# The Effect of Transformational Leadership Style on Employee Performance At PT. Ciptamega Infrasana in Bogor

## Rani Sujarwadi<sup>1</sup>, Yayan Sudaryana<sup>2</sup>

<sup>1,2</sup>Universitas Pamulang, Tangerang Selatan, Banten, Indonesia E-mail: <a href="mailto:ranisyafa5@gmail.com">ranisyafa5@gmail.com</a>¹, <a href="mailto:dosen00497@unpam.ac.id">dosen00497@unpam.ac.id</a>²

#### **ABSTRACT**

This study aims to determine the effect of transformational leadership style on employee performance at PT. Ciptamega Infrasana in Bogor. The method used is explanatory research with a sample of 72 respondents. The analysis technique uses statistical analysis with regression, correlation, determination, and hypothesis testing. The results of this research variable transformational leadership style obtained an average score of 3.811 with suitable criteria. Employee performance variable obtained an average score of 3.882 with suitable criteria. Transformational leadership style has a positive and significant effect on employee performance with a regression equation value of Y = 14.018 + 0.651X, and a correlation coefficient value of 0.778 or has a strong relationship with a determination value of 60.6%.

Keywords: Transformational Leadership Style, Employee Performance.

## INTRODUCTION

Leadership is indeed a classic topic of discussion; it is ancient but still exciting to discuss because it determines the continuity of an organization. Leadership is essentially accountability. The leadership problem is still in the spotlight because there are still many leaders who cannot be role models in an organization. Especially in this day and age, which is getting morally and mentally degenerate, sometimes it is even more challenging for us to find a good leader. A good leader is a leader who is willing to sacrifice and care for others and is serving. Many leaders are present without reflecting the figure of a leader that should be; in fact, some leaders are far from the expectations of members of an organization, do not care about the fate of their subordinates, and hardly ever think of serving subordinates because their leadership is based on personal desires and prioritizes group interests.

Leaders usually demand subordinates to have good performance, as well as what happened to PT. Ciptamega Infrasana, all employees must provide the best performance to provide the best results for the company and employees. All existing employees are required to be active to provide results. Therefore, according to (Hasibuan 2003), humans always play an active role in determining plans, systems, processes, and goals to be achieved by the company. Goals cannot be realized without the role of employees even though the support of facilities and infrastructure and sources of funds owned by the company will not

be of any benefit to the company if the active role of employees is not included.

According to Hasibuan (2013), leadership is how a leader influences subordinates' behavior to cooperate and work effectively and efficiently to achieve organizational goals. This understanding is in line with the information

obtained based on initial observations with employees of PT. Ciptamega Infrasana, so far the leadership of PT. Ciptamega Infrasana has transformational leadership, where the leadership encourages initiatives and encourages working better at PT. Ciptamega Infrasanadi Bogor.

**Table 1. Performance Measurement Results** 

| Aspect                          | Year   |        |        |
|---------------------------------|--------|--------|--------|
|                                 | 2018   | 2018   | 2019   |
| OS (outstanding) > 100%         | 104.3% | 114.2% | 116.8% |
| ER (Exceed Requirement) 50-100% | 67.5%  | 71.6%  | 73.2%  |
| MR (Meet Requirement) 70-90%    | 73.7%  | 73.9%  | 75.1%  |
| NI (Need Improvement) 50-100%   | 63.4%  | 64.6%  | 65.2%  |
| Marginal < 50%                  | 32.5%  | 33.8%  | 35.1%  |

The data above shows that the average employee of PT. Ciptamega Infrasana has a performance level in the Exceed Requirement and Meet Requirement categories with 70-110% performance target value. This assessment is based on an assessment made by the direct supervisor based on the level of evaluation of work implementation, which is also compiled with the fulfillment of individual competencies, loyalty, and behavior and other computerized elements such as absenteeism levels.

According to Gorden in Nawawi (2016), performance is a function of the ability of workers to accept work goals. It can be said that employees play an essential role in carrying out all company activities to grow and develop to maintain its survival. Therefore, in the overall resources contained in a company, human resources are the most critical and very decisive resource.

At PT. Ciptamega Infrasana, the application of the transformational leadership style has never been shown in research. However, if it is related to the current conditions where the company is often highlighted, one of them is handling performance that many do not reach the specified target. The fact that PT. Ciptamega Infrasana has a poor performance where the application of transformational leadership style is applied.

## 1. Transformational Leadership Style

Transformational leadership is a leader who has the power to influence subordinates in specific ways so that subordinates will feel trusted, valued, loyal and respectful to their leaders, and in the end, subordinates will be motivated to do more than expected. According to Bass and Avolio (2016), transformational leadership is a leadership model to improve human resources, and the relationship between the leader's effect on subordinates can be measured.

