

The Effects of Democratic Leadership Style, Intrinsic Motivation, and the Organizational Environment on Employee Job Satisfaction at Elmas Fresh

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Abstract

This study aims to investigate the effects of democratic leadership style, intrinsic motivation, and organizational environment on employee job satisfaction at Elmas Fresh Company. The approach used in this study was a quantitative method. Data were collected by distributing questionnaires to all employees of Elmas Fresh, employing a sampling technique. The data obtained online were subsequently analysed using multiple linear regression with the aid of SPSS software. The research results indicate that democratic leadership style and intrinsic motivation have a positive and significant effect on employee job satisfaction. Partially, the organizational environment does not have a significant effect; although the direction of its influence is positive, statistically, its impact is not strong enough. Simultaneously, democratic leadership style, intrinsic motivation, and organizational environment together have a significant influence on employee job satisfaction at Elmas Fresh Company. It is recommended that the company provide appreciation, maintain employees' intrinsic motivation, and pay attention to aspects of supporting employee competence development so that employee job satisfaction remains maintained and improves.

INTRODUCTION

Human resources are one of the most important factors in determining an organization's success. In an era of increasingly intense competition, companies are required not only to achieve financial targets but also to manage their human resources effectively to ensure employees remain in optimal physical and psychological condition to accomplish organizational goals. One of the key aspects of human resource management is fostering employee job satisfaction, as job satisfaction is closely associated with employee performance, organizational commitment, productivity, and retention. Previous studies have demonstrated that employee job satisfaction positively influences productivity, work behavior, turnover control, and overall organizational performance (Afuan et al., 2023; Sunarta, 2019).

Employee job satisfaction is influenced by various factors originating from both individual characteristics and the organizational environment. One of the most influential factors is leadership style. An appropriate leadership style can create a positive work climate, strengthen employee engagement, and encourage employees to perform optimally. Previous research has consistently shown that leadership style has a positive and significant effect on employee job satisfaction. Moreover, democratic leadership has been identified as a significant predictor of employee satisfaction because it enhances employee motivation and performance through participative decision-making, open communication, and respect for employees'

opinions. By involving employees in organizational decisions, democratic leaders create a sense of ownership and trust, which ultimately enhances job satisfaction (Paendong et al., 2020; Kosidin & O'Neill, 2024; São Paulo & Sundari, 2024).

In addition to leadership style, intrinsic motivation is another important determinant of employee job satisfaction. Intrinsic motivation refers to an individual's internal drive to perform work because it is inherently enjoyable, meaningful, or personally rewarding. According to Self-Determination Theory (Ryan & Deci, 2020), intrinsic motivation develops when individuals' basic psychological needs for autonomy, competence, and relatedness are fulfilled. Employees with high intrinsic motivation tend to experience greater job satisfaction because they perceive their work as meaningful and fulfilling. Empirical studies have consistently confirmed that intrinsic motivation has a positive and significant effect on employee job satisfaction. Employees who are intrinsically motivated are more likely to perform their tasks enthusiastically and effectively, leading to higher levels of job satisfaction (Ryan & Deci, 2020; Kurniawan & Purnamarini, 2023; Aswara & Kurniawan, 2023).

The organizational environment also plays a crucial role in shaping employee job satisfaction. Previous research has found that the work environment is one of the strongest predictors of employee job satisfaction, even exceeding the influence of work discipline and motivation. These findings indicate that both the physical and non-physical work environment—including harmonious interpersonal relationships, a supportive organizational culture, and adequate workplace facilities—contribute significantly to employees' comfort and satisfaction at work. Conversely, an unfavorable organizational environment may reduce job satisfaction and negatively affect employee performance (Hamdan & Gentari, 2022; Paendong et al., 2020; Phenating Agents & Nawawi, 2023).

The novelty of this study lies in several important contributions. First, this research simultaneously examines the effects of democratic leadership style, intrinsic motivation, and organizational environment on employee job satisfaction using a single integrated research model within the context of an Indonesian food and beverage small and medium-sized enterprise (SME). Second, it provides empirical evidence from Elmas Fresh, a company that has not previously been investigated, thereby enriching the literature on job satisfaction determinants in Indonesian regional businesses. Third, this study integrates Path–Goal Theory (House, 1971) and Self-Determination Theory (Ryan & Deci, 2020) as complementary theoretical frameworks to explain the relationships among the research variables. Finally, the study offers practical recommendations tailored to the organizational context and operational conditions of Elmas Fresh, thereby enhancing the practical relevance and applicability of its findings.

