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# The Effect of Transformational Leadership on Employee Performance Through Job Satisfaction and Organizational Commitment

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#### **Abstract**

This study aims to examine and examine the effect of transformational Leadership on performance through job satisfaction and organizational commitment. Transformational Leadership is an exogenous variable, Employee Performance as an endogenous variable, and Organizational Commitment and Job Satisfaction are mediating variables. This research was conducted on leaders and employees in food & beverage companies found in Jakarta. The background of this research is the leadership style in empowering employees, which aims to improve the quality of professionalism and performance of employees in carrying out their duties and functions optimally. Things that must be considered in food & beverage companies such as Transformational Leadership, Employee Performance, Organizational Commitment, and Job Satisfaction. This study uses samples taken by purposive sampling method, using the Hair calculation method for as many as 135 respondents. The analytical method used is the Structural Equation Model (SEM), and uses Partial Least Square (PLS) to test the strength of direct and indirect relationships between various variables. The results of this study indicate that Transformational Leadership affects Job Satisfaction, Transformational Leadership has an effect on Organizational Commitment, Transformational Leadership has an effect on Employee Performance, Job Satisfaction has an impact on Employee Performance. Organizational Commitment has an effect on Employee Performance. Transformational Leadership has an effect on Employee Performance through Job Satisfaction. Transformational Leadership has an impact on Employee Performance through Organizational Commitment.

**Keywords:** Transformational Leadership, Job Satisfaction, Organizational Commitment, Employee Performance

#### 1. Introduction

Human resources have an essential role in determining the success and achievement of company goals. In achieving these goals, human resources must improve employee performance for continuous performance improvement, work comfort, and profits for the company. The importance of human resources also needs to be realized with a large role in the performance of employees and an organization. Good employee performance is a step toward achieving organizational goals to improve employee performance.

The importance of an employee's performance in achieving a goal is strongly influenced by the human resources contained in the organization. Good and maximum employee performance at work is significant for the company. Employee performance is an essential resource for the company by having the creativity, ideas, and workforce needed to achieve company goals. Employee performance must increase excellence in any field to increase maximum performance[1]. Achieving and improving employee performance in the company requires active employee involvement by increasing motivation and meeting job satisfaction on employee performance. Employee performance also reflects behaviour as measured by individual abilities for company goals[2]. So companies need to realize employee performance's ability to manage in achieving company goals[3].

Research on the effect of job satisfaction and organizational commitment on transformational leadership through employee performance has been conducted with the object of research being middle-level managers at the port of Indonesia III with the results of transformational leadershipe[4], job satisfaction, organizational commitment being influenced by employee performance. This research is different from previous research; the subject of this research is employees who work at food & beverage companies in Jakarta during the covid pandemic to measure performance equations when there are no covid pandemics. Employee performance is one of the connecting factors between transformational leadership, job satisfaction and organizational commitment. This study aimed to analyze the influence of transformational leadership on employee performance through job satisfaction and corporate loyalty in food & beverage companies in Jakarta.

#### 2. Theoretical Basis.

#### 2.1 Job Satisfaction

Job satisfaction is a positive feeling about one's job which results from evaluating its characteristics. Then Job satisfaction theory tries to reveal what makes some people more satisfied with their work. Job satisfaction reflects one's feelings toward his work, which can be seen from the employee's attitude towards work and everything in the workplace. In line with previous research[5], employee job satisfaction is the key driver of work morale, discipline and performance by employees in supporting the realization of company goals. Basically, job satisfaction is an individual thing and depends on a person's perception of what he feels about work. In addition,[6] job satisfaction is a pleasant emotional state of assessing one's work as an achievement or facilitating the value of one's career.

Based on the opinions of several experts, it can be concluded that job satisfaction is something positive feelings about work that make employees feel satisfied with their work to encourage work morale, discipline, and work performance in supporting company goals.

