

Analysis of Leadership Style and Working Hours in Improving Employee Performance at PT. Citra Kendedes Cake and Bakery Malang City

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INDEXING	ABSTRACT
Keywords: Keyword 1: Employee Performance Keyword 2: Leadership Style Keyword 3: Working Hours Keyword 4: PT. Citra Kendedes Cake and Bakery Keyword 5: Malang City	Human Resources management is the key to organizational success, where leadership style and working hour arrangements significantly affect employee performance. PT Citra Kendedes Cake and Bakery in Malang face challenges related to employee performance due to suboptimal leadership and unintegrated working hour management. This study aims to analyze the role of leadership style, the contribution of working hours, and the interaction between the two in improving employee performance. A descriptive qualitative method was used with data collection techniques through in-depth interviews and participatory observation of HRD and supervisors. The results show that a situational and adaptive leadership style that combines a democratic approach, flexibility, and SOP support successfully creates a collaborative work environment. A standardized working hours policy (8 hours/day) with flexibility for supervisors and transparent overtime compensation improved employee productivity and welfare. However, challenges such as policy communication inconsistencies and procedural ambiguities need to be addressed through strengthening documentation systems and leadership training. The synergy between adaptive leadership and humane working hour arrangements proved effective in improving performance, although it requires refinement of the operational structure to minimize the risk of employee fatigue.

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INTRODUCTION

Human Resource Management (HRM) is an essential component in organizational management that focuses on the human aspect as the main driver. Its primary function is to optimize employees' potential to be satisfied and motivated in their duties (Varma, 2017). The role of people in the organization is central because without their active contribution, even though other resources are available, the organization will not operate effectively. Therefore, organizations must provide clear guidance and direction to achieve common goals. HR determines the company's smooth operation, considering that humans can develop and adapt over time (Doz, 2020).

In the contemporary era, leadership style is the foundation for building team support and improving employee performance. A leader must create a dynamic work environment and encourage discipline through an inspirational approach (Alkuwari, 2025). Furthermore, leadership style has a significant effect on employee productivity. According to Hasibuan (2019), leadership style is a method leaders use to influence subordinates to work together to achieve organizational goals. This process includes

directing, motivating, and creating a productive work culture through effective communication between the leader and the team.

Working hours are also a crucial variable that affects performance. Technically, working hours refer to the period of duty, both day and night, that has been agreed upon in the contract. However, work demands often force employees to work beyond regular hours, potentially leading to fatigue and decreased productivity. According to Raziq and Maulabakhsh (2015), flexible working hours can increase work comfort, allowing employees to choose their productive time, which positively impacts achieving company targets.

According to Manik (2016) and Dipboye (2018), employee performance measures individual achievement in increasing organizational productivity. Performance should be evaluated based on predetermined criteria, taking into account each employee's competencies and skills. While many studies have examined the relationship between leadership style, working hours, and performance, specific studies at PT Citra Kendedes Cake and Bakery are limited. This creates an academic gap, especially in understanding the company's dynamics of these two factors.

PT Citra Kendedes Cake and Bakery in Malang is facing challenges related to suboptimal employee performance, allegedly due to the ineffective application of leadership styles and working hour arrangements. This study analyzes how transformational or situational leadership and flexible work scheduling can increase employee motivation and productivity. Combining these two factors will create synergy to build a healthy and sustainable work environment.

The research focus includes three main aspects: (1) the role of leadership style in shaping a supportive work environment, (2) the contribution of working hours arrangements to employee well-being and effectiveness, and (3) the interaction between leadership and working hours in improving performance holistically. The research objectives were formulated to identify the influence of leadership, evaluate the impact of working hours, and investigate the synergy of these two factors in the context of PT Citra Kendedes Cake and Bakery.

LITERATURE REVIEW

Leadership Style

Krisbiyanto *et al* (2019) defined leadership style as a pattern of behavior and strategies used by leaders to influence, direct, and manage individuals or groups in achieving organizational goals. Leadership is a leader's ability to guide and direct subordinates to achieve targets effectively, both individually and as a team. Drucker (2020) stated that good leaders focus on results and have high emotional intelligence, enabling leaders to manage their and subordinates' emotions to achieve organizational goals.

Working Hours

Working hours is a concept used to describe the time workers spend performing tasks assigned by their employers. There have been many developments in the theory of working hours that focus on productivity, employee well-being, and company efficiency. OECD (2019) shows that in countries with shorter working hours, such as Germany and the Netherlands, productivity levels per hour are higher than in countries with longer working hours. This research supports the idea that shorter working hours can produce better results than long working hours, which cause fatigue and decreased performance.

Employee Performance

Employee performance results from work done by an individual in an organization, measured against predetermined standards or goals. According to Robbins and Judge (2019), employee performance is the level of effectiveness of an individual in carrying out the tasks and responsibilities given, which can be measured based on the quantity and quality of work results, timeliness, and contribution to organizational goals. Employee performance relates to behavior that is relevant to the job and relates to measurable results.