Despite the recognized importance of employee job satisfaction, many organizations continue to experience challenges in creating a satisfying work environment. These challenges may arise from inappropriate leadership practices, insufficient intrinsic motivation among employees, and organizational environments that fail to adequately support employee well-being. If these issues remain unresolved, they may lead to decreased productivity, increased absenteeism, and higher employee turnover. Preliminary observations conducted at Elmas Fresh indicate several issues related to employee job satisfaction. Some employees perceive that opportunities to express their opinions and participate in decision-making remain limited. Furthermore, differences in employees' enthusiasm and work initiative suggest varying levels

of intrinsic motivation. In addition, aspects of the organizational environment, particularly interpersonal relationships and the overall workplace atmosphere, require further improvement to create a more supportive and comfortable working environment. These issues warrant investigation because employee job satisfaction is a critical determinant of employee performance, organizational commitment, and productivity.

Based on these considerations and given the absence of previous studies conducted within Elmas Fresh, this research aims to examine empirically the influence of democratic leadership style, intrinsic motivation, and organizational environment on employee job satisfaction at Elmas Fresh.

METHOD

Population, Sample, and Sampling Technique

The population refers to the entire group of individuals or subjects that become the focus of a study. In this research, the population consisted of 44 employees of Elmas Fresh, all of whom were considered to possess relevant work experience related to the variables being investigated.

According to Sugiyono (2021), a population is a generalized area consisting of objects or subjects with specific characteristics and qualities determined by the researcher for investigation and from which conclusions are drawn. Similarly, Arikunto (2019) defines a population as the entire set of research subjects. When all members of the population are included in a study, the research is referred to as a population study or census.

A sample is a subset of the population selected to represent the characteristics of the entire population (Arikunto, 2019). Hair et al. (2021) suggest that an adequate sample size should generally be at least five to ten times the number of variables being analyzed. However, because the total population in this study consisted of only 44 employees, all members of the population were included as research participants. Therefore, the sample size was 44 respondents, representing the entire population.

Sampling Technique

This study employed a census sampling technique (total sampling), in which all members of the population were selected as research respondents. Census sampling is appropriate when the population size is relatively small, allowing every member to participate in the study and minimizing sampling error (Hanifah et al., 2017). Data from all respondents were collected using a structured questionnaire.

Data Collection Method

The primary data collection method used in this study was a questionnaire. A questionnaire is a data collection instrument consisting of a series of written questions or statements designed to obtain information directly from respondents (Widoyoko, 2012). The questionnaire was distributed to all employees of Elmas Fresh to collect data regarding democratic leadership style, intrinsic motivation, organizational environment, and employee job satisfaction.

To measure respondents' perceptions, the questionnaire employed a five-point Likert scale, which is widely used to assess attitudes, opinions, and perceptions, namely:

Table 1. Scale Likert

Score	Remarks
1	Strongly Disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly agree

Place and time of data collection

The place where this data collection was carried out directly from the research location located in Sukalarang District, Sukabumi Regency, West Java Province, by distributing research questionnaires (google form link) via WhatsApp which was carried out digitally or online. The time for data collection for this research has been carried out in June 2026.

RESULTS AND DISCUSSION

The Influence of Leadership Style on Job Satisfaction

The results of the first hypothesis test showed that democratic leadership style had a positive and significant effect on job satisfaction, with a t-count value of $2.569 > t\text{-table of } 1.684$ and a significance value of $0.014 < 0.05$, so H1 was accepted. The regression coefficient with a positive value of 0.364 shows that the better the application of democratic leadership style, the higher the job satisfaction of employees. These findings are in line with conditions in the field, where the item with the highest mean value on the democratic leadership style variable is the trust given to employees to complete delegated work (mean 4.34). This shows that employee involvement in decision-making, two-way communication, and delegation of authority can foster a sense of respect and trust, which ultimately increases job satisfaction. The results of this study support previous research that states that democratic leadership style has a positive effect on employee job satisfaction (Paendong et al., 2020) .