# 2.2 Organizational Commitment

Organizational commitment is where employees are trusted and accept the organization's goals and will stay or will not leave the organization. Organizational commitment is the level of employee involvement in the organization and has the same identity as the organization. Then organizational commitment is a state of employees in favour of a particular company and its goals and intention to maintain the wishes of employees in the company. Organizational commitment can also be interpreted as a person's effort to defend himself in a preferred organization by upholding the values and goals of the organization and making a solid effort to keep the organization's name. In other words, organizational commitment is related. Meanwhile, organizational commitment is the desire of employees to become part and members of an organization[7].

Based on the opinion of several experts, it can be concluded that organizational commitment is an attempt by a person to maintain himself in the organization by having a feeling to share and sacrifice for the company in showing his concern for the organization.

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#### 2.3 Transformational Leadership

Transformational leadership is a leader who can stimulate and inspire followers to achieve extraordinary results and, in the process, develop their leadership capacity, which is divided into four dimensions, namely idealized influence, inspirational motivation, intellectual stimulation and individualized consideration[8]. Transformational leadership as a leader who inspires his followers to put aside their interests for the good of the organization, and they can have a tremendous influence on their followers. According to a researcher transformational leadership is a leader who works to inspire them to commit together to realize the vision, which means they expect followers to work by the existing vision and provide assistance, and become role models for followers to realize the best performance with their existing potential, and provide problem-solving from another point of view. Transformational leadership is described as transformational leadership that prioritizes the achievement of vision and values so that a new image can be formed by working hard to achieve the vision[9]. There are four dimensions in transformational leadership: ideal influence, inspirational motivation, intellectual stimulation, and individual consideration. The ability of a leader to work with others to optimally transform organizational resources in order to achieve meaningful goals in accordance with predetermined achievement targets.

Based on the opinions of several experts, it can be concluded that transformational leadership is the ability of a leader to work to inspire followers who are committed to prioritizing the achievement of the vision and values of an organization[10].

#### 2.4 Employee Performance

According Employee Performance is the achievement of an employee or manager who is given a task and the results produced on a job function or activity during a specific period. Then according to employee performance is a record of outcomes resulting from certain job functions or actions during a particular period, achievements achieved by employees based on predetermined standards and measures. Meanwhile, according to Rivai (2004), employee performance is the overall work or success of a person during a specific task compared to work standards, goals or criteria previously determined and mutually agreed upon. Then states that what affects a person's performance standards are the quality of output, output quantity, output period, workplace attendance and cooperative attitude. Employee performance is the result of work in quality and quantity achieved by an employee in carrying out his duties by the responsibilities given to him. Everything that employees, supervisors, and managers do is a performance. This performance itself is something that can be measured even though it is abstract.

Based on the opinions of several experts, it can be concluded that employee performance is the result of a person's work that can be measured by being responsible for carrying out his work in quality and quantity.

## 2.5 Relationship Between Variables

# 2.5.1 Transformational Leadership Relationship with Job Satisfaction

Transformational leadership can lead to higher levels of job satisfaction by inspiring and encouraging employees to act to demonstrate the expected success. Transformational leadership can play an essential role for employees so that they can behave positively, creatively, and innovatively and overcome existing problems. Then transformational leadership can motivate to achieve maximum performance and get job satisfaction for employees[11], [12].

According to the results of research, transformational leadership positively affects job satisfaction. In line with previous research, noted that transformational leadership positively affects job satisfaction. According to the research results according to [13]transformational leadership plays a vital role in achieving and increasing job satisfaction. Based on the results of the statement, the following hypotheses were developed:

H<sub>1</sub>: Transformational Leadership has a positive effect on Job Satisfaction

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# 2.5.2 Relationship between Transformational Leadership and Organizational Commitment

Transformational leadership can provide motivation and opportunities for employees to be innovative and creative and innovate new ideas to increase organizational commitment to a higher level in determining the success of a strong organization. Transformational leadership characterizes the ability of a leader who can understand the needs of his followers and be able to motivate them. Transformational leadership can make employees committed and highly loyal to organizational commitment[14].

