

**FACTORS DETERMINE EMPLOYEE SUSTAINABLE PERFORMANCE :CASE IN  
DLHK3 OFFICE IN BANDA ACEH**

<sup>1\*</sup>Hendrayani, <sup>1</sup>Muhammad Adam and <sup>1</sup>Faisal

<sup>1</sup>Department of Management, Universitas Syiah Kuala, Indonesia

<http://doi.org/10.35409/IJBMER.2019.2425>

**ABSTRACT**

The purpose of this study is to look at the effect of transformational leadership styles, organizational commitment and work engagement effect employee sustainable performance. The population is all employees of Environment, Hygiene and Beauty Office (DLHK3) Office in Banda Aceh, Indonesia, as much as 125 people. Sample is taken with the census method so it takes all of population, that is 125 people. The result shows that transformational leadership style effects employee sustainable performance significantly, transformational leadership style effects organizational commitment significantly, transformational leadership style effects work engagement significantly, organizational commitment effects employee sustainable performance significantly, and work engagement effects employee sustainable performance significantly. This result has a contribution to the organization related to improve their management system. This findings also contribute to the knowledge and science, especially to enrich the model of the research in scope of management. The novelty lies in the integration model of the previous ones, and uses SEM to test the hypothesis. The limitation rests in the number of variables that are only four, and the number of object that is only one

**Keyword:** Transformational leadership style, organizational commitment, work engagement, employee sustainable performance.

**1. INTRODUCTION**

Creating a high-performing workforce has become increasingly important and to do so, business leaders must be able to inspire members of the organization to go beyond their job requirements. As a result, the new leadership has emerged the concept of transformational leadership became one of them. Transformational leadership can be found at all levels of the organization: a team, department, division, and organization as a whole. Such visionary leader, inspiring, daring, risk-taking, and a wise thinker. They have a charismatic appeal. But charisma is not enough to change the way the organization operates. Style of leadership is believed to improve employee performance on an ongoing basis. It has been proved by (Jiang, Zhao and Ni, 2017), which examined the influence of transformative leadership style towards employee sustainable performance, and get a positive and significant influence.

At The Environment, Hygiene And Beauty Agency Of The City Of Banda Aceh (DLHK3), measuring employee performance refers to the Regulation No. 46 year 2011 about Job Performance Ratings of civil servant achievements associated with the quantity, quality, time

and cost used by civil servants to achieve its objectives. The role of employers in shaping the character of workers actually reflected in the style of the leadership shown by superiors to subordinates. The positive role played by the leader to help shape the character of employees who are committed to the organization (organizational commitment) and the totality of the employees working for the benefit of the organization (Work Engagement) on this DLHK3 is very important to investigate further. This is important when looking at the problem of garbage Unresolved which affects not only the beauty of the city but also the convenience of the people that live in the city of Banda Aceh.

## **2.LITERATURE REVIEW**

### **Employee Sustainable Performance**

Employee sustainable performance actually refers to the employee's contribution to the sustainability of their own development and the development of a sustainable project organization, and is divided into continuous performance task and sustained performance relationship. Ongoing task refers to the extent to which employees achieve their own sustainable development to fulfil their tasks. Relational sustainable development refers to the extent to which employees contribute to the sustainable development of the project organization in promoting the culture of the organization. (Jiang, Zhao and Ni, 2017).

### **Organizational Commitment**

(Mathis and Jackson, 2006) stated that organizational commitment is the strength of feeling and the responsibilities of employees to the organization's mission. (Griffin, Phillips and Gully, 2016) stated that Employee involvement in mission and vision of the organization, and the type of employee commitment to the organization remain the center of the design of any management strategy. Business leaders have led over the centuries to understand the psychology of the employee, the employee emotions, and expectations of employees, and to meet the needs of employees in a way that results in a win-win situation for both the employer and employee. This situation ensures organizational commitment of employees and in turn help the organization realize its goals.

### **Work Engagement**

Employee psychological connection with their work has become very important in service performance the 21st century. In the contemporary world of work, in order to compete effectively, companies not only need to recruit top talent, but also must inspire and enable employees to apply their full capabilities on their work (alfian ferri Ibrahim mahdani, 2017). Contemporary organizations need employees who are psychologically connected to their work; who are willing and able to invest themselves fully in their roles; proactive and committed to high-quality performance standards. They need employees who are involved with their work (Bakker and Leiter, 2010).

