

Factors That Influence Work Performance

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Abstract

In this study, researchers wanted to see the direct and indirect effects between transactional leadership variables as independent variables and organizational commitment as a mediating variable and work performance as the dependent variable. This type of research uses quantitative, this research was conducted at BPJS Employment Branches throughout Greater Medan consisting of BPJS Employment City Medan Branch Office, North Medan Branch, Tanjung Morawa Branch and Binjai Branch. The population of this study was 82 employees and the sample used was all the population using the saturated sample technique. The data source used is primary data sources and data collection is done by distributing questionnaires. The research model used is path analysis with smart PLS version 3.3.3. as a research measurement tool. The results of this study are as follows transactional leadership has a positive and significant effect on organizational commitment with an original sample value of 0.683 and P values of 0.000. Transactional leadership has a positive and significant effect on work performance with an original sample value of 0.391 and p value of 0.012. Organizational commitment has a positive and significant effect on job performance with an original sample value of 0.177 and p values of 0.001. Transactional leadership has a positive and significant effect on work performance through organizational commitment directly with the original sample result of 0.124 and p value 0.003.

Keywords: Transactional Leadership, Organizational Commitment, Work performance.

INTRODUCTION

Transactional leadership is a rigid leadership style, and is very compliant with the established standard operational procedures (SOPs) (Alvesson, 2020), they encourage employees to focus on the work tasks at that time (Awan & Mahmood, 2020). Transactional leadership tends to prioritize work results, where this type of leader also slightly inhibits employees from innovating because of their rigid and systematic work system (Al Khajeh, 2018), but they are more focused on providing rewards for the work results of employees who are able to achieve work tasks as expected. Leaders who provide clarity of work and are able to keep promises regarding rewards for employee performance that is in accordance with expectations will gain more trust from their subordinates (Hidayat et al., 2021). Employee organizational commitment will be achieved if leaders can be accountable for their roles, and also provide work needs and facilities that make employees feel comfortable and motivated (Adhan et al., 2019; Hidayat et al., 2021; Suryanto & Prihatiningsih, 2016). According to previous research from Hidayati (2014), it was found that organizational commitment strengthens the relationship between transactional leadership and employee performance. Work performance is the quality and quantity of individual or group work results (output) in a particular activity that is caused by natural abilities or abilities acquired from the learning process and the desire to perform better. All behaviors that are controlled by individuals and contribute to achieving goals. Factors that influence work performance include organizational climate, organizational commitment and organizational culture.

Formulation of the problem

1. Whether Transactional Leadership has a positive and significant effect on Organizational Commitment at BPJS Employment Branch Offices throughout Medan Raya.
2. Whether Transactional Leadership has a positive and significant influence on Work Performance at BPJS Employment Branch Offices throughout Medan Raya.
3. Whether Organizational Commitment to Work Performance has a positive and significant effect on Work Performance at BPJS Employment Branch Offices throughout Medan Raya.
4. Whether Transactional Leadership has a positive and significant effect on Work Performance through Organizational Commitment at BPJS Employment Branch Offices throughout Medan Raya.

Research purposes

1. To find out and analyze the influence Transactional Leadership towards Organizational Commitment at BPJS Employment Branch Offices in Medan Raya
2. To find out and analyze the influence Transactional Leadership towards Work Performance at BPJS Employment Branch Offices in Medan Raya
3. To find out and analyze the influence Organizational Commitment to Work Achievement at BPJS Employment Branch Offices throughout Medan Raya.
4. To find out and analyze the influence Transactional Leadership towards Work Performance through Organizational Commitment at BPJS Ketenagakerjaan Branch Offices throughout Medan Raya.

LITERATURE REVIEW

Work performance

According to Badriyah (2018), work performance is the work results achieved by a person in carrying out the tasks assigned to him, which are based on skills, experience, and sincerity as well as time.

Work performance indicators

According to Badriyah (2018) as follows:

- a. Quantity of work, namely the amount of work results according to the available working time.
- b. Quality of work, namely the quality of work results based on established standards. Usually measured through accuracy, precision, skill, and cleanliness of work results.
- c. Reliability, namely the ability to fulfill or follow instructions, initiative, diligence, and cooperation.
- d. Initiative, namely the ability to recognize problems and take corrective action, provide suggestions for improvement and accept responsibility for resolution.
- e. Diligence, namely the willingness to carry out tasks without coercion and which are routine in nature.

