

The 1st International Student Conference on Economics and Business Excellence (ISCEBE) 2024 e-ISSN: xxxx-xxxx/Vol.1/SI-ISCEBE (2024)

INDICATORS OF THE SUCCESS OF A DEMOCRATIC LEADERSHIP STYLE IN AN ORGANIZATION

Gusmanetti¹⁾, Rabiatul Adwiyah²⁾

¹⁾Management Study Program, Universitas Terbuka, Indonesia

²⁾Management Study Program, Bandung Islamic University, Indonesia

Corresponding author: igustdh2803@gmail.com

Abstract

The aim of this research is to identify the main indicators that can be used to assess the success of a democratic leadership style in organizations. By understanding these metrics, it is hoped that organizations can make a more accurate assessment of the effectiveness of their leadership. The method used in this research is the library research method. In this research, the author collected and searched for scientific literature related to the topic "Leadership Style" through various academic databases such as Google Scholar, research journals, books, popular media, and other online sources. The analytical method used in this research is qualitative analysis. The results of this research show that the success of implementing a democratic leadership style in an organization can be assessed through main indicators such as the level of team member participation in decision making, effective communication, job satisfaction, personal development and team performance. A democratic leadership style not only increases individual engagement and accountability, but also creates an environment that supports collaboration and innovation. Internal factors such as culture and organizational structure, as well as external factors such as market changes and customer needs, also influence the effectiveness of implementing this leadership style. Overall, leaders who are able to adapt to a democratic style by considering existing circumstances and challenges can improve team performance and human resource development in the organization.

Keywords: Democratic, leadership style, organization

Introduction

In the era of globalization and advances in information technology, organizations face rapid and complex changes. Leaders must be more adaptable and responsive to team needs and external challenges. In this context, a democratic leadership style becomes an attractive choice because of its ability to create an inclusive work environment. According to Andani et al (2024), "A democratic leadership style allows each member to contribute to decision making, thereby increasing the sense of ownership of the organization."

However, although many organizations implement democratic leadership, not all achieve the desired results. Some leaders may have difficulty balancing participation with effective decision making. According to Bormasa (2022), "The success of a leadership style depends not only on how decisions are made but also on how good the results are achieved by the organization." this leadership style.

One indicator of the success of a democratic leadership style is increased involvement of team members. When members feel involved in the decision-making process, they tend to feel more responsible and committed to achieving shared goals. This is in accordance with Santir & Ardiana (2019) who state that "participation in decision making increases motivation and job satisfaction, which in turn contributes to individual and team performance".

Apart from that, effective communication is also a key indicator. Leaders who adopt a democratic style often open two-way communication channels, allowing team members to express ideas and opinions. Favors (2022) argues that "effective communication within teams can increase collaboration, reduce conflict, and thereby increase productivity."

Another indicator of success is the development of team members' abilities. A democratic leadership style encourages individual learning and development, allowing team members to grow and develop. Pratiwi & Manafe (2022) argue that "good leaders not only focus on results but also invest in the development of their team members." Therefore, measuring team members' professional growth can be an important indicator of success.

On the other hand, team member job satisfaction can also be an indicator of success. A democratic leadership style has the potential to create a positive work environment where members feel valued and



The 1st International Student Conference on Economics and Business Excellence (ISCEBE) 2024 e-ISSN: xxxx-xxxx/Vol.1/SI-ISCEBE (2024)

heard. According to Rachmadhani & Manafe (2023), "High job satisfaction contributes to increased performance and employee retention." Therefore, job satisfaction surveys can be used to assess the impact of a democratic leadership style.

Although there are many indicators that can be used, it is important to remember that the success of a democratic leadership style cannot be assessed unilaterally. There are many external and internal factors that influence organizational performance. For example, external factors such as organizational culture, team structure, and market competition all influence the results achieved. According to Rahmawati & Handayani (2022), "Leadership success depends not only on style but also on the context in which the style is applied."

Therefore, further research regarding indicators of the success of a democratic leadership style is important. This not only provides leaders with insights to improve leadership effectiveness, but also helps organizations achieve better goals. Given the many challenges facing organizations today, it would be useful if we gained a deeper understanding of the indicators of success of a democratic leadership style.

