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THE EFFECT OF TRANSFORMATIONAL LEADERSHIP AND JOB SATISFACTION ON THE PERFORMANCE OF BANK EMPLOYEES

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ABSTRACT

This study aims to determine the effect of transformational leadership and job satisfaction on employee performance. Methods used in this study is "explanatory research" with the techniques of collecting data through questionnaires. Analysis of the data processing by using multiple regression and partial. The results showed that transformational leadership and job satisfaction affect performance positively and significantly either partially or simultaneously. Recommendations made to management is that management can maintain and even increase the factors that can affect performance in this study.

Keywords: Transformational Leadership, Job Satisfaction, Performance

INTRODUCTION

The success of a company in managing HR is one form of survival and development of an organization. As for what is meant by successful resource management is that the organization is able to unify the perceptions between employees and leaders which will ultimately influence the achievement of company goals. This is because employee performance has an important role in determining the success of the organization in achieving its goals. With good employee performance, the achievement of company organizational goals will be easier.

Citibank NA Indonesia as a foreign bank that has been operating in Indonesia for a long time still has problems with employee performance where it should be a foreign bank this should not happen due to the increasingly intense competition between banks, both with foreign banks and with local banks which have various advantages.

such as ease of licensing and large market capitalization. This can be analyzed on the available data in Table (1).

Table 1. Data for Achievement of Targets in 2019 Based on the CBOO Unit Q4 SLA

Month	Total Percentage of Achievement of Performance Targets per sub-unit		
	Maintenance	Safe Keeping	Day 2 Review
October	99	97	100
November	97	98	98
December	98	99	98

Source: MIS data from Citibank NA CBOO Unit

In the table, it can be seen that the achievement of performance targets for employees at Citibank NA CBOO Unit has not met the expected target. As an organization with a worldwide reputation, things like the above should not be allowed, because this can indirectly or directly affect the achievement of company goals.

In addition to performance issues, Citibank NA, especially the CBOO unit, also apparently still has problems with the level of employee discipline, where the employee's on-time attendance rate is still low and the employee absentee level is still quite high. This can be seen in table 2.

Table 2. Attendance Data for 2019 Q4 CBOO Units

Number of Employees in CBOO units	Month (2013)	Percentage of attendance on time	Average percentage of absences
60	October	83	5
	November	90	5
	December	85	5

Source: MIS data from Citibank NA CBOO Unit

The table above reflects a problem with the discipline level of employees. The level of discipline is closely related to employee job satisfaction, where employees who have good job satisfaction will usually have a good level of discipline too. From the data above, it can be interpreted that there are still problems with the level of employee job satisfaction.

Citibank NA Indonesia has long been known as one of the banking institutions that produce bankers - quality bankers are often referred to as "banking schools", so that many employees are urged to be persuaded to move by other financial institutions with the lure of a better career and income. I was impressed that what was obtained at Citibank NA Indonesia was not good enough in terms of career and income. This ultimately resulted in a fairly high employee turnover rate when compared to other similar industries and this also happened to Citibank NA Indonesia CBOO unit which can be seen in table 3.

Table 3. Total Employee Turn Over in 2019 Q4 CBOO Units

Month	Number of "Turn Over" Employees of Citibank NA CBOO Unit		
	Maintenance	Safe Keeping	Day 2 Review
October	4	1	-
November	3	-	1
December	4	1	2

Source: MIS data from Citibank NA CBOO Unit

From the table above, it can be seen that the employee turnover rate in 2019 Q4 at Citibank NA CBOO Unit is quite high, which is in the range of 10 percent, were compared to the average standard of "turnover" in similar industries is around 6 percent. The data above is also data that describes employees who leave on their own accord, which means that the employee may get more offers elsewhere or the employee may be disappointed with the existing conditions at Citibank NA Unit CBOO. This form of disappointment can be that the level of job satisfaction obtained is still not high enough or it can also be related to leadership factors where leaders are unable to provide motivation, encouragement, and confidence in their subordinates so they feel comfortable, safe, and calm and work with enthusiasm.

Apart from the various conditions mentioned above, currently, Citibank NA Indonesia is also experiencing various problems related to the law, where several Citibank NA Indonesia employees have been named suspects for allegedly embezzling customer funds and on the other hand, several Citibank NA Indonesia employees have also been accused of embezzling customer funds. was made a suspect because he was suspected of having committed an act that resulted in the death of the customer. This incident seems to reinforce that there is something wrong in the management of human resources in this institution, such as mistakes in managing employee career paths and lack of training for employees, resulting in inappropriate things as above where all of these things are closely related to the level of job satisfaction and leadership factor.