Transactional Leadership

According to Budiwibowo (2019), transactional leadership is leadership that carries out transactions to motivate followers by appealing to the personal interests of followers. Transactional leadership involves an exchange process that can result in followers' obedience to leaders, but does not result in enthusiasm and commitment to task goals.

Transactional Leadership Indicators

According to Budiwibowo (2019) as follows:

- a. Contingent reward (contingent reward), the leader gives a reward to members who have carefully completed the tasks that are their responsibility.
- b. Management by exception active (active exception management), is a condition where the leader will actively monitor the implementation of the work tasks of his subordinates so that they avoid mistakes.
- c. Management by exception Passive (passive exception management). New managers or leaders act after failures are made by their subordinates, the leader's actions are carried out to achieve organizational goals.
- d. Laizez Farie. The leader gives freedom to subordinates so that they can carry out work tasks without supervision from him.

Organizational Commitment

According to Wibawa et al. (2019), organizational commitment is seen as a value orientation towards an organization that shows individual thinking and prioritizes work and the organization.

Organizational Commitment Indicators

According to Wibawa et al. (2019) as follows:

- a. Affective commitment: relates to the employee's emotional connection to the organization.
- b. Continuance commitment: relates to employee awareness of the losses if they leave the organization.
- c. Normative commitment: describes feelings of attachment to remaining in the organization.

Conceptual Framework

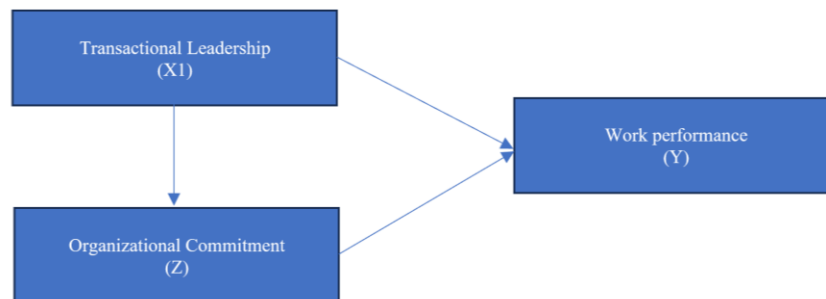


Figure 1. Conceptual Framework

Research Hypothesis

The hypothesis proposed in this study is as follows:

1. Transactional leadership has a positive and significant influence on organizational commitment at BPJS Ketenagakerjaan Branch Offices Throughout Medan Raya.
2. Transactional leadership has a positive and significant influence on work performance at BPJS Ketenagakerjaan Branch Offices Throughout Medan Raya
3. Organizational commitment has a positive and significant effect on work performance at BPJS Ketenagakerjaan Branch Offices Throughout Medan Raya.
4. Transactional leadership has a positive and significant influence on work performance through organizational commitment at BPJS Ketenagakerjaan Branch Offices Throughout Medan Raya.

METHOD

Types of research

According to Sugiyono (2017) quantitative research can be interpreted as a method based on the philosophy of positivism, used to research a certain population or sample, sampling techniques are generally carried out randomly, data collection using research instruments, data analysis is quantitative/statistical in nature with the aim of testing the hypothesis that has been set. This type of quantitative research is conducted to create a study that aims to adjust a study and for the Influence of Transactional Leadership on Work Performance with Organizational Commitment as a Mediating Variable at BPJS Employment Branch Offices Throughout Medan Raya.

Research Location and Research Time

The research location was conducted at the BPJS Ketenagakerjaan Branch Offices in Medan Raya, which consists of 4 branch offices with a total correspondence of 132 people, with the following details:

- BPJS Employment Medan City Branch, located at Jl. Kapten Patimura No.334, Darat, Medan Baru District, Medan City, North Sumatra, with a total of 41 employees.
- BPJS Employment North Medan Branch, located at Jl. Marelan Raya No.108, Tanah Enam Ratus, Medan City, North Sumatra, with a total of 27 employees.

- BPJS Employment Tanjung Morawa Branch is located on Jl. Raya Medan - Tanjung Morawa Km.14.5, Bangun Sari Baru Village, Tanjung Morawa District, Deli Serdang Regency, North Sumatra, with a total of 36 employees.
- BPJS Employment Binjai Branch located at Jl. Soekarno-Hatta No. 262, Km No.19.5, Tunggurono, East Binjai District, Binjai City, North Sumatra. with a total of 28 employees.

The research period was 3 months.

