Participatory Leadership Style of Top Management at Medi Groups Bali

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ARTICLE INFORMATION

ABSTRACT

The purpose of the study was to determine the participatory leadership style of the top management of Medi Groups Bali. This research was conducted with a descriptive qualitative approach and data collection by observation and interview. The result of this research is that this participatory leadership style can develop the company because it builds a culture in which all teams must actively contribute to every existing process by increasing their work motivation and innovation. The participatory decision-making process at Medi Groups is divided into two levels: the executive level, which produces strategic policies, and the operational level, which has decisions in terms of execution. This study concludes that decisions made through discussions between superiors and subordinates with many studies and inputs from different individuals and generations enable the company to adapt to current developments and survive in the future.

Keywords: Decision Making, Innovation, Motivation, Participatory Leadership.
INTRODUCTION

A company is a place for people to work in an organized, controlled, and guided manner by utilizing the facilities and infrastructure that have been provided efficiently and effectively to achieve the company's goals. Human resources are one of the essential keys that need to be considered for a company's sustainable development. Human resources are meant in a company, namely the existence of leaders and also workers or employees. In a company, leaders and workers must have good cohesiveness and cooperation to achieve the expected target or goal. Company leaders must have the right leadership style to apply to their own company so that all company activities will be well coordinated. Hasibuan (as cited in Christin & Suprastha, 2019) states that a leader is someone who uses his leadership authority to direct others and is responsible for that person's work in achieving a goal. Based on this understanding, a leader is needed in a company so that they are able to provide input to their subordinates in order to achieve the company's goals that were set from the start. Every leader certainly has different characters and traits influenced by several factors, such as the formation of their previous work environment. This also affects how a leader will set a leadership style for his company.

Sadili (as cited in Priatna & Nasution, 2015) states that leadership style is a pattern of behavior designed to integrate organizational goals with individual goals to achieve a particular purpose. Through this understanding, leadership style can be interpreted as a strategy applied by a leader to guide his employees and provide motivation in the hope of increasing higher employee productivity. A leader must be able to choose the right leadership style for his company according to the existing situation and conditions because if the leadership style applied is correct, it can facilitate the achievement of company goals. In addition to leaders, employees are also one of the essential elements in determining the level of progress of a company. The existence of work motivation and innovation from employees is one of the important things for the development of the company. Many factors can influence the spirit and motivation of employees to work hard. One of them is the application of the right leadership style by the leader. Participatory leadership is one leadership style that directly involves employees in giving ideas and making decisions.

The development of companies in Indonesia is snowballing nowadays, especially in education, such as hospitality and cruise lines. This is due to a large number of foreign and domestic hotel developments. Thus, it will open up great opportunities to continue developing in the future. In this study, the authors focus on the top management of one of Bali's hospitality and cruise line education companies, namely Medi Groups Bali. Medi Groups is an educational company in the Province of Bali that focuses on developing human resources in hospitality and cruise lines with international standard quality. Medi Groups consists of 4 business units, including Mediterranean Bali, Crew Window, Bali Tourism Certification Institute (LSP Par Bali), and Mariner Language Center (MLC).

Medi Groups was chosen as the object of this research because the top management of this company has recently implemented a new leadership style, namely a participatory leadership style within the company. Before this participatory leadership style was applied, Medi Groups had implemented autocratic leadership. All considerations and decisions tend to be made by top management without involving the team's and employees' opinions. The principal purpose of the transition in management utilization is because the control is based on Medi Groups. With organizational improvement and the surge of productiveness and performance, autocratic management is modified to participatory management to enhance the institution's progress. In addition, the strong reason for the previous leadership style being changed is also because top management
from different generations wants to get the best version of every young millennial leader who is rich in innovation and has creative ideas. Thus, it can strengthen the institution's sustainability and continue to thrive amid intense business competition in the world during technological disruption.

Because this participatory leadership style is still relatively new to Medi Groups, therefore there has been no previous research that has conducted the same research on this object. However, several studies have examined the impact of participatory leadership on work performance and the mediation process involved, Newman et al. (as cited in Chan, 2019). Therefore, this research focus on a leadership style that is being applied as well as on work motivation and innovation which are the most fundamental things and are needed by the company so that the results can be useful for companies in this quite challenging situation. Therefore, the authors conducted research with the title "Participatory Leadership Style of Top Management at Medi Groups Bali". Based on the study's background, the problem formulation is what is the participatory leadership style of the top management of Medi Groups Bali?