Work engagement is most often defined as "... a state of mind which is a positive, fulfilling, work-related characterized by vigor, dedication and absorption" (Schaufeli and Bakker, 2004); (Schaufeli *et al.*, 2002). Basically, the involvement of workers experiencing job capturing how they work: as a stimulating and energetic and something that they really want to devote the time and effort (component spirit); as the pursuit (dedication) is significant and meaningful; and as

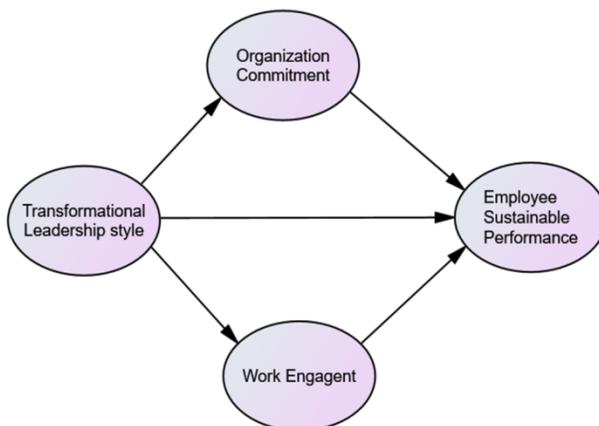
something exciting and something in which they are concentrated full (absorption). Research has revealed that the employees involved are individuals who are very energetic, potent, which do influence over events that affect their lives (Bakker and Demerouti, 2009). Due to the positive attitude and level of activity of their employees involved in creating a positive feedback on their own, in terms of awards, recognition, and success. Although the employees involved feel tired after a hard day, they describe their fatigue as a state rather pleasant because it is associated with positive accomplishments. Finally, the employees involved to enjoy other things outside of work. Unlike workaholics, employees involved do not work hard for a strong inner urge and irresistible, but because for them work was fun (Gorgievski, Bakker and Schaufeli, 2010).

### **Transformational Leadership Style**

Transformational leadership is defined as a leadership approach that causes a change in the individual and social system (Hacker and Roberts, 2004). In the ideal form, it creates a valuable and positive change for employees with the ultimate aim to develop. Transformational leadership is to increase motivation, morale and performance through various mechanisms (AR, Musnadi and Chan, 2018). This includes connecting the feelings of employees to collective identity and mission of the organization; a role model for employees and inspire them; Challenge employees to take a greater role for their work, and understand the strengths and weaknesses of the employees, so that the leaders can align followers with the task of optimizing their performance (Yukl, 2010).

### **Research Paradigm And Hypothesis**

From discussion above, the research model and hypothesis can be figured as follows.



**Figure 1.** Research paradigm

H1. transformational leadership style effects employee sustainable performance significantly

H2. transformational leadership style effects organizational commitment significantly

H3. transformational leadership style effects work engagement significantly

H4. organizational commitment effects employee sustainable performance significantly  
 H5. work engagement effects employee sustainable performance significantly

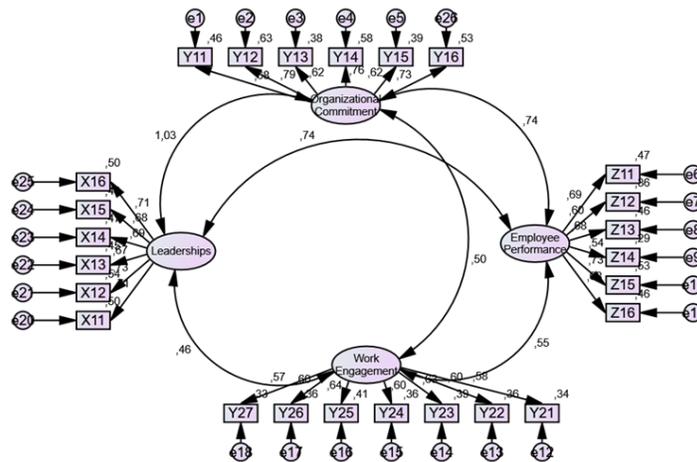
**3. RESEARCH METHOD**

This research was conducted at The Environment, Hygiene And Beauty Agency of Banda Aceh city (DLHK3). The population is all employees of DLHK3, amounting to 125 people. The sample in this study is taken by using the census method which involves the entire population into research respondents, so that is as much as 125 people as well. Processing the data obtained is conducted by using a Structural Equation Model (SEM) as one of multivariate statistic techniques in order to analyze the influence not only between variables, but also the relationship with the indicator variables respectively. Ha acceptance criteria is Critical Ratio (CR) > 1.96 and the Probability (P) < 0.05.