Population and Sample

According to Sugiyono (2017) population is a generalization area consisting of objects or subjects that have certain qualities and characteristics that are determined by researchers to be studied and then conclusions drawn. The population and sample in this study were all permanent employees at BPJS Ketenagakerjaan Branch Offices Throughout Medan Rayatotaling 80 employees (saturated sample).

Research Data Sources

The data sources used in this study are primary data.

Operational Definition of Research Variables

Table 1. Operational Definition of Variables

| Variable Types | Definition | Indicator |
|-------------------------------|--|--|
| Work Performance (Y) | According to Badriyah (2018), work performance is the work results achieved by a person in carrying out the tasks assigned to him, which are based on skills, experience, and sincerity as well as time. | According to Badriyah (2018), work performance indicators are: <ul style="list-style-type: none"> • Quantity of work. • Quality of work. • Reliability. • Initiative. • Craft. |
| Transactional Leadership (X1) | According to Budiwibowo (2019), transactional leadership is leadership that carries out transactions to motivate followers by appealing to the personal interests of followers. Transactional leadership involves an exchange process that can result in followers' obedience to leaders, but does | Transactional leadership indicators according to Budiwibowo (2019) are as follows: <ul style="list-style-type: none"> • Contingent reward • Management by exception active • Management by exception Passive • Laizez Farie. |

| | | |
|-------------------------------|---|---|
| | not result in enthusiasm and commitment to task goals. | |
| Organizational Commitment (Z) | According to Wibawa et al. (2019), organizational commitment is seen as a value orientation towards an organization that shows individual thinking and prioritizes work and the organization. | According to Wibawa et al. (2019), the indicators of organizational commitment are: <ul style="list-style-type: none"> • Affective commitment • Ongoing commitment. • Normative commitment |

Data Analysis Techniques

Data analysis in this study uses Structural Equation Modeling (SEM) based on Partial Least Square (PLS) using SmartPLS 3.3.3 software. According to (Gozali, 2014) Partial Least Square (PLS) is a fairly strong analysis method because it is not based on many assumptions.

Measurement Model (Outer Model)

The procedure in testing the measurement model consists of validity testing and reliability testing.

1. Validity Test
 - a. Convergent Validity
 - b. Discriminant Validity
2. Reliability Test

The Cronbach's alpha value is recommended to be greater than 0.7 and the composite reliability is also recommended to be greater than 0.7 (Sekaran, 2014).

Structural Model (Inner Model)

This test is conducted to determine the relationship between exogenous and endogenous constructs that have become hypotheses in this study (Hair et al., 2017). To produce inner model test values, the steps in SmartPLS are carried out using the bootstrapping method. The structural model is evaluated using R-square for the dependent variable, the Stone-Geisser Q-square test for predictive elevation and the t-test and significance of the structural path parameter coefficients with the following explanation:

1. Coefficient of Determination / R Square (R²)

In assessing the model with PLS, it begins by looking at the R-square for each dependent latent variable. The interpretation is the same as the interpretation in regression. Changes in the R-square value can be used to assess the influence of certain independent latent variables on the dependent latent variable whether it has a substantive influence (Ghozali, 2012). The R² value is generally between 0 and 1.

2. Predictive Relevance (Q2)

This test is used to measure how well the observation value is generated by the model and also its parameter estimates. If the Q2 value is greater than 0, it indicates that the model has predictive relevance, which means it has good observation value, while if the value is less than 0, it indicates that the model does not have predictive relevance (Ghozali, 2014).

3. t-Statistic

At this stage, it is used for hypothesis testing, namely to determine the significance of the relationship between variables in the study using the bootstrapping method. In the full model Structural Equation Modeling, in addition to confirming the theory, it also explains whether or not there is a relationship between latent variables (Ghozali, 2012). The hypothesis is said to be accepted if the t statistic value is greater than the t table. According to (Latan and Ghozali, 2014) the criteria for the t table value with a value of 1.96 with a significance level of 5%.

4. Path Coefficient

This test is used to determine the direction of the relationship between variables (positive/negative). If the value is 0 to 1, then the direction of the relationship between variables is stated as positive. While if the value is 0 to -1, then the direction of the relationship between variables is stated as negative.

RESULTS AND DISCUSSION

Outer Model Analysis

Measurement model testing (outer model) is used to determine the specifications of the relationship between latent variables and their manifest variables. This testing includes convergent validity, discriminant validity and reliability.

