The Effect of Transformational Leadership and Work Motivation on Employee Performance: Job Satisfaction as Mediation

I Made Mariyatha

Faculty of Economics and Business, Universitas Warmadewa
Email: mademariyatha@gmail.com

Abstract—The success of an organisation depends on its human resources, including government agencies, so that human resource management is needed to support employee performance. This study aims to determine and explain the effect of transformational leadership and work motivation on employee performance through job satisfaction. This research uses a quantitative approach. The research location is the Bali Province Language Centre. The population used all employees at the Bali Province Language Centre while the sample size was determined using purposive sampling of 40 respondents. The data collection method used is a survey method with a questionnaire. The analysis technique is inferential technique with Partial Least Square (PLS). The results concluded that transformational leadership has no significant effect on performance but has a significant positive effect on job satisfaction. Work motivation has no significant effect on performance but has a significant positive effect on job satisfaction. Job satisfaction has a significant positive effect on employee performance. Job satisfaction fully mediates the effect of transformational leadership on employee performance. Job satisfaction partially mediates the effect of work motivation on employee performance.

Keywords: employee performance; job satisfaction; transformational leadership; work motivation

I. INTRODUCTION

The performance of a government organisation depends on the performance of its human resources. Employee performance in government organisations is always highlighted by the public. Low performance will result in a decrease in organisational performance. There are many supporting factors and inhibiting factors that have an influence on employee performance. So that management is needed to support employee performance in the organisation.

Performance is an achievement or work result obtained by an employee or group with their respective authorities and responsibilities (Afandi, 2018). The importance of organisational factors through employees, then leadership becomes one of the factors that influence performance. Leadership is the pinnacle of administration and management. Leaders have a central role at the organisational level in strategic positions. Leaders and employees need to work together and leaders function to increase employee attention and improve employee perceptions of their work (Alshehhi, 2019). Leaders have an obligation to provide direction to improve employee performance.

The success of a leader is related to the leadership style he applies. Leadership skills need to focus on improving transformational leadership style (Merry et al., 2022). Organisational leaders must have transformational attributes to gain information about their employees in order to inspire employees to achieve the expected results (Khan et al., 2020). Transformational
Satisfaction felt by employees will determine leadership style and providing motivation. The job satisfaction can be through the right not receive management attention. Creating their job. In reality, job satisfaction often does obtained satisfaction, they will feel happy in (Lestari et al., 2022). If employees have jobs so satisfaction is not a single concept satisfaction is an emotional response to various motivation on employee performance. Job transformational leadership and work be able to mediate the relationship between significant effect on performance. (2021) found that work motivation has no significant impact on performance. Meanwhile, Mubarak and Darmanto (2016) and Novitasari and Asbari (2020) state that transformational leadership has no significant impact on performance.

In addition to leadership, work motivation is one of the factors that determine the achievement of individual performance. Motivation is an intrinsic and extrinsic factor that determines a person's behaviour. The importance of motivation as an individual encourager in acting and doing work (Hidayat, 2018). Motivation is a way to direct the power and potential of employees to be willing to work cooperatively in a proactive and powerful way for the success of achieving and realising predetermined goals (Olushola and Adewumi, 2021). Motivation is important to be considered by the leadership in the hopes of making a positive contribution. An employee's motivation creates high enthusiasm in carrying out the tasks assigned to him. Increased employee motivation and performance can be considered as the strength of the organisation to overcome threats and benefit from more opportunities to have a strong and leading market position (Aqil et al., 2021). This is supported by research by Aryanta et al. (2019), Rapsanjani and Johannes (2019), Mardanov (2020), Aqil et al. (2021), and Merry et al. (2022) which states that motivation has a significant positive effect on employee performance. Meanwhile, research by Yasa and Dewi (2020) and Olushola and Adewumi (2021) found that work motivation has no significant effect on performance.

In addition, job satisfaction is thought to be able to mediate the relationship between transformational leadership and work motivation on employee performance. Job satisfaction is an emotional response to various jobs so satisfaction is not a single concept (Lestari et al., 2022). If employees have obtained satisfaction, they will feel happy in their job. In reality, job satisfaction often does not receive management attention. Creating job satisfaction can be through the right leadership style and providing motivation. The satisfaction felt by employees will determine performance so that employee behaviour is in accordance with organisational goals, so that there is a combination of satisfaction with what the organisation wants. When employees feel satisfied with themselves and their working conditions, they will strive to complete their tasks optimally. This is in accordance with the research of Rapsanjan and Johannes (2019), Cruz et al. (2020), Alshehhi et al. (2020), Lestari et al. (2022), and Mardanov (2020) which state that an increase in job satisfaction felt by employees will improve individual employee performance.

