

ASSESSING THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP AND EMPLOYEE PERFORMANCE IN THE HEALTH DEPARTMENT OF EAST JAKARTA

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Dikirim: 2023-08-16

Direvisi: 2023-11-24

Diterima: 2023-11-30

ABSTRACT

This research focuses on exploration of the impact of transformational leadership on employee performance, with the aim of gaining a deeper understanding of this relationship. The hypothesis tested in this study states that transformational leadership style has a significant influence on employee performance. leadership style has a significant influence on employee performance. In collecting data, This study involved 156 respondents as a representative sample of the population. The data analysis method used is inferential analysis, allowing the researchers to draw broader conclusions from this limited sample. The results of the study revealed that there is a positive and significant influence between transformational and employee performance. This means that a leadership style that focuses on developing individual potential, motivating, and creating a shared vision have a real impact on employee performance. a real impact on employee performance. The conclusion of this study contributes to our understanding of the importance of transformational leadership in the context of work environment. The practical implications of this research can serve as a basis for organizations to develop and improve their leadership practices to improve overall employee performance.

Keywords: employee performance; health department; transformational leadership.

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INTRODUCTION

Human resource development (HRD) plays a crucial role in improving organizational performance (Simanjuntak et al., 2021), especially in the health care sector. Leadership, as one of the determining factors, has a significant impact on employee performance in the healthcare environment (Pearson et al., 2007; Tamer, 2021). The East Jakarta City Health Office, as a very important health institution in the region, requires leaders who are able to provide direction and inspiration to employees.

One leadership approach that is widely discussed in modern management literature is transformational leadership (Eisenbach et al., 1999; Jung et al., 2003; Metwally et al., 2014). This concept emphasizes the leader's ability to inspire, empower, and develop the potential of employees under him. Therefore, research on the influence of transformational leadership on the performance of employees of the East Jakarta City Health Office is relevant and important to do. Given the complex tasks and responsibilities in health services requires adaptive and proactive leadership. Leaders who are able to transform are expected to guide employees in dealing with environmental changes, increase motivation, and optimize overall performance.

Leader effectiveness in communication is a key factor influencing employee performance (Obi, 2018; Oskar Hutagaluh et al., 2020; Saad et al., 2018). Similarly, transformational leadership was shown to have a significant effect on team decision-making, which in turn led to improved employee performance (Dionne et al., 2004; Jung & Sosik, 2002). The study by Lievens, et al (2005) also supports this view, showing that transformational leadership has a positive and significant effect on employee performance.

Leadership is defined as a process of activities from planning to supervision. Francisco et al. (2005) in their research showed that changes in leadership orientation, such as values transformation, can lead to improved performance. Gilley et al. (2009) agreed with this by stating that effective leadership in organizational change can improve overall performance. Leadership style also has a significant impact, guiding subordinate employees and influencing work outcomes and employee achievement.

Previous studies have consistently concluded that transformational leadership has a positive and significant influence on employee performance (Alshehhi et al., 2019; Amalina & Susilowati, 2022; Hasan, 2023; Khamaidi et al., 2022; Yanto & Aulia, 2021). Thus, the purpose of this study is to identify and analyze the effect of transformational leadership on employee performance of the East Jakarta City Health Office, this study aims to provide a deeper understanding of the relationship between these two variables. It is expected that the results of this study can make a positive contribution to the development of human resource management policies in the health sector.

Through a better understanding of how transformational leadership affects employee performance, organizations can develop more effective strategies in human resource management. The contribution of this research is expected to serve as a foundation for the improvement of human resource management policies and practices, particularly in the context of health services. Thus, efforts to improve employee performance can become more targeted and sustainable, better supporting the achievement of organizational goals in the future.