1. Convergent Validity

This test is seen from the loading factor, the value limit is 0.7, and the Average Variance Extracted (AVE) value limit is 0.5, if it is above that value it is said to be valid. This means that the value for the indicator is said to be valid if the indicator explains the construct variable with a value > 0.7 . The structural model in this study is shown in the following figure:

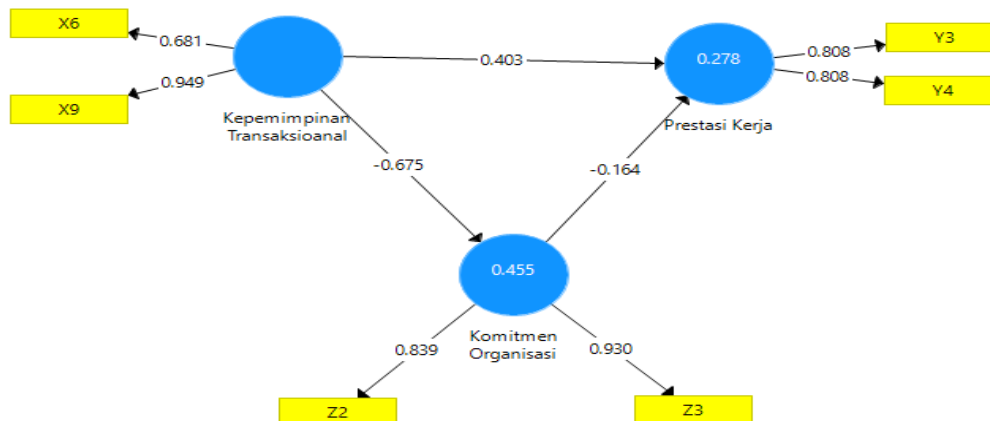


Figure 2. Outer Model
 Source: Smart PLS 3.3.3

Smart PLS output for loading factor gives the results in the following table: Outer Loadings In this study there is an equation and the equation consists of two substructures for substructure 1.

$$Z = b1X1 + e1$$

$$Z = 0.403 + e1$$

For substructure 2

$$Y = b1X1 + b1Z + e2$$

$$Y = 0.675X1 + 0.164 + e2$$

Table 2. Outer Loadings

| | Transactional Leadership | Organizational Commitment | Work performance |
|----|--------------------------|---------------------------|------------------|
| X6 | 0.781 | | |
| X9 | 0.949 | | |
| Y3 | | | 0.808 |
| Y4 | | | 0.808 |
| Z2 | | 0.839 | |
| Z3 | | 0.930 | |

In table 2 above, the value of each variable is stated that the indicator in each variable is higher than 0.7, which means that each indicator item has a value higher than 0.7 so that the data is declared valid and can continue to further research.

2. Discriminant Validity

Further research to find out valid data in terms of Discriminate Validity, aims to find out whether the cross loading value is greater than other latent variables so as to determine

the results of indicators that are highly correlated with their constructs. The following table shows the cross loading results from the validity test as follows:

Table 3. Discriminant Validity

| | Transactional Leadership | Organizational Commitment | Work performance |
|----------------------------------|---------------------------------|----------------------------------|-------------------------|
| Transactional Leadership | 0.826 | | |
| Organizational Commitment | 0.675 | 0.886 | |
| Work performance | 0.713 | 0.736 | 0.808 |

The results of table 3 above show a value that is greater than the other variables in each indicator and variable, so it can be concluded that the results of the discriminant validity study are validly distributed.

3. Composite reliability

In composite reliability research to see each variable with its reliability value and if the variable value is greater than 0.60 then the research is considered reliable and if below 0.60 and 0.7 then it is not reliable there are several blocks to determine whether the research is reliable or not and valid or not including the Coranbach alpha value, composite reliability and AVE value can be seen in the table below:

Table 4. Construct Reliability and Validity

| | Cronbach's Alpha | rho_A | Composite Reliability | Average Variance Extracted (AVE) |
|----------------------------------|-------------------------|--------------|------------------------------|---|
| Transactional Leadership | 0.788 | 0.883 | 0.807 | 0.682 |
| Organizational Commitment | 0.734 | 0.814 | 0.879 | 0.784 |
| Work performance | 0.767 | 0.767 | 0.789 | 0.652 |

In table 4 above, it can be seen in the cronbach alpha column that each variable has a value greater than 0.7, which means the reliability data for each variable. The composite reliability column has a value greater than 0.6, so it can be explained that each variable is considered reliable because the data is greater than 0.6. It can be seen from the AVE column that each variable gets a value greater than 0.7, which means the data is valid according to AVE. All variables from the cronbach alpha column, reliability column, and AVE column have values greater than 0.7 and 0.6, so they are considered reliable and valid.