**LITERATURE REVIEW**

**Leadership**

Djanaid (2004) states that leadership is the art of influencing, moving, and directing action on a person or group to achieve specific goals in certain situations. Meanwhile, according to Daft (2011), leadership is a relationship that aims to influence leaders and their subordinates to achieve real change and get results that are in accordance with common goals. Through some of these understandings, leadership is defined as containing elements of influencing others. Therefore, from the above definition, it can be said that leadership is a person's ability to influence and direct a group to achieve a change that has been designed to achieve company goals.

Every company has the right to have leadership that is considered suitable and appropriate to be applied in the company. According to Yulk (2010), based on how to lead leadership is divided into three types contained, namely:

a. Autocratic Leadership

   Autocratic leadership is a type of leadership that uses power to make decisions. In other words, the power lies with the leader. In this type of leadership, the leader has the right to all matters relating to company decision-making without asking for input from his employees.

b. Participatory Leadership

   This type of leadership involves collaboration between the leader and his subordinates. In this leadership, company leaders involve their employees in decision-making, giving advice, input, and ideas. Moreover, every decision is not taken unilaterally but decided democratically. Therefore, a good relationship between leader and subordinates is important in this type of participatory leadership.

c. Delegative Leadership

   Delegative leadership tends to delegate decision-making authority to subordinates. In this type of leadership, subordinates are given the authority to solve their own problems. Leaders in this leadership only play a small role and hand over responsibility and power to subordinates.

Each leader has his own characteristics, so the company leader will generally choose the type of leadership suitable for his company. If appropriate leadership is applied, it can minimize problems and improve organizational performance in achieving company goals.
Participatory Leadership

Wang, Hou, and Li (2022) stated participative leadership, which inspires and helps personnel to take part in the decision-making technique of organizations, has obtained a growing interest in both idea and practice. Malayu (2014) stated three terms are closely related to participatory leadership, including 1) Consultation, namely opinions and ideas are conveyed by subordinates and the leader makes decisions, 2) Joint decisions, namely final decisions are taken jointly between leaders and subordinates, 3) Delegation, namely the leader gives full authority to subordinates to make decisions.

Ranupandojo (as cited in Christin & Suprastha, 2019), the participatory leadership style is a leader who involves subordinates in decision-making. According to Hasibuan (2018), participatory management is the pacesetter in a management application, is accomplished persuasively, creates harmonious cooperation, and fosters loyalty and the participation of its subordinates. From this understanding, it can be concluded that this participatory leadership style tends to provide space for subordinates to participate in providing ideas, criticism, and suggestions when making a decision. This is important so that subordinates' creative thoughts can form a solution and produce decisions that will impact company team members.

In the participatory leadership style, company leaders must foster excellent and compact team performance and foster new motivation and innovations for their subordinates. Leaders who apply participatory leadership must involve their subordinates in making important decisions and seek input and respect the viewpoints of their subordinates. When employees have participated, they will see the entire company system. Employees will also be more open to interacting directly with colleagues and other stakeholders. In addition, employees will feel real benefits from this participatory leadership practice. They will be more capable of improving the quality of cooperation between their co-workers and maximizing their performance to improve the quality of the company's operations (Rok, 2009).

Leaders who apply participatory leadership in their companies tend to have more opportunities to succeed as leaders. The participatory leadership style is quite effective for setting a goal because this leadership always expects input from subordinates. The company will need input in order to create a mutually supportive work atmosphere and have strong cooperation to achieve the company's goals (Hasibuan, 2018). This can affect employee performance because the leader encourages his subordinates to issue ideas continually and will indirectly increase employee creativity at work.

Mutiu and Calvin (2022) found that the structural version confirmed that participative management and organizational lifestyle have significant outcomes on worker dedication. It also advocated that control of companies needs to inspire participative management fashion to enhance worker dedication. Moreover, companies need to create an ecosystem or lifestyle in which worker dedication is encouraged.

Sagnak (2016) indicated that participative management appreciably affected change-orientated organizational citizenship and intrinsic motivation. A great dating became located among change-orientated organizational citizenship and intrinsic motivation. It became decided that intrinsic motivation completely mediated the connection among participative management and change-orientated organizational citizenship behavior.

Work Motivation

Work Motivation is very important in any business group of people who work together to achieve the goals of the company/organization (Sulila, 2019). Reizer, Brender-Ilan, and Sheaffer (2019) found that positive emotions and job satisfaction mediate the positive
association between autonomous motivation and performance. Concurrently, negative emotions and decreased job satisfaction mediated the negative associations between controlled motivation and job performance. According to Hasibuan (as cited in Rahayu, 2017), motivation is a person's willingness to cooperate by providing the driving ability that will cause work excitement. A person basically does activities with his own impulses and desires. The emergence of those urges and the preference value create an exceptional character while operating in an environment. According to Mangkunegara (2013), the attitude of employees to respond to work situations in the company forms the employee's work motivation. From this understanding, motivation means the desire that arises in an employee when doing a job in an organization or team. This means that high employee motivation will affect their performance and contribution to the company when facing work situations.