Then according to Malik, transformational leadership significantly positively affects organizational commitment to employees[15]. Based on the results of the statement, the following hypotheses were developed:

H<sub>2</sub>: Transformational Leadership has a positive effect on Organizational Commitment

# 2.5.3 Relationship between Transformational Leadership and Employee Performance

Transformational leadership is essential in determining Employee Performance to adapt to a new environment. The leader must have the power to move and motivate employees to achieve satisfactory performance. A transformational leader can unite all subordinates and change their beliefs, attitudes, and personalities to achieve their goals, even beyond the purposes set. Support from leaders can motivate employees to work better, which can affect employee performance[16].

According to the research results of transformational leadership has a positive and significant effect on employee performance. Better transformational leadership in the company will have an impact on improving employee performance. According transformational leadership positively and significantly affects employee performance. When leaders practice transformational leadership, employees perform better it has a positive impact. Meanwhile, stated that transformational leadership has a significant positive effect on employee performance. In line with previous research, [17]indicated that it positively and significantly impacts employee performance. Based on the results of the statement, the following hypotheses were developed:

H<sub>3</sub>: Transformational Leadership has a positive effect on Employee Performance

# 2.5.4 Relationship between Job Satisfaction and Employee Performance

Job satisfaction reflects employees' feelings towards their work which can be seen in the positive attitude of employees towards their work which can improve employee performance. In contrast, employees who do not get job satisfaction will have an aggressive attitude, or on the contrary will show an attitude of withdrawing from their social environment contacts[18].

According to research results [19]state that job satisfaction has a positive and significant effect on employee performance. This shows that the higher the level of employee satisfaction, the more performance will increase. Then the latest research states that job satisfaction positively affects employee performance. This is in line with several previous studies that say there is a positive and significant effect between job satisfaction and employee performance Based on the results of the statement, the following hypotheses were developed:

H<sub>4</sub>: Job Satisfaction has a positive effect on Employee Performance

# 2.5.5 Organizational Commitment Relationship with Employee Performance

Organizational commitment can be better if performance results by getting employees to commit effectively, increasing the sunk costs for employees if leaving the organization for ongoing commitments and increasing their obligations to establish normative commitments. Organizational commitment is an attitude of one's willingness to fully help the company achieve its goals. The stronger the involvement of employees in work will encourage employees to make a better contribution. High commitment will affect employee performance to be more visible and able to work according to standards in achieving targets, so employees can work well together.

According to the results there is a positive and significant effect between organizational commitment and employee performance, where the performance of employees has higher organizational commitment which tends to be better. Then according organizational commitment positively influences employee performance. This shows that employees who have high

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confidence, can accept the existing values set in the organization, have the desire to do a lot of effort for the organization, and continue to work with high commitment, then the performance results will increase. Meanwhile, state that organizational commitment has a positive and significant effect on employee performance, where the higher the organizational commitment, the higher the employee's performance. Then according to the results of organizational commitment has a positive effect and a significant level of influence on employee performance. Increased organizational commitment, then changes in employee performance will also increase. Based on the results of the statement, the following hypotheses were developed:

H<sub>5</sub>: Organizational Commitment has a positive effect on Employee Performance

# 2.5.6 Relationship of Transformational Leadership to Employee Performance through Job Satisfaction

A leader must be able to provide fair treatment to every employee. Improving the performance of good employees with transformational leadership can also make employees feel satisfied at work to achieve the expected work effectiveness. Employees who have job satisfaction can have positive feelings towards the work that is the responsibility of the employee. So job satisfaction must be considered by leadership and company superiors in improving employee performance in the organization[20]

According to the research results of Priarso et al. (2019) states that transformational leadership has a positive and significant effect on improving employee performance through job satisfaction. In other words, with good transformational leadership to improve employee performance, employees feel satisfied in their work. Based on the results of the statement, the following hypotheses were developed:

 $H_6$ : Job Satisfaction has an effect on Transformational Leadership on Employee Performance

# 2.5.7 Relationship of Transformational Leadership to Employee Performance through Organizational Commitment

Leaders who can make major changes with the attitudes and assumptions of their followers transformational leadership in improving employee performance and organizational commitment is needed to build commitment and support the achievement of the company's mission. The higher the transformational leadership applied by the leader in improving employee performance, the more it will encourage organizational commitment to the organization [21]

According to the research results stated that transformational leadership has a positive effect on employee performance through organizational commitment. Transformational leadership is able to improve employee performance through organizational commitment. Then according Organizational Commitment is able to mediate the positive influence of transformational leadership on employee performance. In line with several previous studies which said that there was a positive and significant influence on transformational leadership on employee performance through organizational commitment[22][23][24]. Based on the results of the statement, the following hypotheses were developed:

H<sub>7</sub>: Organizational Commitment has an effect on Transformational Leadership on Employee Performance

# 3. Research Methods

# 3.1 Research Design

This research is causal, which aims to find out how a variable can affect other variables and to prove between one variable and another variable. This research that can be seen is the role of job satisfaction, organizational commitment, transformational leadership on employee performance, this research includes deductive research using a quantitative approach.

#### 3.2 Measurement

In this study, the dependent variable is Transformational Leadership (X1), Job Satisfaction (Y1), Organizational Commitment (Y2), and Employee Performance (Y3). The

measurement of the Transformational Leadership variable contains 8 statements adopted from . Job Satisfaction there are 5 statements adopted from. The organizational commitment variable contains 9 statements adopted. Employee Performance Variables there are 6 statements adopted. The total measurement in this study amounted to 27 instruments measured using a

Likert scale, in each instrument item that has been given using a score of 1, namely, which

indicates strongly disagree (STS) to 5, namely, which indicates strongly agree (SS).

# 3.3 Population and Sample

The population in this study is to examine employees who have experience working in food & beverage domiciled in the Jakarta area. Determination of the number of samples using the formula method where the formula that states the minimum size is up to 5 times the number of instruments. There are 27 instruments in this questionnaire, so the minimum sample size used is 135 respondents. This study uses a non-probability sampling method with non-random sampling. The sampling technique used in this study is purposive sampling, namely the researcher determines certain criteria based on research needs and selects members of the population who meet the specified criteria to participate as respondents in this study.

### 3.4 Data Analysis Method

In this study, data collection used quantitative methods by distributing online questionnaires. The data analysis technique used in this study uses the Structural Equation Model (SEM) on the SmartPLS software to analyze the relationship between variables and measure the effect of one variable on another variable. Furthermore, validity and reliability tests were carried out using convergent validity and discriminant validity. Convergent validity uses the guideline for loading factor values > 0.6, but loading values of 0.5 to 0.6 are still acceptable and Average Variance Extracted (AVE) > 0.5. Meanwhile, in testing the reliability using Cronbach's Alpha > 0.6 and Composite Reliability > 0.60 it is said to be acceptable and has good reliability for explanatory research. Furthermore, the inner model test was conducted to test the relationship of the variable arrangement indicators. The measurements used are R-square, Path Analysis, and significant indirect effect. The R-square test guideline is 0.67 indicating a strong model, 0.33 moderate and 0.19 weak.

#### 4. Findings

## 4.1 Respondent Demographics

Based on the results of this study in the distribution of questionnaires conducted online using google form with a total of 205 respondents. This study has 27 instruments, so the minimum number of samples is 135 respondents in accordance with the provisions according to (Hair et al., 2017). The characteristics used in this study are gender, education, status, length of work, salary, work in the field. Based on the calculation results, it can be seen that the most respondents based on gender are male as many as 115 people (56%). Respondents based on education the most are bachelor's degree graduates as many as 158 people (77%). Respondents based on status mostly unmarried as many as 121 people (59%). Respondents based on the most length of work were more than 5 years as many as 124 people (60%). Respondents based on the highest salary are 5-10 million as many as 123 people (60%). Respondents based on working in the most fields were in other fields as many as 109 people (53%).

