



# The Seafood Restaurant Industry's Big Success?

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**Abstract:** Innovative performing behaviour depends on the employee's personality; becoming innovative is the behaviour of an employee to create, recognise, and implement something new and bring profit to the company. Leaders' styles can be essential to increasing innovation in their work. This study was conducted at five seafood restaurants in North Jakarta with 60 respondents. Purposive sampling was the method of sampling. The questionnaires were distributed from early January 2024 to the end of January 2024. data were analysed using path analysis statistical tools. The target criteria for this research are employees from the staff level to middle-level managers from seafood restaurants who have worked for at least two years. This research shows that motivation and innovation performance do not significantly affect employee performance; the most influential factor in this study is the leader style.

**Keywords:** Motivation; Leadership Style; Innovation Capability; Employee Performance.

**Abstrak:** Perilaku kinerja yang inovatif bergantung dari kepribadian karyawan, sehingga dapat dikatakan perilaku kerja inovatif merupakan perilaku seorang karyawan dalam usaha berdaya cipta, mempelajari secara mendalam serta berdaya guna dari sesuatu yang baru kemudian mendatangkan keuntungan pada perusahaan. Leadership style dapat memegang peranan penting dalam berupaya meningkatkan innovation capability. Penelitian ini dilakukan pada 5 rumah makan hasil laut di daerah Jakarta Utara dengan jumlah karyawan yang bekerja sebanyak 60 orang. Studi ini mendayagunakan metode purposive sampling sebagai cara mengambil sampel pada obyek ini. Penyebaran kuesioner dilakukan pada awal Januari 2024 sampai akhir Januari 2024. Data dianalisis menggunakan alat statistik *path analysis*. Kriteria yang menjadi target dari penelitian ini adalah karyawan dari level staf sampai manajer tingkat menengah dari seafood restaurant yang telah bekerja selama minimal dua tahun. Hasil penelitian ini membuktikan motivation dan innovation capability tidak terlalu mempengaruhi employee performance, yang paling mempengaruhi dalam penelitian ini adalah leadership style.

**Kata Kunci:** Motivation; Leadership Style; Innovation Capability; Employee Performance.

## INTRODUCTION

Employee performance is present in every business because it is also essential for seafood restaurants; the reason is that employee performance results from employees' efforts, abilities, and support for the company (Pawirosumarto et al., 2017). The above data is visible in Table 1; the highest innovation was in 2020, with a rate of 5,920 per cent, and the lowest was in 2022, which was 1,730 per cent. Low innovation reflects the low innovation carried out in the company. Innovative performing behaviour depends on the employee's personality, so becoming innovative in working is the behaviour of an employee to create, recognise, and implement something new and bring profit to the company (Novita, 2022). Leadership style can be essential in increasing innovation capabilities (Ahmed et al., 2018; Susanty et al., 2024).

In this case, innovation can certainly affect employee performance, or it can also have no effect. This statement is based on the differences in previous studies regarding the effect of innovation on employees' performance in their work for the company; there are



researchers whose research results have proved the relation between innovation capabilities and employee performance. Innovation has become a culture that can improve employees' performance (Kawilarang et al., 2019). For the effect of motivation on innovation, it is proven (Hendri & Iswantir, 2024) that motivation has a positive significance while simultaneously affecting innovation performance. The effect of leaders' styles on innovation performance was carried out by (Liao et al., 2017), which proved a negative and insignificant correlation between leaders' styles and innovation performance. This contrasts with the studies by (Ahmed et al., 2018) and (Susanty et al., 2024), which show a positive, significant effect between leaders' style and innovation performance. Meanwhile, the effect of motivation on employee performance, proven by (Wahyudi, 2017), (Al-Musadieq et al., 2018), and (Agustin et al., 2022), has positive and significant effects. (Pawirosumarto et al., 2017; Fatahuddin & Tanuwijaya, 2022) It also proved the positive effect of leadership style on employee performance.

**Table 1.** Employee performing

Years	Number of employees	Innovation (percentage)
2020	56	5,92
2021	55	2,91
2022	58	1,73
2023	60	4,67
<b>Amount</b>	<b>229</b>	<b>15,23</b>
<b>Average</b>	<b>57,25</b>	<b>3,807</b>

Source: 5 seafood restaurants in North Jakarta, 2024

Competition in corporate business is tough, so organisations must create a method of adaptation in a working system that always needs to adjust to competition. (Kartono et al., 2020) said that in managing an organisation, company management must be able to innovate by creating employees who can do work according to standard procedures and job descriptions according to planning; in this case, employees who have innovative work behaviour usually have new ideas that can be implemented in the work environment.



**Figure 1.** Seafood restaurant

Source : <https://kumparan.com/jendela-dunia/6-tempat-makan-seafood-di-jakarta-barat-yang-menggugah-selera-lzpiNrlfIU>



**Figure 2.** Seafood restaurant

Source : <https://kumparan.com/jendela-dunia/6-tempat-makan-seafood-di-jakarta-barat-yang-menggugah-selera-1zpiNrlfiUT>

**Figure 1** and **Figure 2** are the types of food available in seafood restaurants. This type of food is served in various types of cuisine. Seafood restaurant owners in North Jakarta are trying to make various innovations in the form of presentations and types of dishes that suit the tastes of consumers who enjoy seafood dishes. Seafood restaurant owners have limitations in innovating because seafood dishes are generally the same as in all seafood restaurants. Each restaurant owner has almost the same type of cuisine. As seen in **Table 1**, innovations carried out in 2020 amounted to 5,920 per cent, in 2021 amounted to 2,910 per cent, in 2022 amounted to 1,730 per cent, and in 2023 amounted to 4,670 per cent. The total innovation that can be carried out from 2020 to 2023 is only 15,23 per cent, with an average innovation of only 3,807 per cent.

