

# The Analysis of Group Dynamics and Leadership Styles on the Employee's Performance through Social Interaction as the Intervening Variable of Coffee Shops in Medan

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## ABSTRACT

Human resource is the important factor that needs to be provided in an organization like governmental institution, companies, or businesses which rise a certain reply. The development of business will be realized if it is supported by good human resources. The development of human resources is very significant for the success and sustainability of the company; thus the company should always treat its employee well in all aspects. Coffee shop or Café is now growing in Medan. In a Café, people often do more than just drinking a cup of coffee, they also find café as the cozy place to hang out with friends. This research was done in the city of Medan, North Sumatera, with population is taken from some coffee shops' employees. Coffee shops or cafés in this research are the authorized ones. Thus, total respondents are 120 employees while the research analysis was done by using SPSS. The result shows that (1) Group dynamics positively and significantly affect on the social interaction in coffee shops in Medan. (2) Leadership style positively affect, but not significant, on the social interaction. (3) Social interaction positively affect, but not significant, on the employee performance. (4) Group dynamics positively and significant affect on the employee performance. (5) Leadership style positively and significantly affect on the employee's performance. (6) Group dynamics affect nothing on the employee performance through social interactions among the coffee shops' employees in Medan. (7) Leadership style affects on the employee performance through social

interaction of the employees in the Coffee Shop of Medan.

**Keywords:** Group dynamics, leadership style, social interaction, employee's performance.

## INTRODUCTION

One of the important factors in an organization, both public and private organizations is human resources. Quality human resources will support the development of the business world. The development of human resources is very influential for the success and sustainability of the company. Therefore, companies must always treat each of their employees well in all aspects. Companies must also innovate and improve the resources owned by their employees in order to improve the skills of their employees along with improving quality and responsibility at work. Human resources are an important aspect of life in a company. Therefore, professional management is needed in order to achieve a balance and synergy between the needs of employees and company capabilities. In addition, employees need to be treated humanely in order to work effectively and efficiently. Companies, whether engaged in manufacturing or services, manage a large number of employees. This is not easy, various backgrounds of employees must be considered so that leaders are required to have competence as a good manager. Coffee shops, or more commonly known as cafes,

are an example of a business that is growing rapidly in the city of Medan today. People often visit the café not only to taste the special coffee, but also to take advantage of the space to gather or relax. As is well known, Indonesia is one of the countries known as the best coffee bean producer or producer in the world. In 2011, Indonesia became the largest major coffee producer and ranks third in the world after Brazil and Vietnam. Meanwhile Colombia is in 4th position. These four countries have produced about 59% of the world's coffee beans (Harahap, 2018). In Indonesia, coffee productivity averages 700 kg per hectare. This number is still considered low when compared to Brazil, which reached 4000 kg per hectare and Vietnam, which reached 3000 kg per hectare (Suprayogi, 2017). The Director General of Plantation stated that the largest Arabica coffee producing region in 2010 and (interim data) in 2011 was North Sumatra province, followed by Nanggroe Aceh Darussalam (NAD), South Sulawesi, West Sumatra, East Nusa Tenggara, Bali and Papua (Harahap, 2018). Of course, this large number must be supported by a good management system.

Leadership style is the art of mobilizing resources to achieve goals with a strategy that is tailored to the conditions of the work environment. The decline in employee performance is one of the consequences that will arise from a bad leadership style. This of course will have an impact on the decline in company performance. Leadership style can be interpreted as a way for leaders to influence their subordinates or employees to carry out the will of the leader in achieving organizational goals. But sometimes, some of these efforts are not liked by his subordinates. Cartwright & Zander stated that another factor that can reduce employee performance is group dynamics. Group dynamics are group efforts to achieve their goals effectively and dynamically. Group dynamics examines the forces in the group, both in the direction of more advanced changes, as well as the inhibiting forces that

hold back group progress. Group dynamics also examines the causes and conditions that change the development of these personnel, as well as their effects on individuals or groups. The research objectives are to analyze the effect of group dynamics on employee performance, to analyze the influence of leadership styles on employee performance and to analyze the influence of communication on employee performance.

## **LITERATURE REVIEW**

### **Group dynamics**

In studying groups, it will not be separated from the dynamics that exist in a group. The word group dynamics comes from Greek which means "Strength" Group dynamics is a social knowledge area that concentrates more on knowledge about a group life (Johnson, 2012: 24). A group is a number of people who try to interact with each other, with a process that differentiates it from an association (Johnson, 2012: 8). A collection of individuals who relate to each other to make them dependent on each other to a more important phase, cartwright and sander (Johnson, 2012,7). A group of individuals who have and share in common, namely dependent on each other with the intention that if group members are affected by the incident it will affect all members.

