A COHERENCY OF TRANSFORMATIONAL LEADERSHIP, ORGANIZATIONAL COMMITMENT, AND EMPLOYEE PERFORMANCE

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ABSTRACT
Higher education plays an important role and has become a priority in creating and enhancing skills in developing countries. However, there are many challenges and problems faced in carrying out educational visions. This study was to investigate the coherency of transformational leadership, organizational commitment, and employee performance. This study uses a quantitative method with the questionnaire administered to collect data from 120 employees at the ministry of higher education at Timor Leste, using SmartPLS3 as the data analysis. These studies state that beneficial role of transformational leadership on organizational commitment, however transformational leadership is not proved on intensify employee performance. Moreover, the commitment organization has an essential role on intensify employee performance. The relationship transformational leadership on employee performance is fundamentally mediated by commitment organizational. Whereas, implication of this study revealed that the leader should be ability to enhance the commitment of employees to the organization, so that intensify employee performance.

Keyword: Transformational Leadership, Organizational Commitment, Employee Performance.

1. INTRODUCTION
Employee performance is an essential factor that can support an organization's success in facing global competition. Therefore, the management of organization always retention that its employees are able to make optimal contributions to the organization. The success of organizational goals is largely determined by employee performance (Thao and Hwang, 2015; Saldanha et al., 2019; Piedade et al., 2019). Afterward, employee performance is an important issues that must be considered by scholars. Meanwhile, Suliana at al. (2010) noted that employee performance determining the success of an organization both profit and non-profit. Leadership study have the one of the concept in organization that have proved high contribution on managing employee. Moreover, many studied trying to uncover the essential role of leaders in bringing organizational success. Scholar explained that a number of experts discover effective leadership model. Jiang at al., (2017), revealed that transformational leadership is a part of leadership style proved a stronger impact on employee performance relationship.

A number of researcher (Jackson, 2020; Farahnak et al., 2020) claim that transformational leadership can generate commitment, loyalty, involvement, and follower performance. Transformational leadership is the most suitable model for effective leadership in the world today (Bass and Riggio, 2006). A number of study also shown that transformational leadership has a
positive and significant effect on employee performance (Thamrin, 2012; Naeem and Khanzada, 2018; Manzoor et al., 2019). It means that the values of transformational leadership that organizational practices can enhancing the ability of the employees performance. The important role of transformational leadership in supporting employee performance has been carried out by the researcher. However, research conducted by (Tambalean, 2014; Tobing and Syaiful, 2016; Kertiriasih et al., 2018) clarify that transformational leadership has not significant effect on employee performance. The success of transformational leadership practices in supporting employee performance is highly depend on employee organizational commitment.

Organizational commitment is an employee's attitude to always be loyal to the organization so that it can contribute to the performance. Therefore, organizational commitment is also an important factor and has a great significance effect for the organization (Jain and Duggal, 2018). Employees who are committed in their work will certainly improve employee performance (Northouse, 2018). A number of research (Iqbal at al., 2020; Dappa et al., 2019), stated that higher organizational commitment can create from transformational leadership values. However, Putra et al., (2020) shows that employees who have high organizational commitment are able to make a higher contribution to its performance. Based on the results of previous studies show that there are still gaps in the research on the effect of transformational leadership on employee performance. So that the essential role of employee commitment on mediating the effect of transformational leadership on improving employee performance. Nevertheless, the relationship between transformational leadership, organizational commitment and employee performance needs to be tested empirically. This study aims to investigate the coherency between transformational leadership, organizational commitment, and employee performance.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Transformational Leadership and Employee Performance

Transformational leadership describes leadership as a process that changes people and organizations (Northouse, 2018). Transformational leadership motivate others to do more than previously thought and even more than they might think. Such leaders set more challenging expectations and usually achieve higher performance. True Transformational leadership can increase the level of moral maturity of the people they lead (Avolio and Bass, 2002). Transformational leadership can behave to achieve superior results by using one or more of its four values. first, leaders are idealized when followers try to identify with their leaders and emulate them. Second, leadership provides followers with challenges and persuasions that provide meaning and understanding. Third, leadership stimulates intellectually, expanding followers using their abilities. Finally, leadership by considering individually, providing support, directing, and guidance to followers (Avolio and Bass, 2002). Thus, transformational leadership is an important factor that can improve employee performance (Elgelal and Noermijati, 2016). Therefore, transformational leadership is a type of leadership that is able to integrate creative insights, perseverance, energy, intuition, and sensitivity to employees to get the goals or desires of the organization and has an extraordinary impact on these employees (Prabowo et al., 2018). Findings revealed that employee's ongoing performance was positively effectd by transformational leadership (Jiang, Zhao and Ni, 2017).