From the various conditions and various phenomena that have been mentioned above, the authors examine The Effect of Transformational Leadership and Job Satisfaction on Employee Performance at Citibank NA Indonesia CBOO Unit.

Based on the identification of the above problems, the authors formulate the following research problems: (1) How much influence does Transformational Leadership have on the employee performance of the CBOO Citibank NA Indonesia Indonesia Unit? (2) How much influence does Job Satisfaction have on the employee performance of the CBOO Citibank NA Indonesia Indonesia Unit? (3) How big is the effect of Transformational Leadership and Job Satisfaction simultaneously on the employee performance of the CBOO Citibank NA Indonesia Indonesia Unit?

The objectives of the research carried out are as follows: (1) To determine and analyze how much influence Transformational Leadership has on the employee performance of the CBOO Citibank NA Indonesia Indonesia Unit. (2) To find out and analyze how much influence Job Satisfaction has on the employee performance of the CBOO Citibank NA Indonesia Indonesia Unit. (3) To determine and analyze how much influence Transformational Leadership and Job Satisfaction simultaneously on the employee performance of the CBOO Citibank NA Indonesia Indonesia Unit.

THEORETICAL REVIEW

Leadership.

Drath and Palus in Gary Yuki (2015: 3) state that Leadership is a process to understand what people do together, so they understand and want to do it. Meanwhile, according to Sutikno (2014: 16), leadership in organizations is directed to influence the people they lead, so that they want to act as expected or directed by others who

lead them. Katz and Kahn in Cepi Priatna (2015: 30) argue: Leadership is increasing influence gradually above mechanical adherence to routine organizational directives. So that it can be concluded from all the definitions that have been put forward by the experts above, leadership is the process and behavior of a leader in influencing behavior and empowering his subordinates so that they are willing to work together in carrying out their duties and responsibilities to achieve company goals.

Leadership Style.

Hasibuan (2016: 170) states that: Leadership Style is a way for a leader to influence the behavior of subordinates which aims to encourage work passion, job satisfaction, and high employee productivity, in order to achieve maximum organizational goals. Meanwhile, according to Heidjrachman and Husnan in Frengky Basna (2016: 320) states that: Leadership style represents the philosophy, skills, and attitudes of leaders in politics. Leadership style is a pattern of behavior designed to integrate organizational goals with individual goals to achieve certain goals. From some of the definitions above, it can be concluded that leadership style is the ability to influence other people, subordinates or groups, the ability to direct the behavior of subordinates or groups by having special abilities or expertise in the area desired by the group, to achieve organizational or group goals.

Types of Leadership Style.

Leadership style or style will greatly influence the effectiveness of the leader. Robbins in Bryan Johannes Tampi (2014: 6) identifies four types of leadership styles: a) Charismatic leadership style: Followers are stimulated by heroic or extraordinary leadership abilities when they observe certain behaviors of their leaders; b) Transactional leadership style: Transactional leaders are leaders who guide or motivate their followers towards set goals by clarifying the requirements of roles and tasks. The transactional leadership style focuses more on leader-subordinate relationships without any effort to create change for subordinates; c) Transformational leadership style: Transformational leaders pay attention to the things and development needs of each follower. Transformational leaders change followers' awareness of problems by helping them see old problems in new ways, and they can excite, excite, and inspire followers to put forth extra effort towards achieving group goals; d) Visionary leadership style: The ability to create and articulate a realistic, credible, and attractive vision of the future of a growing and improving an organization. This vision, if properly selected and implemented, has enormous power that can lead to the first leap into the future by generating the skills, talents, and resources to make it happen.

Job satisfaction

In Robbins (2015: 170) it is stated that job satisfaction is a general attitude towards one's job as the difference between the amount of reward received by workers and the number of rewards that are believed to be received. Job satisfaction is an important thing that individuals have at work. Each worker has different characteristics, so the level of job satisfaction is also different - the level of job satisfaction can also be different

have different effects. According to Lawler (in Robbins, 2015: 180), the measure of satisfaction is very much based on the realities faced and accepted as compensation for the effort and energy given. Job satisfaction depends on the suitability or balance between what is expected and reality.