The level of motivation that each individual has must be different depending on how the leader provides the needs of his employees to increase motivation of their employees. There are three necessities to improve employee motivation (Dessler, 2007):

a) The need for achievement where employees will prefer work with personal responsibility and reciprocity.

b) The need for affiliation, namely the desire of employees to have good and close relationships between individuals.

c) The need for power, which is the need that employees like when they influence and control others.

**Work Innovation**

Innovations owned by employees in a company are used to develop new elements or combine new elements with previously existing elements. The behavior of employees in providing innovation for their company is called innovative behavior. There are four indicators of employee work innovative behavior (De Jong & Den Hartog in Hadi et al., 2020). Thus are idea exploration, development, recognition, and implementation.

Work innovation can be defined as an economic and social success due to new ways or combinations formed from old ways to convert inputs into outputs to create changes in the relationship between use values and prices provided for consumers, communities, and the environment (Vontana as cited in Hafizah, Rudi, & Panjaitan, 2017). Another definition from Hasfitz (as cited in Mendo, 2019) states that work innovation is the actualization of the dynamics that continue to progress and develop. According to Aulawi et al. (as cited in Firmaiansyah, 2014), innovation is the acceptance and implementation of new ideas into products or processes in company activities. From this understanding, it can be interpreted that innovation is a new idea or combination of the previous ones to improve a product and create big changes. Innovations owned by employees in a company are applied to develop and combine new elements with elements that already exist. The behavior of employees in providing innovation for their company is called innovative behavior.

**RESEARCH METHOD**

This research was conducted with a descriptive qualitative approach. Researchers conducted field research to observe the application of the participatory leadership style at Medi Groups Bali. Based on these problems, the researcher used a case study type of research to collect data. Therefore, the phenomena used are actual and ongoing, not past ones. The sampling technique used in this study is a purposive sample; this technique is used to select sources based on predetermined criteria. Data collection methods, observations, and interviews are taken from the CEO, Vice CEO, Corporate Officer, and two staff of Medi Groups Bali from each unit. After getting all the data and
information obtained from the source, the data analysis process through data reduction, data presentation, conclusions, and data verification. According to Miles and Huberman (as cited in Noor, 2015), the interactive model qualitative data analysis consists of the flow of activities that occur as follows:

a) Data Collection
   This data collection was carried out through interviews with relevant informants and observations at the location of the research object of Medi Groups Bali.

b) Data Reduction
   The data collected through the previous stage was then analyzed and summarized. At this stage, these data will be simplified by converting rough data into field data. After that, the data can be used for the next process.

c) Data Presentation
   After reducing the data obtained, the data is presented in a neat and structured manner so that the data can be understood and analyzed more easily in accordance with the research objectives.

d) Conclusion and Data Verification
   Furthermore, preliminary conclusions that are still unresolved can be drawn at this stage. This initial conclusion can still change if no supporting evidence is found at the data collection stage.

RESULTS

Before participatory leadership was implemented, Medi Groups companies applied autocratic leadership in their organizations. Based on interviews that have been conducted, at the beginning of the company's establishment, it did not yet have a team that had the competencies as expected. Still, gradually, the existing team has begun to have the competencies as expected, so they are considered capable of contributing directly to providing input when decision-making. In 2017, the company started to have a corporate team, and since then, it was also decided that any future strategic policy for the company would use participatory leadership. The following is an excerpt from an interview with the Vice CEO, which states:

"Well, when we started the company, the decision was in the hands of the top leadership. At that time, we didn’t have a team with the competencies that matched the company’s expectations. Still, over time, the existing team began to meet the competencies and have competence as expected so that they are able to provide input when we make decisions. Since 2017 we have had a corporate team, then we decide whatever strategic company policies will use in the future using participatory management.” (Agung Widnyana, Vice CEO Medi Groups, interviewed on 22/08/2022).

Based on the results of interview data analysis, the informant said that although each leadership style has positive and negative values, with the implementation of this participatory leadership style, the company can develop more from year to year. This is evidenced by the growing number of business units that have continued to grow until now. Thus, the company can have a team that is very competent in their respective fields. The following is an excerpt from an interview with the Vice CEO, which states:

"In 2008, the company still used autocratic management, where we still have a minimum group. Over the years, the number of commercial enterprise devices grew, and the group did as well. So we’ve got a govt group that gives opinions or viewpoints on the regulations that we can pursue in the future. Thus, it gives clarity, including employing written policies or commands to make it simpler and ensure
that what we communicate to the group may be understood properly." (Agung Widnyana, Vice CEO Medi Groups, interviewed on 22/08/2022).