The novelty of this research is that no one has researched motivation, leadership style, and innovation in seafood restaurant businesses. So far, seafood restaurant business owners have never considered the influence of motivation, leadership style, and innovation on employee performance. Motivation and leadership style play a role in influencing employee performance if they are inexperienced with innovation. Each has a role, and innovation can only effectively mediate motivation and leadership style with a significant effort from the seafood restaurant business owner.

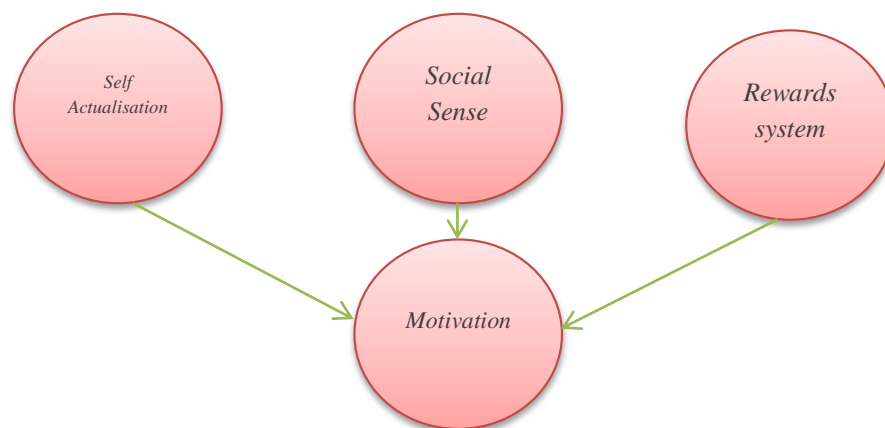
Many things can affect employee performance in their work for the company. However, in this case, based on the research problem data above, the author has the intent and purpose of finding out whether motivation has a positive effect on innovation performance, whether leaders' style has a positive effect on innovation performance, whether motivation has positive affecting on employee performing, whether leaders style has positive affecting on employee performing, whether innovation performing has positive affecting on employee performing, whether motivation has an affecting on employee performing mediated by innovation performing, and whether leaders style has an affecting on employee performing mediated by innovation performing.

## THEORETICAL REVIEW

Motivation is a reward system, and social sense and self-actualisation are found in every employee (Al-Musadieq et al., 2018). Motivation is vital for a company, so high work morale will produce good employee performance. Motivation is the most important factor influencing human behaviour and performance (Goni et al., 2021; Firmansyah et al., 2020). Several things are the basis for the emergence of motivation, namely getting recognition from the company, the company paying attention to the excellent performance given by employees, and awards as appreciation (Nguyen et al., 2020). Previous research conducted

by (Hendri & Iswantir, 2024) shows that motivation positively and significantly affects innovation by 33,500 per cent. (Hendri & Iswantir, 2024) studied 44 teachers in schools in Bukittinggi City, Indonesia. (Agustin et al., 2022) found a positive and significant effect of motivation on employee performance. (Agustin et al., 2022) surveyed 116 Palangka Raya city education officials, with a sample size of 90. A study (Yasmin & Wahyudi, 2017) found positive and significant effects of motivation on employee performance. (Yasmin & Wahyudi, 2017) researched 174 plantation enterprises in Pontianak with a sample size of 70 respondents. (Al-Musadieq et al., 2018) found a positive and significant relationship between motivation and HR performance. (Al-Musadieq et al., 2018) studied national-scale consulting firms in Indonesia.

**Figure 3**, which can be seen below, is an indicator of variables that refer to previous theories and research:



**Figure 3.** Indicators of variables

Source: Author conceptual, 2024

For this reason, a hypothesis can be made:

**H1:** Motivation has a positive effect on innovation performed by seafood restaurant

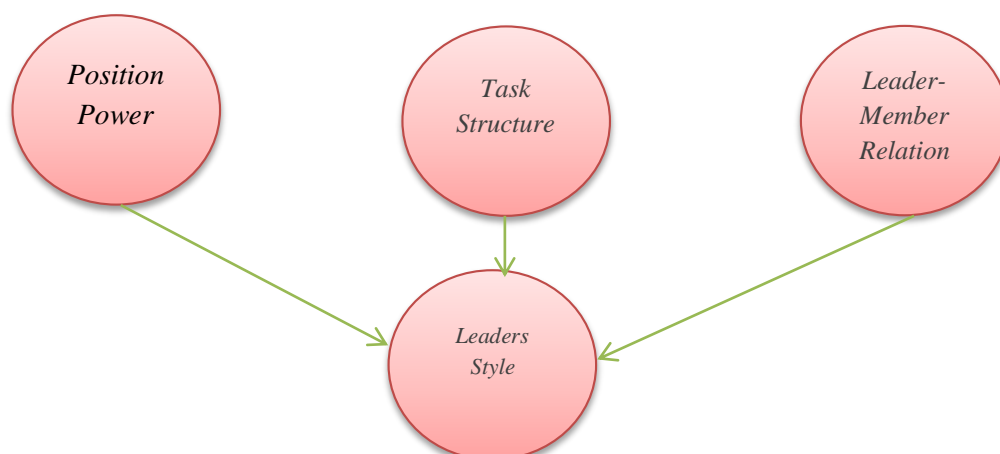
**H3:** Motivation has a positive effect on employee performance in a seafood restaurant