### **Social Identity**

One part of group dynamics that is often highlighted by group members is social identity, this is a representation of the group characteristics shown by individuals where they are part of the group, according to Hogg and Abram (in Nuraini, 2006) explaining social identity as a sense attachment, care for fellow group members. The influence of the group on the individual is very strong if the condition of the group experiences injustice, there is a sense of the same fate that arises in the group if this happens then the individuals in the group will tend to obey the group, what the group is told will be done even though it violates the law in other words conformity

individual to group can potentially lead to aggressive behavior.

### **Definition of Leadership**

Most of the definitions of leadership reflect the assumption that leadership patterns are related to the deliberate process of a person to emphasize their influence on others. Leadership is a way for leaders to influence their subordinates, so that they are willing to work together and work productively to achieve organizational goals (Hasibuan 2013). Leadership is exercised when mobilizing political, psychological and other resources to generate, engage and motivate followers. Leadership is the ability to act outside of culture, and to initiate an evolutionary process to become more adaptive.

### **Leadership Model**

The emergence of the concept of leadership to face a new environment and continuous development, there are 3 new leadership approaches:

1. Charismatic leadership, which argues that followers make a link in a leader's extraordinary abilities when they observe certain behaviors
2. Transactional Leadership is those who argue that leaders who always motivate and guide the achievement of organizational goals by clarifying tasks and task demands
3. Visionary Leadership, namely the ability to create and accumulate a realistic, credible and attractive future vision of the organization.

### **Performance Understanding**

Performance is basically a management style in carrying out an open and sustainable communication process by creating a shared vision with a strategic and integrated approach regarding understanding tasks as a driving force to achieve organizational goals (Wibowo, 2012,9). Performance is a means to get better results from organizations, teams, and individuals by understanding and managing

performance within a framework of goals (Armstrong, 2004,29). Meanwhile, another definition that explains that performance is the result of work in quality and quantity that can be achieved by employees in carrying out tasks in accordance with given responsibilities.

### **Performance Indicators**

Performance measurement is related to quantitative results and seeking data after the incident, there are several performance indicators and two of them have very important points, namely motives and goals, performance is determined by goals for which motives are needed in the process, without motivating motives to achieve goals, performance is not will run, thus the goals and motives become the first indicators of performance, but performance requires the support of facilities and infrastructure, competence, opportunities (Wibowo 2012,102).

### **Social interactions**

Social interaction is a relationship between two or more people so that the behavior of one individual affects, changes, or improves between individuals and others (Ari H, Gunawan 2010: 31). As for social interaction, it is a relationship that concerns between individuals, individuals with groups and between groups, without social interactions there will be no life together. And the social process is a relationship or interaction that affects each other between humans that lasts throughout their life in groups. Social interaction is an action taken by a person in an interaction which is a stimulus for the actions of other individuals to become partners. Social interaction is an exchange between individuals who each show their behavior to each other in their presence and each behavior influences each other. Social interaction is an event that affects each other when two or more people are present together.

### Conditions for Social Interaction

1. Imitation is a social method or action for someone to imitate one's attitudes and behavior and appearance.
2. Suggestions are stimuli, influences or stimuli given to someone else so that he does what is suggested.
3. Sympathy is the attitude of someone who feels attracted to other people because of their appearance, wisdom or thought patterns.
4. Identification is the desire of the same or similar to others who are imitating
5. Empathy is the process of participating in feeling something that is experienced by others.

### MATERIALS & METHODS

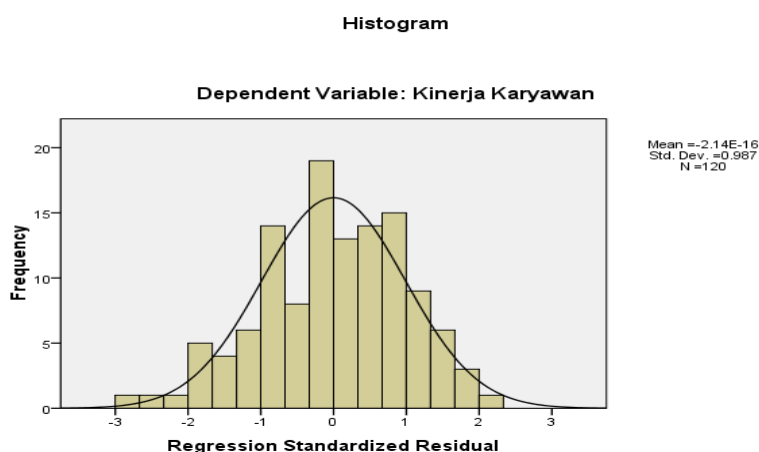
The research was carried out in the city of Medan by visiting several coffee shops as an object. This study was started from February 2020 to July 2020. This research includes using a quantitative approach. This research is an explanatory study, where the purpose of this study is to identify and explain the relationship between two or more symptoms or variables. This method uses a type of