H1. Transformational leadership has a significant effect on employee performance

Transformational Leadership and Organizational Commitment

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Transformational leadership overcome the self-esteem of each follower to involve followers in true commitment and involvement in the effort made (Avolio and Bass, 2002). When people can find commitment in their work, they will work without the need for leaders to motivate or persuade them. In other words, when people have a desire for their work, they will do it even without outside direction (Northouse, 2018). Therefore, Bass, (1995) states that transformational leadership can generate commitment, loyalty, involvement, and performance of followers. The results showed that transformational leadership had a significant effect on organizational commitment (Lusita and Noviati, 2016). There is a relationship between transformational leadership and organizational commitment (Gulluce et al., 2016). Transformational leadership can affect affective commitment and normative commitment (Ali and Puah, 2017).

H2. Transformational leadership has a significant effect on organizational commitment

Organizational Commitment and Employee Performance

Commitment to change is the basis of psychological mechanisms that connect organizational efforts to implement planned changes and employee behavior (Jaros, 2010). Organizational commitment is an important factor and has great significance for the organization (Jain and Duggal, 2018) to achieve organizational goals, of course, always look for committed employees. Moreover, Ghosh and Swamy, (2014) stated that commitment in the workplace remains an interesting topic of much research and the nature of employee behavior. They further state that commitment has implications for attitude and behavior, it is important to issue propositions that try to dig deeper into the soul of the individual and his interactions with the organization. Meanwhile, (Bandula and Jayatilake, 2016) states that employee commitment is crucial to the success of an organization's performance. Allen and Meyer (1990), mentioned that affective commitment occurs when individuals fully embrace organizational goals and values. They become emotionally involved with the organization and feel personally responsible for the level of organizational success. These people usually show high levels of performance, positive work attitudes, and a desire to stay with the organization.

Continuous commitment occurs when individuals base their relationship with the organization on what they receive in return for their efforts and what will be lost if they leave. Normative commitment occurs when individuals remain with the organization based on expected standards of behavior or social norms. These people value obedience, alertness, and formality (Bowditch, Buono and Stewart, 2007). Some previous studies show that the results of the study show that employee commitment has a significant effect on employee performance and has a positive relationship between employee commitment and employee performance (Bandula and Jayatilake, 2016).

H3. Organizational commitment has a significant effect on employee performance

3.METHODS

This research was conducted at the Ministry of Education of East Timor College. The population in this study are civil servants working in the Ministry of Higher Education. This study used a questionnaire list and as many as 153 questionnaires were distributed to general directors, national directors, and employees. A total 120 questionnaires was filled out valid for analysis. Data obtained from respondents then be analyzed using the assistance of the Smart-PLS 3.0 program (Ringle et al., 2015) to examine the coherency between transformational leadership, organizational commitment, and employee performance. Transformational leadership is measured by using 4
indicators from (Ashikali and Groeneveld, 2015), namely idealized influence, inspirational motivation, intellectual stimulation, and individual consideration. Organizational commitment using 3 indicators adapted from (Meyer and Allen, 1990; Meyer et al., 1993) namely affective, normative, and continuance commitment. Moreover, employee performance uses 2 indicators adopted from research by Koopmans et al. (2014), namely task performance and contextual performance.

4. RESULTS

**Goodness of Fit Outer and Inner Models**

The reliability test in this study uses parameters, namely Cronbach's Alpha, Composite Reliability and Average Variance Extracted (AVE). The results of the construct reliability test (Table 1) shows the values of Cronbach's Alpha higher than 0.70 (fulfill reliability test), the values of Composite Reliability higher than 0.70 (fulfill reliability test) and the values of Average Variance Extracted (AVE) higher than 0.5 (met convergent validity). Based on parameters values (Hair et al., 2014), Cronbach's Alpha, Composite Reliability and Average Variance Extracted (AVE) the constructs have met the internal consistency to be used in analyzing the relationships between variables. The validity of the models also test using root of Average Variance Extracted. The test results indicate that the values of AVE root (Table 2 diagonal) higher than correlations between indicators (Hair et al., 2014; Henseler, 2017). Furthermore, all of the constructs was valid and meet the requirements.

### Table 1. Construct Reliability and validity

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
<th>R² endogenous construct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership (TL)</td>
<td>0.873</td>
<td>0.896</td>
<td>0.600</td>
<td></td>
</tr>
<tr>
<td>Organizational Commitment (OC)</td>
<td>0.855</td>
<td>0.882</td>
<td>0.509</td>
<td>0.29</td>
</tr>
<tr>
<td>Employee Performance (EP)</td>
<td>0.838</td>
<td>0.872</td>
<td>0.501</td>
<td>0.20</td>
</tr>
</tbody>
</table>

