THE EFFECT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE PERFORMANCE AND ORGANIZATIONAL PERFORMANCE MEDIATED BY JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT OF BANDA ACEH PLN CUSTOMER SERVICE IMPLEMENTATION UNIT

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http://doi.org/10.35409/IJBMER.2022.3367

ABSTRACT
This study aims to measure the effect of transformational leadership on employee performance and organizational performance mediated by job satisfaction and organizational commitment. This study was conducted at the State Electricity Company (PLN), in the customer service implementation unit (UP3) at Banda Aceh (PLN UP3 Banda Aceh). The research population was 150 people, where the entire population was a permanent employee and has worked for more than 3 years. The Census method was used to determine the number of samples. Data was collected by distributing questionnaires. The research model was analyzed using Structural Equation Modeling (SEM). The results conclude that transformational leadership affects satisfaction, commitment, the performance of PLN UP3 Banda Aceh employees, and PLN UP3 Banda Aceh performance; Satisfaction affects the performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance; commitment affects the performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance; Satisfaction mediates the role of transformational leadership on performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance; and commitment mediates the role of transformational leadership on performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance. The results of this test succeeded in formulating the function of improving the performance of PLN UP3 Banda Aceh, which is a function of strengthening transformational leadership, strengthening commitment, and improving the performance of PLN UP3 Banda Aceh employees. These findings become the basis for supporting further research that can be developed by adding variables such as corporate citizenship behavior and employee empowerment.

Keyword: Transformational Leadership, Job Satisfaction, Organizational Commitment, Employee Performance, Organizational Performance.

1. INTRODUCTION
PLN (Persero), as a State Electricity Company in Indonesia, or commonly referred to as PLN is one of the companies engaged in the supply of electrical energy in Indonesia. As a State-Owned Enterprise (BUMN), PLN is required to provide electrical energy for the needs of the community. In the context of public services, the customer service implementation unit (UP3) of PLN of Banda Aceh City (PLN UP3 Banda Aceh) of course must provide good service. However, it turns out that
there are still complaints from the public regarding services at PLN UP3 Banda Aceh, namely that there are still field officers who are arrogant and also impolite in serving customers. This will also have an impact on the performance of PLN where the many complaints will tarnish the image of PLN in the eyes of the public.

From the results of the assessment of employee performance at PLN UP3 Banda Aceh City, it is known that there has been a decline from 2019 to 2020 wherefrom all aspects of the assessment an average value of 78 in 2019 and 69 in 2020. This value is not following the regulations applicable to Regional PLN. Aceh. This also has a direct impact on organizational performance where the summary value becomes an assessment of the organization as a whole. The factors that affect the performance of both employees and the organization of PLN UP3 in Banda Aceh City are strongly influenced by factors of leadership style, employee job satisfaction, organizational commitment.

Secondary data from the HR department at the PLN UP3 Banda Aceh office revealed that several problems identified employee dissatisfaction and lack of commitment by employees. This is indicated by the level of absenteeism or absenteeism of employees increasing every year with the largest percentage in 2018 of 16.25%. This means that employee absenteeism reaches a percentage of more than 15% and the standard set by the company for the number of employee attendance per month should not be less than 85%. In addition to the level of employee absenteeism or absenteeism, satisfaction indicators include employee turnover. The turnover rate at PLN UP3 Banda Aceh reached 4.8% in 2018. The same thing is also shown from the level of commitment owned by employees wherein 2020, the level of commitment of PLN UP3 Banda Aceh employees only got a score of 62.5% of the target of 100 %. This indicates that there is something that must be improved from the commitment of its employees.

2. LITERATURE STUDY

Employee Performance

According to (Edison, Riyanti, & Yustiana, 2016) Performance is the result of a process that refers to and is measured over a certain period. (Soetrisno, 2016) mentions many factors that affect employee performance, one of which is effectiveness and efficiency, authority and responsibility, discipline, and initiative. (Dessler & Angelica, 2016) using three basic dimensions in assessing employee performance, namely achievement of numerical goals, achievement of basic work, and mastery of competence. Performance appraisal is a method used to assess the work performance of an employee whether he or she has achieved the work target assigned to him (Lie & Siagian, 2018). To be able to continuously improve employee performance, a supervisory team is needed from each implementing department. This is because to ensure the level of activity passed by employees is following applicable procedures and regulations.