census, where this study takes a population as a whole sample and uses a structured questionnaire. The data collection technique this time is to use interviews and questionnaires. The population in this research is all coffee shop employees in the city of Medan who have a business license from the Investment Agency and One Stop Services (DPMPTSP). The sampling method using non-probability sampling method with Accidental Sampling technique is a sampling technique based on chance.

### RESULT

#### Normality test

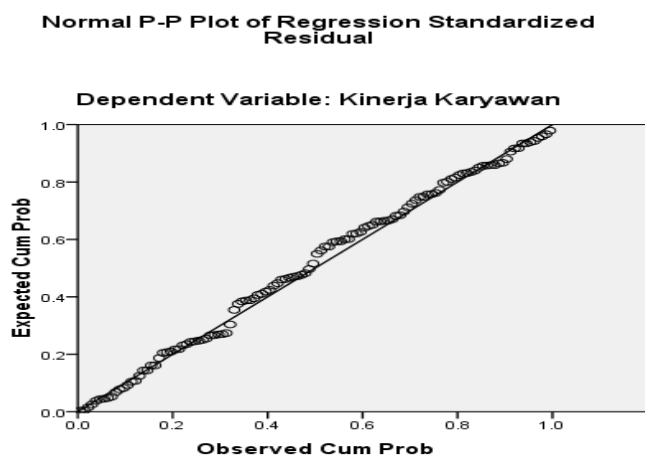
The normality test is a form of testing the residual assumption which is generally normally distributed. Basically, the intended residual assumptions must be fulfilled for a good linear regression model. The normality test is carried out on the residual value of the model while the assumption of normality can then be checked with the normal output P-P plot. If the distribution of plot output points follows the plot diagonal line, the normality assumption is fulfilled (Rusiadi, et al. 2013).



Source: SPSS 2020 Data Results  
Figure 1. Histogram for Normality Test

Figure 1 above is a normal PP-Plot graph histogram test to find the normality test results. The graph has been adjusted to the provisions of the normality test, where

the data can be said to be normal if the line that forms a curve or a bell is in the middle. This condition is said to be a condition that is normally distributed.



Source: SPSS 2020 Data Results  
**Figure 2 PP-Plot Normality Test**

Based on Figure 2 above, the curvature of the histogram graph shows a balanced direction in the middle while the PP-Plot points are right between the diagram lines. Therefore, the data is declared normal.

**Table 1: Kolmogorov-Smirnov Test Results**

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		120
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	2.28778506
Most Extreme Differences	Absolute	.059
	Positive	.045
	Negative	-.059
Kolmogorov-Smirnov Z		.650
<b>Asymp. Sig. (2-tailed)</b>		<b>.792</b>
a. Test distribution is Normal.		
b. Calculated from data.		

Source: SPSS 2020 Data Results

Table 1 above shows that the significance value is  $0.792 > 0.05$ . It can be concluded that the data tested were normally distributed.

**Multicollinearity Test**

Tests conducted to determine whether or not there is a significant correlation between the independent

variables in a multiple linear regression model is called the multicollinearity test. In other words, this multicollinearity test is needed to find out whether there are similarities between several independent variables in one model. The similarity in one model can lead to a strong correlation between an independent variable and another (Rusiadi, et al. 2013).

**Table 2: Multicollinearity Test Results**

Model		Korelasi			Statistik kolinear	
		Zero-order	Partial	Part	Tolerance	VIF
1	(konstan)					
	Dinamika Kelompok	.761	.761	.753	<b>.996</b>	<b>1.004</b>
	Gaya Kepemimpinan	.144	.153	.099	<b>.996</b>	<b>1.004</b>

Source: SPSS 2020 Data Results

The table above shows the Variance Inflation Factor (VIF) value for the group dynamic variable (X1) of 1.004. Meanwhile,

the leadership style variable (X2) also achieved the same value, namely 1.004.

