a difficult concept to grasp. To create satisfaction, Herzberg (2008: 54) says you need to address the motivating factors associated with work and he called this "job enrichment". His premise was that every job should be examined to determine how it could be made better and more satisfying to the person doing the work.

Job performance is of interest to organizations because of the importance of high productivity in the workplace (Hunter & Hunter in Allison 2008: 3). Campbell, McCloy, Oppler, and Sager (in Allison 2008: 3) explain that performance is not the consequence of behaviors, but rather the behaviors themselves. In other words, performance consists of the behaviors that employees actually engage in which can be observed.

So from the above theory can be used as a foundation to review the discussion about leadership, employee satisfaction and employee performance. This study makes Surakarta Government as research subjects, because of the three elements are in accordance with what is in the work area of Surakarta Government. Also in this case the researchers taking part Market Management Department as research subjects, because it is considered to represent the performance of the government in developing the city through the changing face of traditional markets in the region of Surakarta.

Over the past few years, the Department of Management Market of Surakarta has a lot of renovating traditional markets and builds new markets in the region. Developing business in marketing merchandise especially basic needs to be a priority, as this time many changes occurred in the traditional market. The traditional market development programs do not necessarily serve as a regional promotion, but also wants to prosper the trade and public buyers. So, people will be more developed in the field of trade and for the buyer to feel comfortable that there is a market environment that is clean and neat.

All does not happen if there is no participation of the Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta). Because of the Department wishes of the people who want to have a traditional market that is safe, comfortable, neat and clean are met. The participation of local governments in of Management Market of Surakarta

(DINAS Pengelolaan Pasar PEMKOT Surakarta) makes these markets as a tourist destination for the community outside the city and abroad. Because of the program is to make the city more famous Surakarta will travel market, as an example of Pasar Gede Surakarta is located not far from Balai Kota Surakarta, Pasar Ngarsopuro and many other markets.

Based on the background of the problems above, the unknown regarding employee/staff satisfaction in its performance and its impact on employee/staff performance are as well as the problems that exist today. As well as the leadership has been the extent to which factors can affect employee/staff satisfaction. Of the three subjects who had differentiate component in the result, became one of the most interesting to study. Where is the leadership of a leading people to have purpose, which wanted the satisfaction of employee/staff and have a positive impact on the performance of employee/staff at the of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta). This is the underlying writer to conduct research on **“INFLUENCE OF LEADERSHIP TO SATISFACTION OF EMPLOYEE AFFECT TO THE PERFORMANCE OF EMPLOYEE AT DEPARTMENT OF MANAGEMENT MARKET OF SURAKARTA (DINAS PENGELOLAAN PASAR PEMKOT SURAKARTA)”**.

B. Formulation of The Problem

1. What are the influences of leadership to satisfaction of employee at Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta)?
2. How does leadership influence satisfaction of employee effect to the performance of employee at Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta)?
3. The positive influences of leadership to employee performance directly through the satisfaction of employees at Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta)?

C. Limitation of the Study

1. Influence of leadership on job satisfaction of employees.
2. Leadership effect on employee job satisfaction affect the performance of employees.
3. Positive influence of leadership directly through the performance of employees.

D. Objective of the Study

The purpose of the study are as follows:

1. To analyze the influences of leadership to satisfaction of employee at Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta).

2. To analyze influence leadership to satisfaction of employee effect to the performance of employee at Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta).
3. To analyze the positive influences of leadership directly through the performance of employee at Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta).

E. Benefit of the Study

This study is intended to provide benefits such as:

1. Theoretical Benefit

For scholars, can be used as a reference as well as enriching the knowledge to implement the concept which has gained from the college and it can also to give some information this can be used by other researchers.

2. Practical Benefit

For researchers, provide a basic for further research on performance, leadership and satisfaction of employee at Department of Management Market of Surakarta (DINAS Pengelolaan Pasar PEMKOT Surakarta).