There are no employees whose work does not support the achievement of organisational performance targets. That means, in addition to organisational performance there is individual performance that is a major concern. So that there needs to be alignment of organisational performance as well as individual performance. However, there are indications of a decrease in the performance of the Bali Provincial Language Centre as seen from the Budget Performance Value for the implementation of the RKA-K / L satker at least 91 in 2020 and 2021 where the level of budget utilisation is only 95.67% and 92.77%. This means that the performance of the Bali Province Language Centre is still not optimal. In addition, based on the identification of obstacles experienced included in the Annual Performance report, it can be seen that the obstacles experienced by employees have not improved in 2020 and 2021. Three problem points in 2020 were not resolved in 2021 so that in the following year employees still encountered the same problems. This indicates that there are internal problems that cause no solution to the obstacles to the implementation of the activities faced. So that research in government agencies needs to be carried out comprehensively by elaborating on variables that are thought to affect employee satisfaction and performance.

II. HYPOTHESIS

The hypothesis in this study is as follows:

\[ H_1: \text{Transformational leadership (X1) has a positive and significant effect on employee performance (Y2)} \]

\[ H_2: \text{Transformational (X1) leadership has a positive and significant effect on job satisfaction (Y1)} \]

\[ H_3: \text{Work motivation (X2) has a positive and significant effect on employee performance (Y2)} \]
H4: Work motivation (X2) has a positive and significant effect on employee job satisfaction (Y1)

H5: Job satisfaction (Y1) has a positive and significant effect on employee performance (Y2)

H6: Job satisfaction (Y1) mediates the effect of transformational leadership (X1) on employee performance (Y2)

H7: Job satisfaction (Y1) mediates the effect of work motivation (X2) on employee performance (Y2)

III. METHODS

The research was conducted at the Bali Province Language Centre. The object of research is the employees of the Bali Province Language Centre. The sample was determined by saturated sampling, a sample of 41 employees. Data collection was conducted by survey techniques, a questionnaire with a Likert measurement scale. The data analysis technique used is inferential analysis using Partial Least Square.

IV. RESULTS AND DISCUSSION

Based on the results of the research, there are several implications that emphasise the real benefits of the research results to encourage and improve employee performance. The Bali Province Language Centre is an organisation that has the task of implementing the protection and popularization of Indonesian language and literature. The Bali Province Language Centre is in collaboration with government institutions in the region, private institutions, and individuals. Cooperation in the sector of language and literature is carried out in terms of research, counselling, training, coaching broadcasts, editing, translating, judging, and other language/literature meetings. The role of human resources (HR) is very important in supporting the implementation of the main duties and functions of the Bali Province Language Centre. Transformational leadership and work motivation are very important, because by implication they will affect job satisfaction and employee performance. The benefits of transformational and work motivation will affect job satisfaction which in turn will have an impact on improving employee performance:

| Effect | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (|O/STDEV|) | P Values |
|--------|---------------------|-----------------|-----------------------------|---------------------------|----------|
| X1 <> Y2 | 0.068 | 0.088 | 0.144 | 0.472 | 0.637 |
| X1 <> Y1 | 0.370 | 0.370 | 0.143 | 2.588 | 0.010 |
| X2 <> Y2 | 0.189 | 0.214 | 0.183 | 1.033 | 0.302 |
| X2 <> Y1 | 0.430 | 0.459 | 0.147 | 2.930 | 0.004 |
| Y1 <> Y2 | 0.569 | 0.532 | 0.186 | 3.057 | 0.002 |
| X1 <> Y1 | 0.211 | 0.194 | 0.102 | 2.066 | 0.039 |
| X2 <> Y1 | 0.245 | 0.239 | 0.115 | 2.125 | 0.034 |

**The Effect of Transformational Leadership on Employee Performance**

Based on the results of the analysis of the effect of transformational leadership on employee performance, the original sample value is 0.068 with a p value of 0.637> 0.05, so H0 is accepted, which means that transformational leadership has a positive and insignificant effect on employee performance at the Bali Province Language Centre. This explains that changes in transformational leadership have no real impact on employee performance.

Transformational leadership style is the ability to motivate subordinates to work towards achieving organisational goals and satisfying their needs at a higher level. Transformational leaders have the ability to sense their environment and then to create and disseminate strategic goals that capture the attention and interest of their subordinates. In this study, transformational leadership did not have a significant impact on employee performance. This is because the perception of employees related to the leadership of the Bali Province Language Hall is that the leadership lacks charisma, is less able to provide work enthusiasm to subordinates due to the Bali Province Language Hall often changing leaders where the leadership period leads only 6 (six) months so that the leadership does not know the employees well. In addition, in the characteristics of the respondents, it can be seen that the average employee at the Bali
Provincial Language Centre is over 36 years old, which causes some employees to complete tasks not on time. This is in line with research by Mubarak and Darmanto (2016) and Novitasari and Asbari (2020) which state that transformational leadership has no significant impact on performance.

The Effect of Transformational Leadership on Job Satisfaction

Based on the results of the analysis of the effect of transformational leadership on job satisfaction, the original sample value is 0.370 with a p value of 0.010 <0.05, so that h0 is rejected ha is accepted, which means that transformational leadership has a significant positive effect on job satisfaction at the Bali Province Language Centre. This shows that better transformational leadership increases job satisfaction.

Transformational leadership style is the ability to motivate employees to work for the achievement of organisational goals and satisfy their needs at a higher level. This type of transformational leadership focuses on building commitment to organisational goals and providing satisfaction to employees. Job satisfaction is a person's positive or negative view of his or her job. Organisations need employees who have the ability to work better and faster, to get this employee job satisfaction must be maintained and considered. Therefore, in realising employee satisfaction, a leader who applies a transformational leadership style is needed. At the Bali Province Language Centre, it can be seen that the average employee satisfaction has a good category and employee perceptions of their leaders are also good. This shows that the more effective the transformational leadership style applied, the higher the level of employee job satisfaction. This result is in accordance with the research of Alshehhi et al. (2020), Lan et al. (2020), Khoso et al. (2021), Skopak and Hadzaihmetovic (2022), and Day et al. (2022) state that transformational leadership has a positive and significant effect on job satisfaction.

The Effect of Work Motivation on Employee Performance

Based on the results of the analysis of the effect of work motivation on employee performance, the original sample value is 0.189 with a p value of 0.0302 <0.05, so that h0 has a positive and insignificant effect on employee performance at the Bali Province Language Centre. This explains that changes in work motivation have no real impact on employee performance.

Motivation as a form of encouragement that is both internal and external in carrying out a certain action. Motivation can be raised with an encouragement in carrying out a job. At the Bali Province Language Centre, motivation does not have a significant influence on performance. This can be due to the characteristics of respondents who are over 36 years old who usually do not have many demands on the organisation. In addition, based on descriptive analysis, it can be seen that employee perceptions related to motivation are still unfair awards, work that is not in accordance with tupoksi and also a lack of encouragement to develop which causes no impact on employee performance. Motivation as something that can direct employees in working in accordance with the vision and mission of the organisation cannot support employee behaviour so that they want to work hard and enthusiastically in achieving optimal results in accordance with what the organisation previously expected. These results support the research of Yasa and Dewi (2020) and Olushola and Adewumi (2021) which found that work motivation has a significant positive effect on performance. However, it is not in line with the research of Aryanta et al (2019), Rapsanjani and Johannes (2019), Mardanov (2020), Aqil et al. (2021), and Merry et al. (2022) shows that work motivation has a positive and significant effect on employee performance.

The Effect of Job Motivation on Job Satisfaction

Based on the results of the analysis of the effect of work motivation on job satisfaction, the original sample value is 0.430 with a p value of 0.004 <0.05, so that h0 is rejected ha is accepted, which means that work motivation has a significant positive effect on job satisfaction at the Bali Province Language Centre. This shows that better work motivation increases job satisfaction.

Motivation as a force within a person that influences the direction, intensity, and persistence of voluntary behaviour. Motivation is a change of energy in a person's personality characterised by the emergence of affection and reaction to achieve goals. At the Bali Province Language Centre, it was explained that respondents' perceptions related to work motivation were in the good category. This means that through motivation through achievement, appreciation, responsibility and self-development will provide a driving force
that creates work enthusiasm so that they are willing to work together, work effectively, and integrate with all their efforts to achieve satisfaction. These results are in accordance with the research of Aryanta et al. (2019), Cruz et al. (2020), Mardanov (2020), Lee et al. (2022), and Kassim et al. (2022) state that work motivation has a positive and significant effect on job satisfaction.

The Effect of Job Satisfaction on Employee Performance

Based on the results of the analysis of the effect of job satisfaction on employee performance, the original sample value is 0.569 with a p value of 0.002 <0.05, so that h0 is rejected, ha is accepted, which means that job satisfaction has a significant positive effect on employee performance at the Bali Province Language Centre. This shows that employees who are increasingly satisfied will produce maximum performance.

Job satisfaction is related to the implementation of tasks in their work, the conditions of their work environment, and also related to their interactions with co-workers, as well as the relationship system between employees. In addition, job satisfaction is also related to prospects with his work in the future. At the Bali Province Language Centre, job satisfaction felt by employees will encourage increased employee performance. Job satisfaction is a combination of extrinsic and intrinsic factors, where satisfaction with the work situation, salary received, satisfaction with the opportunities provided and policies implemented by the organisation will directly improve employee performance. The more these aspects of satisfaction expectations are met, the higher the level of job satisfaction which in turn has an impact on the better the actions and reactions of employees to their decisions in completing their work. This result is in accordance with the research of Rapsanjani and Johannes (2019), Cruz et al. (2020), Alshehhi et al. (2020), Lestari et al. (2022), and Mardanov (2020) state that job satisfaction has a positive and significant effect on employee performance.

The Role of Job Satisfaction in Mediating the Effect of Transformational Leadership on Employee Performance

Based on the results of the mediation analysis of the effect of transformational leadership on employee performance through job satisfaction, the results are insignificant 0.069> 0.05 on the direct effect while the indirect effect is significant 0.039 <0.05 so that h0 is rejected, ha is accepted, which means that job satisfaction is able to fully mediate the relationship between transformational leadership on employee performance at the Bali Province Language Centre.

Transformational leadership style and job satisfaction are related to performance. Through a transformational leadership style, employees will feel valued and motivated to do more than what is expected so that their subordinates will improve performance and job satisfaction will occur along with the growth of trust in the leader. At the Bali Province Language Centre, it is proven that job satisfaction is able to fully mediate the relationship between transformational leadership and employee performance at the Bali Province Language Centre. This explains that transformational leadership is not significantly able to improve employee performance. But leaders who are able to transform the vision and mission of the organisation will provide satisfaction to employees which ultimately has an impact on performance. So that employee satisfaction with their leaders will encourage employees to improve their performance. A leader who can provide motivation and inspiration to his subordinates can direct his subordinates to work harder and also always be motivated in their work activities to be able to create a pleasant situation at work so that the resulting work results will be better. These results are in accordance with research by Hidayat et al. (2018), Aryanta et al. (2019), Alshehhi et al. (2020), Amalina and Susilowati (2022) state that job satisfaction is able to mediate the effect of transformational leadership on employee performance.

The Effect of Transformational Leadership and Work Motivation on Employee Performance

Based on the results of the mediation analysis of the effect of work motivation on employee performance through job satisfaction, the significant result is 0.009 <0.05 in the direct effect and in the significant indirect effect 0.034 <0.05 so that h0 is rejected, ha is accepted, which means that job satisfaction is able to partially mediate the relationship between work motivation and employee performance at the Bali Province Language Centre.

High work motivation has an impact on individual performance and productivity and is also determined by the level of employee job satisfaction. If employees have a strong desire
to be successful, have harmonious relationships with other employees and have a strong desire to get promotions from superiors, the work motivation of employees is very good and greatly affects job satisfaction that grows from within employees and has an impact on performance. At the Bali Province Language Centre, it is proven that job satisfaction is partially mediated, which means that motivation can directly improve employee performance, besides that, with motivation, it will create satisfaction in employees which will encourage them to work better. These results are in accordance with research such as Kardiasih et al. (2017), Pancasila et al. (2020), Kumari et al. (2021) show that motivation has an indirect effect on employee performance through employee job satisfaction.

V. CONCLUSION
The results of the study have confirmed the concepts created and the results of the study. This research has been able to have build a model about the mediating role of job satisfaction on the influence of transformational leadership and work motivation on employee performance at the Bali Province Language Centre. The theoretical model formed integrates various strategies to be able to improve employee performance. The results of the theoretical model explain that job satisfaction is able to mediate the relationship between transformational leadership and work motivation on employee performance. This means that the leadership style and motivation possessed by employees will determine the level of employee job satisfaction which will further affect employee performance. So that in order to achieve organisational performance, it is very necessary to pay attention to employee performance by increasing the ability of leaders to transform their abilities and increase employee motivation. Transformational leadership can be improved by increasing the charisma of a leader, the ability to encourage, the ability to provide solutions in problem solving, being able to get closer to employees and always reminding the importance of moral consequences. In addition, to increase work motivation, leaders are expected to provide opportunities for employees for higher positions, provide fair rewards, provide tasks according to tupoksi and also encourage employees to grow.

REFERENCES
The Effect of Transformational Leadership and Work Motivation on Employee Performance: Job Satisfaction as Mediation


Merry, S., Noureen, G. and Noshaba, A., 2022. Relationship Between Transformational Leadership Style And University Teachers’ Job Performance As Mediated By Intrinsic Motivation. *Webology (ISSN: 1735-188X)*, 19(3).