Performance

The definition of performance according to Dessler in Arif Ramdhani (2011: 18) performance is the willingness of a person or group of people to carry out activities and improve them according to their responsibilities with results as expected. Moehariono (2012: 2) states that performance is a description of the level of achievement of the implementation of an activity program or policy in realizing the goals, objectives, vision, and mission of the organization as outlined in

the strategic planning of an organization. Meanwhile, Suwatno and Donni (2013: 196) argue that performance is a performance or performance. Performance can also be interpreted as work performance or work implementation or performance results. Based on some of the above definitions, it can be concluded that performance is the result of the achievement of a person or group of people in completing the assigned tasks and responsibilities.

Framework

From various theories and previous research results such as by Kim (2012), Lund (2013), Bass & Riggio (2016), Humphreys (2013), Petty, Gee, and Cavender (2014), Yammarino et.al. (2013) shows a relationship between transformational leadership and employee job satisfaction with employee performance. So, it can be described as the effect of job satisfaction and transformational leadership on employee performance as follows:

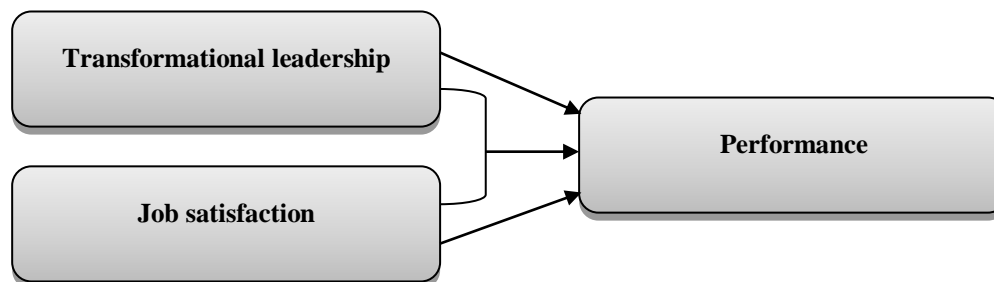


Figure 1. Research Framework Chart

Research Hypothesis Formulation

Referring to the background and problem identification that has been described and based on previous theories and studies, the authors formulate the following research hypothesis: (1) There is a significant effect of transformational leadership on the employee performance of Citibank NA CBOO unit (H1). (2) There is a significant effect of job satisfaction on the employee performance of Citibank NA CBOO unit. (3) There is a significant influence of Transformational leadership and job satisfaction simultaneously on the employee performance of Citibank NA unit CBOO (H3).

RESEARCH METHODS

Hypothesis test

This hypothesis testing will use the t distribution, carried out with a two-party trial (two-tail test) with the provisions as data with degrees of freedom of n - 2 at a significance level of 5% or 0.05. And the level of confidence 1- α is 95% or 0.95.

Individual Parameters Significant Test ("t" Statistical Test / Partial Test)

The "t" statistical test shows how far the influence of one independent variable (X) individually explains the variation in the dependent variable (Y).

The “t” statistical test is as follows: (a) If $t(\text{count}) < t(\text{table})$, then it is rejected and accepted, meaning that there is no significant influence between Transformational Leadership and Job Satisfaction partially on performance. (b) If $t(\text{count}) > t(\text{table})$, it is rejected and accepted, meaning that there is a significant influence between Transformational Leadership and Job Satisfaction partially on performance.

Or

If $\text{Sig} > (0.05)$, then the regression coefficient is not significant.

If $\text{Sig} < (0.05)$, then the regression coefficient is significant.

Simultaneous Significance Test (Test Statistic F)

The F statistical test shows whether all the independent variables included in the model have a joint (simultaneous) influence on the dependent variable.

The F significance test is as follows: (a) If $F(\text{count}) < F(\text{table})$, then it is rejected and accepted, meaning that there is no significant influence between Transformational Leadership and Job Satisfaction simultaneously on performance. (b) If $F(\text{count}) > F(\text{table})$, it is rejected and accepted, meaning that there is a significant influence between Transformational Leadership and Job Satisfaction simultaneously on performance.

Or

If $\text{Sig} > (0.05)$, then the regression coefficient is not significant.

If $\text{Sig} < (0.05)$, then the regression coefficient is significant.

Coefficient of Determination

The coefficient of determination is used to measure the suitability of the regression line to the sample data or to show the proportion of the total variation in the dependent variable explained by a single independent variable. This final paper research uses 3 (three) variables so that multiple calculations are needed.