**Table 3: Multicollinearity Test Results**

Model		Korelasi			Stastik kolinear		
		B	Zero-order	Partial	Part	Tolerance	VIF
1	(konstan)	8.015					
	Dinamika Kelompok	.288	.546	.289	.239	<b>.419</b>	<b>2.387</b>
	Gaya Kepemimpinan	.178	.273	.264	.217	<b>.973</b>	<b>1.028</b>
	Interaksi Sosial	.175	.528	.172	.138	<b>.412</b>	<b>2.429</b>

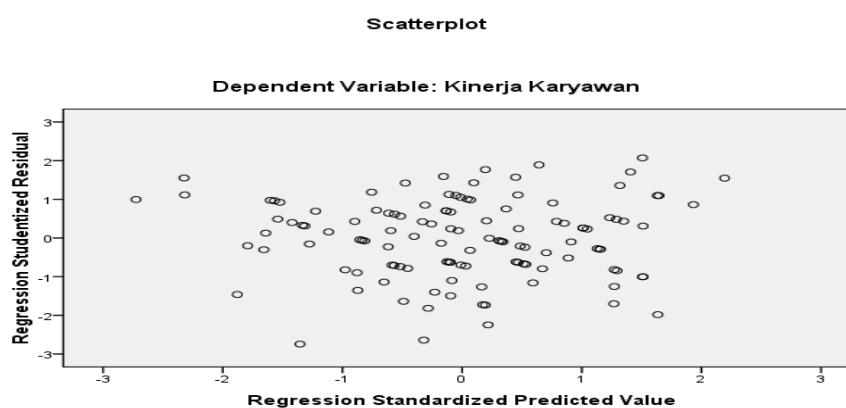
Source: SPSS 2020 Data Results)

The results of substructure 2 data analysis show the value of Variance Inflation Factor (VIF) for group dynamics (X1) of 2,387. Meanwhile, the leadership style variable (X2) was 1.028 and the social interaction (Z) was 2.429. Each variable has a tolerance value > 0.10 and VIF < 10. It can be concluded that this study is free from multicollinearity problems.

### Heteroscedasticity test

The Heteroscedasticity test is used to determine the similarity or inequality of the

variance of each residual, both from one observation to another. Observations were made by looking at the pattern of dots on a scatterplot graph, this was done to determine the heteroscedasticity disorder in a multiple regression model. Heteroscedasticity is characterized by the presence of dots that form a regular pattern. Conversely, if there is no clear pattern and the distribution of the dots is irregular, heteroscedasticity does not occur. The results of heteroscedasticity testing can be seen in the following figure:



Source: SPSS Processing Results (2020)

**Gambar 3 Hasil Uji Heterokedastisitas**

Based on the picture above, the scattered dots do not form certain patterns above the 0 on the studentized residual (Y) regression axis. Therefore, this regression model data is free from heteroscedasticity problems.

### Result Analysis Path (Path Analyze) Equation Model 1

The results of data processing for the substructure regression model I are as follows:

**Table 4: Results of the Equation Model I**

Model		Koefisien*		T	Sig.	Korelasi			Statistik kolinear		
		Non-standar				Beta	Zero-order	Partial	Part	Nilai toleransi	VIF
		B	Std. Error								
1	(Konstan)	<b>3.896</b>	1.834		2.124	.036					
	Dinamika Kelompok	<b>.726</b>	.057	.755	12.701	.000	.761	.761	.753	.996	1.004
	Gaya Kepemimpinan	<b>.099</b>	.059	.099	1.670	.098	.144	.153	.099	.996	1.004

a. Dependent Variable: Interaksi Sosial

Source: SPSS 2020 Data Results

Based on the table above, the following substructure I research model is obtained:

$$Z = 3,896 + 0,726 X_1 + 0,099 X_2$$

With:

- a.  $\alpha = 3,896$   
the  $\alpha$  constant value is 3,896, explaining that if the Group Dynamics and Leadership Style variables are zero, then the Social Interaction variable formed is 3,896.
- b.  $\beta_1 = 0,726$   
The constant  $\beta_1$  is 0.726 which explains that if the Group Dynamics variable

increases by one unit, the Social Interaction variable increases to 0.726.

- c.  $\beta_2 = 0,099$   
The constant  $\beta_2$  is 0.099 which explains that if the Leadership Style variable increases by one unit, the Social Interaction variable also increases by 0.099.