LITERATURE REVIEW

Transformational Leadership

According to Igbaekemen (2014); and Stogdill (1950) leadership is an activity that aims to influence people so that they are directed towards achieving organizational goals. Another definition states that leadership is the behavior of individuals when involved in directing group activities, as stated by Von Cranach (1986). This view emphasizes that leadership is the process of influencing activities in groups organized to achieve certain goals.

The importance of the role of a leader in the success or failure of an organization is also emphasized by Day (2011). They state that the quality of leadership of the individual leading the organization will affect the results achieved by the organization. In the context of the Health Office, leadership plays a crucial role as a guide and motivator for employees who face the complexity of tasks and responsibilities in the health service sector. An effective leader in the Health Office not only provides direction and inspiration, but also has the transformational ability to inspire, empower and develop the potential of employees under him.

One theory that emphasizes change and has broad relevance in relation to leadership is transformational and transactional leadership theory (Bass & Riggio, 2010). This theory was originally proposed by Burn, who identified two types of political leadership, namely transformational and transactional leadership. It is argued that transformational and transactional leadership styles can be chosen unequivocally and that they are mutually contradictory. Both transformational and transactional leadership are considered very important for any organization (Bass & Riggio, 2010). Furthermore, Homrig (2001) developed the concept of transformational and transactional leadership based on Maslow's thoughts on the hierarchy of human needs. This linkage is explained by the idea that lower employee needs can only be met through the practice of transactional leadership styles, while higher needs can only be met through the practice of transformational leadership styles.

Transformational leadership is considered key to success, allowing leaders to adapt to environmental changes, increase motivation, and optimize overall performance. The importance of effective communication and team decision-making skills are also crucial aspects in shaping successful leadership in the dynamic environment of the Health Office. With a leadership style that guides and motivates, a leader in the Health Office can bring about positive change, improve employee performance, and make a meaningful contribution to the provision of quality health services.

Employee Performance

Performance can be interpreted as the result of a process or work (Pogo, 2022; Sidik et al., 2022). Therefore, every employee is expected to have competence, namely the ability or proficiency in carrying out tasks or work that is his responsibility or that is entrusted. Every task or job involves an activity of processing or converting inputs into outputs that have added value as products or work results.

According to Utin & Yosepha (2019), employee performance or work performance is the quality and quantity of work achieved by an employee in accordance with the responsibilities given to him. On the other hand, Kehoe & Wright (2013) defines performance as the results of work produced by employees or real behavior displayed in accordance with their role to achieve organizational goals. Youseff et al. (2006) sees performance as the work contributed by an employee related to his duties and responsibilities to the organization (company). This is based on spiritual intelligence, intelligence, emotional, and intelligence to turn obstacles into opportunities, as well as physical skills directed at utilizing the resources provided by the organization.

Employee performance cannot be separated from work motivation, because work motivation is reflected in the work behavior of an employee. As'ad (1995) defines employee performance as a person's success in carrying out work or achieving his role by citing two expert opinions, namely Mendez et al. (2003) and Steers et al. (2004). It is important to note that in order to measure performance, the determination of good criteria is necessary. According to Belows cited by As'ad (1995), good performance criteria should be reliable, realistic, representative, and predictive. Once the criteria have been determined, the next step is to collect relevant information over a certain period to compare it with the predetermined standards.

In the context of the Health Service, employee performance is a measure of the effectiveness and efficiency of employees in carrying out their duties and responsibilities. The 2021 Performance Report of the Secretariat of the Directorate General of Public

Health reflects a commitment to implementing the Government Agency Performance Accountability System (SAKIP) by making performance reports in accordance with applicable regulations.

Furthermore, based on the research background, and the literature review that has been described, a conceptual framework and research hypothesis can be developed to better understand the relationship between transformational leadership and employee performance in the context of the Health Service.