**H6:** Motivation affects employee performance, which is mediated by innovation performance by seafood restaurant

Leaders' style is a behavioural norm that leaders use to affect employees' behaviour (Pawirosumarto et al., 2017). Leaders style is also a reciprocal relationship through changes for the better between leaders and followers in order to achieve common goals; in this case, a leader's ability will be tested in influencing his subordinates by making them more satisfied and committed so that employees will increase their work productivity (Devie et al., 2019). A leader's style is a leader's behavioural pattern in directing and influencing employees to want to work, using their skills based on the job description assigned by the corporation to achieve goals. Therefore, a good leadership style can be successful if a leader can apply this style, which is situational and willing to listen to the opinions of their employees selectively based on excellent and well-tested knowledge (Laili et al., 2024).



Previous research (Liao et al., 2017) has found an insignificant negative correlation between leadership style and organisational innovation. (Liao et al., 2017) conducted research with 100 financial corporations and 1,000 high-tech corporations in Taiwan. In Taiwan, purposeful sampling was conducted at 15 banks and 18 information technology businesses. The entire sample consists of 33 firms. Were 566 surveys distributed between the tenth month of 2012 and the first month of 2013. Three hundred seventy-seven questionnaires were valid, with a 66.600 per cent response rate. One hundred ninety-three respondents, or 66 per cent of the sample, were from the banking industry, and 184 respondents, or 62 per cent, were from the information technology sector. The leader's style can affect innovation performance through organisational learning. This study demonstrates that leaders have an indirect effect on innovative capacities. This study differs from (Ahmed et al., 2018), which found positive and significant effects between leaders' styles and innovation performance. (Ahmed et al., 2018) classify leaders' styles into three categories: paternalistic leaders, democratic leaders, and authentic leaders. (Ahmed et al., 2018) conducted health-related research in Malaysia with local and international patients. The respondents were 422 professionals working in Malaysia's health sector, 327 in the public sector, 22 in the private sector, and 73 in semi-government organisations. Of the respondents, 231 were men (54.700 per cent), and 191 were women (45.300 per cent). The average age of respondents was 29.800 years, with an average of 4.820 years of experience. The average number of specialist doctors is 51. The study (Susanty et al., 2024) also found a positive and significant effect on leaders' style and innovation. The research was conducted at a telecommunications company with a population of 1073 people, 82.700 per cent of whom were male employees with a dominating work history of 25–30 years (36.300 per cent). The bulk of respondents are employed at the III–V levels. According to a study by (Pawirosumarto et al., 2017), leaders' styles positively and significantly affect employee performance. (Pawirosumarto et al., 2017). They conducted their experiment at a hotel in Indonesia with 642 employees. (Pawirosumarto et al., 2017) Distributed questionnaires to 200 participants, 179 of whom responded. (Fatahuddin & Tanuwijaya, 2022) Show that a leader's style positively affects employee performance. (Fatahuddin & Tanuwijaya, 2022) investigated national-scale banks in Indonesia using a sample size of 300 employees. Figure 4 shows an indicator of variables referring to prior theories and research:



**Figure 4.** Indicators of variables

Source: Author conceptual, 2024

For this reason, a hypothesis can be made:

**H2:** Leaders style has a positive effect on innovation performed by seafood restaurant.

**H4:** Leaders style has a positive effect on employee performance in seafood restaurant.

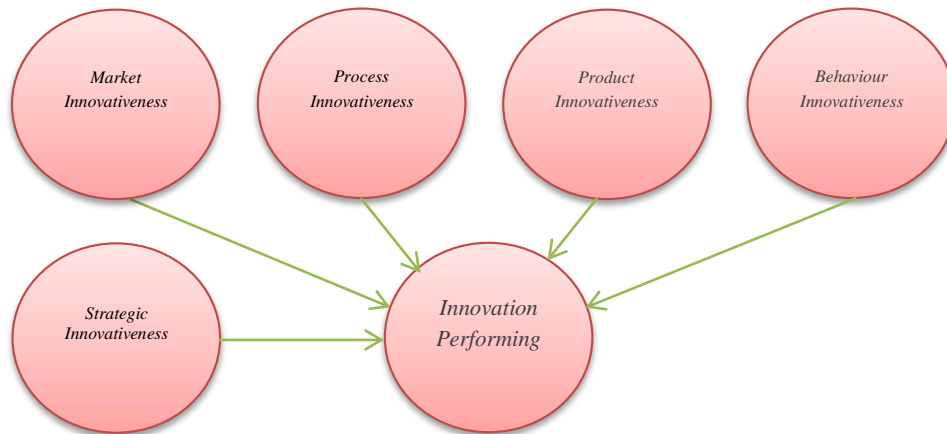
**H7:** Leaders style affects employee performance, which is mediated by innovation performance by seafood restaurant.