## 2. Employee performance

In carrying out a job, the company needs to conduct a performance appraisal to know the effectiveness and success of the employee's performance.

According to Mangkunegara (2019), the notion of performance is the quality and quantity of work achieved by an employee in carrying out his duties by the responsibilities given to him.

## **METHOD**

The type of research used is associative; the data analysis method used is validity test, reliability test, simple linear regression analysis, correlation coefficient analysis, coefficient of determination analysis, and hypothesis testing. As for the population in this study, it amounted to

72 respondents PT. Ciptamega Infrasana in Bogor. While the sample used amounted to 72 respondents.

## **RESULT and DISCUSSION**

## 1. Descriptive Analysis

This test is used to determine the minimum and maximum scores, the highest scores, the rating scores, and the standard deviation of each variable. The results are as follows:

Table 2. Results of Descriptive Statistics Analysis

**Descriptive Statistics** 

|                                   | N  | Minimum | Maximum | mean  | Std. Deviation |
|-----------------------------------|----|---------|---------|-------|----------------|
| Transformational leadership style | 72 | 28      | 49      | 38.11 | 4,543          |
| (X)                               |    |         |         |       |                |
| Employee Performance (Y)          | 72 | 30      | 50      | 38.82 | 3.799          |
| Valid N (listwise)                | 72 |         |         |       |                |

Transformational leadership style obtained a minimum variance of 28 and a maximum variance of 49 with a rating score of 3.811 with a standard deviation of 4.543. This score is included in the scale range from 3.40 to 4.19 with good or agrees criteria. Employee performance obtained a minimum variance of 30 and a maximum variance of 50 with a rating score of 3.882 with a standard deviation of 3.799. This score is included in the scale range from 3.40 to 4.19 with good or agrees criteria.

## 2. Quantitative Analysis.

This analysis is intended to determine the effect of the independent variable on the dependent variable. The test results are as follows:

## a. Simple Linear Regression Analysis

This regression test is intended to determine changes in the dependent variable if the independent variable changes. The test results are as follows:

Table 3. Simple Linear Regression Test Results

Coefficientsa Unstandardized Standardized Coefficients Coefficients Model В Std. Error Beta Sig. 1 (Constant) 14.018 2.409 5.818 .000 Transformational leadership .651 .063 .778 10.366 .000 style (X)

Based on the test results in the table above, the regression equation Y = 14.018 + 0.651X is obtained. From these equations, it is explained as follows:

- 1) A constant of 14.018 means that if there is no transformational leadership style, there is an employee performance value of 14,018 points.
- 2) The transformational leadership style regression coefficient is 0.651; this number is positive, meaning that every time there is an increase in the style of transformational leadership of 0.651 points, employee performance will also increase by 0.651 points.
  - b. Correlation Coefficient Analysis

The correlation coefficient analysis is intended to determine the level of strength of the relationship of the independent variable to the

dependent variable. The test results are as follows:

Table 4. Results of Testing the Correlation Coefficient of Leadership Style

## Correlations<sup>b</sup>

|                             |                     | Transformational leadership style (X1) | Employee Performance (Y) |
|-----------------------------|---------------------|--|--------------------------|
| Transformational leadership | Pearson Correlation | 1                                      | .778**                   |
| style (X)                   | Sig. (2-tailed)     |  | .000                     |
| Employee Performance (Y)    | Pearson Correlation | .778**                                 | 1                        |
|                             | Sig. (2-tailed)     | .000                                   |                          |

The test results obtained a correlation value of 0.778, meaning that transformational leadership style strongly affects employee performance.

The coefficient of determination analysis is intended to determine the percentage of the influence of the independent variable on the dependent variable. The test results are as follows:

## c. Coefficient of Determination Analysis

Table 5. Results of Coefficient of Determination of Transformational Leadership Style on Employee Performance

**Model Summary** 

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1     | .778a | .606     | .600              | 2.403                      |

Based on the test results, the determination value is 0.606, meaning that the transformational leadership style has an influence contribution of 60.6% on employee performance, while the remaining 39.4% is influenced by other factors that were not researched.

## d. Hypothesis testing

Hypothesis testing with a t-test is used to find out which hypothesis is accepted.

Hypothesis formulation: There is a significant effect of transformational leadership style on employee performance.