Primary Data, 2022

### Table 2. Discriminant Validity

<table>
<thead>
<tr>
<th>No</th>
<th>Indicator</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TL1</td>
<td>0.78</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>TL2</td>
<td>0.59</td>
<td>0.78</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>TL3</td>
<td>0.49</td>
<td>0.55</td>
<td>0.82</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>TL4</td>
<td>0.56</td>
<td>0.58</td>
<td>0.68</td>
<td>0.77</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>OC.1</td>
<td>0.31</td>
<td>0.30</td>
<td>0.33</td>
<td>0.36</td>
<td>0.72</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>OC.2</td>
<td>0.41</td>
<td>0.29</td>
<td>0.44</td>
<td>0.41</td>
<td>0.48</td>
<td>0.71</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>OC.3</td>
<td>0.40</td>
<td>0.30</td>
<td>0.43</td>
<td>0.36</td>
<td>0.37</td>
<td>0.68</td>
<td>0.71</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>EP.1</td>
<td>0.20</td>
<td>0.29</td>
<td>0.10</td>
<td>0.19</td>
<td>0.31</td>
<td>0.20</td>
<td>0.29</td>
<td>0.70</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>EP.2</td>
<td>0.22</td>
<td>0.31</td>
<td>0.22</td>
<td>0.27</td>
<td>0.52</td>
<td>0.36</td>
<td>0.36</td>
<td>0.63</td>
<td>0.67</td>
</tr>
</tbody>
</table>

Primary Data, 2022

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Based on the data of R square ($R^2$) in Table 1, the value of $Q^2$ predictive relevance can be calculated through the following formula. $Q^2 = 1 - (1 - 0.29)(1 - 0.20) = 1 - (0.71)(0.80) = Q^2 = 0.432$ ($Q^2$ predictive relevance is good). The calculation resulted in a $Q^2$ value of 0.432; therefore, it can be interpreted that the model shows a good level of prediction. From the result, it can be acknowledged that as much as 43.20% of the relations among analyzed variables in the model can be explained by the model thoroughly (Razak et al., 2016).

**Hypothesis Testing**

Hypothesis testing showed (Figure 1) and the path coefficient, t-statistics, and p-values (Table 3). The results showed that transformational leadership had no effect on employee performance. Table 3 shows that the path coefficient value of the effect of transformational leadership on employee performance is 0.09 with a t-statistic value of 1.39 < 1.96, and a p-value of 0.16 > 0.05. Thus, the hypothesis which states that transformational leadership has a positive and significant effect on employee performance is rejected. However, looking at the positive path coefficient sign indicates that transformational leadership and employee performance are in the same direction. The results show that the better transformational leadership the higher employee performance. The results also showed that transformational leadership had a positive and significant effect on organizational commitment. This can be seen from the path coefficient value of the effect of transformational leadership on commitment of 0.53 with a t-statistic value of 10.41 > 1.96, and a p-value of 0.00 < 0.05. Thus, the hypothesis that transformational leadership has a positive and significant effect on organizational commitment can be accepted. Look at the positive path coefficient sign which shows that transformational leadership and organizational commitment are in the same direction. The results show that the better transformational leadership, the higher organizational commitment.

![Figure 1. Full model of Smart PLS](http://ijbmer.org/)

Table 3 also showed that organizational commitment had a positive and significant effect on employee performance. This can be seen from the path coefficient value of the effect of organizational commitment on employee performance of 0.39 with a t-statistic value of 5.67 > 1.96, and p-value of 0.00 < 0.05. Thus, the hypothesis stating that organizational commitment has a positive and significant effect on employee performance is acceptable. Look at the positive path coefficient sign which shows that organizational commitment and employee performance are in the same direction. The results show that the better organizational commitment the higher employee performance. The results also showed that organizational commitment mediating the effect of transformational leadership on employee performance. This can be seen from the path coefficient value of the effect of transformational leadership on commitment by 0.21 with a t-statistic value of 4.92 > 1.96, and p-value of 0.00 < 0.05 (Table 3). Thus, the hypothesis that organizational commitment can mediate the effects of transformational leadership is proven.
positive path coefficient sign which shows that transformational leadership, organizational commitment and employee performance are in the same direction. The results show that the values of transformational leadership will increase organizational commitment and higher organizational commitment proved higher employee performance will be.