Further research is needed to gain a more complete understanding of the indicators of success of a democratic leadership style. This can include case analyzes of organizations that employ this leadership style, as well as quantitative and qualitative measurements of the indicators mentioned. It is hoped that this research can provide a significant contribution to the development of leadership theory and practice in the future. Based on the background of the problem above, the problem formulation in this research is as follows: (1) What are the main indicators that can be used to assess the success of a democratic leadership style in an organization?; (2) How does a democratic leadership style contribute to the development of individual abilities in a team?; and (3) How do external and internal organizational factors influence the success of implementing a democratic leadership style?

The aim of this research is to identify the main indicators that can be used to assess the success of a democratic leadership style in organizations. By understanding these metrics, it is hoped that organizations can make a more accurate assessment of the effectiveness of their leadership. Furthermore, this research aims to explore how a democratic leadership style contributes to the development of individual abilities in a team, with a focus on increasing the skills, motivation and sense of belonging of team members. Finally, this research also aims to analyze the impact of external and internal organizational factors on the success of implementing a democratic leadership style in order to gain a broader understanding of the context and challenges leaders face when implementing this style. With this aim, it is hoped that this research can make a significant contribution to the development of leadership theory and practice in various types of organizations.

Methods

The method used in this research is the library research method. Library research is an activity that involves reviewing and understanding various references and previous research findings that are relevant to building a theoretical basis related to the problem being studied (Timotius, 2017). In this research, the author collected and searched for scientific literature related to the topic "Leadership Style" through various academic databases such as Google Scholar, research journals, books, popular media, and other online sources. This leadership style has a significant impact on organizations and discipline, so this research is important to provide a deeper understanding. The analytical method used in this research is qualitative analysis. This approach aims to explain and understand various concepts and findings from the collected literature. The analysis process begins by categorizing relevant information based on identified indicators of the success of a democratic leadership style.

The literature study method is a research approach that relies on written sources as the basis for analysis and study. This method aims to collect, analyze and synthesize relevant information from various literature to answer research questions or support certain arguments. In literature studies, the sources used include books, journal articles, research reports, official documents, and other sources relevant to the research topic.

Results and Discussions

Key Indicators for Evaluating the Success of a Democratic Leadership Style

In this research, several key indicators were identified that can be used to assess the success of a democratic leadership style in an organization. This metric is important because it clearly shows how effective a leader is at engaging team members and achieving shared goals. The following is a more in-depth explanation of each indicator.

The level of participation of team members in decision making. Team member participation in the decision-making process is one of the key indicators of the success of a democratic leadership style.



The 1st International Student Conference on Economics and Business Excellence (ISCEBE) 2024 e-ISSN: xxxx-xxxx/Vol.1/SI-ISCEBE (2024)

When members feel involved, they tend to feel more responsible for the results of the team's work. According to Usman (2019), "Member participation in the decision-making process increases ownership and commitment to organizational goals." This shows that when team members are allowed to provide input and contribute to decisions, they will be more motivated to achieve the expected results.

Effective communication. Effective communication is an important aspect in creating a productive work environment. Leaders who adopt a democratic leadership style typically open two-way communication channels, allowing team members to share ideas, opinions, and feedback. Wahyuningsih (2021) states that "effective communication is the key to creating an efficient and harmonious work environment." In this context, open and transparent communication can not only increase understanding between team members, but also reduce misunderstandings and increase cooperation.

Member job satisfaction. Job satisfaction is an important indicator of how team members perceive their work environment. A good democratic leadership style usually creates a positive work atmosphere where members feel valued and heard. Wijono (2018) emphasized that "high job satisfaction is closely related to employee productivity and loyalty." Therefore, job satisfaction surveys can be an effective tool for measuring the impact of leadership style on members' feelings and motivation.

Personal development. A democratic leadership style has the potential to provide room for team members to develop professionally. A good leader not only focuses on the end result, but also develops the skills and abilities of individuals in the team. Good leaders not only focus on results, but also invest in the development of team members (Andani et al., 2024). By providing training and development opportunities, leaders can help team members reach their highest potential, which ultimately has a positive influence on team performance.