### Equation Model II

Following are the results of data processing for the substructure regression model II:

Table 5: Results of the Model Equation II

Koefisien <sup>a</sup>											
Model	Koefisien non-standar		Koefisien standar	T	Sig.	Korelasi			Statistik Kolinear		
	B	Std. Error	Beta			Zero-order	Partial	Part	Toleransi	VIF	
1	(konstan)	<b>8.015</b>	1.875		4.275	.000					
	Dinamika Kelompok	<b>.288</b>	.088	.369	3.251	.002	.546	.289	.239	.419	2.387
	Gaya Kepemimpinan	<b>.178</b>	.060	.220	2.953	.004	.273	.264	.217	.973	1.028
	Interaksi Sosial	<b>.175</b>	.093	.215	1.882	.062	.528	.172	.138	.412	2.429

a. Dependent Variable: Kinerja Karyawan

Source: SPSS 2020 Data Results

Based on the table above, the substructure II research model is as follows:

$$Y_2 = 8.015 + 0.288 X_1 + 0.178 X_2 + 0.175 Z$$

With:

- a.  $\alpha = 8,015$   
 $\alpha$  constant value of 8,015 explains that if the variable Group Dynamics, Leadership Style, Social Interaction is zero, then the Employee Performance variable that is formed is 8.015
- b.  $\beta_1 = 0.288$   
The constant  $\beta_1$  has a value of 0.288 explaining that if the Group Dynamics variable increases, the Employee Performance variable will increase  $\beta_2 = 0.178$   
The constant  $\beta_1$  is 0.178 which explains that if the Leadership Style variable increases, the Employee Performance variable will increase
- c.  $\beta_3 = 0.175$   
The constant  $\beta_3$  is 0.175 which explains that if the Social Interaction variable increases by one unit, the Employee Performance variable will increase.

### Structural Model Testing Results

#### Direct Influence

Based on the results of data processing, the conclusions of the research results are obtained to answer the following hypotheses:

1. The direct effect of Group Dynamics ( $X_1$ ) variables on Social Interaction ( $Z$ ) is formulated as follows:  $X_1 \rightarrow Z = 0,755$ .
2. The direct influence of the Leadership Style variable ( $X_2$ ) on Social Interaction ( $Z$ ) is as follows:  $X_2 \rightarrow Z = 0,099$ .
3. The direct effect of the Group Dynamics variable ( $X_1$ ) on Employee Performance ( $Y$ ) is formulated as follows:  $X_1 \rightarrow Y = 0,369$ .
4. The direct influence of the Leadership Style variable ( $X_2$ ) on Employee Performance ( $Y$ ) is formulated as follows:  $X_2 \rightarrow Y = 0,220$ .
5. The direct effect of the Social Interaction variable ( $Z$ ) on Employee Performance ( $Y$ ) is formulated as follows:  $Z \rightarrow Y = 0,215$

### Indirect Influence

Hypothesis:

1. Group Dynamics (X1) has an indirect effect on Social Interaction (Z) through Employee Performance (Y) is formulated as follows:

$$X1 \rightarrow Z \rightarrow Y = (\rho_1) (\rho_5) = (0,755) (0,215) = 0,162.$$

2. Leadership Style (X2) has an indirect effect on Social Interaction (Z) through Employee Performance (Y) is formulated as follows:

$$X2 \rightarrow Z \rightarrow Y = (\rho_2) (\rho_5) = (0,099) (0,215) = 0,021$$

### Total Effect

Hypothesis:

1. The total influence of Group Dynamics (X1) on Employee Performance (Y)

through Social Interaction (Z) is formulated as follows:

$$X_1 \rightarrow Z \rightarrow Y = (\rho_3) + (\rho_1 \times \rho_5) = 0,369 + 0,162 = 0,531$$

2. The total influence of Leadership Style (X2) on Employee Performance (Y) through Social Interaction (Z) is formulated as follows:

$$X_2 \rightarrow Z \rightarrow Y = (\rho_4) + (\rho_2 \times \rho_5) = 0,220 + 0,021 = 0,241$$

### Partial Test Result (t)

To find out and look for the influence of the independent variables, namely Group Dynamics and Leadership Style, on the dependent variable in substructure 1 (Social Interaction) and substructure 2 (Employee Performance), the t test is used.

Table 6: Substructural t Test Results I

Model		Koefisien non-standar		Koefisien standar	t	Sig.
		B	Std. Error	Beta		
1	(konsonan)	3.896	1.834		2.124	.036
	Dinamika Kelompok	.726	.057	.755	12.701	.000
	Gaya Kepemimpinan	.099	.059	.099	1.670	.098

Source: SPSS Processing Results (2020)

The results of the Substructural t-test I show that the numbers of the independent variables influence the dependent variable. Following are the decision making criteria in the t test:

Accept Ho (reject Ha) if  $t_{count} < t_{table}$  or  $Sig > \alpha 5\%$ .

Reject Ho (accept Ha) if  $t_{count} > t_{table}$  or  $Sig < \alpha 5\%$ .