Inner Model Analysis

Structural model evaluation (inner model) is conducted to ensure that the basic model created is strong and accurate. The stages of examination conducted in the primary model assessment are seen from several markers, namely:

1. Coefficient of Determination (R²)

In the next stage, namely the evaluation of the measurement model or inner model by looking at the R-Square value criteria. The R-Square results from the smartPLS 3.0 software output are as follows:

Table 5. R Square Results

| | R Square | R Square Adjusted |
|----------------------------------|----------|-------------------|
| Organizational Commitment | 0.755 | 0.751 |
| Work performance | 0.778 | 0.766 |

Source: Smart PLS 3.3.3

There is an R square value of the work performance variable with an R square value of 0.778 and if it is expressed as a percentage of 77.8%, it means that the influence of transactional leadership and organizational commitment variables on work performance is 77.8% and the remaining 22.2% is on other variables. The R square value of the organizational commitment variable is 0.755 and if expressed as a percentage of 75.5%, it means that the influence of transactional leadership and employee performance variables on organizational commitment is 75.5% and the remaining 24.55 is on other variables.

3. Hypothesis Testing

After assessing the inner model, the next step is to assess the connection between idle builds as suspected in this review. Speculation testing in this review is done by looking at T-Statistics and P-Values. Speculation is announced to admit whether the T-Insights value is > 1.96 and P-Values < 0.05. The following are the consequences of the direct impact Path Coefficient:

Table 6. Hypothesis Testing

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---|---------------------|-----------------|----------------------------|--------------------------|--------------|
| Transactional Leadership -> Organizational Commitment | 0.675 | 0.683 | 0.042 | 16.160 | 0.000 |

| | | | | | |
|---|-------|-------|-------|-------|--------------|
| Transactional Leadership -> Job Performance | 0.403 | 0.391 | 0.159 | 2,530 | 0.012 |
| Organizational Commitment -> Work Performance | 0.164 | 0.177 | 0.169 | 0.970 | 0.001 |

The results of the research directly above will be explained as follows:

1. Transactional leadership has a positive and significant effect on organizational commitment with an original sample value of 0.683 and P values of 0.000. This means that the existence of transactional leadership is able to create or increase organizational commitment, because a person's transactional leadership makes the employee have organizational commitment and provides the best value for the company with transactional leadership.
2. Transactional leadership has a positive and significant effect on work performance with an original sample value of 0.391 and p values of 0.012. This means that transactional leadership provides good and positive values for work performance. With professional transactional leadership, it will improve employee work performance in the company.
3. Organizational commitment has a positive and significant effect on work performance with an original sample value of 0.177 and p values of 0.001. This means that if organizational commitment increases, work performance will increase, if organizational commitment decreases, work performance will also decrease.

Table 7. Path Coefficients (Indirect Effect)

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|--|----------------------------|------------------------|-----------------------------------|---------------------------------|-----------------|
| Transactional Leadership -> Organizational Commitment -> Work Performance | 0.111 | 0.124 | 0.119 | 0.929 | 0.003 |

Source: Smart PLS 3.3.3

The results of the indirect influence above can be explained as follows:

1. Transactional leadership has a positive and significant effect on work performance through direct organizational commitment with the original sample results of 0.124 and p values 0.003. This means that transactional leadership is a mediating variable because it is able to influence transactional leadership on employee performance directly.

CLOSING

Conclusion

1. Transactional leadership has a positive and significant influence on organizational commitment at BPJS Ketenagakerjaan Branches in Medan Raya.
2. Transactional leadership has a positive and significant influence on work performance at BPJS Ketenagakerjaan Branch Offices throughout Medan Raya.
3. Organizational commitment has a positive and significant effect on work performance at BPJS Ketenagakerjaan Branch Offices throughout Medan Raya.
4. Transactional leadership has a positive and significant effect on work performance through organizational commitment at BPJS Ketenagakerjaan Branch Offices throughout Medan Raya.

Suggestion

1. The company must maintain Transactional leadership in a company by creating organizational commitment to employees in working can improve the quality of the company's human resources.
2. Companies must maintain organizational commitment to work well and safely. With maximum employee organizational commitment will improve the company's performance in general.
3. Work performance in the company must be improved, with increased transactional leadership the company's work performance will increase and provide great benefits for the company with increased work performance.

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