Team performance. Team performance is a key indicator of the effectiveness of a democratic leadership style. Performance can be measured through goal achievement, productivity and overall team work results. High team performance is often the result of leadership that empowers team members (Bormasa, 2022). Therefore, consistent and good team performance analysis can be evidence of the success of a democratic leadership style.

Overall, these indicators provide clear guidance for organizations to evaluate and improve the democratic leadership style they employ. By better understanding these metrics, leaders can optimize their approach to create a more productive, collaborative, and harmonious work environment.

Contribution of Democratic Leadership Style to the Development of Personal Abilities

The findings show that the democratic leadership style has a significant influence on the development of individual abilities in the team. Leaders who adopt this approach not only provide opportunities for members to actively participate in decision making, but also create an atmosphere where all members' ideas and perspectives are valued. As a result, each member feels responsible and contributes to the team's results, which in turn encourages them to learn and develop new skills.

The importance of leaders focusing on personal development. Good leaders not only focus on results but also invest in the development of their team members (Wijono, 2018). This approach creates opportunities for team members to reach their full potential. When members are given the freedom to express their opinions and ideas, they feel more empowered and motivated to improve their abilities. This not only benefits individuals but also the team as a whole, as better skills within the team help improve organizational performance and results.

Additionally, in the context of a democratic leadership style, an environment that supports collaboration and learning is essential. When leaders create a safe climate for sharing ideas, mistakes are viewed as learning opportunities and team members are encouraged to take appropriate risks. This creates a culture of continuous learning where individuals can easily develop their abilities. Pratiwi & Manafe's (2022) research shows that psychologically safe teams, where members are not afraid to speak up and take initiative, can increase innovation and overall performance.

A democratic leadership style also encourages the development of interpersonal skills among team members. The collaborative decision-making process allows members to practice communication, negotiation, and conflict resolution skills. These skills are not only important on a team, but can also benefit individuals in their future careers. Emotional intelligence and interpersonal skills are key components of successful leadership. Therefore, leaders who adopt a democratic style not only form more effective teams but also develop more individuals who are competent and ready to face future challenges (Nikmat, 2022).

It can be seen that the contribution of the democratic leadership style to the development of personal abilities is very large. Through active engagement, learning opportunities, and a collaborative environment, this leadership style not only encourages personal growth but also contributes to the success



The 1st International Student Conference on Economics and Business Excellence (ISCEBE) 2024 e-ISSN: xxxx-xxxx/Vol.1/SI-ISCEBE (2024)

of teams and entire organizations. Leaders who can apply this style well will see a sustainable positive impact on the development of human resources in their organization (Wahyuningsih, 2021).

The Influence of External and Internal Factors on the Successful Implementation of a Democratic Leadership Style

This research also found that external and internal organizational factors have a significant influence on the success of implementing a democratic leadership style. Internal factors such as organizational culture and team structure play an important role in supporting or hindering leadership effectiveness. An open, collaborative, and inclusive organizational culture tends to encourage a democratic leadership style. Organizational culture is a pattern of assumptions that underlies certain groups discovering, developing, and learning to overcome internal and external problems (Usman, 2019). When organizational culture values individual participation and contribution, team members will feel more comfortable expressing their opinions, this is the essence of a democratic leadership style.

Team structure is also an important factor in the success of implementing a democratic leadership style. A flat, flexible structure allows for more open interactions and more collaborative decision making. On the other hand, a rigid hierarchical structure can prevent team members from participating in the decision-making process. Organizational structure can influence how information flows and how decisions are made (Santir & Ardiana, 2019). In this context, organizations with structures that support collaboration tend to be more successful in implementing democratic leadership.

On the other hand, external factors such as market changes, customer needs, competition, etc. will also influence how leaders can implement this leadership style effectively. Rapid changes in the business environment, including technological innovation and changes in consumer behavior, require leaders to adapt quickly and make informed decisions. Organizations that can adapt quickly to external changes tend to be more successful in implementing democratic leadership. Successful leaders are those who are able to recognize and react quickly to changes in their environment and build a team that is able to face challenges (Rachmadhani & Manafe, 2023).

Changing customer needs also play a role in the successful implementation of a democratic leadership style. Faced with dynamic demands, leaders need to listen to their team members and customers to make better decisions. A decision-making process that involves multiple perspectives can produce more innovative and effective solutions. This is in accordance with Rahmawati & Handayani (2022) who state that "a successful company is a company that involves customers and employees in the innovation process".

