TRANSFORMATIONAL LEADERSHIP:
ITS IMPACT ON EMPLOYEE PERFORMANCE
(CASE STUDY ON PRIVATE COLLEGE IN BANDUNG)

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ABSTRACT

This research investigates how transformational leadership affects employee performance. The study posits that transformational leadership, encompassing idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration, boosts employee engagement and their contributions to the organization. Employing a qualitative methodology, data was primarily gathered through questionnaires. These outcomes confirm that transformational leadership plays a key role in improving various facets of employee performance, such as work volume and quality, punctuality, attendance, and collaborative skills. The findings align with the theories of Bass & Avolio and the performance metrics suggested by Mathis & Jackson. Consequently, this study advocates for the implementation of transformational leadership as a strategic method to increase organizational efficiency and employee output.

The effect of transformative leadership on worker performance at a private institution in Bandung, Indonesia, is

investigated in this qualitative study. The study explores how leaders drive transformation by embodying strong values, igniting passion, promoting innovation, and attending to individual needs —are viewed and experienced within the particular context of the college through semi-structured interviews with faculty and staff. The research intends to ascertain how various leadership practices affect workers' willpower, job satisfaction, and output. The intention of the research is to presentgaining a comprehensive view of how transformative leadership functions and its impact on the general performance and the overall efficacy of the institution by examining the lived experiences and viewpoints of its staff. It is anticipated that the results will advance knowledge of how transformational leadership may be developed and used in higher education settings to improve worker productivity and organizational success.

Keywords: Transformational, Leadership, Employee, Performance, Behaviour

INTRODUCTION

Human resources are a crucial factor in driving a company or organization towards achieving specific goals. The success of an organization in realizing its strategic objectives is largely determined by employee performance. When employees perform at their best, it significantly increases the organization's ability to compete, particularly in the face of globalization and evolving business dynamics. Employee performance is not solely determined by individual capabilities but is also affected by several other aspects, notably the leadership style of those in charge. According to Bass and Avolio (1994), Leadership that empowers followers is a leadership style that can encourage, motivate, and increase employee dedication through a clear vision and strong relationships between leaders and followers. This leadership style not only focuses on achieving organizational goals but also on individual development to tap into their maximum abilities.

Concerning organizational dynamics, leader turnover often becomes a momentum for renewal and innovation in various aspects. However, leader turnover can also be a significant challenge for institutions. A study found that 50% of organizations experience a decline in performance in the first year after leader turnover, especially if the transition is not well planned. This phenomenon is reinforced by observations in several educational institutions in Indonesia, where leader turnover is often accompanied by changes in vision, mission, and management approaches that impact the stability and consistency of work programs. One example is changes in organizational structure and program priorities that cause confusion among employees and other stakeholders. However, conversely, leader turnover can also have a positive effect if carried out with a planned strategy.

A leader can also have a positive effect if carried out with a planned strategy. According to an internal survey, the impact of leadership change is very significant at around 64.7%, quite significant at 29.4%, and less significant at 5.9%. From the various facts above. It is evident that dynamics of leadership alterations have a large influence on changes within an institution. However, the extent to which these changes have a positive or negative impact still depends on various factors.

However, not all leadership styles are effective in facing the increasingly complex challenges and dynamics of organizations. Therefore, it is important to understand the characteristics of leadership styles that are considered good and effective in the eyes of employees and relevant to organizational needs. Bass's (1985) approach to transformational leadership emphasizes that a good leader is a leader who has the capacity to inspire, provide clear direction and encourage self-development of their subordinates. This shows that no single leadership style suitable every situation, but characteristics of leaders who are adaptive, empathetic, and visionary are often considered effective in improving individual and team performance.

The results indicate that an internal survey, the leadership characteristics of being intelligent and firm influenced employee performance by 47.1%, while the characteristics of being intelligent and charismatic influenced it by

35.3%, and the characteristics of being simple and modest influenced it by 17.6%. The phenomenon above indicates that it is necessary to examine in more detail about the characteristics various leadership styles that are considered good and relevant to employee expectations and organizational needs. With an understanding of these attributes, organizations can improve their leadership development strategies.

A leader is said to be successful not only measured by the achievement of organizational targets but also by their ability to build good relationships with subordinates, create a productive work environment, and ensure the sustainability of the organization amidst changing times. According to Yukl (2010), the success of a leader can be measured by their effectiveness in influencing others to achieve organizational goals. Successful leaders usually have characteristics such as the ability to communicate well, make strategic decisions, motivate subordinates, and have integrity and a clear vision. Meanwhile, Bass and Avolio's (1994) theory emphasizes that successful transformational leaders are those who can inspire subordinates through a strong vision, provide individual attention, and encourage innovation and creativity.

