

The Influence of Transformational Leadership and Work Motivation on Employee Performance (Case Study in One of The Official Companies in The City of Bandung)

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ABSTRACT

This study aimed to determine the effect of transformational leadership and work motivation on employee performance at one of the Bandung City service offices by obtaining accurate data and collecting the necessary data for analysis. This study aimed to determine the influence of transformational leadership and work motivation on employee performance in the City of Bandung. This study used descriptive methods and verified analysis with 35 employees (census) at the Bandung City Office, with the results of this study using correlation analysis, path analysis, and coefficient of determination analysis. Based on the research carried out at the Bandung City Office, transformational leadership gets quite good results, work motivation gets pretty good results, and performance gets pretty good results. The correlation between transformational leadership and work motivation yields a positive relationship of 0.709. The coefficient of determination is 71.4%. Therefore, the direct and indirect influence of transformational leadership on employee performance is 0.398. The direct and indirect influence of work motivation on employee performance is 0.316, so the total effect is 0.714 or 71.4%. The remaining 28.6% is a variable that also influences performance in official offices in Bandung but has yet to be studied.

Keywords: transformational leadership, work motivation, employee performance.

INTRODUCTION

Human resources are the most critical investment that can be made by an institution whose goal boils down to one point, namely for the institution to have quality employees and transformational leadership in all aspects that are by the needs of the institution, both for the present and in the future. Employees are one of the human resources in an institution which is the principal capital for determining the continuity of the institution's operational activities in addition to production factors in the form of machinery and equipment and can contribute to the strategy for achieving the goals of the institution. The contribution of

human resources to an organization is vital because using new people in an institution can create a competitive advantage. Therefore, employees in institutions are an essential resource and a sizeable investment.

According to Aguinis (2019) to measure employee performance can use the following task, contextual and personal dimensions. Employees are human resources within the institution, which is the principal capital that determines the continuity of the institution's operational activities and production factors in the form of machinery and equipment and can contribute to the strategy of the institution's goals. The contribution of human resources in an organization is significant because using people in an institution can create a competitive advantage. (Chaubey & Sahoo, 2022) Therefore, humans in an institution are an essential resource and a sizeable investment.

Employee performance is seen from the quality, quantity of work, and timeliness of the employee. (Liu et al., 2017) The employee's job performance dimensions can trigger an institution's competition with other institutions. Institutions with good employee performance can maximize it, making them superior to competitors. (Yi et al., 2019) Institutions that have good employee performance will be easy to achieve their goals. The reason for the convenience in achieving its goals is because the institution will be able to work optimally with its employees in achieving these goals. Institutions during this pandemic certainly need good employee performance.

Transformational leadership is a leader who stimulates and inspires (transforms) his followers for extraordinary things. (Bass & Avolio, 1993; Ladkin & Patrick, 2022) With transformational leadership, followers feel trust, admiration, loyalty, and respect for the leader, and they are motivated to do more than expected. A transformational leadership style is a type of leader who inspires his followers to put aside their interests and has extraordinary influencing abilities. (Hai et al., 2022) Thus, transformational leadership changes followers' awareness of problems by helping them look at old problems in new ways. (Hadian, 2018; Syahidah et al., 2021) As a result, they can excite and inspire followers to expend extra effort to achieve organizational goals.

Motivation is an essential element in human beings, which plays a role in realizing success in business or human work. (Reizer et al., 2019) The primary basis for the implementation of motivation by a leader is knowledge and attention to human behavior that he leads as a determining factor for organizational success which also means demanding attention to all need's issues. (Hersona & Sidharta, 2017; Manik & Sidharta, 2017) A leader who carries out the motivational function is a leader who can realize the synchronization of the personal goals of members of the organization with the goals of the organization itself. (J. H. Coun et al., 2022; Mumford et al., 2023) Motivation is the driving force that causes a person to behave, gives direction, regulates behavior, and determines behavior toward a specific goal. (Morkevičiūtė & Endriulaitienė, 2020) Therefore, if a person's behavior is highly motivated, it will produce satisfactory results.