Apart from that, other external factors such as government regulations and economic conditions can also influence the implementation of a democratic leadership style. Regulatory changes may force organizations to adjust their policies and procedures, which may impact how leaders implement this leadership style. In unstable economic conditions, leaders are required to make strategic decisions quickly, which can reduce the chances of fully implementing a democratic leadership style.

By considering these various internal and external factors, it can be concluded that the success of implementing a democratic leadership style does not only depend on the nature of the leader himself but also on the organizational context and environment in which the leader operates. A deeper understanding of these factors will help organizations optimize their leadership approaches and achieve better goals in the face of existing challenges.

Conclusion and Suggestion

Conclusion

From the results of this research it can be concluded that democratic leadership style has a significant influence on organizational effectiveness. Key indicators such as team member engagement, effective communication, job satisfaction, personal development, and team performance are important indicators for evaluating the success of this type of leadership. A democratic leadership style not only encourages active participation and personal development, but also builds a collaborative and innovative work culture. However, the success of implementing this style is also influenced by internal and external factors, including organizational culture, team structure, and business environment dynamics. Therefore, leaders who want to apply this style need to understand the organizational context and existing challenges in order to optimize the desired results.

Suggestion

To increase the success rate of implementing a democratic leadership style, it is recommended that organizations actively build a culture that supports participation and collaboration. This can be achieved



The 1st International Student Conference on Economics and Business Excellence (ISCEBE) 2024 e-ISSN: xxxx-xxxx/Vol.1/SI-ISCEBE (2024)

by training leaders and team members in communication and decision-making skills. Additionally, organizational structures and processes must be flexible so that team members feel empowered to express their ideas and opinions. Leaders also need to adapt their leadership style based on external changes and market demands, and constantly listen to feedback from team members and customers. Through this approach, organizations can create an environment that is not only productive but also supports sustainable human resource development.

References

- Andani, H., Renggani, F. P., Seftiansyah, R., Sabila, Z. Y., & Apriliani, A. (2024). Indikator Keberhasilan Gaya Kepemimpinan Demokratis. *Karimah Tauhid*, *3*(2), 1932-1940.
- Bormasa, M. F., & Sos, S. (2022). Kepemimpinan Dan Efektivitas Kerja. CV Pena Persada.
- Nikmat, K. (2022). Manajemen Sumber Daya Manusia dan Perilaku Organisasi: Pengaruh Gaya Kepemimpinan Terhadap Kepuasan Kerja Pegawai. Penerbit P4I.
- Pratiwi, N. M., & Manafe, L. A. (2022). Gaya Kepemimpinan Demokratis Dalam Memotivasi Kinerja Karyawan. *Jurnal Visionida Jurnal Manajemen dan Bisnis*, 8(1), 1-12.
- Rachmadhani, S., & Manafe, L. A. (2023). Analisis Gaya Kepemimpinan Demokratis. *Digital Economic, Management and Accounting Knowledge Development (DEMAnD)*, 5(1), 82-98.
- Rahmawati, U. D., & Handayani, N. (2022). Analisis Gaya Kepemimpinan Demokratis Di Subbagian Kepegawaian Sekretariat Daerah Kota Tangerang Selatan. *Jurnal Ilmu Manajemen, Ekonomi Dan Kewirausahaan*, 2(1), 91-97.
- Santir, Y. K., & Ardiana, I. D. K. R. (2019). Pengaruh Gaya Kepemimpinan Demokratik, Budaya Organisasi Dan Kepuasan Kerja Terhadap Kinerja Karyawan. *JEM17: Jurnal Ekonomi Manajemen*, 4(1).
- Timotius, K. H. (2017). Pengantar metodologi penelitian: pendekatan manajemen pengetahuan untuk perkembangan pengetahuan. Penerbit Andi.
- Usman, H. (2019). Kepemipinan Efektif: Teori, Kepemimpinan, Dan Praktik. Bumi Aksara.
- Wahyuningsih, S. (2021). Gaya Kepemimpinan & Kinerja Organisasi. Penerbit NEM.
- Wijono, S. (2018). Kepemimpinan dalam perspektif organisasi. Kencana.