Organizational Performance

(Bangun, 2012) and (Sembiring, 2012) revealing organizational performance is the result of work during a certain period compared to various possibilities. (Boyatzis, 1982) mentions that three main factors affect performance, namely, individuals in the organization, the organizational environment, and roles & tasks. Improved organizational performance is strongly supported by the strategic ability of the leadership in directing and moving its members towards the expected goals.
Job Satisfaction

Job satisfaction is an employee's attitude towards work related to the work situation, which involves physical and psychological factors (Supartha, Parwita, & Bayu, 2013). According to (Lie & Siagian, 2018) and (Kreitner & Kinicki, 2014), there are four aspects of work that most influence job satisfaction, namely compensation, benefits, job security, and work-life balance, all of which relate to the ability of employees to meet their basic needs. (Luthans, 2013) stated that satisfaction is a favorable or unfavorable emotional state with which employees perceive their work. Job satisfaction in this research is often mentioned as satisfaction.

Organizational Commitment

Organizational commitment, or in this research will also often be called commitment, reflects the degree to which a person recognizes an organization and is committed to its goals (Krajcisk, 2018);(Maiti & Sanyal, 2018). Organizational commitment can be defined as an employee's self-identification of the organization where they work by adopting the principles, goals, and values of the organization, then trying to achieve organizational benefits and wanting to continue working with the organization (Kalkavan & Karinli, 2014). Organizational commitment is a sense of belonging and psychological relationship from employees to the organization or the involvement of emotional relationships between employees and the organization to establish a working relationship (Bakhshi & Kumar, 2011). Organizational commitment is a level of recognition of employees of an organization with goals, and expectations to maintain good relations between employees and the organization (Eliyana, Ma’arif, & Muzakki, 2019).

Transformational Leadership

An organization will succeed or even fail largely determined by leadership (Thoha, 2010);(Megheirkouni, 2017). Transformational leadership is an approach taken by organizational leaders to motivate employees to identify organizational goals and interests to work following the expectations desired by the leader (Buil, Martínez, & Matute, 2019). Transformational Leadership is a leadership style in establishing relationships with followers (employees) to gain the trust and respect of the leader, then Transformational Leadership to motivate work more than the expectations of employees to achieve organizational goals (Boamah, Laschinger, Wong, & Clarke, 2018). According to (Ancok, 2012) describes the four dimensions of transformational leadership, namely: idealized influence, intellectual stimulation, individual concern, and inspirational motivation.

Framework

The research framework can be described as follows.
Figure 1. Thinking Framework

**Hypothesis**
H1 = Transformational leadership affects the performance of PLN UP3 Banda Aceh employees.
H2 = Transformational leadership affects the performance of the PLN UP3 Banda Aceh
H3 = Transformational leadership affects Satisfaction of PLN UP3 Banda Aceh employees.
H4 = Transformational leadership affects Commitment of PLN UP3 Banda Aceh employees
H5 = Satisfaction affects the performance of PLN UP3 Banda Aceh employees
H6 = Satisfaction affects the performance of the PLN UP3 Banda Aceh
H7 = Commitment affects the performance of PLN UP3 Banda Aceh employees
H8: Commitment affects the performance of the PLN UP3 Banda Aceh
H9: Transformational leadership affects the performance of PLN UP3 Banda Aceh employees through the satisfaction
H10: Transformational leadership affects the performance of PLN UP3 Banda Aceh through the satisfaction
H11: Transformational leadership affects the performance of PLN UP3 Banda Aceh employees through the commitment
H12: Transformational leadership affects the performance of PLN UP3 Banda Aceh through the commitment

**3. METHOD**
This research was carried out at PLN UP3 in the city of Banda Aceh with objects namely Transformational Leadership, Satisfaction, Commitment, employee performance (Performance of PLN UP3 Banda Aceh employees), and organizational performance (PLN UP3 Banda Aceh Performance). The population was 150 respondents (employees) who work at PLN UP3 Banda Aceh where the entire population was permanent employees and has worked for more than 3 years. The Census method was used to determine the number of samples.

The population (as the sample) is shown in the table below:

**Table 1. Population**
The researchers built constructs for each of the variables based on previous theories, and the provisions that bind the measurement of employee performance and organizational performance as presented in the following table:

Table 2. Measurement Indicators

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Employee Performance ($Z_1$)</td>
<td>Quality of work, Quantity of work, Punctuality, Work effectiveness, Independence, Work commitment (Robbins &amp; Judge, 2017)</td>
</tr>
<tr>
<td>2</td>
<td>Organizational Performance ($Z_2$)</td>
<td>Productivity, Service Quality, Responsiveness, Responsibility, Accountability (Bangun, 2012)</td>
</tr>
<tr>
<td>3</td>
<td>Job Satisfaction ($Y_1$)</td>
<td>Job, Wage, Promotion, Supervisor, Coworkers (Luthans, 2013)</td>
</tr>
<tr>
<td>4</td>
<td>Organizational Commitment ($Y_2$)</td>
<td>Conformity of company values with employee values, Willingness to the organization, Pride of the company, Desire to survive in the company</td>
</tr>
</tbody>
</table>
Direct hypothesis testing used Structural Equation Modeling (SEM) analysis through Amos software (Hair, Hult, Ringle, & Sarstedt, 2016). Furthermore, indirect hypothesis testing (mediation) was carried out using the model (Baron & Kenny, 1986).