According to Law No. 11 of 2019 on the National System of Research, Science, and Technology, innovation results from thought, research, development, study, and application that combines innovative characteristics and is intended to be implemented while offering economic and social benefits. Establishing this law provides a foundation for policymakers to strengthen innovation in various industries, including innovation management carried out by seafood restaurant owners, as envisioned by the law. (Nisa, 2022) posits that the success of an innovation is contingent upon a multitude of factors, such as actors, institutions, interactions, and productive processing, that shape an innovation's direction, speed, and diffusion. Consequently, bolstering innovation becomes imperative and inevitably linked to the factors determining innovation success. Innovation is seen to be capable of improving performance (Kawilarang et al., 2019). In their research, (Kawilarang et al., 2019) concluded that innovation must become an organisational culture to increase employee performance.

In this situation, the leader's style affects employee performance. Innovation performance results from behaviour innovativeness, product, process, market, and strategic innovativeness (Liao et al., 2017). The exact study was conducted (Desiana, 2019), and it showed the positive effect of innovation on employee performance. Desiana studies 52 employees of drinking water companies in Surabaya, consisting of 34 women (65,400 per cent) and 18 men (34,600 per cent). The results of this study show that good innovation in work allows employees to provide new things to the company and complete the work given according to standards. (Osman et al., 2016) and (Diyanto et al., 2019) found that innovation positively and significantly affects employee performance.

In contrast to the study conducted by (Puryantini et al., 2017), innovation does not affect organisational performance. (Puryantini et al., 2017). I studied government research personnel organisations. In connection with the study results, which showed that innovation did not affect organisational performance, (Puryantini et al., 2017) interviewed one of the informants. They found different answers to the perception of innovation between state civil servants in the research section and employees from other organisations. These differences include management, where innovation can emerge because there is freedom to think and act, and there are already indicators and targets to be achieved, so gaps in innovation arise. Authority can go hand in hand with innovation authority, so innovation often depends on the individual with that authority. The study was utilised by (Kusuma et al., 2021), who also showed that innovation does not affect employee performance. This is because the mobile application implemented in the organisation is still new, so it takes time for users to learn the application, which has an undetectable impact on employee performance and suboptimal follow-up interview results.

**Figure 5** is an indicator of variables that refer to previous theories and research:



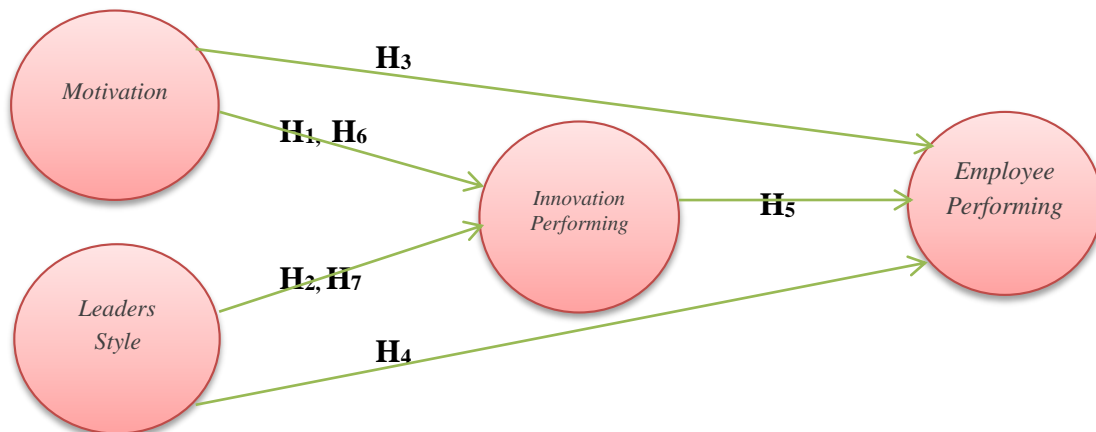
**Figure 5.** Indicators of variables

Source: Author conceptual, 2024

For this reason, a hypothesis can be made:

**H5:** Innovation performance has a positive effect on employee performance in seafood restaurant.

The following is a research model that has been created:



**Figure 6.** Conceptual research

Source: Author conceptual, 2024

**Figure 6** shows conceptual research that has been created from **Figure 3**, namely the motivation variable whose indicators consist of rewards system (M1), social sense (M2) and self-actualisation (M3). It also comes from **Figure 4**, namely the leader's style variable, whose indicators consist of leader-member relations (LS1), task structure (LS2) and position power (LS3) and comes from **Figure 5**, namely the innovation performing variable, whose indicators consist of behaviour innovativeness (IC1), product innovativeness (IC2), process innovativeness (IC3), market innovativeness (IC4) and strategic innovativeness (IC5). For the employee performing variable, the indicators are work quality (EP1), labour quantity (EP2), time efficiency (EP3), work effectiveness (EP4), supervision needs (EP5) and self-influence (EP6), which are explained in **Table 2**.

## METHODS

This study was conducted by distributing questionnaires to 60 employees of seafood restaurants. The questionnaire was given to 60 employees from 5 (five) seafood restaurants in North Jakarta, from staff level to middle manager, at least by length of service of 2 years. Purposive sampling was utilised in this investigation. The questionnaires were distributed from early January 2024 to the end of January 2024. Data were analysed using path analysis statistical tools.