### **4.2 Outer Model Measurement**

The outer model or measurement model aims to specify the relationship between latent variables and their indicators. The analysis phase of the outer model is measured using validity and reliability testing.

#### 4.3 Validity & Reliability Test

In this study, the validity test was conducted to measure a statement on the questionnaire which was then used to measure the indicators and variables studied. From the

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results that have been observed from the Outer Loading table with an indicator totaling 27 statements, all of them are said to be valid. The results can be said to be valid if the outer loading value is above 0.7.

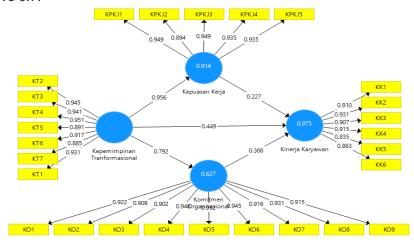


Figure 1. Outer Loading Algorithm (Source: Data processed, 2022)

Then. the value of the AVE is able to prove the ability of the latent variable value to represent the original data score. The greater the AVE value, the higher the ability to explain the value of the indicators that measure the latent variable. The AVE cut-off value that is often used is > 0.5 where the minimum AVE is > 0.5 to show a good measure of convergent validity.

Reliability testing in this study is used to measure whether the measuring instrument has consistency (can be used in subsequent studies) or not. It can be said that if it is > 0.7 the results of the reliability test use Cronbach's alpha method and composite reliability. From the results obtained, it shows that the Cronbach alpha and composite reliability values are met. Then all research instrument items are declared reliable and can be used for the next research stage. The following are the results of the validity and reliability tests in table 1 below:

Table 1. Validity and Reliability Test

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Transformational Leadership	0.971	0.972	0.976	0.853
Job Satisfaction	0.963	0.963	0.971	0.870
Employee Performance	0.950	0.951	0.960	0.799
Organizational Commitment	0.979	0.979	0.982	0.859

Source: Data processed by SmartPLS, 2022

#### 4.4 Inner Model Measurement

The measurement of the inner model is intended to see the fit of the model and to measure the direct and indirect effects. To get the results of the inner model analysis, the research model needs to be boosted. The inner model analysis uses R Square, Path Coefficient, and Indirect Effect.

#### 4.5 R-Square

R Square shows how much the endogenous variable is influenced by the exogenous variable. From the calculation results, it can be seen that the R Square value of the Job Satisfaction variable is 0.914, which means that Transformational Leadership and Employee Performance are able to explain its influence on the Job Satisfaction variable 91.4% while 8.6% is influenced by other variables outside the model studied and Employee Performance is 0.975,

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which means Transformational Leadership. Job Satisfaction, and Organizational Commitment are able to influence the variable Employee Performance 97.5% while 2.5% is influenced by other variables outside the research model. While the value of R Square for Organizational Commitment variable is 0.625, which means that the variable of Transformational Leadership and Employee Performance is 62.5%, so 37.5% is influenced by other variables outside the model studied. The following are the results of the R Square value in table 2 below:

Table 2. R Square Value of the Overall Sample

	R Square	R Square Adjusted	
Job Satisfaction	0.914	0.914	
Employee Performance	0.975	0.975	
Organizational Commitment	0.627	0.625	

Source: Data processed by SmartPLS, 2022

#### 4.6 Path Coefficient

The path coefficient shows the value of the variable relationship in a hypothesis that has a positive or negative effect. The following is the result of the path coefficient value below:

Table 3. Results of Path Coefficient Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Transformational Leadership - > Job Satisfaction	0,956	0,956	0,009	103,656	0,000
Transformational Leadership - > Employee Performance	0,449	0,448	0,051	8,790	0,000
Transformational Leadership - > Organizational Commitment	0,792	0,792	0,038	20,960	0,000
Job Satisfaction -> Employee Performance	0,227	0,230	0,057	4,012	0,000
Organizational Commitment -> Employee Performance	0,366	0,363	0,023	15,992	0,000

Source: Data processed by SmartPLS, 2022

A significant measure of hypothesis support can be detected by using a comparison between t-statistics and t-table. If the t-statistics value is higher than the t-table value, it can be interpreted that the hypothesis is supported. As for the t-table value > 1.96 at the 95% confidence level.