According to the results of data analysis from interviewees, the decision-making process with participatory leadership provides opportunities for team leaders and team members to sharpen critical thinking and solve a problem. The following is an excerpt from an interview with the Vice CEO, Chief Human Officer, and Chief Business Development Officer which states:

"Indeed, there are several levels at the management level. The first is the executive, which consists of the CEO and other corporate teams to make strategic decisions. After that, there are also teams from each unit that must be invited when implementing the operational process of the policies set by the company. Of course, they will sit together and discuss finding the best way, both in the executive and operational teams." (Agung Widnyana, Vice CEO of Medi Groups, interviewed on 22/08/2022).

"If the decision-making from the participatory side tends to be right because it came from many people and creates different points of view. So it gets a wider point of view compared to autocratic. Because people have insight and limited skills, participation is also important. So it tends to be precise, more detailed, and sharper." (Agus Arya Saputra, Chief Human Officer Medi Groups, interviewed on 19/08/2022).

"So, every time, for example, there is something new or something that has to be executed immediately, for example, there are demands from external parties, we have to discuss it together. So, from there, of course, with this leadership foundation, when we discussed this with the team, we used this foundation, so we weren't the dominant ones at the beginning, but how do we try to discuss the core of the problem, explore from them what their respective points of view are" (Todi Astawan, Chief Business Development Officer Medi Groups, interviewed on 19/08/2022).

From the results of interviews by top management, the Medi Groups company has two meeting models, namely regular meetings with executives at least once every two weeks or depending on needs if there are urgent matters and annual meetings involving all executive teams or team members. The following is an excerpt from an interview with the Vice CEO, which states:

"We have two meeting models that we apply, namely regular meetings for a minimum of 2 weeks in the executive or depending on needs, but we hold routine meetings every two weeks but sometimes faster or more often than that when we need strategic decisions. However, with the current technology, we are very intense in communicating in the WA group or telegram group to facilitate or speed up our decision-making process. Decisions that are small but require thoughts or input from the team; of course, we also share the issue on social media groups, namely in the WA group especially, so that we can decide to make decisions that we will implement in the future. At the operational level, of course, after becoming a decision in the executive, we bring it to the leader of each unit for them to discuss. They also have small groups discussion for deciding a small decisions. Meanwhile, for the bigger one, they will meet offline to make more accurate decisions." (Agung Widnyana, Vice CEO of Medi Groups, interviewed on 22/08/2022).
DISCUSSION

This study uses the method of data collection through interviews. The interviewees consisted of the CEO, Vice CEO, corporate officer, and 2 Medi Groups Bali staff from each unit. Researchers made direct observations in the field and conducted interviews directly with several sources. Based on data from observations and interviews, the researcher conducted an analysis to obtain conclusions from the research objective, namely, to determine the application of participatory leadership style by top management at Medi Groups Bali.

Participatory Leadership Practices at Medi Groups

As one of the leadership behaviors, this participatory leadership style is synonymous with deciding all the processes and procedures. The characteristics of the participatory leadership style itself are by showing openness and giving high trust to subordinates so that in a decision-making process, subordinates are involved in it. The results show that Medi Groups participatory leadership style model has several levels at the management level. Namely, the executive team consisting of the CEO, Vice CEO, and corporate officer for strategic decision making and below from each business unit will also discuss between the operational team and managers in making decisions when implementing operational processes from policies set by the executive team.

The reason for implementing this participatory leadership style is that the executive team hopes that with this model, all teams will be more active in participating and contributing to providing input and thoughts when making decisions. In addition, the executive team wants all its units to feel included in every policy implemented and involved in every process. With the implementation of participatory leadership, the decisions resulting from a decision-making process will produce the best decisions for the company because they have been studied together and used a lot of thinking in one team.

Decision Making Process

In the process of deciding on a participatory leadership style, it means giving space to subordinates to give their thoughts and considerations. The results show that the decision-making process at Medi Groups Bali consists of two levels. The first is the executive team level, where decision-making occurs through discussions between the CEO, Vice CEO, and corporate officers. The second is the operational level, where decision-making occurs through discussions between the operational team - either manager or supervisor – and coordinator in each Medi Groups business unit.