**Table 2.** Variable, Dimension, Scale and Source

Variable	Definition of variables	Dimension	Scale	Source
Motivation	Motivation is a reward system, and social sense and self-actualisation are found in every employee.	<ol style="list-style-type: none"> <li>Rewards system (M1)</li> <li>Social sense (M2)</li> <li>Self-actualisation (M3)</li> </ol>	Likert	(Al-Musadieg et al., 2018)
Leaders style	A leader's style is a behavioural norm that a leader uses to influence the behaviour of others.	<ol style="list-style-type: none"> <li>Leader-member relation (LS1)</li> <li>Task structure (LS2)</li> <li>Position power (LS3)</li> </ol>	Likert	(Pawirosumarto et al., 2017)
Innovation performing	Innovation performance results from behaviour innovativeness, product, process, market, and strategic innovativeness.	<ol style="list-style-type: none"> <li>Behavior innovativeness (IC1)</li> <li>Product innovativeness (IC2)</li> <li>Process innovativeness (IC3)</li> <li>Market innovativeness (IC4)</li> <li>Strategic innovativeness (IC5)</li> </ol>	Likert	(Liao et al., 2017)
Employee performing	Employee performance results from an employee's efforts, abilities and support for the company.	<ol style="list-style-type: none"> <li>Work quality (EP1)</li> <li>Labor quantity (EP2)</li> <li>Time efficiency (EP3)</li> <li>Work effectiveness (EP4)</li> <li>Supervision needs (EP5)</li> <li>Self-influence (EP6)</li> </ol>	Likert	(Pawirosumarto et al., 2017)

Source: Journal 2017 - 2018

**Table 2** shows the variables, dimensions, scales, and sources from various articles from 2017 until 2018. The definition of motivation variables is a rewards system, social sense, and self-actualisation found in every employee. The dimensions of motivation are the rewards system (M1), social sense (M2), and self-actualisation (M3). The definitions of variables and dimensions are taken from (Al-Musadieg et al., 2018). For leaders, the style variable has a definition of variable as a behaviour norm that a leader uses to affect the behaviour of others. The dimensions of leader style are leader-member relation (LS1), task structure (LS2), and position power (LS3). The definitions of variables and dimensions are taken from the source (Pawirosumarto et al., 2017). For innovation, performing variable definition of variables results from behaviour innovativeness, product innovativeness, process innovativeness, market innovativeness, and strategic innovativeness. The dimensions of innovation performance are behaviour innovativeness (IC1), product





innovativeness (IC2), process innovativeness (IC3), market innovativeness (IC4), and strategic innovativeness (IC5). The definitions of variables and dimensions are taken from the source (Liao et al., 2017). The employee performing variable, a definition of variables, is the result of an employee's efforts, abilities and support for the company. The dimension of employee performance is work quality (EP1), labour quantity (EP2), time efficiency (EP3), work effectiveness (EP4), supervision needs (EP5), and self-influence (EP6). The definitions of variables and dimensions come from (Pawirosumarto et al., 2017). To make it easier for the author to process the data after the respondents have filled out the questionnaire, the author uses a Likert scale.

**Table 3.** Respondent characteristics

Respondent Profile	Total	Percentage
<b>Gender</b>		
1. Male	35	58
2. Female	25	42
<b>Ages</b>		
1. 18 to 31 years old	49	82
2. More than 31 years old	11	18
<b>Level of educations</b>		
1. Completed elementary school	8	13
2. Completed junior high school graduate	10	17
3. Completed high school or vocational	30	50
4. Completed diploma/academy/university	12	20

Source: Survey results, 2023

**Table 3.** Respondent characteristics: The number of respondents is 60 respondents from 5 (five) seafood restaurants in North Jakarta. The Total number of male respondents is 35 or 58 per cent, and the total number of female respondents is 25 or 42 per cent. Respondents aged 18 to 31 are 49 or 82 per cent, and respondents over 31 are 11 or 18 per cent. Then, for respondents who graduated from elementary school, eight people or 13 per cent; for respondents who graduated from junior high school, ten people or 17 per cent; for respondents who graduated from high school or vocational school, 30 people or 50 per cent; for respondents who graduated from diploma/academy/university are 12 people or 20 per cent.

## RESULTS

**Outer model evaluation.** The outer model is a measurement model consisting of indicators and the paths that connect them for each factor. The outer model can be measured with the following indicators:

**Validation test.** Testing the convergent validity of each variable indicator is valid if the value is more significant than 0,700, but factor loadings between 0,500 and 0,600 are still considered adequate. Based on these measurements, it can be eliminated if the loading factor is less than 0.500.