#### 1) The Effect of Group Dynamics on Social Interaction

The t-count value of Group Dynamics is 12,701, while the significance value is

0,000 < 0.05. Thus, the Group Dynamics variable has a positive and significant effect on Social Interaction. In other words, the hypothesis is accepted.

#### 2) The Effect of Leadership Style on Social Interaction

The t-value of the Leadership Style is 1.670 and the significant value is 0.098 > 0.05. The leadership style variable has a positive but not significant effect on social interaction. Thus the hypothesis is rejected.

Table 7: Substructure t test results II

Model		Koefisien non-standar		Koefisien standar	T	Sig.
		B	Std. Error	Beta		
1	(konstan)	8.015	1.875		4.275	.000
	Dinamika Kelompok	.288	.088	.369	3.251	.002
	Gaya Kepemimpinan	.178	.060	.220	2.953	.004
	Interaksi Sosial	.175	.093	.215	1.882	.062

Source: SPSS Processing Results (2020)

The table above shows the results of the Substructural t-test II, where the numbers of the independent variables

influence the dependent variable. The following are the decision criteria:

Accept Ho (reject Ha) if  $t_{count} < t_{table}$  or  $Sig > \alpha 5\%$ .



Reject  $H_0$  (accept  $H_a$ ) if  $t_{count} > t_{table}$  or  $Sig\ t < \alpha\ 5\%$ .

**1) The Effect of Group Dynamics on Employee Performance**

The t-count value of Group Dynamics is 3.251, while the significant value is 0.002 <0.05. Group dynamics variables have a positive and significant effect on employee performance. Thus, the hypothesis is accepted.

**2) The Effect of Leadership Style on Employee Performance**

The t-count value of the Leadership Style is 2.953 while the significant value is 0.004 <0.05. The leadership style variable has a positive and significant effect on employee performance. Therefore, the hypothesis is accepted.

**3) The Effect of Social Interaction on Employee Performance**

The t-count value of the Social Interaction is 1.882 while the significant value is 0.062 > 0.05. This social interaction variable has a positive but not significant effect on employee performance. Therefore, the hypothesis is rejected.

**Simultaneous Test Results (F)**

The F statistic is used to test the hypothesis with the decision making criteria, namely if the F-count value is greater than the F-table, then  $H_0$  is rejected and  $H_1$  is accepted. In substructure 1, it can be seen that the simultaneous influence of Group Dynamics and Leadership Style variables on Social Interaction. Meanwhile, in substructure 2, it can be seen that the simultaneous influence of Group Dynamics variables, Leadership Style and Social Interaction on Employee Performance.

**Table 8: Substructure F Test Results I**

ANOVA <sup>b</sup>						
Model		Jumlah	df	Rata-rata	F	Sig.
1	Regresi	892.543	2	446.272	<b>83.625</b>	<b>.000<sup>a</sup></b>
	Residu	624.382	117	5.337		
	Total	1516.925	119			
a. Prediktor: (konstan), Gaya Kepemimpinan, Dinamika Kelompok						
b. Variable terikat: Interaksi Sosial						

Source: SPSS 2020 Data Results

From the table above, it is found that the F-count value of substructure 1 is 83,625, a significant level of 0,000 is smaller than alpha 0.05 (5%). Meanwhile, the resulting F-count in substructure 1 is 82,625. This number is greater than the F-

table, which is 2.45. The provisions of table F are obtained from the number of samples reduced by the number of variables, namely  $df = n-k-1$  at k. This gives  $df = n-k-1 = 120-4-1 = 115$  at 4.

**Table 9: Substructure F Test Results II**

ANOVA <sup>b</sup>						
Model		Jumlah	df	Rata-rata	F	Sig.
1	Regresi	373.525	3	124.508	<b>23.189</b>	<b>.000<sup>a</sup></b>
	Residu	622.841	116	5.369		
	Total	996.367	119			
a. Prediktor: (konstan), Interaksi Sosial, Gaya Kepemimpinan, Dinamika Kelompok						
b. Variabel terikat: Kinerja Karyawan						

Source: SPSS 2020 Data Results

The table above shows that the F-count of substructure II is 23,189 while the significance level is 0,000, which is smaller than alpha 0.05 (5%). The F-count in substructure 1 is 23,189 greater than the F-table, which is 2.45. The provisions of table F are derived from the number of samples

reduced by the number of variables, namely  $df = n-k-1$  at k. This gives  $df = n-k-1 = 120-4-1 = 115$  at 4.

**Determination Test Results ( $R^2$ )**

This determination coefficient test is used to test the influence of the independent

variables (Group Dynamics and Leadership Style) on the dependent variable in substructure 1 (Social Interaction) and on substructure 2 (Employee Performance). SPSS processing performed shows the respondent's answer which is presented in the following test results of the coefficient of determination.