Table 4. Multiple Correlation

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.624 ^a	.389	.368	3.79142	1.566
b. Dependent Variable: Employee performance					

Source: SPSS Processing Data Output

From Table 3.1 it is known that the value of the determinant coefficient between the Transformational leadership variable and the job satisfaction variable on the employee performance variable is 36.8%. This shows that the percentage of the contribution of the influence of the independent variables (Transformational leadership variables and job satisfaction) to the dependent variable (employee performance) is 36.8%. While the remaining 63.2% is influenced by other variables not included in this research model.

T-test

Hypothesis Test of Transformational Leadership on Employee Performance. With a value of $\alpha = 0.05$; $n = 60$, obtained a t-table value of 2.021. From the results of data processing, it was obtained that the tcount value was 2.080 with a significance of 0.042. Thus, the value of tcount > ttable (2.080 > 2.021) at the significance level is below 0.05, so it can be concluded that the Transformational leadership variable has a significant effect on employee performance so that H_a is accepted.

Hypothesis Test of Job Satisfaction on Employee Performance. With $\alpha = 0.05$; $n = 60$, obtained a t-table value of 2.021. From the results of data processing, the tcount value is 4.996 with a significance of 0.000. Thus, the value of tcount > ttable (4.996 > 2.021) at the significance level is below 0.05, so it can be concluded that the job satisfaction variable has a significant effect on employee performance so that H_a is accepted.

F test

To determine whether there is an effect of transformational leadership and job satisfaction simultaneously on employee performance, it is necessary to test the F significance test. This can be described as follows:

Table 5.

ANOVA						
	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	521.616	2	260.808	18.143	.000 ^a
	Residual	819.368	57	14.375		
	Total	1340.983	59			
a. Predictors: (Constant), Job satisfaction, Transformational Leadership						
b. Dependent Variable: Employee performance						

Source: SPSS Processing Data Output

Based on the results of the ANOVA test, it was found that F_{count} was 18,143 so that $F_{count} > F_{table}$ (18,143 > 3.17) was obtained with a significance level of 0.000 less than 0.05. So that it can be said that transformational leadership and job satisfaction together have an effect on employee performance.

Regression Coefficient

Table 6. Multiple Linear Regression

	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	24.332	5.859		4.153	.000		
	Transformational leadership	.199	.096	.222	2.080	.042	.943	1.060
	Job satisfaction	.472	.094	.533	4.996	.000	.943	1.060
a. Dependent Variable: Employee performance								

Source: SPSS Processing Data Output

The regressed data are data on Transformational Leadership Variables and Job Satisfaction Variables on Employee Performance Variables. By using SPSS, the results of the calculation of the regression coefficients between the Transformational

leadership variables and the job satisfaction variables on the employee performance variables obtained the following regression equation:

$$\hat{Y} = a + b_1 X_1 + b_2 X_2$$

$$Y = 24.332 + 0.199 X_1 + 0.472 X_2$$

SE 5.859 0.096 0.094
 t 4,153 2,080 4,996
 Sig 0.000 0.042 0.000

Where :

a = Constant
 b = regression coefficient
 X1 = Transformational Leadership
 X2 = job satisfaction
 Y = employee performance
 SE = Standard Error
 t = value of t count
 Sig = Significance Value

From the results of the analysis, it indicates that the value of a (constant) in the dependent variable is 24.332, which means that if there are no independent variables (Transformational leadership and job satisfaction), then the employee's performance is 24.332.

Then the value of b1 is 0.199, which means that if other independent variables have a fixed value, and there is an addition of 1 value for Transformational Leadership, it will increase employee performance by 0.199. The coefficient is positive, meaning that there is a positive relationship between Transformational Leadership and employee performance, the better Transformational Leadership, the more employee performance will be.

Then the b2 value is 0.472, which means that if other independent variables are fixed in value, and there is an addition of 1 value for job satisfaction, it will increase employee performance by 0.472. The coefficient is positive, meaning that there is a positive relationship between job satisfaction and employee performance, the increase in job satisfaction, the more it will improve employee performance.

RESULTS AND DISCUSSION

Based on the results of the data analysis and regression described above, the authors will try to discuss the research results as follows:

The Influence of Transformational Leadership on Employee Performance. From the respondents' answers about Transformational leadership, it can be concluded that Transformational leadership has a significant positive effect on employee performance. The positive influence shows that the influence of Transformational Leadership will affect the high/low performance of employees. While the significant influence shows that Transformational Leadership has an important role in improving employee performance. All employees certainly want Transformational leadership that is under the wishes of the employees themselves, so that the effect is directly on performance. The accuracy of Transformational leadership with the desire of most

employees can directly affect the performance of the employees themselves. Various positive impacts will be obtained if the leadership can be a role model for all employees. So that employees will work better and the impact is the performance of Citibank NA Unit CBOO employees can be realized.