**Table 4.** Convergent validity

Construct	Dimension	Loading factor	Info
Motivation	Rewards system (M1)	0.823	Valid
	Social sense (M2)	0.823	Valid
Leaders style	Leader-member relation (LS1)	0.783	Valid
	Task structure (LS2)	0.860	Valid
	Position power (LS3)	0.800	Valid
Innovation performing	Process innovativeness (IC3)	0.737	Valid
	Market innovativeness (IC4)	0.882	Valid
	Strategic innovativeness (IC5)	0.832	Valid
Employee performing	Work effectiveness (EP4)	0.874	Valid
	Supervision needs (EP5)	0.874	Valid

Source: Author process, 2024

**Table 4** shows outer loading rewards system (M1) is 0.823, social sense (M2) is 0,823, leader-member relation (LS1) is 0.783, Task structure (LS2) is 0.860, position power (LS3) is 0.800, process innovativeness (IC3) is 0.737, market innovativeness (IC4) is 0.882, strategic innovativeness (IC5) is 0.832, work effectiveness (EP4) is 0.874, supervision needs (EP5) is 0.874. This shows that all indicators have factor loading values above 0.500, which means all indicators are considered valid. If the indicator is less than 0.500, it can be deleted. The indicators that were removed are self-actualisation (M3), behaviour innovativeness (IC1), product innovativeness (IC2), work quality (EP1), labour quantity (EP2), time efficiency (EP3) and self-influence (EP6).

**Reliability test.** This is useful to see whether all indicators are biased or unbiased. Then, the outer model is tested, which is used to test the reliability test. Composite Reliability (CR) and Cronbach Alpha (CA) are used for the reliability test in this case. The purpose is to measure the internal consistency of indicators with the condition that the value must be more than 0.600. Suppose the Composite Reliability (CR) and Cronbach Alpha (CA) values equal or exceed 0.700. In that case, the variables are reliable, and the questionnaire for this research is consistent with this research model.

**Table 5.** Reliability test

Construct	Composite Reliability	Cronbach Alpha	Info
Motivation	0.807	0.522	Reliable
Leaders style	0.856	0.747	Reliable
Innovation performing	0.859	0.753	Reliable
Employee performing	0.866	0.690	Reliable

Source: Author process, 2024

Composite reliability (CR) values of 0.700 to 0.900 are considered satisfactory (Hair et al., 2017). Table 4 displays the values of CR motivation (0.807), leadership style (0.856), innovation performance (0.859), and employee performance (0.866). Cronbach Alpha (CA) should be above 0.700 (Hair et al., 2017). Table 5 demonstrates that CA motivation is 0.522, leaders' styles are 0.747, innovation is 0.753, and employee performance is 0,690.

**Inner model evaluation.** Inner model test evaluation is developing a model based on concepts and theories to study the link between endogenous and exogenous components in the research model. The inner model testing stage proceeds as follows:



**R squared (R<sup>2</sup>).** The R-squared statistic reveals how much variance in the endogenous variable can be explained by the study's exogenous variables. According to (Hair et al., 2017), R-squared can reflect how much variance in the endogenous structure is explained by the exogenous construction. Better R-squared values indicate higher levels of prediction accuracy.

**Table 6.** Coefficient of Determination

Construct	R-square (R <sup>2</sup> )
Innovation performing	0.367
Employee performing	0.334

Source: Author process, 2024

This study uses 2 (two) variables that are affected by other variables, namely innovation capability, which is influenced by leadership style. Employee performance is influenced by motivation, leadership style and innovation. Table 6 shows that the R-Square (R<sup>2</sup>) value for innovation performing is 0.367, and for employee performing is 0.334. These results indicate that 36.700 per cent of innovation performance is influenced by motivation and leaders' style, and the remaining 63.300 per cent is influenced by other things, 33.400 per cent of the employee performance is affected by motivation, leaders' style and innovation performance and other things influencing the remaining 66.600 per cent.

**Goodness of Fit Model (GoF).** The goodness of the Fit Model indicates the comparison between the specified model and the covariance matrix between indicators or observed constructs (Hair et al., 2017). For this reason, if the model is good, it can be accepted.

**Table 7.** Goodness of Fit Model (GoF)

Construct	Composite Reliability	Cronbach Alpha	Average Variance Extracted	R Square	Q Square
Motivation	0.807	0.522	0.677	-	-
Leaders style	0.856	0.747	0.665	-	-
Innovation performing	0.859	0.753	0.672	0.367	0.373
Employee performing	0.866	0.690	0.763	0.334	0.364

Source: Author process, 2024

**Table 7** displays the composite reliability and Cronbach Alpha values, which are more significant than 0.700. Cronbach Alpha (CA) should be more incredible than 0.700, Composite Reliability (CR) values between 0.700 and 0.900 are acceptable, and an Average Variance Extracted (AVE) value of 0.500 or higher indicates that the construct explains more than half of the variance of its indicators (Hair et al., 2017). The Composite Reliability motivation value is 0.807, leaders' style is 0.856, innovation performance is 0.859, and staff performance is 0.866. Cronbach Alpha values for motivation were 0.522, leaders' styles were 0.747, innovation performed at 0.753, and staff performance was 0.690. The value of AVE motivation is 0.677, leaders' style is 0.665, innovation performance is 0.672, and employee performance is 0.763, significantly higher than the minimum value of 0.500. Thus, the four reflective constructs have a high level of validity. The table also shows the R-squared value of innovation performing (0.367) and employee performing (0,334). The



Q-Square value is included in the large category since it is more significant than 0.350, specifically for innovation performing (0.373) and employee performing (0.364).