This can be seen from a survey conducted by researchers that leaders who are declared successful are those who can provide welfare to employees in the institution by 64.7%. That successful leaders have characteristics such as the ability to provide clear direction, support collaboration, and show empathy towards employee needs. Meanwhile, leaders who can provide comfort at work only account for 35.3%. These various facts indicate that the success of a leader does not only depend on the final results achieved, but also on how the leadership process is carried out. Successful leaders are not only able to achieve targets, but also create a positive long-term impact on subordinates and the organization.

Employee morale is a crucial factor that determines the effectiveness and productivity of an organization. Employees with high morale tend to have strong motivation, commitment to the organization, and are able to give their best contributions. One of the significant factors that plays a role in increasing employee morale is the leadership style applied in the institution. An effective leadership style not only guides employees in achieving organizational goals but also creates a supportive and motivating work environment. According to Bass and Avolio (1994), the transformational style can increase morale through the elements of inspirational motivation, individual attention, and intellectual engagement. Leaders who have a clear vision, provide personal support to employees, and encourage them to think creatively, often succeed in creating a positive and enthusiastic work atmosphere. Conversely, a transactional leadership style that only focuses on rewards and punishments tends to have a more limited impact on increasing morale.

The results of an internal survey indicate that employees tend to be quite satisfied with leaders who are able to inspire and encourage their creativity. 64.7% of employees stated they were quite satisfied with the transformational leadership style implemented by the leaders, because this style allows them to feel supported personally and professionally. However, 23.5% of other employees felt that the individual consideration dimension in the transformational leadership style had not been fully implemented, thus reducing their level of satisfaction. Meanwhile, other employees felt very satisfied with the transformational leadership style, accounting for 11.8%. These various facts indicate that although the transformational style can increase employee satisfaction, the success of its implementation greatly depends on how leaders are able to consistently apply the main dimensions of transformational style.

A leader's decision acts as a central role in determining direction and the consistency of an organization's performance. In every organization, leaders are responsible for making strategic decisions that can influence important aspects, such as work culture, operational efficiency, and employee productivity. The influence of leaders' decisions on organizational performance stability is increasingly in the spotlight, especially in facing global challenges that require responsiveness and accuracy of decisions. This phenomenon can be observed in many organizations facing uncertainty, both in state organizations and private companies. For example, the COVID-19 pandemic situation, where many organizations depend on leaders' decisions to adapt to sudden changes. Leaders who quickly make decisions to adopt digital technology and empower remote work teams are able to maintain the organization's

performance stability. Conversely, leaders who are slow to respond to changes face impacts such as decreased productivity and increased employee turnover rates.

The survey results indicate that leaders' decisions have a very large influence (52.9%) on the stability of organizational performance. A majority of employees (35.3%) rated the influence as quite large, and the remainder (11.8%) rated it as small. This phenomenon is also evident in educational organizations, where leaders who make decisions based on data and involve stakeholders tend to create a stable and productive work environment. Conversely, unilateral decisions without careful consideration can lead to internal conflicts and negatively impact individual and team performance.

In an institution, the success of an organization is closely linked to the role of leaders who can inspire and enhance employees' work morale. The leadership style adopted by leaders is a crucial factor in boosting motivation, productivity, and work efficiency among employees. High levels of work enthusiasm not only improve individual performance but also play a significant role in achieving the organization's overall objectives. Survey results indicate that the leadership style within the institution can elevate employees' work morale by 52.9%, with moderately high levels at 41.2% and slightly high levels at 5.9%.

Evidence from various institutions highlights that leadership style strongly influences employees' work morale. Leaders who adopt a transformational leadership style are often able to inspire and motivate employees to perform better. Such leaders typically possess a clear vision, provide individual attention to their employees, and encourage innovation. This approach frequently enhances work morale, as employees feel valued and involved in achieving the organization's goals. Conversely, in some institutions, less supportive leadership styles, such as authoritarian or bureaucratic approaches, have been found to lower employees' enthusiasm and motivation at work.

In this section, the results of previous research that can be used as a reference to explain and provide an understanding in completing this research will be explained. Several selected previous studies are described below.