The Influence of Intrinsic Motivation on Job Satisfaction

The results of the second hypothesis test showed that intrinsic motivation had a positive and significant effect on job satisfaction, with a t-count value of $4.645 > t\text{-table of } 1.684$ and a significance value of $0.000 < 0.05$, so H2 was accepted. The regression coefficient of 0.734 is the highest among all independent variables, so it can be said that intrinsic motivation is the most dominant variable influencing job satisfaction in this study. This shows that motivation that comes from within employees, such as the desire to continuously develop their abilities (highest mean 4.27), sense of enjoyment of work, and involvement in the team, contribute the most to job satisfaction compared to other factors. Intrinsically motivated employees tend to feel that their work is meaningful, so their satisfaction increases. These findings reinforce previous research that concluded that intrinsic motivation has a significant effect on job satisfaction. (Kurniawan & Purnamarini , 2023)

The Influence of the Organizational Environment on Job Satisfaction

The results of the third hypothesis test showed that the organizational environment had no significant effect on job satisfaction, with a t-count value of $1.156 < t\text{-table of } 1.684$ and a significance value of $0.255 > 0.05$, so H3 was rejected. Although the regression coefficient is positively marked as 0.234, the effect is not statistically strong enough to be declared

significant. The insignificance of the influence of the organizational environment is suspected because employee job satisfaction is determined more by internal factors (intrinsic motivation) and leadership quality than by the conditions of the work environment. In addition, from the descriptive analysis, it can be seen that the company's support items for competency development obtained the lowest mean (3.68); This means that even if the physical environment is considered good, the development support aspect that is still not optimal can cause the contribution of this variable to job satisfaction to be weak. The results of this study are not in line with previous research that found that the organizational environment has a significant effect on job satisfaction. (Paendong et al., 2020)

The Simultaneous Influence of Democratic Leadership Style, Intrinsic Motivation, and Organizational Environment on Job Satisfaction

The results of the simultaneous testing showed that democratic leadership style, intrinsic motivation, and organizational environment together had a significant effect on job satisfaction, with an F-count value of $47.013 > F\text{-table of } 2.84$ and a significance value of $0.001 < 0.05$, so H4 was accepted. The value of the determination coefficient (Adjusted R Square) of 0.762 and the R Square of 0.779 showed that the three independent variables were able to explain 77.9% of the variation in employee job satisfaction, while the remaining 22.1% were influenced by other factors outside the research model, such as compensation, workload, or organizational culture. Thus, overall this research model is feasible to use and has the ability to explain job satisfaction which is relatively high. Although the organizational environment does not have a significant effect, simultaneously all three variables have proven to be important determinants of employee job satisfaction at Elmas Fresh company. The results of this study are in line with previous research that states that democratic leadership style, intrinsic motivation, and organizational environment simultaneously have a positive and significant effect on employee job satisfaction (Paendong et al., 2020) .

CONCLUSION

Based on the results of the analysis and discussion regarding the influence of democratic leadership style, intrinsic motivation, and organizational environment on employee job satisfaction at Elmas Fresh Company, it can be concluded that democratic leadership style has a positive and significant effect on employee job satisfaction. This indicates that the implementation of democratic leadership through employee involvement in decision-making processes, effective two-way communication, and trust in task delegation contributes to increasing employee satisfaction. Furthermore, intrinsic motivation also has a positive and significant effect on employee job satisfaction, with this variable showing the most dominant influence among the three independent variables. This finding demonstrates that internal factors, such as the desire for personal growth, enjoyment of work, and active involvement within the team, become the strongest drivers in enhancing employee job satisfaction. Meanwhile, the organizational environment shows a positive but insignificant effect on employee job satisfaction, indicating that although a supportive organizational environment is important, it has not become the primary determinant of satisfaction compared to leadership style and intrinsic motivation. Simultaneously, democratic leadership style, intrinsic motivation, and organizational environment have a significant effect on employee job satisfaction at Elmas Fresh Company. These three variables collectively explain 77.9% of the

variation in employee job satisfaction, while the remaining 22.1% is influenced by other factors outside the research model.

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