### Table 3. Path coefficient direct and indirect effect

<table>
<thead>
<tr>
<th>Construct</th>
<th>Original Sample Mean (O)</th>
<th>Sample Mean (M)</th>
<th>Standard Deviation (SD)</th>
<th>T-Statistics</th>
<th>P-Values</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL -&gt; OC</td>
<td>0.533</td>
<td>0.534</td>
<td>0.051</td>
<td>10.411</td>
<td>0.000</td>
<td>sig</td>
</tr>
<tr>
<td>TL -&gt; EP</td>
<td>0.097</td>
<td>0.097</td>
<td>0.069</td>
<td>1.393</td>
<td>0.164</td>
<td>Not sig</td>
</tr>
<tr>
<td>OC -&gt; EP</td>
<td>0.392</td>
<td>0.393</td>
<td>0.069</td>
<td>5.671</td>
<td>0.000</td>
<td>sig</td>
</tr>
<tr>
<td>TF -&gt; OC -&gt; EO</td>
<td>0.209</td>
<td>0.210</td>
<td>0.043</td>
<td>4.918</td>
<td>0.000</td>
<td>sig</td>
</tr>
</tbody>
</table>

TL=transformational leadership; OC=organizational commitment; EP=employee performance

### 5. DISCUSSION

Transformational leadership are seen as a models of leadership that is: (1) motivate to do more than should, (2) increase level of awareness about important things, (3) increase level of need from security and recognition to the need to achievement and independence (4) leads to transcend self-interest for the good of the team of the organization (Bass, 1995). Transformational leadership has a significant effects on both organizational performance and employee performance (Bass and Riggio, 2006). Transformational leadership not only enhances individual and group performance but also work to reduce the impact of counterproductive work behavior because transformational leadership are able to make followers committed to achieving collective goals rather than just to their personal goals (Kertiriasih et al., 2018). The values of transformational leadership had not proved effect on employee performance. Contradictive with (Avolio and Bass, 2002), revealed that transformational leadership sets more challenging expectations and usually achieves higher performance. However, these study confirms a number of previous studies which stated that transformational leadership has no effect on improving employee performance (Thamrin, 2012; Naeem and Khanzada, 2018; Manzoor et al., 2019). Moreover, scholars state that transformational leadership has not significant effect on employee performance (Tambalean, 2014; Tobing and Syaiful, 2016). The effect of transformational leadership on employee performance still debatable on previous study, so that need to be examined.

Eliyana & Ma’arif (2019), revealed that transformational values can generate commitment, loyalty, involvement, and performance of followers. A number of study clarified that transformational leadership values be able to enhance organizational commitment (Ismail & Mydin, 2019;; 2019; Peng et al., 2020). Higher employee organizational commitment in their work place, will work without the need for leaders to motivate and persuade (Northouse, 2018). The results of this study confirm several previous studies which state that transformational leadership has a intensify organizational commitment (Gulluce et al., 2016; Lusita and Noviati, 2016; Ali and Puah, 2017). The results also showed that organizational commitment had a significant effect on employee performance. Sunda, (2018) states that commitment is believed to be the cause of success, therefore is closely related to employee performance (Khan and Zia-ud-Din, 2010). To achieve higher organizational goals, organization always look committed employees (Jain and Duggal, 2018). The finding of this study confirm several previous studies.
which state that organizational commitment has a significant effect on employee performance (Khan and Zia-ud-Din, 2010; Memari and Marnani, 2013; Sunda, 2018; Suharto et al., 2019).

This study also found that organizational commitment played an essential role in mediating the relationship between transformational leadership on employee performance (Memari and Marnani, 2013; Tambalean, 2014; Gulluce et al., 2016). This study also clarified that there is a strong relationship between transformational leadership on organizational commitment (Lusita and Noviati, 2016; Ali and Puah, 2017; Kertiriasih et al., 2018). However, transformational leader values not significance influenced to intensify employee performance. Nevertheless, transformational values of leadership is an essential role on enhance the employees organizational commitment. Afterward, transformational leadership be able to enhance organizational commitment, then improving employee performance (Khan and Zia-ud-Din, 2010; Suyanto and Hendri, 2019).

6. CONCLUSION

Transformational leadership is a form of leadership style that can inspire various changes in those who follow. Transformational leaders are generally energetic, enthusiastic, and passionate in managing organization. The finding show that the values of transformational leadership does not proved enhancing employee performance. However, transformational leader enhancing employee performance through organizational commitment. The trait of transformational leadership not only the leaders concerned and involved in the process, but also focused on helping every member of the group succeed as well. That conditions help employee feel more satisfaction to the organization and tend to creating organizational commitment. Employee highly committed have a tendency to be able on perform work better. The implications of this study indicate that, leaders should be able to create a high sense of attachment to the organization so that it provides the maximum contribution to the organization. Future researchers need to re-examine the relationships between variables in the model because there are still contradictions coherency among variables. One of the prominent transformational leadership trait is charismatic which is seen as one of the dark sides of this leadership model that often disrupts leader-member exchange (LMX). Therefore, the concept of transformational leadership, organizational commitment, and employee performance has the opportunity to be replicated considering the leader has an important role to change the attitude of subordinates into behaviors that contribute to performance. This study has limitations due to the cross section data collection. In addition, perceptual research tends to change of respondent responses because it depends on many situations.

REFERENCES


Jaros, S. (2010) ‘Transformational Leadership, Organizational Commitment, and Job Satisfaction:


