

# The Effect of Transformational Leadership on Work Discipline and Employee Performance

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**Abstract:** Transformational leadership is indispensable by an organization to establish good working discipline and employee performance. The research aims to see the influence of transformational leadership on the work discipline and employee performance, with the research object of the Medan city government employees. Sample as many as 125 respondents using questionnaires. Sample withdrawal technique with probability sampling and accidental sampling. The results showed that transformational leadership had a significant effect on the work discipline and performance of the Medan city government employees. Working discipline has a significant effect on the performance of Medan city government employees. Working discipline in partial mediation influence transformational leadership to the performance of Medan city government employees.

**Key Words:** Transformational leadership, Work Discipline, Performance.

## 1. INTRODUCTION:

Human resource management is the most important thing to note because it is not a company or organization's goal to be achieved properly. MSDM in an organization is a means to improve quality, by improving human resources, improving the performance and power of the organization's results, so that it can realize resources that have a high discipline and performance. In improving employee performance necessary analysis of the factors that affect them by observing the needs of the employees, among them is good leadership, discipline and motivation of employees ' work (Mathis, et al, 2006 In Simbolon, 2012).

To produce employees with good performance is required human resources that have a high working discipline. The higher level of employee discipline is expected to improve employees ' performance and vice versa if the level of low discipline will result in a decline in employee performance. According to Rivai and Sagala (2010:824), The lack of discipline in the company's management also affects the decline in employee performance, resulting in loss of even the company's fall. Suniastuti (2012) states that good discipline reflects the number of employees responsible for the duties given. Discipline is more sourced from the self-employed officers who are shown in the form of complying with the regulations within the company and completing tasks on time.

The role of employees who can positively impact the performance of government agencies also can not be separated from the leadership performance of an agency. Leadership has a strong influence on the organization's course and survival. The success of an organization can be achieved when leaders can influence their subordinates to deliver the best performance to the organization. Transformational leadership is very in need of a company because the leadership style of the leader can do innovation and can coordinate the company's functions properly and correctly. Paarlberg and Lavigna (2010) Transformational Leadership is the process that motivates employees by promoting their higher ideals and moral values.

Further Ljungholm (2014) states that transformational leadership through the quality of relationships can improve employee performance, managers must demonstrate transformational leadership and substantially engage in relationships with their employees, the quality of relations associated with transformational leadership enhances employee perception of the integrity of the manager's behavior. Then Chen et al. (2016) stated that transformational leadership tends to occupy a central position in internal advice so that they connect directly with almost all team members to transmit goals, anticipate problems, Seek advice, and management of resource flows, transformational leadership owned by a manager should be able to create high integrations and encourage the employee's own passion.

Other research related to this study includes research from Mahendra and Brahmasari (2014) found that leadership has a positive and significant influence on work discipline and work motivation. Work discipline and work motivation have a positive and significant influence on performance. But leadership has no significant effect on performance. Further research from Sutarmaningtyas et al. (2014) found that there was a link between transformational leadership and transactional leadership towards working discipline. Subsequently, women's research (2017) found that transformational leadership is significant to the working discipline, but transformational leadership has no significant effect on performance. Working discipline has a significant effect on performance. Transformational leadership affects a significant impact on performance through work discipline.

The city government of Medan is currently starting to rush to create good governance in the Medan city government environment. Where to create it all needed performance, work discipline and transformational leadership of every existing employee element. Based on preliminary surveys the researchers did find some interesting phenomena that could be developed in this study.

Related to the performance of the Medan city government employees, several officers cannot complete their duties on time. In addition to the work discipline, it is also found that during working hours there are still some employees who are outside the office not to complete the tasks in their working environment. But the attitude of leadership demonstrated by the mayor of Medan is still not able to spur the performance and discipline of employees visible from the to Mayor of Medan as a suspect in the case of bribery on 15 October 2019 ago.

Based on the background that researchers have described, the researchers are interested in researching the title "The Effect of transformational leadership on work discipline and employee performance".

## 2. THEORETICAL BASIS:

### Performance

Performance is referred to as outcome records resulting from certain employees or activities undertaken over some time. Or performance is the extent to which a person has played his part in implementing the organizational strategy (Riniwati, 2011).

### Work Discipline

According to Saydam (2005:284) "Discipline is the attitude of readiness and willingness to obey and adhere to prevailing regulatory norms surrounding it."

### Transformational Leadership

According to Bass and Yukl in Wahjosumidjo (2001:74), transformational leadership as a leader has the power to influence subordinates in certain ways. With the application of subordinate transformational leadership will be trusted, valued, loyal and outside of its leadership.

## 3. MATERIALS:

Discipline must be enforced in a corporate organization. Without good employee discipline support, the company is difficult to realize its objectives. So, discipline is the key to the success of a company in achieving its objectives (Hasibuan, 2012). Employee performance cannot be removed from its leadership role. According to Bass (1995) in Panjaitan (2012), the lead leadership role contributes to the employee for optimal performance achievement. Furthermore, Hasibuan (2012) stated that the example of leadership plays a role in determining the discipline of the employees because the leadership was made an example and role model by his subordinates. Leaders must give a good example, be well-disciplined, honest, fair, and following the word of the deed. With a good example of leadership, the discipline will come well.

The conceptual framework in this study can be described as follows:

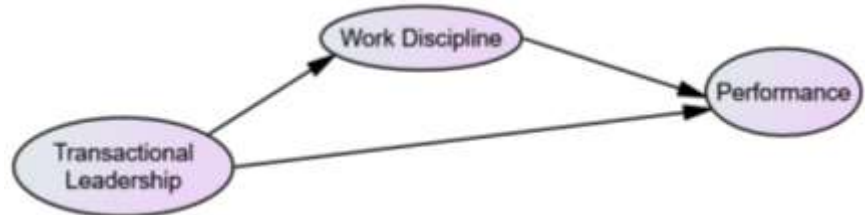


Figure 1. Conceptual framework

## 4. RESEARCH METHODOLOGY:

The object of this research is all employees of the Medan city government. Samples were obtained from 5-10 from the number of indicators (15 x 7 = 105). Plus 5 samples in case of outlier data. So the samples became 110 customers. Sample withdrawal technique with probability sampling technique with accidental sampling. Data collection techniques use questionnaires with a Likert scale (5-1). The data analysis technique used is path analysis. To See The mediating effect with Sobel's Test decision researchers test with the preacher's Tool.

## 5. RESEARCH RESULTS AND DISCUSSION:

### Research result

Model conformance tests are done through flowcharts in full model equations. The complete model was done to find out how far the initial model was formed in fulfilling the Goodness of Fit (GOF) criteria. The following will be presented full model images:

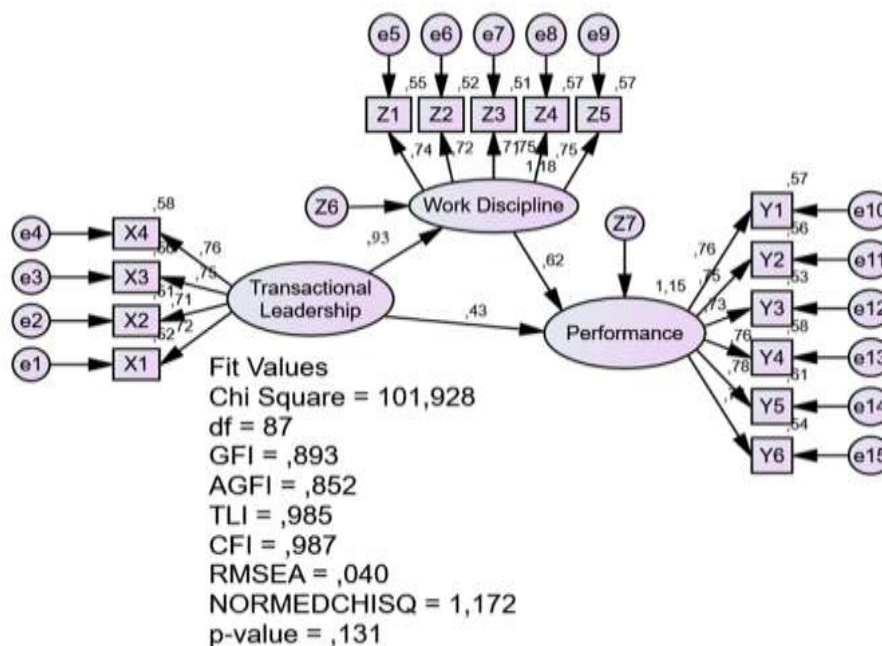


Figure 2. Full Research models

Based on Figure 2 the entire construct has fulfilled the criteria of GOF. Like the Chi-square, TLI, CFI, RMSEA, CMIN/DF values that have fulfilled the required criteria and P-value value of 0.131 which indicates that the model formed has been very significant. Except for the values of GFI and AGFI are still marginal but are approaching well.

**Discussion**

The hypothesis acceptance is viewed from the C.R. value greater than 2 and the value P is smaller than 0.05. To see how large the effect of an independent variable against the dependent variable will be shown in the following table 1:

**Table 1. Effects of Independent Variables on Dependent Variables**

Effect between variables			Std. Estimate	Estimate	S.E.	C.R.	P
WorkDiscipline	<---	TransactionalLeadership	,932	,950	,113	8,401	***
Performance	<---	TransactionalLeadership	,434	,468	,110	4,266	***
Performance	<---	WorkDiscipline	,615	,644	,117	5,518	***

According to table 1 will be outlined in detail to answer the hypothesis of this research as follows:

**Effect of Transactional Leadership on Work Discipline**

The effect of transactional leadership on the working discipline can be seen from the approximate value of the standard regression weight of 0.932 (93.2%), a critical ratio of 8.401 and a probability value of 0.0001. This proves that transactional leadership has a positive and significant impact on the work of disciplines of the Medan government employees.

**Effect of Transactional Leadership on Performance**

The influence of transactional leadership on performance can be seen from the standardized regression weight estimate value of 0.434 (43.4%), a critical ratio of 4.266 and a probability value of 0.0001. This proves that Transactional Leadership has a positive and significant effect on performance employees of Medan city government.

**Effect of Work Discipline on Performance**

The influence of work discipline on performance can be seen from the standardized regression weight estimate value of 0.615 (61.5%), a critical ratio of 5.518 and a probability value of 0.0001. This proves that work discipline has a positive and significant effect on performance employees of Medan city government.

### Working disciplines mediate the impact of transactional leadership on performance

To determine whether working discipline intervening the influence of transactional leadership towards performance can be seen in the following Sobel test results:

Input:		Test statistic:	Std. Error:	p-value:
a	0.932	Sobel test: 4.43272671	0.12930642	0.0000093
b	0.615	Aroian test: 4.40973663	0.12998055	0.00001035
s <sub>a</sub>	0.113	Goodman test: 4.45608016	0.12862875	0.00000835
s <sub>b</sub>	0.117	Reset all	Calculate	

Figure 3. Uji Sobel Test I

Based on the results of the calculations found line-a (0.0001), line -b (0.012), line-c (0.0001), and Line-c' (0.0000093). Then it can be concluded that the work discipline is a partial mediation of the effect of transactional leadership on performance employees of the Medan city government. This means that work discipline can affect directly or indirectly to increase performance employees of Medan city government.

### 6. CONCLUSION:

Conclusions gained from the results of the study: 1) Transactional leadership has a positive and significant impact on work discipline employees of the Medan city government. 2) Transactional leadership has a positive and significant impact on performance employees of the Medan city government. 3) Work discipline has a positive and significant impact on performance employees of the Medan city government. 4) Work discipline is a partial mediation of the effect of transactional leadership on performance employees of Medan city government.

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