RESEARCH METHODS

The research used a descriptive qualitative approach to describe the influence of leadership style and working hours on employee performance in the company. The research location was the head office of PT Citra Kendedes Cake and Bakery on Jalan Raya Sulfat No 49, Purwanto, Belimbing sub-district, Malang City. A purposive sampling method was applied by selecting key participants, such as the store operations supervisor and Human Resource Development, as explained by Ames *et al.* (2019). Data were collected through in-depth interviews, participatory observation, and document analysis, then thematically analyzed to identify patterns of interaction between leadership, working hours, and performance. Data validity was tested by triangulating sources (interviews, observations, documents) and triangulating analysis (thematic and narrative methods), as described by Santos *et al* (2020).

RESULTS AND DISCUSSION

The Role of Leadership Style in Improving Employee Performance at PT Citra Kendedes Cake and Bakery

Based on observations and discussions with store operations supervisors and HRD on November 26, 2024, PT Citra Kendedes Cake and Bakery applied a situational, adaptive, and flexible leadership style to adjust organizational dynamics. This approach is in line with Thoha's (2010) view, which emphasizes that leadership style is not just an individual trait but a pattern of behavior designed to influence subordinates contextually. Leaders in this company combine democratic (involving employees in decision-making), delegative (giving room for delegation of authority), and a unique "servant" (serious but relaxed) approach. This combination allows leaders to respond to situational needs regarding collaboration and work efficiency while balancing authority with empathy, as emphasized by Hasibuan (2019).

The main advantage of this leadership model lies in integrating humanist and procedural principles. For example, open communication and reduced hierarchy create a comfortable working environment, while SOPs serve as guidelines to maintain operational consistency. As the store operations supervisor expressed, the "servant" approach combines familiarity with professionalism. On the other hand, HRD highlighted the role of SOPs as a solution to structural weaknesses, such as policy inconsistencies or miscommunication during discussions. Thus, productivity and team interpersonal relationships can be maintained simultaneously.

However, the study also identified operational challenges. First, employee confusion due to non-uniform policy references reflects weaknesses in internal documentation and communication systems. Second, emotional dynamics within the team, such as SPGs' adverse reactions to sudden reprimands, point to the need for consistency in applying discipline. These two issues underscore that clear procedures and transparent communication must support leadership flexibility. Otherwise, situational adaptation risks creating ambiguity, as Thoha (2010) reminds us of the

importance of leader consistency.

The Role of Working Hours in Improving Employee Performance at PT Citra Kendedes Cake and Bakery

Based on the research analysis, PT Citra Kendedes Cake and Bakery applies a standardized eight-hour working hour system for all employees in the production, cashier, and administration divisions. This policy is based on the concept of working hours, which is defined by Tulhusnah & Puryantoro (2019) as a time limit set by the company to complete job responsibilities. Standardization is considered adequate because it aligns with daily operational needs, facilitates coordination, and minimizes the risk of task distribution imbalances. However, the company allows operational supervisors to adjust supervision schedules according to store work dynamics. This supports Herdiansyah (2021) who stated that adapting working hours can increase managers' decision-making responsiveness.

Although the working hour policy is considered efficient, the results show that productivity depends not only on the duration of work. Other aspects, such as consistent application of SOPs, optimization of resources, and production process efficiency, also play an important role. This finding reinforces the research of Setiyani *et al.* (2019), which states that HR planning must be integrated with structural aspects such as SOPs and task allocation. The main obstacle lies in the level of SOP compliance among junior staff, which indicates the need for a stricter supervision system and continuous training programs. In addition, the company also considers employees' health and life balance by setting less extreme entry hours (morning or afternoon), thus maintaining motivation and work energy.

PT Citra Kendedes Cake and Bakery implements an overtime compensation policy that includes additional wages and meals for employees who work more than four hours beyond regular hours. This policy complies with labor regulations and reflects the company's efforts to improve employee welfare. High production demand, especially during specific periods such as Ramadan, makes overtime an inevitable solution. However, transparent and fair compensation has managed to maintain employee morale, reduce the risk of burnout, and reduce turnover. This aligns with HR management principles that emphasize the importance of financial incentives in increasing loyalty and job satisfaction.

The Role of Interaction Between Leadership Style and Working Hours in Improving Employee Performance at PT Citra Kendedes Cake and Bakery

This study explores the dynamic relationship between leadership styles and working hour arrangements in improving employee performance at PT Citra Kendedes Cake and Bakery. Based on the analysis of interviews with the HRD division and operational supervisors, the research reveals that the collaboration between adaptive leadership and a measured working hours policy plays an important role in creating a work environment that is productive, efficient, and attentive to staff welfare.

The leadership style in this company is flexible and responsive, according to the principles of adaptive leadership (Northouse, 2025). Leaders do not use a static approach but adjust policies according to operational needs, such as changes in working hours or responses to fluctuations in demand. HRD explained that the working hours policy is designed to "support smooth operations" by considering actual conditions. This approach aligns with transformational leadership (Bass & Riggio, 2006), emphasizing empathy, flexibility, and employee support.

Another unique finding was that shorter working hours than the industry standard

increased productivity. Operational supervisors stated that efficiency depends not on the duration of work but on optimal resource management and the leader's ability to motivate the team. Adaptive leadership and structured working hours balance flexibility and discipline so operational targets are achieved without compromising employee rights.