In Transformational Leadership on Job Satisfaction, the T-Statistics value is 103,656 and the P Values is 0.000. Because the value of t-statistics > 1.96, and p-value < 0.05, it means that there is a significant direct effect of Transformational Leadership on Job Satisfaction. This means that every transformational leadership has an increase, it will be directly proportional to iob satisfaction which will also increase.

In Transformational Leadership on Employee Performance, the T-Statistics value is 8,790 and the P Values is 0.000. Because the value of t-statistics > 1.96, and p-value < 0.05, it means that there is a significant direct effect of Transformational Leadership on Employee Performance. This means that every Transformational Leadership increases, then Employee Performance will also increase.

In Transformational Leadership on Organizational Commitment, the T-Statistics value is 20,960 and the P Values is 0.000. Because the value of t-statistics > 1.96, and p-value < 0.05, it means that there is a significant direct effect of Transformational Leadership on Organizational Commitment. This means that every Transformational Leadership increases, Organizational

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Commitment will also increase.

In Job Satisfaction on Employee Performance, the T-Statistics value is 4.012 and the P Values is 0.000. Because the value of t-statistics> 1.96, and the value of p-value <0.05, it means that there is a significant direct effect of job satisfaction on employee performance. This means that every time job satisfaction increases, employee performance will also increase.

In Organizational Commitment to Employee Performance, the T-Statistics value is 15,992 and the P Values is 0.000. Because the t-statistics value is > 1.96, and the p-value is < 0.05, it means that there is a significant direct influence on Organizational Commitment on Employee Performance. This means that as every organizational commitment increases, employee performance will also move up.

# 4.7 Indirect Effect

Indirect effect is the indirect effect of the entire sample from a study. The following are the results of the indirect effect research in table 4 below:

Table 4. Indirect Effect of Overall Sample

	T Statistics ( O/STDEV )	P Values
Transformational Leadership -> Job Satisfaction -> Employee Performance	3.964	0.000
Transformational Leadership -> Organizational Commitment -> Employee Performance	13.317	0.000

Source: Data processed by SmartPLS, 2022

From the results of the table above, the indirect value of Transformational Leadership through Job Satisfaction on Employee Performance obtained a T-Statistics value of 3,964 and a P Value of 0.000. Due to the value of t-statistics > 1.96, and p-value < 0.05, it means that there is an indirect effect of Transformational Leadership through Job Satisfaction on Employee Performance. In the indirect value of Transformational Leadership through Organizational Commitment to Employee Performance, the T-Statistics value is 13,317 and the P Values is 0.000. Due to the value of t-statistics > 1.96, and p-values < 0.05, it means that there is an indirect effect of Transformational Leadership through Organizational Commitment on Employee Performance.

Based on the overall results, there is a hypothesis that Job Satisfaction has an effect on Transformational Leadership on Employee Performance (H6) and Organizational Commitment has an effect on Transformational Leadership on Employee Performance (H7). Job Satisfaction and Organizational Commitment can still improve Employee Performance.