**Hypothesis test.** Hypothesis testing is a statistical inference technique that uses sample data to estimate a population distribution. Hypothesis testing aims to determine whether there is a positive or negative link between external (independent) and endogenous (dependent) factors. According to (Ghozali & Latan, 2020), the standardised path coefficient and  $p$ -value with an alpha of 5 per cent are less than 0.050, while the alpha of 5 per cent for the t-table is 1.960. In this example, the hypothesis can be accepted if the significance threshold is less than 0.0500 and the t-statistic is more than 1.960. To test the hypothesis in this research, the  $p$ -value or critical value is used. By using the  $p$ -value to see the probability to conclude the observation value. For that, the test is shown below:

**Table 8.** Size and significance of path coefficient

Path	Standardised Path Coefficient	$p$ -value	Info
H <sub>1</sub> :Motivation -> Innovation performing	0.294	0.007*	Positive and significant
H <sub>2</sub> :Leaders style -> innovation performing	0.429	0.000*	Positive and significant
H <sub>3</sub> :Motivation -> Employee performing	-0.075	0.277	Negative and insignificant
H <sub>4</sub> :Leaders style -> employee performing	0.450	0.000*	Positive and significant
H <sub>5</sub> :Innovation performing -> employee performing	0.218	0.037*	Positive and significant

Note: \*=significant (p-values less than 0.050)

Source: Author process, 2024

**Table 8** shows the hypothesis test, which is a direct test result that directly affects hypothesis 1 motivation on innovation performance is 0.294 with a  $p$ -value of 0.007; therefore, motivation has a positive and significant effect on innovation performance. Thus, the direct effect of hypothesis 2 is that the leader style on innovation performance is 0.429 with a  $p$ -value of 0.000; therefore, leader style has a positive and significant effect on innovation performance. There is a direct effect of hypothesis 3, which is motivation on employee performance, is -0.075 with a  $p$ -value of 0.277; therefore, motivation has a negative and insignificant effect on employee performance. The direct effect of hypothesis 4 of leaders' style on employee performance is 0.450 with a  $p$ -value of 0.000; therefore, leaders' style has a positive and significant effect on employee performance. There is a direct effect of hypothesis 5: innovation performing on employee performance is 0.218 with a  $p$ -value of 0.037; therefore, innovation performance has a positive and significant effect on employee performance.

**Indirect effect.** The indirect impact test is designed to assess the indirect influence of an exogenous variable on an endogenous variable via an intervening variable. In this study, two exogenous variables, motivation and leader style, influence employee performance and are mediated by innovation performance. If the  $p$ -value is less than 0.050, it shows a considerable indirect influence. This means that the intervening variable mediates the effect of the exogenous variable on the endogenous variable. If the  $p$ -value is greater than 0.050, it implies a non-significant indirect impact. This means that the intervening variable does not mediate the exogenous variable's effect on the endogenous variable.





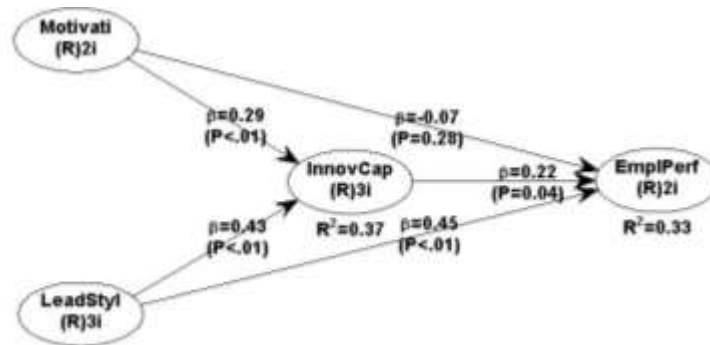
**Table 9.** Indirect Effect

Path	Standardised Path Coefficient	$\rho$ -value	Info
H <sub>6</sub> : Motivation -> innovation performing -> employee performing	0.064	0.238	Insignificant
H <sub>7</sub> : Leaders style -> innovation performing -> employee performing	0.094	0.147	Insignificant

Note: \*=significant (p-values less than 0.050)

Source: Author process, 2024

**Table 9** shows the indirect effect. It can be seen that testing the indirect effect of motivation on employee performance through innovation is 0.064 with a  $\rho$ -value of 0.238, which means that firm factors have insignificant effects on employee performance through innovation. Also, an indirect effect of leader style on employee performance through innovation is 0.094 with a  $\rho$ -value of 0.147, meaning the leader style has an insignificant effect on employee performance through innovation.



**Figure 7.** Output

Source: Author process, 2024

**Figure 7** shows the test results above, showing that the motivation on the innovation performing is 29 per cent with a  $\rho$ -value of less than 1 per cent, the leader's style on the innovation performing is 43 per cent with a  $\rho$ -value of less than 1 per cent, the motivation on the employee performing variable is -7 per cent with a  $\rho$ -value of 28 per cent, the leader's style on the employee performing are 45 per cent with a  $\rho$ -value of less than 1 per cent, the innovation performing on the employee performing is 22 per cent with  $\rho$ -value of 4 per cent. The R-Square value of innovation performance is 36.700 per cent, rounding to 37 per cent, and the R-Square value of employee performance is 33.400 per cent, rounding to 33 per cent.