**Table 10** Results of Substructural Determination Coefficients I and II

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted Square	Standar error
1	.767 <sup>a</sup>	.588	.581	2,310
2	.612 <sup>a</sup>	.375	.359	2,317

Source: SPSS 2020 Data Results

The amount of Adjusted R Square 0.581 on substructural 1 (coefficient of determination) is 58.1%. This shows that the group dynamics and leadership style variables have a strong relationship to social interactions. The rest (100% - 58.1% = 41.9%.) Is explained by the influence of other factors or variables outside the model that were not studied. The amount of Adjusted R Square of 0.359 in substructural II (coefficient of determination) is 35.9%. This shows that the variables group dynamics, leadership style and social interaction have a strong relationship to employee performance. The rest (100% - 35.9% = 64.1%.) Is explained by the influence of other factors or variables outside the model that were not studied.

## DISCUSSION

### Group Dynamics Influence Social Interaction

Based on the calculation, it was found that Group Dynamics had a positive and significant effect on Social Interaction at coffee shops in Medan City. This can be observed through multiple linear regression analysis on the t test, which shows the variable coefficient of Group Dynamics is 12,701, while the significant value is 0,000 <0.05. Thus it is concluded that the Hypothesis is Accepted. In other words, Hypothesis 1 has been tested and can be received positively. This shows that Group Dynamics will increase social interaction

(with indicators being group effectiveness, group unity, and group goals). Along with these conditions, the Social Interaction of Coffee Shop Employees in Medan City has also increased. However, 41.9% outside the model that was not studied as the cause of increased Social Interaction. Based on the questionnaire distributed to 120 respondents, this research shows that group dynamics have an influence on social interaction, the respondents in this case employees will have a bad relationship when aspects such as group effectiveness and group goals cannot be achieved and will have an impact on communication with fellow employees. which will affect social interaction, the worse things that happen in the group, it will also have a bad impact on the interpersonal relationships of each employee, both the relationship between employees and employees and employees with the group.

### Leadership Style Influences Social Interaction

The results showed that Leadership Style has a positive effect on Social Interaction at Coffee Shops in Medan City. However, these results are not significant. This can be observed from multiple linear regression analysis through the t test which produces a variable coefficient of leadership style of 1.670. Meanwhile, the significant value is 0.098 > 0.05, thus the hypothesis is rejected. Meanwhile, hypothesis 2 (two) can be accepted positively. This shows that the Leadership Style will simultaneously increase Social Interaction, which is 0.099 units. The assumption is, if the Leadership Style (Participatory Style, Task Oriented Style, Caregiver Style) increases, then the Social Interaction of Coffee Shop Employees in Medan City will also increase. However, the remaining 41.9% is explained by other variables not studied as causes in increasing social interaction. Based on the questionnaire distributed to 120 respondents, this research shows that the respondents agree that the leadership style affects social interaction, where

employees will get used to it and will form itself when their leaders always do things that serve and provide a healthy work environment. , such as a leadership style that has a nurturing style dimension that must be carried out by every leader in each division, which will affect aspects of social interaction aspects such as good communication between fellow employees and / or to leaders. In this study, leadership style has no significant effect on social interaction. The process of communication or relationships with fellow coffee shop employees is also influenced by many variables that have not been studied.

### **Social Interaction Affects Employee Performance**

The results showed that social interaction has a positive effect on employee performance at a coffee shop in Medan. However, this result is not significant. This can be observed from the multiple linear regression analysis through the t test which shows that the coefficient of the social interaction variable is 1.882. Meanwhile, the significant value is  $0.062 > 0.05$ . Thus, the hypothesis is rejected. Hypothesis 5 (five) in this study is stated to be accepted and has tested positive. Social Interaction will increase Employee Performance simultaneously by 0.175 units, with the assumption that Social Interaction which consists of several indicators (such as social contact, communication aspects, structural aspects), improves Employee Performance on Coffee Shop Employees in Medan City. However, there were 64.1% later explained by other variables outside the model that were not studied as causes in increasing Social Interaction. Based on the questionnaire distributed to 120 respondents that this research shows that the respondents agree that social interaction can affect the performance of each employee, each employee must have a healthy environment and good communication in order to support the productivity and quality of the employee, some respondents said they would be displeased. Work when they have

bad communication with fellow employees and it greatly affects the mood of the individual and will affect the quality and quantity of employees. Basically in social life, interaction is a development cycle of dynamic social structures in social life. This development is a dynamic that grows out of different individual behavior patterns according to their respective situations and interests, which are manifested in the process of social relations. Initially, social relations were a process of adjusting social values in social life. Then it increases to an association that is not just a physical meeting, but an association that mutually understands the aims and objectives of each party in the social relationship.