Based on the description above, it can be concluded that the hypothesis in this study can be seen in the table below:

Table 5. Hypothesis Testing Results

rable of Hypothesis Tooling Research				
Hypothesis	Hypothesis Statement	T-Statistics (>1.96)	Information	Conclusion
H1	Transformational Leadership has a positive effect on Job Satisfaction	103.656	The data support the hypothesis	H1 Accepted
H2	Transformational Leadership has a positive effect on Organizational Commitment	20.960	The data support the hypothesis	H2 Accepted
H3	Transformational Leadership has a positive effect on Employee Performance	8.790	The data support the hypothesis	H3 Accepted

H4	Job Satisfaction has a positive effect on Employee Performance	4.012	The data support the hypothesis	H4 Accepted
H5	Organizational Commitment has a positive effect on Employee Performance	15.992	The data support the hypothesis	H5 Accepted
H6	Transformational Leadership through Job Satisfaction on Employee Performance	3.964	The data support the hypothesis	H6 Accepted
H7	Transformational Leadership through Organizational Commitment to Employee Performance	13.317	The data support the hypothesis	H7 Accepted

Based on the tests carried out on each hypothesis, several results were obtained. First, the results of this study indicate that transformational leadership has a direct effect on job satisfaction. This means that the better the transformational leadership, the more job satisfaction will increase. Leaders in an organization must be able to encourage employees to think about problems in new days and the next day. Leaders must also always question assumptions and assumptions as truths that require direct proof in solving problems. So a leader acts as a superior who can find out how to solve problems that can hinder the achievement of company goals. This can increase employee satisfaction in working with good transformational leadership. Based on the demographic characteristics of respondents, employees who have worked for > 5 years, employees with S1 graduates are most related to transformational leadership on job satisfaction because they are considered to have good leadership so that employees feel satisfied in their work in the company. The results of this study are in line with the theory and research conducted which states that transformational leadership has a positive and negative effect on significant to job satisfaction.

Second, the results of this study indicate that transformational leadership has an effect on organizational commitment. This means that the better the transformational leadership, the higher the organizational commitment. Leadership by setting an example and good values in the company that makes employees committed to a company or organization. Then employees will feel that they are getting work loyalty and will not think about leaving the organization. These employees have a deeper sense of commitment in carrying out their obligations to people in the organization, including the leaders who always support them to solve work problems for employees. Having a good relationship between leaders and employees affects organizational commitment. Based on the demographic characteristics of the respondents, male employees are quicker to understand, direct, and take responsibility for leading employees and can influence their subordinates to be committed and loyal to the company. The results of this study are in line with the theory showed that transformational leadership has a positive and significant effect on organizational commitment.

Third, the results of subsequent studies show that transformational leadership has an influence on employee performance. This means that the better the transformational leadership, it will further improve employee performance. Leadership style is one of the external factors that can affect employee performance. With the leader acting as a superior by questioning some of the work problems experienced by his employees. Then a leader must be able to provide good and motivating solutions to make his employees have enthusiasm for work and will improve employee performance. Employee performance can also make coworkers feel positive because they have a satisfactory performance at work. Based on the demographic characteristics of the respondents, employees who have worked > 5 years, have been involved with a lot of experience in the company in leading employees and making employees have quality work

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performance in accordance with company goals. The results of this study are in line with the theory which states that there is a positive influence and significant between transformational

leadership on employee performance.

Fourth, the results of this study indicate that job satisfaction has an influence on employee performance. This means that the better job satisfaction, it will further improve employee performance. Working in a company that has a leader who can support, motivate, and be responsible for its employees will affect job satisfaction. Job satisfaction can be seen from the work environment that can establish good relationships with leaders and coworkers. Employees who are satisfied and proud in their work will also have quality employee performance that can have a positive impact on the success of a company. With that employees will feel comfortable and will motivate themselves to be more active in doing their jobs and even to advance the organization. Based on the demographic characteristics of the respondents, employees who have worked 2-5 years with a salary of < 5 million, the period of service that is classified as still requires learning to improve their performance in order to provide the best and satisfaction in working for the company. The results of this study are in line with the theory which states that there is a positive relationship and significant between job satisfaction on employee performance.