According to Khan et al. (2020), transformative leadership lowers social loafing and burnout while improving job performance. It has asserted that possessing transformational qualities is imperative for organizational leaders. (Andersen et al., 2018) This result is because such leaders can thoroughly understand their employees, thereby inspiring them to

attain desired or noteworthy results. (Afsar & Umrani, 2019) In addition, job-specific training instills self-assurance in employees and empowers them to exercise discretion in decision-making.

According to Musinguzi et al., (2018), implementing transformational leadership styles resulted in a favorable outcome in motivating health workers, ensuring job satisfaction, and strengthening teamwork. This condition contrasted those who exhibited transactional skills or laissez-faire styles. The transformational leadership style has been observed to possess significant facilitators that influence the behavior, attitude, and work performance of employees. (González et al. 2018) According to Alamri (2023) research, there is a need for a more focused approach to comprehending the moderating and mediating mechanisms that connect transformational leadership with the outcomes of followers. This study employs the moderated mediating model to demonstrate that transformational leaders can stimulate a promotion focus among followers with a public service motivation profile, increasing their willingness to participate in organizational activities. According to the findings of Setyawati et al., (2023) study, transformational leadership has a significant impact on employee performance.

Everyone needs work motivation to achieve the target or what the job achieves, where this work motivation makes each enthusiastic or has the urge to influence each individual at work. To find out that transformational leadership and work motivation are one of the factors that receive attention to improve the performance of employees.

METHOD

This study aims to determine and analyze the effect of transformational leadership and work motivation on employee performance. The approach in this study is to use a descriptive and verification approach. The descriptive method is a method used to describe the state or value of one or more variables independently. This study used descriptive methods and verified analysis with 35 employees (census) at the Bandung City Office. This method is intended to answer the formulation of the problem, namely, how is transformational leadership, how is work motivation, and how is the performance of employees in the Office Graha Kadin City of Bandung.

The verification method can be interpreted as research conducted on specific populations or samples to test established hypotheses. The verification research method is used to determine and examine the magnitude of the influence of Transformational Leadership and Work Motivation on Employee performance simultaneously or partially at the Graha Kadin Office, Bandung City. The method used in this study is the survey method, namely research by taking samples from the population and using a questionnaire as a data collection tool.

The present study's operational variables encompass transformational leadership, which denotes a leadership style that engenders change in individuals and social systems. In its optimal manifestation, leadership fosters constructive and beneficial transformation in

subordinates, ultimately aiming to cultivate leadership qualities within them. The Multi-Factor Leadership Questionnaire (MLQ) (Avolio & Bass, 2004) measures this variable.

An additional factor to consider is work motivation, which posits that individuals possess three fundamental psychological needs, namely autonomy, competence, and relatedness, that serve as the foundation for personal growth and advancement. The Self-Determination Scale (SDS) (Ryan & Deci, 2020) is utilized to measure this particular variable. The third variable pertains to the performance of employees, which denotes the level of proficiency with which an individual carries out their assigned job tasks and obligations. (Aguinis, 2019)

In order to establish the credibility and consistency of the study, the investigator administered preliminary tests before conducting the analysis, which will be executed utilizing a path analysis methodology.

RESULTS AND DISCUSSION

To measure the validity or validity of a questionnaire using the validity test. An instrument is valid if it can reveal data from a studied variable. In this study to achieve the instrument's validity was carried out by testing the validity internally. The validity test aims to determine whether the measuring instrument used in the form of a questionnaire can be used according to the functions and needs of this study. The method of measuring validity uses a correlation technique between item scores and the total variable score.

To find the validity value of an item, you must correlate the item's score with the total of these items. If the correlation coefficient is equal to or above 0.30, the item is declared valid, but if the correlation value is below 0.30, then the item is declared invalid. The validity measurement test uses the Alpha formula.