### **Group Dynamics Affects Employee Performance**

The results showed that group dynamics had a positive and significant effect on employee performance at a coffee shop in Medan. It can be observed from multiple linear regression analysis through t test that the coefficient of Group Dynamics variable is 3.251 and a significant value for group dynamics is  $0.002 > 0.05$ , it is concluded that the hypothesis is accepted. Hypothesis 3 (three) is tested and can be accepted positively, and shows 0.288 units with the assumption of Group Dynamics (Group Effectiveness, Group Unity, Group Objectives) to improve the Performance of Coffee Shop Employees in Medan City. However, there were 64.1% which were explained by other variables outside the model that were not studied. In relation to group dynamics on employee performance, employees will have a good performance if the dynamics in the group are well accepted. Based on the questionnaire distributed to 120 respondents, in this case, the coffee shop employees who were the object of the study said that group dynamics also affect employee performance. Employees will feel lazy or do not have good attitude when the goals and effectiveness of the group are unclear. Each employee sees how the group's goals are made so that they can do

work according to the SOPs that have been implemented and will affect their individual performance. The better the environment in each group, the better the employee's performance will be. Group dynamics are concerned with group processes and feelings. Therefore, group dynamics are more descriptive in nature. In organizational governance, the group dynamics approach to the process of implementing and achieving group goals is also widely used.

### **Leadership Style Affects Employee Performance**

The results showed that the leadership style has a significant positive effect on the performance of the Coffee Shop employees in Medan City. This is based on multiple linear analysis through t test, and the coefficient of leadership style variable is 2.953 and the significance is  $0.004 > 0.05$ . Thus it is concluded that the hypothesis is accepted. Hypothesis 4 (four) is tested and can be accepted positively. Leadership style can simultaneously increase employee performance by 0.178, with the assumption: a leadership style consisting of several dimensions, such as Participatory Style, Task Oriented Style, and Nurturing Style, can improve the performance of Coffee Shop employees in Medan City. However, there are 64.1% which is explained by other variables not examined as the cause of the increase in employee performance. Based on the questionnaire distributed to 120 respondents in this study, employees agree that leadership style has an influence on employee performance. Leaders must apply aspects of the leadership style such as participating in employees, caring for employees and ensuring the tasks they have to carry out, this will be a passion for employees when their leaders give good things and create a healthy work environment which will have an impact on employee performance is getting better.

### **Group Dynamics Affects Performance Through Social Interaction**

The results showed that group dynamics had a direct effect on employee performance. The indirect effect is indicated by the value of the direct effect compared to the indirect effect. The total effect value shows that the role of Social Interaction can increase the indirect effect of group dynamics on employee performance. Based on the questionnaire given to 120 respondents in this study, employees agree that group dynamics have a direct relationship to employee performance through social interaction, this shows that the process of group dynamics is like when employees have goals and effectiveness in the group and have good relationships such as communication to fellow employees and leaders will have an impact on good performance and increase both in quality and quantity. And this must really be carried out on every employee and leader.

### **Leadership Style Influences Performance Through Social Interaction.**

Based on research, leadership style influences employee performance, and this influence occurs directly in the dimensions of participatory style, caregiver style, and task oriented style. Indirect effect also occurs, but the value of the direct effect is greater than the indirect effect. Based on the total effect value, an increase in the influence of Leadership Style on Employee Performance is inevitable due to the role of Social Interaction. Based on the questionnaire to 120 respondents in this study, coffee shop employees agree that leadership style has a direct effect on performance through social interaction where leadership styles such as participating in employees, caring for employees and having good relationships with fellow employees such as communication, will produce good performance, both in quality and quantity. And employees will see this as a spirit when the work environment has led to unhealthy things.

## CONCLUSION

The conclusions in this study are:

1. Group dynamics have a positive and significant effect on Social Interaction at Coffee Shops in Medan City.
2. Leadership style has a positive but not significant effect on Social Interaction at Coffee Shops in Medan City.
3. The results show that social interaction has a positive but not significant effect on employee performance at a coffee shop in Medan.
4. The results showed that group dynamics had a significant positive effect on employee performance at a coffee shop in Medan.
5. The results showed that leadership style has a significant positive effect on employee performance at a coffee shop in Medan.
6. Group dynamics have no effect on employee performance through social interaction among coffee shop employees in Medan.
7. Leadership Style affects Employee Performance through Social Interaction of Coffee Shop Employees in Medan City

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