4. RESULTS

The structural model for the effect between variables is shown as follows.

![Figure 2. SEM Test Results](http://ijbmer.org/)

The results of hypothesis testing after fulfilling the SEM assumptions are revealed as follows.
Table 3. Test Result

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment &lt;-- Transformational Leadership</td>
<td>.742</td>
<td>.099</td>
<td>7.495</td>
<td>***</td>
</tr>
<tr>
<td>Satisfaction &lt;-- Transformational Leadership</td>
<td>-.042</td>
<td>.020</td>
<td>2.08</td>
<td>.049</td>
</tr>
<tr>
<td>Employee Performance &lt;-- Transformational Leadership</td>
<td>-5.785</td>
<td>2.173</td>
<td>-2.662</td>
<td>.016</td>
</tr>
<tr>
<td>Organizational Performance &lt;-- Transformational Leadership</td>
<td>-3.694</td>
<td>1.024</td>
<td>-3.607</td>
<td>.001</td>
</tr>
<tr>
<td>Employee Performance &lt;-- Satisfaction</td>
<td>.173</td>
<td>.023</td>
<td>7.522</td>
<td>***</td>
</tr>
<tr>
<td>Organizational Performance &lt;-- Satisfaction</td>
<td>2.350</td>
<td>.192</td>
<td>7.031</td>
<td>***</td>
</tr>
<tr>
<td>Organizational Performance &lt;-- Commitment</td>
<td>5.523</td>
<td>2.441</td>
<td>2.263</td>
<td>.024</td>
</tr>
<tr>
<td>Employee Performance &lt;-- Commitment</td>
<td>8.168</td>
<td>3.794</td>
<td>2.153</td>
<td>.023</td>
</tr>
</tbody>
</table>

Source: Primary Data, 2021 (processed)

The results in the table above explain that:

1. **The role of transf. leadership on performance of PLN UP3 Banda Aceh employees**
   
   Testing Hypothesis 1 resulted in p worth 0.016. This figure <0.05 means that transf. leadership affects the performance of PLN UP3 Banda Aceh employees. This result is in line with the study of (Prahesti, Riana, & Wibawa, 2017) and (Djuraidi & Laily, 2020) where the results of their study show that transf. leadership affects employee performance. For employees, having a leader who can transform in leadership makes employees motivated and willing to work well for the betterment of the company.

2. **The role of transf. leadership on PLN UP3 Banda Aceh performance**
   
   Testing Hypothesis 2 resulted in p worth 0.001. This figure < 0.05 means that transf. leadership affects PLN UP3 Banda Aceh Performance. The results of this test are in line with the research (Orabi, 2016), (Ahmad & Ejaz, 2019). These results reveal that transformative leadership practices are important for shaping performance outcomes.

3. **The Role of transf. leadership on Satisfaction**
   
   Testing Hypothesis 3 resulted in p worth 0.000. This figure < 0.05 means that transf. leadership affects satisfaction at PLN UP3 Banda Aceh. The results of this test are in line with (Zulkarnaen & Sudarma, 2018) which also has study results that reveal transformational leadership and compensation affects satisfaction. The application of a transf. leadership style that includes charisma, inspirational motivation, intellectual stimulation, and individual attention will be able to increase employee satisfaction.

4. **The Role of transf. leadership on Commitment**
Testing Hypothesis 4 resulted in p worth 0.001. This figure < 0.05 means that transf. leadership affects Commitment at PLN UP3 Banda Aceh. This result is in line with the results of the studies conducted by (Siswatiningsih, Raharjo, & Prasetya, 2018) and (Lamidi, 2008) that revealed transformational leadership affects commitment.

5. **The role of satisfaction on the performance of PLN UP3 Banda Aceh employees**

Testing Hypothesis 5 resulted in p of 0.000. This figure <0.05 means that satisfaction affects the performance of PLN UP3 Banda Aceh employees. The results of this test are in line with a study by (Sanjiwani & Suana, 2016) and (T. Hidayati & Rahmawati, 2016) where they also prove that satisfaction affects employee performance. This reveals that every line of company leadership must always pay attention to things that can grow and increase employee satisfaction so that it will provide positive outputs for employee performance.

6. **The role of satisfaction on PLN UP3 Banda Aceh performance**

Testing Hypothesis 6 resulted in p of 0.000. This figure <0.05 can mean that satisfaction affects PLN UP3 Banda Aceh Performance. According to study results (Bakotić & Babić, 2013) reveals a clear relationship between satisfaction and organizational performance is two-way.