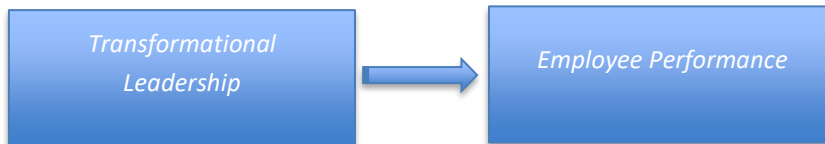


Figure 1. Conceptual Framework

From the conceptual framework that has been described, the next step is to develop a research hypothesis. The hypothesis states that transformational leadership has a positive and significant influence on employee performance.

METHODS

This research uses a quantitative method with sample determination using the Slovin formula, which results in a sample size of 156 respondents. After determining the sample, data collection was carried out. The collected data was then tested for validity to assess the extent to which the measurement instrument can measure what should be measured. Validity was tested using Pearson Product Moment correlation, with a correlation coefficient value ≥ 0.5 as a cut off (cut off ≥ 0.5).

Furthermore, a reliability test was conducted to assess the level of confidence in the measurement results (S. Sangadji et al., 2022). The reliability test used Cronbach's Coefficient Alpha, which indicates the extent to which the items in the study are positively correlated with each other. The Cronbach's Alpha value ranges from 0 to 1 (Sangadji, 2023).

To evaluate the level of relationship between variables, regression equation measurement and correlation coefficient measurement were conducted. Furthermore, in testing the hypothesis, this study uses the t test to determine and analyze the significance of the relationship between variables.

RESULTS AND DISCUSSION

Validity and Reliability Test

Table 1. Validity & reliability test results

Variable	Statement Item	Correlation	Remarks	Reliability
Transformational leadership	1. trust the leaders in the organization.	0,627	Valid	0,837 > 0,600 = reliable
	2. believe leaders can handle problems at work.	0,722	Valid	
		0,732	Valid	

Variable	Statement Item	Correlation	Remarks	Reliability
	3. feel that I am working for a greater reason than just making money to live.	0,786	Valid	
	4. trust the leader despite irregularities in the organization.	0,626	Valid	
	5. believe in the leader's ability to make decisions at work.	0,736	Valid	
	6. admire the leaders in this organization.	0,831	Valid	
	7. it is difficult to find a leader of the organization like the current one.	0,715	Valid	
	8. trusts the decisions made by the leader			
Employee performance	1. <i>work quantity exceeds the average of other employees.</i>	0,776	Valid	0,938 > 0,600 = reliable
	2. <i>able to work effectively and efficiently.</i>	0,797	Valid	
	3. <i>able to complete assigned tasks.</i>	0,861	Valid	
	4. <i>working harder than they should.</i>	0,794	Valid	
	5. <i>able to achieve the targets set by the agency.</i>	0,746	Valid	
	6. <i>understand the tasks assigned by the Institution.</i>	0,805	Valid	
	7. <i>always carry out work on time.</i>	0,728	Valid	

Source: Processed from research results 2023

The results of the reliability test on 156 samples using a questionnaire show that all variables have a Cronbach alpha value above 0.6. Therefore, it can be concluded that all variables are considered reliable. In addition, the validity test results show that all statement items in the questionnaire are considered valid, because they have a product moment correlation value above 0.5. Thus, it can be concluded that the questionnaire used in this study is reliable and valid for measuring the variables concerned.

Table 2. Results of measuring the effect of transformational leadership on employee performance

Variable	Standardized beta coefficient	t value	Sig.	Remark
transformational leadership	0,736	5,301	0,000	Significant
employee performance				

Source: Processed from research results 2023

Based on the information contained in Table 2, it can be concluded that the standardized beta coefficient of the transformational leadership variable (X) is 0.736, and has a significance level of 0.000. This finding indicates that transformational leadership (X) has a positive and significant influence on employee performance. In this context, the interpretation of the R2 value is equivalent to the interpretation of the coefficient of determination in regression analysis. Based on the results obtained, it can be observed that the correlation coefficient has a value of 0.736. To calculate the extent of data variation that can be explained by the model, the following formula can be used:

$$R^2 = r^2 \times 100\%$$

$$R^2 = 0,542 \times 100\% = 54,2\%$$

Therefore, the R2 value of 54.2% indicates that the model is able to explain 54.2% of the data variation, or in other words, the information contained in the data can be explained by the model. Meanwhile, the remaining 45.8% variation is explained by other variables not included in the model.