From the answers given by respondents, it can be seen that the majority of employees stated that the Transformational Leadership by the leadership was good enough. With this condition, superiors need to maintain and even improve transformational leadership which is done better, especially in the dimension of "Ideal Influence" which has the highest correlation to employee performance and to improve the dimension of "Inspiration" which turns out to have a negative correlation to performance. Leaders must be able to convince their subordinates that they can trust the leadership in terms of work, besides, leaders must also have the ability to implement all their visions and can increase their subordinates' self-confidence in their abilities. With the right Transformational leadership for employees, employees will have expectations of an increase in their abilities because they have a leader who can apply appropriate transformational leadership so that all the potential and abilities of employees can be released so that this will later affect better employee performance. The results of this study also strengthen previous studies which state that transformational leadership affects employee performance, such as research from Humphreys (2013) which states that transformational leadership relationships have touched the value system and are no longer just "commodity" exchanges. Other research is conducted by Yammarino et.al. (2013) which proved that transformational leadership has a stronger influence on employee performance than transactional leadership. Meanwhile Bass & Riggio (2016) in their study said that Transformational leadership focuses on subordinates' self-development, encourages subordinates to think and act innovatively to solve problems and achieve organizational goals and objectives as well as spur optimism and enthusiasm for work so that employee performance shown by subordinates often exceeds expectations.

The Effect of Job Satisfaction on Employee Performance. From the respondents' answers regarding job satisfaction, it can be concluded that employee job satisfaction has a significant positive effect on employee performance. The positive influence shows that the effect of job satisfaction will affect the high/low performance of employees. While the significant influence shows that job satisfaction has an important role in improving employee performance. From the answers given by respondents, it can be seen that the majority of employees stated that the job satisfaction obtained was good enough. This condition means that if the company wants to improve employee performance to make it higher, it can be done by increasing employee job satisfaction, especially on the dimension that is considered to have the highest correlation with employee performance, namely "Promotion Opportunities" and improving the "Supervision" dimension because it has a negative correlation. to performance so that it can contribute positively to performance. Management must be able to give employees confidence that if they have a good performance then they will have a chance for a good career. Management must also have openness and have fairness in terms of promotion and pay attention to the ability of employees in terms of promotion. Thus employees will feel more secure about their future so that later it is hoped that the resulting performance will be even better. The results of this study also further strengthen previous theories and studies which state that the level of employee performance is one of which is determined by the level of

job satisfaction of the employee as well as strengthens the results of previous studies which state the effect of job satisfaction on employee performance such as Petty's research, Gee and Cavender (2014) and Soonhee Kim (2012) who managed to prove a strong positive relationship between job satisfaction and employee performance.

Transformational Leadership and Job Satisfaction Affect Employee Performance. The results also found that transformational leadership and job satisfaction variables simultaneously influence employee performance. Then the calculation results of the coefficient of determination also prove the influence of the two independent variables on performance. There are many possibilities of other factors that can affect employee performance besides the two variables above such as motivation, organizational culture, etc. From these results, it can be explained that employee job satisfaction can be obtained if one of the leaders can apply the concept of transformational leadership well. With good transformational leadership, employees can develop themselves optimally so that because they have high performance and in the end, they can obtain various job satisfaction factors such as getting a job that suits their skills, a salary increase, getting promotion opportunities, etc.

CONCLUSION.

Based on the results of the analysis and hypothesis testing that has been carried out, the following conclusions are obtained: (1) Transformational leadership affects employee performance. This is indicated by the level of the greatest correlation between "Ideal Influence" on Transformational Leadership and "Target Achievement" on Performance. This means that the better the transformational leadership performed by superiors will be able to improve overall employee performance. (2) Job satisfaction affects employee performance. This is indicated by the level of the greatest correlation between "Promotion Opportunities" in Job Satisfaction and "Cooperation" in Performance. This means that the level of employee job satisfaction determines the level of employee performance so that management must pay better attention. (3) Hypothesis testing also succeeds in proving that transformational leadership and job satisfaction simultaneously affect employee performance. This means that both transformational leadership and job satisfaction variables simultaneously affect performance. Furthermore, this means that employee performance will be obtained more optimally if these two things are considered.