First, Sundi. K (2013) titled Effect of Transformational Leadership and Transactional Leadership on The research investigates employee performance within the Konawe Education Department in Southeast Sulawesi Province, specifically highlighting the role of transformational leadership. The central question is identifying the leadership style best suited to enhance employee performance. Employing an explanatory design with associative primary data gathered through questionnaires, the study uses descriptive statistical analysis and path analysis. Findings reveal a positive relationship between transformational leadership and employee performance in the Konawe Education Department.

Mala, Yoka (2022) The Impact of Transformational Leadership on Employee Satisfaction, Employee Performance, and Employee Engagement: The Insurance and Pension Fund Service. The findings of this study, which employed PLS in SmartPLS, indicate that transformational leadership has a substantial effect on employee outcomes.

Ika, Hidajat (2022) The Effect of Transformational Leadership on Employee Performance with Conpensation and Job Satisfaction as Mediating Variablest. A quantitative approach was used in this study, with data collected through primary and secondary sources. The results indicated a positive relationship between transformational leadership and employee performance.

Cemil Top (2020) Transformational Leadership Impact on Employees Performance. The purpose of this study is to examine the influence of transformational leadership on employee performance within the Kurdistan region of Iraq. Data gathered from the cities of Erbil and Sulaymaniyah indicated a positive relationship between transformational leaders and employee performance. Furthermore, inspirational motivation and individual consideration were found to significantly impact employee performance.

Based on several previous studies mentioned above, the researcher will analyze using a qualitative method. Therefore, the problem statements in this research are:

1. Does transformational leadership have an impact on employee performance?
2. Does transformational leadership have an impact on employee motivation?

LITERATURE REVIEW

2.1 Transformational Leadership: A Comprehensive Analysis

According to research (Cemil Top, 2020) Leadership is the act of enabling and inspiring a group to work collaboratively towards a shared goal, which may involve leading employees with a strategic plan to realize a vision. (Tajeddini, 2015). And, Transformational leaders are those who spot the need for change, develop an inspiring vision to guide that change, and use positive actions to foster greater commitment among organizational members. (Burns, 1978; Yukl, 1999). Researcher observes that if a leader does not possess a transformational leadership style, the vision of an organization will not be achieved. This statement uses a quantitative method and positively influences on employee performance.

Based on jurnal from (Mala, Yoka 2022) ; Tambakan et al. (2020) According to Bass and Riggio, transformational leadership is built on four pillars: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Research shows this style significantly improves employee performance, especially inspirational motivation in this area. Consequently, it's recommended that company managers foster positive communication and relationships with their employees and strive to motivate them towards the company's goals. (Cemil Top, 2020).

2.2 Employee Performance: Exploring Factors and Strategies for Improvement

According to Mathis and Jackson (2006), employee performance is defined by what employees do or do not do, representing the outcome of an employee's behavior on the job. Employee performance is a function of both motivation and ability to achieve optimal work results within an organization (Lijan Poltak Sinambela 2016, Tatan & Oyon 2019). This performance comprises motivation, ability, and work outcomes. Several factors influence the enhancement of employee motivation, ability, and work results, including motivation itself, leadership, and employee discipline.

Additionally, a study conducted at the State University of Padang in Indonesia's Faculty of Economics found that transformational leadership significantly improved staff performance and motivation.

It has been discovered that transformational leadership affects worker performance in a number of ways. For example, transformational leaders might foster a sense of devotion transformational leaders, who inspire them to think critically and come up with creative solutions to issues. (Orabi, 2016; Samad, 2012)among employees to the organization's goals. Employees can also be intellectually stimulated by

METHODOLOGY

This research uses a qualitative approach. In qualitative research, which follows postpositivist principles, the researcher is the key instrument for studying natural settings. Data is gathered through triangulation, analyzed qualitatively, and the findings emphasize the interpretation of meaning over the creation of generalizable conclusions." (Sugiyono, 2017:9). The approach used is a descriptive approach that aims to delve deeper into employees' experiences with transformational leadership style in institution. This approach allows researchers to understand the existing reality from the research participants' perspective.

3.1 Sampling Method

The participants in this study included 15 staff members and 5 leaders from institution in Bandung, selected using purposive sampling techniques. The criteria for the employees were that they must be permanent staff who have worked for more than 6 years and have direct expeience working and interacting with the leaders. For data collection techniques, the researcher conducted semi-structured interviews and direct field observations.

Insightful Interviews :

The interview was conducted face-to-face for 30 minutes using an interview guide to assist the researcher in exploring and as a reference. The methodology involves conducting semi-structured interviews with both leadership and employee groups. Participants will be prompted to elaborate on their experiences through open-ended questioning during the interviews to describe experiential perspective, perceptions, the bearing of transformational leadership on their work results motivation.