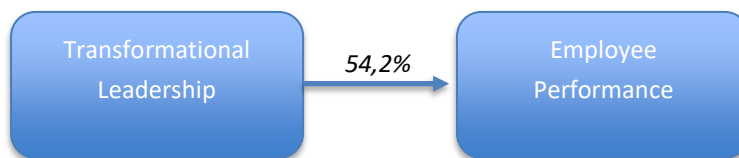


Figure 2. Model reduction results

Based on the calculation results, it can be explained that the proposed hypothesis, namely the existence of a significant positive effect of transformational leadership on employee performance, can be accepted. Data analysis shows that the t test of variable X (transformational leadership) on variable Y (employee performance) produces a value of 5,301, with a significance level of 0,000. This result shows that the stronger the transformational leadership, the better the employee performance. Therefore, it can be concluded that there is a positive and significant relationship between transformational leadership and employee performance.

Discussion

Transformational leadership consists of eight indicators or statements that form the basis of this concept, the results of the analysis show a significant and positive influence between transformational leadership and employee performance. The t-test value of

5.301 indicates that the stronger the understanding and implementation of transformational leadership, the higher the employee performance.

In this context, the positive sign in the analysis confirms that the strength of transformational leadership directly affects employee performance. This finding is consistent with theory and the results of previous studies which show that several variables can affect employee performance, and one of these variables is transformational leadership. Chen (2004) investigated that idealized influence leaders with an innovative culture are able to encourage employee motivation to achieve the desired performance. Similarly, Marianti (2007) emphasized that leadership has a significant impact, both directly and indirectly through work discipline.

Another study conducted by Patiar & Mia (2009) showed that transformational leadership is positively related to non-financial performance, which in turn affects the financial performance of the department or organization. Sudiarta (2007) also found that leadership, both simultaneously and partially, significantly affects employee performance at PDAM Denpasar City. Stashevsky & Koslowsky (2006), in their study, concluded that transformational leadership has a significant influence on performance. Balthazard et al. (2009) added that transformational leadership influences team decision making, which ultimately improves employee performance.

Vadeveloo et al., (2009) highlighted the importance of leaders' effective communication on employee performance. Similarly, Lievens Pascal Van Geit Pol Coetsier (1997) asserted that transformational leadership reflecting leader quality has a significant positive impact on employee performance. Pogo (2022) found that transformational leadership and motivation contribute to improving employee performance. Gil et al. (2005) also supported these findings by stating that changes in leader orientation, especially in transforming values, can significantly improve employee performance.

CONCLUSIONS

The results of this study confirm that transformative leadership has a positive impact on employee performance. This relationship can be explained by the consistency of transformative leaders in demonstrating characteristics that encourage trust and emotional attachment among organizational members. Such leaders succeed in building trust by recognizing the value and importance of individuals in the team, creating an environment where each member feels valued. The transformative leader not only recognizes the role of individuals, but also assures team members of their ability to overcome any challenges in the work environment. By giving coworkers confidence that problems can be overcome together, they motivate the team to achieve better results. Inspiring and directing the focus of team members to goals greater than just financial pursuits is also a hallmark of transformative leadership. Even in situations of organizational irregularities, transformative leaders maintain trust because their decisions are perceived as wise and responsible. Team members tend to look up to them, finding it difficult to find leaders as good as them in the organization. With unwavering conviction in their decisions, transformative leaders manage to build strong emotional bonds with team members, creating an environment where collaboration and innovation can thrive. Thus, it can be concluded that transformative leadership not only affects performance, but also shapes positive organizational culture.

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