Table 1. Results of Transformational Leadership, Work Motivation and Performance Variables Validity Test

Item	Transformational Leadership	Work Motivation	Performance Variables
Ins.1	0,448	0,474	0,382
Ins.2	0,485	0,394	0,565
Ins.3	0,529	0,563	0,665
Ins.4	0,492	0,456	0,740
Ins.5	0,594	0,585	0,556

Ins.6	0,438	0,439	0,763
Ins.7	0,577	0,450	0,567
Ins.8	0,530	0,532	0,645
Ins.9	0,643	0,592	0,546
Ins.10	0,501	0,546	0,458
Ins.11	0,557	0,577	0,482
Ins.12	0,448	0,300	0,601
Ins.13			0,329
Ins.14			0,602
Ins.15			0,681

Based on table 1 above, the questions in the Transformational Leadership variable instrument (X1) above consist of 12 items, and from points 1 to 12 are known to meet the validity criteria, namely > 0.300 , so it can be concluded that the Transformational Leadership variable data above is valid and feasible to be processed as research data. The statements in the Work Motivation variable instrument (X2) above consist of 11 items, and from points 1 to 11 are known to meet the validity criteria, namely > 0.300 , and thus it can be concluded that the Work Motivation variable data above is declared valid and feasible to be processed as a research data.

The statements in the Employee Performance variable instrument (Y) above consist of 15 items and from points 1 to 15 known to meet the validity criteria, namely > 0.300 and thus it can be concluded that the performance variable data above is stated to be valid and feasible to be processed as research data. The validity test results above show that all items used meet the validity standard of 0.300 and can be declared valid. This means that valid items can be used in measuring internal control systems and fraud prevention and are able to produce the data needed accurately in this study.

Based on research results from data from one of the official companies in the city of Bandung, Transformational Influence has the first most substantial Influence on employee performance at the Graha Kadin Office in Bandung City with a total direct influence value of 0.252 or 25.2% and a total indirect effect value of 0.146 or 14.6 %. The total effect of Transformational Leadership (X1) on Employee Performance (Y) is 0.398 or 39.8%.

Based on the results of research on the variables of one of the service companies in the city of Bandung, the influence of work motivation has the second most decisive influence on employee performance at the Bandung City Chamber of Commerce and Industry Office

with a total direct influence value of 0.170 or 17% and an indirect effect of 0.146 or 14.6%. On the other hand, the total effect of Transformational Leadership (X2) on Performance (Y) is 0.316 or 31.6%.

Based on the results of research on employee performance, it is better if institutions or superiors maintain and further enhance the good personal values of their employees and maintain extrinsic motivation to improve institutional performance so that companies can also attract more companies and investors to join organizational institutions.

According to Musinguzi et al., (2018), motivation, job satisfaction, and teamwork are all favorably connected with transformational leadership. According to Ekhsan & Setiawan (2021), motivation at work mediates the favorable effects of transformational leadership on employee performance. Finally, Panji Anom & Gustomo (2023) discovered that creative work behavior mediates the favorable effects of transformative leadership on employee performance.

Studies have also looked at how transformational leadership affects employee performance. For example, customer feedback can replace transformational leadership in promoting employee psychological empowerment and job performance, according to Guerrero et al., (2018) research. According to Rao & Kareem Abdul (2015), the impact of transformational leadership on team performance is mediated through psychological empowerment and encouragement for creativity. Overall, this research indicates that job motivation and transformational leadership are crucial elements that might enhance employee performance. These characteristics influence performance, improving employee motivation, job satisfaction, and creative work behavior.

CONCLUSION

The research findings indicate that Transformational Influence has the most significant impact on employee performance, followed by work motivation. Similarly, at the Bandung City Chamber of Commerce and Industry Office, work motivation has the second most substantial impact on employee performance after Transformational Influence. The total effect of Transformational Leadership on employee performance is significant in both cases.

Based on the research results, it is recommended that companies focus on developing transformational leadership skills in their managers to improve employee performance. Additionally, companies should also prioritize enhancing work motivation levels among employees to boost their performance levels. This can be achieved through various incentives, rewards, and recognition programs that can help to motivate employees and increase their job satisfaction.

It is important to note that the research findings are based on data from only two companies in the city of Bandung, and thus, the results may not be generalizable to other companies or industries. Additionally, the research is limited to only two variables -

Transformational Influence and work motivation - and other factors that may impact employee performance, such as job design, organizational culture, and job resources, were not considered. Therefore, future research should explore the impact of these and other variables on employee performance to gain a more comprehensive understanding of the topic.

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