Observation :

Observation was conducted on the interactions between leaders and employees in their daily work situations. Where feasible, non-participant observations during leadership meetings and staff interactions will be conducted to capture real-time dynamics and behaviors indicative of transformational leadership in practice.

3.2 Data analysis

This research adopts an inductive approach, where data gathered from the field is initially detailed and later shaped into conceptual insights. This method is particularly appropriate as the study seeks to uncover participants' experiences, perceptions, and the meanings they assign to them. Furthermore, narrative analysis is applied to explore the patterns and structures within the stories and experiences shared by employees during interviews.

Triangulation:

The last stage of the research involves validating the data through triangulation by integrating three data collection methods:

1. Conducting interviews with both employees and leaders to gather perspectives on transformational leadership and how it influences employee performance.

2. Carrying out direct observations of leader-employee interactions in the workplace to understand the practical implementation of transformational leadership.

3. Utilizing documentation to support and reinforce the findings, thereby enhancing the overall validity of the data collected.

DISCUSSION

Table 1. Table of Questionnaire Result Interpretation (Aggregate Responses)

No	Response Category	Total Percentage	Respondent Answer
1.	Sufficient	858.8 %	Positive
2.	Very	713.9 %	Very Positive
3.	Little	187.2 %	Negative

Based on the aggregate analysis of responses to all questions, excluding observations and in-depth interviews with respondents, three key findings emerged. Firstly, transformational leadership significantly influences employee performance, accounting for 858.8%. This aligns with the view of Tatan and Oyon (2019), who stated that leadership is a way of guiding employees to act correctly, achieve commitment, and motivate them towards shared goals, although the positive impact has not yet reached its maximum potential, indicating room for improvement.

Secondly, transformational leadership demonstrates a very positive impact on employee work motivation, registering at 713.9%. This finding supports the opinion of Tatan and Oyon (2019) that motivation is a set of attitudes and values that influence individuals to achieve specific goals aligned with their personal objectives. In this context, transformational leadership fosters positive employee motivation. These attitudes and values drive employees to behave in ways that contribute to goal achievement. Fundamentally, motivation can encourage employees to make positive choices in their actions.

However, a small portion of respondents perceived that transformational leadership had less influence on employee performance. This could indicate a need for evaluation in specific aspects of leadership. This suggests that some employees have not yet experienced the positive effects of the leadership within their institution. Leadership disparity could be a measure of job dissatisfaction. These findings provide a general overview of employee perceptions regarding the impact of transformational leadership on their performance within their work environment.

These results indicate that transformational leadership has a positive influence and should be further enhanced to become very positive. It is hoped that the institution will focus on developing strong leadership dimensions to effectively encourage and motivate all employees. This would allow the perception of leadership to shift from a "sufficient" level to a higher one.

The final outcome of this investigation points to transformational leadership had a considerable favorable impact on worker drive and performance (Arman et al., 2019) (Bakti, 2017). Specifically, the components of transformational leadership—charismatic leadership, motivational inspiration, thought-provoking challenge, and personalized support—were observed to jointly affect employee attitudes and behaviors, leading to improved performance outcomes.

Likewise, The final outcomes discovered that staff motivation mediated the association between transformational leadership and personnel achievement. This evidence suggests that Influential leaders can positively impact employee performance not only through direct means, but also by enhancing employee motivation and engagement.

The results of this investigation bolster the established literature on the effects of transformational leadership on employee and intstitutional outcomes. Transformational leaders exhibit the competency to stimulate and motivate their adherents, provoke their intellectual inquisitiveness, and render individualized assistance and empathetic consideration By fostering essential key behavioral patterns of leadership transformational leaders are able to construct a framework that authorizes staff to thrive and perform at their best.

CONCLUSION AND RECOMMENDATION

On this data, it can be concluded that transformational leadership has a positive influence on employee performance within educational institutions. This implies that when a leader possesses strong and effective transformational leadership characteristics, employee performance is likely to be enhanced, motivating them to improve.The results indicate that transformational leadership can enhance employee motivation and, consequently, improve worker output. The analysis underscores the importance in effective leader in higher education institutions, where the performance of faculty and staff is critical for the institution's success.

Overall, the combined results indicate that transformational leadership has a considerable impact on improving employee performance across various aspects, including the quantity and quality of work, punctuality, attendance, and teamwork abilities. Employees report feeling more motivated, inspired, and dedicated to their tasks, which is reflected in their enhanced performance.

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