Interviews with informants at the first level, namely in the executive team involving the CEO, Vice CEO, and corporate officers, focus on making strategic decisions. Corporate officers from each field will make plans and discuss the matter with top management. In this case, there will be discussions involving top management and corporate officers. Then at the second level, which is the operational team of each business unit involving the manager and team members, they will have discussions regarding the execution that must be carried out from the executive team’s work plan so that it will produce a final decision. The decision-making process through this participatory leadership style has both positive and negative sides.

The statement from the interview is supported by a quote from Hasibuan (2018), who states that participatory leadership is when a leader carries out his leadership in a persuasive manner, creates harmonious cooperation, and fosters loyalty and participation of his subordinates. Therefore, it can be said that Medi Groups implements participatory leadership in its organization because the implementation and the decision-making process are carried out according to the definition of participatory leadership.
In addition, this leadership can give employees a sense of responsibility and build better communication between superiors and subordinates to create a good work environment. Decision-making through participatory leadership also tends to be appropriate for companies because by using a different point of view, each individual is able to provide a different point of view and produce more detailed and sharp decisions. Therefore, decisions made through discussions between superiors and subordinates with many studies and inputs from different individuals and generations will enable the company to adapt to current developments and sustain in the future.

In addition to the positive side, it was found through the interview results that participatory leadership also poses challenges for the company. Decision-making with participatory leadership takes a long time because it has to go through many studies and analyses and consider a lot of existing thoughts and inputs. In addition, this participatory decision-making is also quite difficult to unite the perceptions of all those involved. During the discussion, one team will have selfishness, and some parties feel strong enough to defend their opinion. Therefore, because it involves many people, this participatory decision will take a long time to make the best decision for the company.

Subordinate Engagement
In applying the participatory leadership style, the involvement of subordinates is important because the decision-making process is not only decided unilaterally by superiors but will involve contributions from subordinates. Based on the interview data analysis results, people's involvement in the organization at Medi Groups Bali is one thing that is very concern, not only by their superiors but also by their subordinates. Although some crucial and urgent decisions still have to be made by top management without involving the team, most of the other decisions come from the input of the existing team. Because of the application of participatory leadership, each individual will feel that they are carrying the same burden and seek solutions in the decision-making process so that a culture will be built that all teams must actively contribute to every existing process by increasing their work motivation and innovation. The involvement of subordinates in a decision-making process at Medi Groups gives them the freedom to express their opinions. In addition, they will find a solution to an existing issue or problem and then have the opportunity to convey their respective point of view. Subordinates will also participate in reviewing and analyzing every decision made so that they are not only passively following directions but also actively involving themselves in every existing process.

However, outside of the meeting schedule, with technology that has developed, management utilizes communication through groups on social media to discuss or make small decisions that require consideration. Likewise, each business unit has its own social media group to discuss. Finally, the parties involved will meet offline for a joint meeting for substantial decisions.

CONCLUSIONS
The conclusion of this study is that the application of participatory leadership at Medi Groups Bali has a good impact on the development of the company. The right decision made by top management is the transition from an autocratic leadership style to a participatory one. It is because seeing the significant development of the organization and having a competent team gives them a more flexible space to express their opinions and thoughts to contribute to every process of company development. In addition, a strong reason for changing the previous leadership style is also because top management from different generations wants to get the best version of every young
millennial leader who is rich in innovation and creative ideas. Thus, the goal is to strengthen the institution's sustainability to continue thriving during intense business competition and technological disruption.

The characteristics of the participatory leadership style itself are by showing openness and giving high trust to subordinates so that in a decision-making process, subordinates are involved in it. The results show that Medi Groups participatory leadership style model has several levels at the management level. Thus, the executive team consisting of the CEO, Vice CEO, and Corporate Officer for strategic decision-making and under each business unit will also discuss between the operational team and managers in making decisions when implementing operational processes from policies set by the executive team.

The decision-making process through this participatory leadership style has both positives and challenges for the company. This leadership can give employees a sense of responsibility and improve communication between superiors and subordinates to create a good work environment. Decision-making through participatory leadership also tends to be appropriate for companies because by using a different point of view, each individual can provide a different point of view and produce more detailed and sharp decisions. Meanwhile, the challenges that the companies face in implementing participatory leadership are that it takes a long time because they have to go through many studies and analyses and consider a lot of existing thoughts and inputs. In addition, this participatory decision-making is also quite challenging to unite the perceptions of all those involved. Although some crucial and urgent decisions still have to be decided by top management alone without involving the team, most of the other decisions come from the input of the existing team. Because of the application of participatory leadership, each individual will feel that they are carrying the same burden and seek solutions in the decision-making process. Therefore, all teams must actively contribute to every existing process by increasing their work motivation and innovation.

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DECLARATION OF CONFLICTING INTERESTS
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