Table 6. Hypothesis Test Results in Transformational Leadership Style on Employee Performance.

|    |                                   | Co             | efficientsa |              |        |      |
|----|-----------------------------------|----------------|-------------|--------------|--------|------|
|    |                                   | Unstandardized |             | Standardized |        |      |
|    |                                   | Coefficients   |             | Coefficients |        |      |
| Mo | odel                              | В              | Std. Error  | Beta         | t      | Sig. |
| 1  | (Constant)                        | 14.018         | 2.409       |              | 5.818  | .000 |
|    | Transformational leadership style | .651           | .063        | .778         | 10.366 | .000 |
|    | (X)                               |                |             |              |        |      |

Based on the test results in the table above, the value of t arithmetic > t table or (10.366 > 1.998), thus the proposed hypothesis that there is a significant influence between transformational leadership style on employee performance is accepted.

The discussion of the research results are:

1. Respondents' Answer Condition Variables Transformational leadership style

Based on the respondents' answers, the transformational leadership style variable obtained a rating score of 3.811, which is in the scale range 3.40 - 4.19 with good or agree on criteria.

2. Respondents' Answer Conditions Employee Performance Variables

## CONCLUSION

Based on the results of the research and discussion above, the authors provide the following suggestions:

- a. The transformational leadership style variable obtained a rating score of 3.811, which is in the scale range 3.40 4.19 with good or agree on criteria.
- b. Employee performance variable obtained a rating score of 3.882, which is in the range of 3.40 4.19 scale with reasonable or agree on criteria.
- c. Transformational leadership style significantly affects employee performance with the regression equation Y = 14.018 + 0.651X, the correlation value is 0.778 or firm, and the contribution of influence is 60.6%, while other factors influence the remaining 39.4%. Hypothesis test obtained value of t count > t table or (10.366 > 1.998).

Based on the respondents' answers, the employee performance variable obtained a score of 3.882, which is in the range of the scale of 3.40 - 4.19 with good or agree on criteria.

3. The Influence of Transformational Leadership Style on Employee Performance

Transformational leadership style has a significant effect on employee performance with the regression equation Y = 14.018 + 0.651X, the correlation value is 0.778 or has a strong relationship with the contribution of 60.6%. Testing the hypothesis obtained the value of t arithmetic > t table or (10.366 > 1.998). Thus, the hypothesis proposed that a significant effect between transformational leadership style and employee performance is accepted.

#### **REFERENCES**

Abdullah, M (2014) Management and Employee Performance Evaluation, Yogyakarta: Publisher Aswaja Pressindo.

Algifari (2015) Regression Analysis for Business and Economics. Yogyakarta: BPFE.

Arikunto, Suharsimi (2014) Research Procedures A Practical Approach". Bogor: Rineka Cipta.

Bangun, Wilson (2012) Human Resource Management. Bogor: Erlangga

Bejo Siswanto (2016) Manpower Management Design in the Utilization and Development of Manpower Elements, Bandung: Sinar Baru.

Edi Sutrisno (2016). Human Resource Management. Bogor: Prenadamedia Group.

George Terry R & Rue, Leslie W. Rue (2016) Management Fundamentals, Bogor Bumi Aksara.

Gerry Dessler (2016) Human Resources Management, Prentice-Hall, London: International Inc.

Handoko (2016) Personnel Management and Human Resources. Yogyakarta: BPFE.

Hasibuan, Malay SP (2016) Human Resource Management. Revised Edition. Bogor: PT Bumi Aksara.

Imam Ghozali (2017) Multivariate Analysis Application with SPSS Program". Fifth Edition. Semarang: Undip Publishing Agency.

- Istijanto (2014) Human Resources Research. Bogor: PT. Library Gramedia
- Luthans Fred (2014) Organizational Behavior, Ney York: McGraw-Hill, New York.
- Mangkunegara, Prabu Anwar (2016) HR Performance Evaluation. Seventh printing, PT Refika Aditama: Bandung.
- Rao, Purba (2012) Measuring Consumer Perceptions Through Factor Analysis, The Asian.
- Robbins, PS, & Judge, AT (2003) Organizational Behavior. Bogor: Salemba Four.
- Santoso, Singgih (2015) Mastering Multivariate Statistics. Bogor: PT Elex Media Komputindo.
- Sedarmayanti (2016) Human Resource Management, Bureaucratic Reform and Civil Service Management, Fifth Edition, Bandung: PT Refika Aditama.
- Sudjana (2014) Statistical Methods, Bandung: Tarsido.

- Sugiyono (2017) Administrative Research Methods: equipped with R & D Methods. Bandung: Alfabeta.
- Veithzal Rivai (2015) Human Resource Management for Companies, Bogor: Raja Grafindo Persada.
- Wibowo (2015) Performance Management, Bogor: PT. King Grafindo Persada.