Fifth, the results of this study indicate that organizational commitment has an influence on employee performance. This means that the better the organizational commitment will further improve employee performance. High commitment will affect employee performance to be more visible able to work in achieving company targets. By having an attitude of willingness to fully help the company achieve its goals and not feel like leaving the company or organization because he has obligations and feels indebted to the people in it. Employees who maintain themselves in the goals of the organization, and employees have a high commitment or loyalty to the organization. Based on the demographic characteristics of the respondents, employees who have worked > 5 years, employees who are considered capable of completing work so that employees feel they have a responsibility in terms of understanding well the work they do can improve their performance at work. The results of this study are in line with the theory which show that organizational commitment has an influence positive and significant impact on employee performance.

Sixth, then the results of the study show that transformational leadership has an effect on employee performance through job satisfaction. The better the transformational leadership, the higher the employee's performance through job satisfaction. With good transformational leadership to improve employee performance, employees will feel satisfied in their work. Employee job satisfaction is influenced by how a leader can apply a good leadership style and provide fair treatment to each employee so that they can provide job satisfaction. Employees who will feel satisfied and appreciated by superiors or leaders so as to make employee performance have good work results and progress on the company's vision will be easier to achieve. Transformational leadership that is able to provide motivation and listen to the aspirations of the problems experienced by employees so as to improve employee performance and job satisfaction. Based on the demographic characteristics of the respondents, employees who have worked 2-5 years, the leadership style possessed by superiors to make employees work optimally and be responsible for work must have a long work experience to affect employee performance.

Seventh, the last finding states that transformational leadership affects employee performance through organizational commitment. Then the better the transformational leadership, the more employee performance will increase through organizational commitment. Leaders who can inspire and motivate their employees to be committed together to realize the company's vision and mission and expect their employees to work in accordance with company goals. Having a sense of debt if you leave the organization will increase employee performance and coworkers will believe in the results of work done well. And a leader must have a leadership style that can be a role model for his employees to realize good performance, and provide problem solving at work. So the higher the transformational leadership applied by the leader, the better the performance of employees and also encourages employees to be committed to

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the organization. Based on the demographic characteristics of the respondents, who dominate the male gender and have worked > 5 years, that they have a good leadership style to employees, are committed to their work, and have improved employee performance in the

#### 5. Conclusions

company.

From the results of this study, it proves that the transformational leadership variable affects employee performance through job satisfaction and employee performance. This can be interpreted that the better the transformational leadership that is carried out by superiors to support and solve problems experienced by employees at work, it will increase employee job satisfaction.

Based on the demographic characteristics of the respondents, employees who have worked > 5 years, S1 graduates are most related to transformational leadership on job satisfaction because they are considered to have good leadership so that employees feel satisfied in working in the company. Leadership by providing exemplary and good values in the company that makes employees committed to a company or organization. Then employees will feel they get work loyalty and will not think about leaving the organization. With the leader acting as a superior by questioning some of the work problems experienced by his employees. So a leader must be able to provide good solutions and motivate employees so that they have morale and will improve employee performance.

Based on the demographic characteristics of the respondents, employees who have worked > 5 years, who have been involved with a lot of experience in the company in leading employees and making employees have quality work performance in accordance with company goals. Based on the demographic characteristics of respondents, employees who have worked > 5 years, employees who are considered capable of completing work so that employees feel they have a responsibility in terms of understanding well the work they do can improve their performance at work. Employees who will feel satisfied and appreciated by superiors or leaders so as to make employee performance have good work results and progress on the company's vision will be easier to achieve. Transformational leadership that is able to provide motivation and listen to the aspirations of the problems experienced by employees so as to improve employee performance and job satisfaction.

It is recommended for other researchers in the future to research more deeply about transformational leadership because this variable is quite complex because there are many current leaderships and have different characteristics and algorithms. In addition, it would be much better if in the future other researchers who will discuss similar topics with a greater number of respondents so that they will be able to describe the entire population of objects more precisely and cover a wider area.

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