**4. RESULT**

**Loading Factor with measurement test**

Testing the validity of the loading factor can be seen in the image and the following table:



**Figure 2.** Loading Factor

The test result in the figure 2 shows all loading factor values. The following table provides the values more clearly.

**Table 1.** Loading Factor

No.	Indicator		variables	estimate
1	Y11	<---	Organizational Commitment	, 675
2	Y12	<---	Organizational Commitment	, 792
3	Y13	<---	Organizational Commitment	, 619
4	Y14	<---	Organizational Commitment	, 759

No.	Indicator		variables	estimate
5	Y15	<---	Organizational Commitment	, 621
6	Z11	<---	Employee Sus. Performance	, 689
7	Z12	<---	Employee Sus.Performance	, 603
8	Z13	<---	Employee Sus.Performance	, 676
9	Z14	<---	Employee Sus.Performance	, 540
10	Z15	<---	Employee Sus.Performance	, 727
11	Z16	<---	Employee Sus.Performance	, 677
12	Y21	<---	Work Engagement	, 580
13	Y22	<---	Work Engagement	, 601
14	Y23	<---	Work Engagement	, 626
15	Y24	<---	Work Engagement	, 597
16	Y25	<---	Work Engagement	, 640
17	Y26	<---	Work Engagement	, 599
18	Y27	<---	Work Engagement	, 574
19	X11	<---	Trans. Leaderships Style	, 709
20	X12	<---	Trans. Leadership Style	, 732
21	X13	<---	Trans. Leadership Style	, 674
22	X14	<---	Trans. Leadership Style	, 689
23	X15	<---	Trans. Leadership Style	, 677
24	X16	<---	Trans. Leadership Style	, 710
25	Y16	<---	Organizational Commitment	, 725

Table 1 shows the loading factor of all indicators in the model, and already qualify for further treatment because it has a loading factor > 0.5.

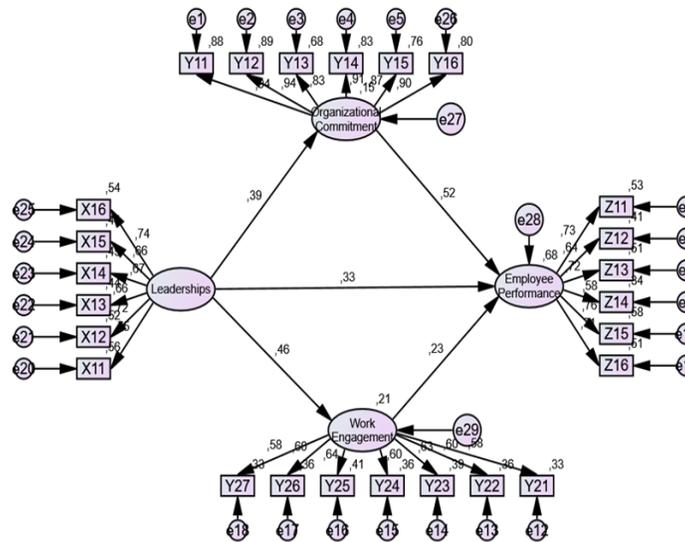
**Table 2. Goodness of Fit**

Criteria Size	Index	Cut-off Value	Results Analysis	evaluation Model
<b>Chi Square</b>		expected to be small	383 793	Fit
<b>CMIN / DF</b>		CMIN / DF <2	1,427	Fit
<b>GFI</b>		≥ 0.90	0813	Fit
<b>AGFI</b>		≥ 0.90	0774	Well
<b>IFI</b>		≥ 0.90	0914	Well

Criteria Size	Index	Cut-off Value	Results Analysis	evaluation Model
CFI		approaching 1	CFI Above 0.5	relatively Good
PNFI		0-1	PNFI 0-1	Fit
RMSEA		<0.08	0059	Fit

**Structural Analysis for Hypothesis testing Direct**

Structural testing result conducted has produced the information needed to answer the hypotheses that have been built before whether proven or not. Figure 3 below illustrates the effect of variables:



**Figure 3.** Structural Equation Model

Based on Figure 3 can be explained the influence of each variable is transformational leadership style, organizational commitment, Sustainable work engagement and Employee Performance.

Whole picture of hypothesis testing along with the results shown in Table 3 below:

**Table 3. Conclusion hypothesis**

No	Hypothesis (Direct Effect)	CR Cut off > 1.96	P Value Cut off < 0.05	Information
1	Transformational Leadership Style on organizational commitment	3,983	***	H1 Accepted
2	Transformational Leadership Style on work engagement	3,706	***	H2 Accepted
3	Organizational Commitment on employee sustainable performance	5.951	***	H3 Accepted
4	Work Engagement on employee sustainable performance	2.494	, 012	H4 Accepted
5	Transformational Leadership Style on employee sustainable performance	3,351	***	H5 Accepted

We can see from the table 3 that the five direct hypotheses are accepted. In other words that all independent variables have the direct effect on the dependent variables in this research model.

**4. CONCLUSION**

The result shows that transformational leadership style effects employee sustainable performance significantly, transformational leadership style effects organizational commitment significantly, transformational leadership style effects work engagement significantly, organizational commitment effects employee sustainable performance significantly, and work engagement effects employee sustainable performance significantly. organizational commitment has the greatest number of beta coefficient in supporting performance improvement staff at the DLHK3. Therefore, when the performance of employees should be improved, then this DLHK3 management should give extra attention to how to keep employees have the strong commitment to advance this DLHK3 agencies.

This result has a contribution to the organization related to improve their management system. This findings also contribute to the knowledge and science, especially to enrich the model of the research in scope of management. The novelty lies in the integration model of the previous ones, and uses SEM to test the hypothesis. The limitation rests in the number of variables that are only four, and the number of object that is only one.

**REFERENCES**

alfian ferri Ibrahim mahdani, adam muhammad (2017) ‘Pengaruh Keterlibatan Kerja, Beban Kerja Dan Konflik Peran Terhadap Kepuasan Kerja Serta Dampaknya Pada Kinerja

- 
- Pegawai Pada Dinas Pendidikan Aceh’, *Jurnal Manajemen Dan Inovasi*, 8(2), pp. 84–96.
- AR, M. Y., Musnadi, S. and Chan, S. (2018) ‘Pengaruh Gaya Kepemimpinan, Budaya Organisasi dan Motivasi Kerja terhadap Prestasi Pegawai Administrasi Sertra Dampaknya pada Kinerja Politeknik Negeri Lhokseumawe, Aceh’, *Jurnal Manajemen*, 2(1), pp. 78–87. doi: 10.1093/eurheartj/ehx011.
- Bakker, A. B. and Demerouti, E. (2009) ‘The crossover of work engagement between working couples’, *Journal of Managerial Psychology*, 24(3), pp. 220–236. doi: https://doi.org/10.1108/02683940910939313.
- Bakker, A. B. and Leiter, M. P. (2010) *Work Engagement: A Handbook of Essential Theory and Research*. United Kingdom: Psychology Press. doi: 10.4324/9780203853047.
- Gorgievski, M. J., Bakker, A. B. and Schaufeli, W. B. (2010) ‘Work engagement and workaholism: Comparing the self-employed and salaried employees’, *Journal of Positive Psychology*, 5(1), pp. 83–96. doi: 10.1080/17439760903509606.
- Griffin, R. W., Phillips, J. M. and Gully, S. M. (2016) *Organizational Behavior: Managing People and Organizations*. 12 Th Edit. Boston: Cengage Learning.
- Hacker, S. and Roberts, T. (2004) *Transformational leadership: creating organizations of meaning*. Australia: ASQ Quality Press.
- Jiang, W., Zhao, X. and Ni, J. (2017) ‘The impact of transformational leadership on employee sustainable performance: The mediating role of organizational citizenship behavior’, *Sustainability (Switzerland)*, 9(9), pp. 1–17. doi: 10.3390/su9091567.
- Mathis, R. L. and Jackson, J. H. (2006) *Human resource management: Manajemen sumber daya manusia, Terjemahan Dian Angelia*. Jakarta: Salemba Empat. Jakarta: Salemba Empat.
- Schaufeli, W. B. *et al.* (2002) ‘the Measurement of Engagement and Burnout: a Two Sample Confirmatory Factor Analytic Approach’, *Journal of Happiness Studies*, 3, pp. 71–92.
- Schaufeli, W. and Bakker, A. (2004) *Utrecht Work Engagement Scale (UWES)*. Netherlands: Occupational Health Psychology Unit Utrecht University.
- Yukl, G. (2010) *Leadership in Organizations*. Seventh Ed, *The British Journal of Psychiatry*. Seventh Ed. Pearson Prentice Hall. doi: 10.1192/bjp.112.483.211-a.