## DISCUSSION

Motivation has a positive and significant effect on innovation performance. The findings of this investigation match those of (Hendri & Iswanti, 2024) investigation. According to research by (Hendri & Iswanti, 2024), motivation influences innovation positively and significantly by 33.500 per cent. Our research yields findings in motivation, which is necessary for innovation. However, innovation performance is also influenced by other aspects, such as a leader's style, which affects innovation's optimal performance.

A leader's style positively and significantly impacts innovation performance. The present study's findings are consistent with those of (Ahmed et al., 2018), who demonstrated



a positive and noteworthy relationship between a leader's style and innovation. In contrast, (Liao et al., 2017) found a negligible negative correlation between a leader's style and organisational innovation. Research on 1000 high-tech businesses and 100 corporations in the financial sector was done in Taiwan by (Liao et al., 2017). (Liao et al., 2017) employed a purposive sampling technique on 33 companies, comprising 15 financial industry companies and 18 information technology companies in Taiwan. Leaders' styles can also have an impact on innovation through organisational learning. According to (Liao et al., 2017), leaders can indirectly impact innovation performance. Our research yielded data in the form of leader-style elements that significantly affect employees by innovative performance.

Motivation has a detrimental effect on employee performance, but it is minor. The findings of this study differ from those of (Agustin et al., 2022), who found that motivation had a favourable and significant influence on employee performance. (Agustin et al., 2022) conducted a study on 116 Palangka Raya City education department employees, with a sample size of 90 responses. Similarly, it differs from the findings of (Yasmin & Wahyudi, 2017), who found that motivation positively and significantly affected employee performance. (Yasmin & Wahyudi, 2017) researched 174 plantation enterprises in Pontianak, with a sample size of 70 respondents. (Al-Musadieq et al., 2018) found a favourable and robust direct relationship between motivation and HR performance. (Al-Musadieq et al., 2018) studied national-scale consultancy firms in Indonesia. Our research yields findings in the form of motivation, which needs to be improved to improve employee performance. The leaders' style aspect is critical to increasing innovation and employee performance.

Employee performance is positively and significantly affected by a leader's style. The findings of this study were validated by (Pawirosumarto et al., 2017), who discovered that a leader's style has a significant and positive impact on the performance of their team members. (Pawirosumarto et al., 2017) conducted a study on hotels in Indonesia with 642 employees and handed questionnaires to 200 people, 179 of which were returned. The findings of this study are also consistent with research conducted by (Fatahudin & Tanuwijaya, 2022), which found that a leader's style has a beneficial impact on employee performance. (Fatahudin & Tanuwijaya, 2022) researched national-scale banks in Indonesia with a sample size of 300 employees. Our research yields findings in the form of leadership style, which is critical for improving employee performance in their organisations.

Innovation performance has a positive and significant effect on employee performance. The conclusions of this investigation are supported by (Desiana, 2019). (Desiana, 2019) found that innovation positively affects employee performance. (Desiana, 2019) conducted a study on 52 employees of drinking water firms in Surabaya, including 34 women (65.400 per cent) and 18 men (34.600 per cent). (Desiana's, 2019) research results show good innovation in the workplace, which allows employees to bring new things to the organisation while also completing the work assigned to them by standards. (Desiana's, 2019) research results are also consistent with the findings of (Osman et al., 2016) and (Diyanto et al., 2019), which show that innovation has a positive and significant impact on employee performance at work, but this differs from the findings of (Puryantini et al., 2017), who found that innovation does not affect organisational performing. (Puryantini et al., 2017) examined government research personnel organisations. (Puryantini et al., 2017) stated that their research findings on innovation did not affect organisational performance. (Puryantini et al., 2017) interviewed one of the informants and discovered that state civil servants in the research section and employees from other organisations had different

perceptions of innovation. These distinctions include management, where innovation can occur because there is freedom to think and act and indicators and targets to meet, resulting in innovation gaps. Authority can coexist with innovation authority; innovation frequently depends on the individual who wields that authority. (Kusuma et al., 2021) found that innovation did not affect employee performance. This is because the mobile application introduced in the organisation is still new. Thus, users take time to learn it, resulting in an undetectable influence on employee performance and inferior follow-up interview findings. Our research yields findings in innovative performance, which is not the only thing required to improve employee performance, but rather the leader style component, which genuinely influences employee performance.

Motivation has a positive but non-significant effect on employee performance when mediated by innovation performance. This happens because leaders' styles influence employee performance.

Leaders' styles positively but non-significantly affect employee performance when mediated by innovation performance; this occurs because innovation performance is not indeed required to boost employee performance.

## CONCLUSIONS

Based on this research, all hypotheses have positive and significant effects, except motivation, which has a negative and minor influence on employee performance. Seafood employees would need more motivation to enhance their work performance. Employees at seafood restaurants are more interested in encouraging themselves to improve their innovation performance so that seafood dishes can be more diversified and, of course, tailored to consumer demands. The findings of this study show that a leader's style and innovative potential significantly affect how employees perform at work.

The leader's style has the most significant influence on innovation and employee performance at work. In this scenario, the leader's style and innovation are critical factors in deciding the success of a seafood restaurant in North Jakarta.

When mediated by innovation, motivation and leadership styles become ineffective in influencing employee performance and are not conducive to creativity. Each has a role and cannot be combined; in this case, innovation could be more practical in mediating motivation and leadership styles. This study should include more provinces and a considerably more significant number of respondents.

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