7. **The Role of Commitment on the performance of PLN UP3 Banda Aceh employees**

Testing Hypothesis 7 resulted in p worth 0.023. This figure < 0.05 means that Commitment affects the performance of PLN UP3 Banda Aceh employees. The results of this test are in line with studies by (Cahyani, 2020), (Waterkamp, Tawas, & Mintardjo, 2017) where the results of their study also reveal that commitment can improve employee performance in the company.

8. **The Role of Commitment on PLN UP3 Banda Aceh Performance**

Testing Hypothesis 8 resulted in p worth 0.024. This figure < 0.05 means that Commitment affects PLN UP3 Banda Aceh Performance. The results of this test are in line with the results of a study conducted by (Kashefi et al., 2014) Where it is explained that commitment plays a very important role in organizational performance.

The results of testing the indirect hypothesis are as shown in the following explanation:

1. **The role of transf. leadership on performance of PLN UP3 Banda Aceh employees through the satisfaction**

To know the role of the transf. leadership variable on the performance of PLN UP3 Banda Aceh employees through satisfaction, an analysis was carried out using the Sobel Test. The result of the Sobel Test analysis is obtained and shown in the following results.
Figure 3. The transf. leadership influence on the performance of PLN UP3 Banda Aceh employees through the satisfaction

The Sobel Test analysis above shows that the significant level of the mediating variable of satisfaction where the Sobel test score obtained is -2.0226 with the one-tailed probability that is 0.02155 and the two-tailed probability that is: 0.04310 or search probability value < 0.05. The results of this test are in line with the research (Putra & Surya, 2020), and (Pambudi, Mukzam, & Nurtjahjono, 2016) wherein his research revealed that there was an indirect effect between transf. leadership styles on employee performance through satisfaction, which was 0.334. This reveals that a good transf. leadership style will improve employee performance along through high satisfaction.

2. The role of transf. leadership on PLN UP3 Banda Aceh performance through the satisfaction

To know the role of the transf. leadership variable on PLN UP3 Banda Aceh performance through satisfaction, an analysis was carried out using the Sobel Test. The results of the Sobel Test analysis is obtained and shown in the following results
Figure 4. The transf. leadership influence on PLN UP3 Banda Aceh performance through the satisfaction

The Sobel Test analysis above shows that the significant level of the mediating variable of satisfaction is -2.01217 with the one-tailed probability that is 0.02210 and the two-tailed probability that is: 0.04420 or search probability value < 0.05. The results of this analysis are strengthened by research (S. N. Hidayati, 2014) where the results of his study revealed that satisfaction mediates the role of transf. leadership on PLN UP3 Banda Aceh performance.

3. The role of transf. leadership on performance of PLN UP3 Banda Aceh employees through the commitment

To know the role of the transf. leadership variable on the performance of PLN UP3 Banda Aceh employees through the commitment, an analysis was carried out using the Sobel Test. The result of the Sobel Test analysis is obtained and shown in the following results
The transf. leadership influence on the performance of PLN UP3 Banda Aceh employees through the commitment

The Sobel Test analysis above shows that the significant level of the mediating variable of commitment is 2.06920 with the one-tailed probability that is 0.01926361 and two-tailed probability is 0.03852 or the search probability value < 0.05. These results prove that commitment fully mediates the transf. leadership role on the performance of PLN UP3 Banda Aceh employees.

4. **The role of transf. leadership on PLN UP3 Banda Aceh performance through the commitment**

To determine the role of the transf. leadership variable on PLN UP3 Banda Aceh's performance through the commitment, an analysis was carried out using the Sobel Test. The result of the Sobel Test analysis is obtained and shown in the following results.
The results of the Sobel Test analysis above show that the significant level of the mediating variable of commitment is 2.1660 with the one-tailed probability that is 0.01515 and two-tailed probability is 0.03030 or probability value search < 0.05. These results prove that commitment fully mediates the transf. leadership role on the performance of PLN UP3 Banda Aceh.

5. CONCLUSION

The results conclude that transformational leadership affects satisfaction, commitment, the performance of PLN UP3 Banda Aceh employees, and PLN UP3 Banda Aceh performance; Satisfaction affects the performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance; commitment affects the performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance; Satisfaction mediates the role of transformational leadership on performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance; and commitment mediates the role of transformational leadership on performance of PLN UP3 Banda Aceh employees and PLN UP3 Banda Aceh performance. The results of this test succeeded in formulating the function of improving the performance of PLN UP3 Banda Aceh, which is a function of strengthening transformational leadership, strengthening commitment, and improving the performance of PLN UP3 Banda Aceh employees. These findings become the basis for supporting further research that can be developed by adding variables such as corporate citizenship behavior and employee empowerment. This finding can also be used as a basis for further policy formulation at PLN UP3. So that in the future, to improve organizational performance, PLN UP3...
Aceh can strengthen the transformational leadership character within the company, strengthen the commitment of its employees, and also the performance of its employees.

REFERENCES