The research identified two key success factors for the company. First is situational leadership, where leaders respond dynamically to challenges, such as an overtime policy that only allows for urgent situations after owner approval. This reflects transparency and prevents abuse of authority. Second, clear SOPs are operational guidelines. Operational supervisors emphasize that leaders delegate performance optimization through standard procedures, reducing reliance on subjective decisions. This combination aligns with participatory leadership theory (Goleman, 2017), which combines a humanist approach with a procedural framework to balance innovation and consistency.

The company's hybrid strategy in combining business needs and employee welfare includes (1) recruitment of casual labor to cope with surges in demand without burdening permanent employees, thereby reducing the risk of burnout, and (2) a conditional overtime policy that is only approved if work cannot be completed within regular hours. These findings reinforce situational leadership theory's relevance in the dynamic retail industry context while supporting Bass & Riggio's (2006) theory of transformational leadership effectiveness in flexible work environments. Thus, this study confirms that the synergy between adaptive leadership, rational working hour policies, and transparent procedural systems is key to sustainable performance improvement.

Policy and Strategy Development

Based on the analysis and interviews with PT Citra Kendedes Cake and Bakery, several important findings were revealed regarding the impact of leadership style, working hour regulations, and technology adoption on employee productivity. These findings are relevant to previous literature and reveal specific company ecosystem characteristics.

PT Citra Kendedes Cake and Bakery adopts a dynamic leadership approach and can adapt to external policies and internal dynamics. This pattern aligns with transformational leadership theory (Judge & Piccolo, 2004), emphasizing individual empowerment to improve performance. However, the company also recognizes the importance of adjusting leadership styles to the situation's complexity, as described in situational leadership theory (Northouse, 2025). While there have been no complaints about this approach, companies must ensure that flexibility does not come at the expense of consistency of direction, especially at the operational level where multiple divisions are involved.

Technological innovations, such as printing and packaging machines, have been shown to improve operational efficiency. On the other hand, although the shifting working hours policy is considered "ideal," companies must be aware of the risk of chronic fatigue due to repetitive workloads, as Golden (2012) reminds us. Evaluation of working hour policies should consider work-life balance and employee mental health, not just meeting duration targets.

The recommendation to develop Standard Operating Procedures (SOPs) and individual performance appraisal systems shows the importance of a structured framework. The company's openness to employee input, especially regarding shifting policies, reflects the principle of participatory leadership (Arnold *et al.*, 2000). This

pattern can potentially increase employee engagement and reduce turnover, as evidenced in the study of Arnold *et al.* (2000), with a 30% reduction in turnover. However, the fact that the leadership style "has not been criticized" needs to be re-examined to determine whether this reflects satisfaction or lack of feedback channels. Formal mechanisms, such as periodic surveys, must be established to ensure employees' voices are heard in leadership evaluation.

Corporate strategies that combine adaptive leadership, technology, and effectiveness-based supervision reflect a holistic approach to HR management (Wang *et al.*, 2011). However, the success of this integration depends on continuous training for all levels of employees, especially in the face of changing government regulations and accelerating technological innovation. Thus, companies can maintain a balance between operational flexibility and consistency of goal achievement.

CONCLUSION

The conclusion of this research are:

1. PT Citra Kendedes Cake and Bakery adopt a leadership style that combines democratic, delegative, and "servant" (serious-casual) approaches in line with situational and transformational leadership theories. This combination allows flexibility in responding to operational dynamics, increasing employee engagement, and balancing authority and empathy. However, challenges such as policy ambiguity and disciplinary inconsistency emphasize the importance of strengthening internal documentation and communication systems so that flexibility does not lead to inconsistency.
2. The standardized eight-hour working hours policy, supported by situational supervisory flexibility and transparent overtime compensation, has successfully maintained productivity and reduced turnover. This finding aligns with Herdiansyah (2021) principle of adapting working hours for managerial responsiveness. However, productivity depends not only on the duration of work but also on SOP compliance, continuous training for junior staff, and balancing workload through recruitment of casuals when demand is high.
3. The interaction between responsive leadership and measured working hours balances discipline and flexibility. Participative leadership that involves employees in decision-making, along with clear SOPs, reduces reliance on subjective decisions. Due to resource optimization and team motivation, efficiency is achieved even when working hours are shorter than industry standards. However, companies must mitigate chronic fatigue risk by prioritizing mental health and work-life balance.
4. Using printing or packing machine technology and defined SOPs improves operational efficiency, supporting OECD findings on the correlation between technology and productivity. Openness to employee input and continuous training are key to adapting to external changes. However, the rigidity of SOPs can potentially stifle creativity, which needs to be balanced with formal feedback mechanisms to ensure employee satisfaction and consistency of strategic direction.

Suggestions that can be given from this study are:

1. To increase effectiveness, organizations need to align leadership style flexibility with periodic evaluation of SOPs to ensure relevance to operational needs
2. Quantitative studies to measure the correlation between adaptive leadership style, flexible working hours, and productivity.

3. Exploration of the role of technology in supporting adaptive leadership, such as the use of AI-based time management tools

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