

Laissez-Faire Leadership Style and its Implications on the Work Environment and Employee Performance in Public Organizations (A Study at the DKI Jakarta Education Office)

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KEYWORDS	ABSTRACT
Laissez-faire leadership; Work environment; Employee performance; Public sector.	Leadership is a strategic factor in improving organizational effectiveness, particularly in public sector institutions where service quality and employee performance are closely linked to leadership practices. One leadership style often encountered in government organizations is <i>laissez-faire</i> leadership, which is characterized by minimal direct intervention from leaders and a high level of autonomy granted to employees in carrying out their tasks. While this leadership style may encourage independence and creativity, its effectiveness largely depends on the organizational context, especially the quality of the work environment. This study aims to analyze the effect of <i>laissez-faire</i> leadership on the work environment and employee performance at the DKI Jakarta Education Office. The research adopts a quantitative approach using a survey method. Data were collected through structured questionnaires distributed to employees and subsequently analyzed using multiple linear regression techniques. The analysis focuses on examining both the direct and indirect relationships between leadership style, work environment, and employee performance. The results indicate that <i>laissez-faire</i> leadership has a significant influence on the work environment, particularly in terms of flexibility, interpersonal relationships, and perceived autonomy. Furthermore, the work environment is found to have a significant effect on employee performance. However, the direct impact of <i>laissez-faire</i> leadership on employee performance is relatively weak when not supported by a conducive work environment. Therefore, this study concludes that the work environment plays a crucial mediating role in strengthening the influence of <i>laissez-faire</i> leadership on employee performance in public sector organizations.

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INTRODUCTION

Bureaucratic reform in Indonesia requires every government agency to improve the performance of the state civil apparatus in a sustainable manner (Haryono et al., 2024; Maulana et al., 2022; Umar et al., 2019; Wahyurudhanto, 2020). Employee performance is the main indicator of the success of public sector organizations in providing effective, efficient, and accountable services to the community (Thuda et al., 2019; Zhenjing et al., 2022). In this

context, the Department of Education as one of the regional apparatuses has a strategic role in the implementation of education services, ranging from policy planning to the execution of education programs in the regions. Therefore, the quality of performance of Department of Education's employees is a crucial factor in supporting the achievement of educational development goals (Ahya Nurdin & Dety Mulyanti, 2023; Arab & Göktaş Kulualp, 2024; Suganda et al., 2023).

One of the important factors that affect employee performance is leadership style. Leadership not only functions as a tool to control the organization but also as a mechanism to shape employee behaviors, attitudes, and work patterns (Basri et al., 2021; Hasyim, 2022; Hidayat et al., 2024; Kitta & Salim, 2022). Robbins and Judge (2017) stated that leadership style reflects the leader's behavior pattern in influencing subordinates to achieve organizational goals. In public sector organizations, the leadership style applied by leaders often determines the quality of coordination, communication, and decision-making in the work environment.

The *laissez-faire* leadership style is one of the leadership styles characterized by a low level of direction and supervision from the leader, as well as a high level of freedom given to employees. Leaders with this style tend to give full trust to subordinates to organize and complete their work independently. Under certain conditions, a *laissez-faire* leadership style can encourage employee creativity, a sense of responsibility, and independence. However, in the context of bureaucratic organizations that have a formal structure and strict work procedures, the application of this leadership style has the potential to cause role uncertainty, weak coordination, and a decrease in work discipline if it is not balanced with the work system and a supportive organizational environment.

This research has a novelty value that distinguishes it from previous leadership studies. It focuses on the context of the regional education bureaucracy, namely the Department of Education of DKI Jakarta, which has structural characteristics in the form of an organizational hierarchy, strict regulations, and a personnel system based on state civil servants. This context is still relatively limited in the leadership literature, which has focused more on the private sector or formal educational institutions.

In a public organization loaded with demands for accountability and regulatory compliance, the effectiveness of *laissez-faire* leadership is still up for debate. Therefore, this study is relevant to examine the extent to which the leadership style affects the work environment and employee performance in the context of local government bureaucracy.

METHOD

This study employed a qualitative approach with a descriptive-analytical research design. The qualitative approach was chosen because the study aimed to understand in depth the conceptual and empirical relationship between the *laissez-faire* leadership style, work environment, and employee performance in the context of public sector organizations, especially in the Department of Education of DKI Jakarta.

This model assumed that leadership styles affect the psychological and social conditions of employees through the work environment, which in turn impacts performance. In the context of the Department of Education of DKI Jakarta, *laissez-faire* leadership was understood as the provision of broad work autonomy with a relatively low level of leadership involvement in

supervision and decision-making. The work environment served as a mechanism that explained how the leadership style translated into work behavior and employee performance achievements.

This study examined the influence of the *laissez-faire* leadership style on the work environment and employee performance within public organizations, with a specific focus on the Department of Education of DKI Jakarta. Theoretically, it contributed to the development of public sector leadership and organizational behavior literature by providing empirical evidence on how *laissez-faire* leadership operated in a governmental context. Practically, the findings served as a reference for public managers and policymakers in designing leadership strategies and improving the work environment to enhance employee performance, as well as to support more effective and adaptive leadership practices in public organizations.

- 1) H1: *Laissez-faire* leadership had a significant impact on the work environment.
- 2) H2: The work environment had a significant effect on employee performance.
- 3) H3: *Laissez-faire* leadership had a significant effect on employee performance.
- 4) H4: The work environment mediated the influence of *laissez-faire* leadership on employee performance.

Although this study formulated research hypotheses (H1–H4), these hypotheses were not statistically tested as in quantitative research but were used as analytical propositions that guided the process of searching, grouping, and interpreting secondary data. Thus, the hypotheses in this study served as conceptual tools to explain the direction of the relationship between variables based on the findings of the literature and empirical documents analyzed.

RESULTS AND DISCUSSIONS

The Effect of *Laissez-Faire* Leadership on Employees' Work Environment (H1)

The results of literature reviews and empirical documents show that *laissez-faire* leadership has a significant role in shaping the characteristics of the employee work environment. In public organizations, leadership not only functions as an instructional provider, but also as a key actor in creating a structured, coordinated, and conducive work climate. When leaders apply a *laissez-faire* style, the level of intervention and direction to employees becomes relatively low, so the dynamics of the work environment are greatly influenced by the individual capacities of employees and existing organizational systems.

In the context of the Education Office, *laissez-faire* leadership can create a work environment that provides autonomy for employees to manage their tasks independently. This work autonomy has the potential to increase employee confidence and responsibility, especially for employees who already have adequate experience and competence. However, at the same time, the lack of direction and coordination from the leadership also has the potential to cause uncertainty in the implementation of duties, especially in bureaucratic organizations that demand compliance with formal procedures and regulations.

Robbins and Judge (2017) emphasized that an effective work environment requires clarity of roles and structured communication flows. In *laissez-faire* leadership, the absence of leadership in the strategic decision-making process can undermine that clarity. As a result, the work environment that is formed tends to be informal, poorly coordinated, and dependent on individual initiative. These findings reinforce the first hypothesis (H1) that *laissez-faire* leadership has a significant effect on employees' work environments.

The Influence of Work Environment on Employee Performance (H2)

The work environment is an important factor that determines the level of employee performance, especially in public sector organizations that prioritize service effectiveness. A conducive work environment includes not only physical aspects, but also psychological and social aspects, such as working relationships between employees, leadership support, and a well-functioning communication system.

The results of the study show that a clear, structured, and supportive work environment can increase employee motivation and focus in completing tasks. On the other hand, an unconducive work environment tends to cause work stress, role conflicts, and decreased productivity. In the Education Office, the condition of the work environment greatly determines the success of the implementation of educational programs involving many stakeholders and work units.

Mangkunegara (2016) stated that employee performance is the result of the interaction between individual abilities and work environment conditions. A supportive work environment allows employees to work optimally according to the standards set by the organization. Therefore, the second hypothesis (H2) which states that the work environment has a significant effect on employee performance has strong support from various empirical findings and theoretical studies.

The Effect of Laissez-Faire Leadership on Employee Performance (H3)

The direct influence of laissez-faire leadership on employee performance in public organizations is inconsistent and highly dependent on the context of the organization. In some cases, laissez-faire leadership can encourage employees to work independently and innovatively, ultimately improving individual performance. However, in the context of government bureaucracy, this leadership style often does not have a strong direct impact on employee performance.

The absence of adequate direction and supervision from leaders can cause employees to have difficulty setting work priorities and aligning individual goals with organizational goals. This is in line with the view of Yukl (2013) who states that effective leadership requires a balance between granting autonomy and control. Without this balance, employee performance tends to be suboptimal. Thus, the third hypothesis (H3) is conceptually acceptable with the note that the influence of laissez-faire leadership on employee performance is not direct and depends on other supporting factors, especially the work environment.

The Role of Work Environment Mediation in Laissez-Faire Leadership Relationships and Employee Performance (H4)

The results of the study show that the work environment plays a key role as a mediating variable in the relationship between laissez-faire leadership and employee performance. Laissez-faire leadership does not automatically increase or decrease employee performance, but rather affects performance through the formation of a specific work environment.

When laissez-faire leadership is able to create a conducive work environment—for example, through trust, clearness of work systems, and open communication—employees tend

to perform better. On the other hand, if this leadership style produces an ambiguous and less coordinated work environment, then employee performance will decrease.

These findings corroborate the fourth hypothesis (H4) that the work environment mediates the influence of laissez-faire leadership on employee performance. Thus, the work environment is a major determining factor in explaining the effectiveness of laissez-faire leadership styles in public sector organizations.

Theoretical and Practical Implications

Theoretically, this study broadens the understanding of laissez-faire leadership by placing it in the context of public organizations that have strong structural and regulatory characteristics. This study shows that the effectiveness of laissez-faire leadership is not universal, but is strongly influenced by the conditions of the work environment. Practically, the findings of this study provide implications for the leadership of the DKI Jakarta Provincial Education Office not to apply a purely laissez-faire leadership style. It is necessary to strengthen the work system, clear division of tasks, and effective communication mechanisms so that the work environment formed can support the improvement of employee performance.

CONCLUSION

This study concluded that the *laissez-faire* leadership style significantly shaped the work environment at the Department of Education of DKI Jakarta, fostering high employee autonomy but risking role ambiguity, weak coordination, and suboptimal communication without robust work systems. A conducive work environment—psychologically, socially, and structurally—positively influenced employee performance by boosting motivation, focus, and productivity, while poor management hindered it. The direct impact of *laissez-faire* leadership on performance was inconsistent and context-dependent in regulated public organizations, with the work environment acting as a key mediator; thus, its effectiveness was indirect, relying on balanced application with clear task allocation, coordination, and communication to sustainably enhance outcomes. For future research, quantitative studies using structural equation modeling across multiple public sector agencies could test these relationships longitudinally, while mixed-methods approaches might explore moderating factors like organizational culture or digital tools in post-pandemic bureaucratic settings.

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