

The Relationship of Transformational Leadership Style and Transactional Leadership Style on Employee Performance

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ABSTRACT

Companies must keep improving themselves by increasing their resources to cope with severe competition. In order for a company to survive, it must be able to deal with problems from within and from outside. The study aims to investigate how transformational and transactional leadership styles affect employee performance. The study involved 50 employees of the Ni Made Tjandra Kasih Public Assessment Office in Surabaya. Fifty employees of Ni Made tjandra kasih public assessment office in Surabaya consisted of different levels of management, occupational responsibilities, gender, and educational backgrounds. The research found that transformational leadership and transactional leadership improved employee performance at the Ni Made Tjandra Kasih Surabaya Public Assessment Office, and that transformative leadership as well as transactional leadership also improved employees performance.

INTRODUCTION

Companies are competing with each other because of the rapid development of the era. Companies must keep improving themselves by increasing their resources to cope with severe competition. In order for a company to survive, it must be able to deal with problems from within and from outside. Leadership largely determines whether an organization or company will succeed or even fail. The achievement of the goals of a company or organization depends heavily on the role of leadership. Leaders use praise, appreciation, motivation, and pressure to encourage their employees to do their job well (Martha Andy Pradana, 2013). Human resources are an important component that has the ability to improve the efficiency and productivity of business. SDM Management is an action plan that aims to acquire the human resources that every business needs. HR Management is the field of science that regulates relations and human resources in an effective and efficient manner with the aim of achieving the aspirations of society and the company (Hasibuan, 2012). Human resource management is part of a management function that focuses on getting training, motivation, and retaining competent employees. Furthermore, human resources management has a significant impact on staffing to ensure that companies hire and retain the right employees (Stephen P. Robbins, 2017).

The finance minister grants business permits to the Office of Public Assessment Services (KJPP) as regulated by the Finance Minister's Regulation No. 125/PMK.01/2008 and serves as a place for public assessors to provide the services they offer. KJPP is a civil corporation that provides asset valuation, business validity, projects, and collateral services to candidate debtors seeking credit from banks. Basically, a valuation service company is a company that is considered to be a trusted institution by the parties involved in a trading transaction. The Public Assessment Institution (KJPP) is a company authorized by the Minister of Finance to enable public assessors to provide their services. According to economics, KJPP is a public accounting office, accounting supervision, and asset valuation. IAI is an organization of many accountants, and every Public Assessment Service Office (KJPP) is still under the shadow of MAPPI. (Masyarakat Profesi Penilai Indonesia).

One of the companies in the field of Public Assessment Service Offices (KJPP) in Indonesia is Ni Made Tjandra Kasih Surabaya, which is headquartered in Badung, Bali. Performance is defined as the result of work and work behaviour achieved over a certain period of time in completing assigned tasks and responsibilities (Kasmir, 2016). Performance is basically what an employee does or doesn't do (Hasibuan, 2013). Performance is the result or rate of success of a person over a certain period of time in completing a task compared to a variety of possibilities, such as work output standards, goals or targets, and criteria that have been agreed upon jointly (Rivai, 2014).

One definition of performance is a process that can be used to predict future success rates; these concepts are contextual, with different indicators for each context (Amir, 2015). If employees work for a company that has a purpose and principles that are in line with their professional purposes and principle, they are more likely to follow positive actions (Cesário, 2017). As a result of interviews conducted by researchers with employees of the Public Assessment Office of Ni Made Tjandra Kasih Surabaya, the researchers found that employees are less timely in completing their tasks every day, which in turn causes them not to be able to complete other tasks well.

One way to improve the performance of its employees is by applying a transactional leadership style. Leaders that use transactions depend on a system of reward and punishment to encourage their subordinates to take responsibility (Gary Yukl, 2010). Transactional leadership means making a deal or an agreement in return for the employee's work and punishment if they break the rules. (Fadiyah Retno, 2020).. The type of leadership known as A process of trade is involved in transactional leadership that results in a rewarded subordinate and helps the subordinates in determining what to do to expected results, such as better spending, sales, or better employee service while reducing production costs. Transactional leadership helps its employees in increasing their motivation to desired results in two ways: first, the leader tells his subordinate what to do to the desired result, and second, the leadership tells the subordinates what to make to a desired outcome (Bass, B.M dan Avolio, B.J, 2003). Transactional leadership is the kind of leadership that helps companies their current goals more efficiently. Examples include linking job satisfaction to salary assessment and ensuring that employees have the resources needed to complete their tasks (Wibowo, 2014).

A number of studies conducted by (Sundi K, 2013) show that transactional leadership has a significant and positive impact on employee performance. The results of this study show that the transaction leadership style has a positive and significant impact on employees performance, with a score of 0.173 and positive direction, which shows that transactional leadership positively affects employees performance in the Konawe District Education Department. Positive track coefficients indicate that better transactional leadership tends to result in better performance.

Research conducted by (Fadiyah Retno, 2020) outlined that transactional leadership styles have a positive and significant impact on employee performance. Analysis results show that transactional leadership style has the highest item; this means that the leader intervenes if standards are not met. Thus, the EF English First leader interacts well with the leader. Companies can help or encourage employees to improve their performance. Those who work need real leaders. When leaders and employees are close to each other, they can create a harmonious working atmosphere and make employees feel comfortable. The research conducted by (Adriansyah, 2020) explains that transactional leadership style has a positive and significant impact on performance. Based on available data, it has been shown that there is a direct influence on performance, which means the stronger application of this style in the Poor Resort Police, with a direct impact rate of 0.252%.

But research carried out by (A. Nur Insan, 2017) shows that transactional leadership styles have no impact on employee performance. This is indicated by a negative marked line coefficient of -0,206 and a statistical t value of 1,221, which is lower than the tabular t-value of 1.96. This hypothesis was rejected because the value suggests that transactional leadership does not affect employee performance. As customers of telecommunications companies in Makassar City are declining with the emergence of handheld phones using pre-paid and post-payment cards, the price of pulse cell phones is cheaper compared to telephone companies, so the public prefers to use mobile phones rather than telecom company phones. It shows that the leaders of telecommunications companies in Makassar City do not implement optimal transactional leadership through the contingent reward dimension.

The results of an interview conducted by a researcher with one of the employees of the Public Assessment Office of Ni Made Tjandra Kasih Surabaya showed that transactional leadership in Ni Made tjandra kasih Surabaya involves giving sanctions and warnings to subordinates if they commit mistakes that do not conform to standards and procedures. Research conducted by (Burhanudin, 2020) provides an explanation of how transactional leadership styles affect employee performance. According to the research, transactional leadership style focuses on explaining employee involvement, responsibilities, and needs as well as giving positive and negative appreciation based on the resulting performance. Appreciation, also known as appreciation, is divided into two types: intrinsic and extrinsic appreciation. This transaction-style leader uses more external rewards, like salaries, surpluses, bonuses, and compliments.

In addition to transactional leadership, transformational leadership can also improve performance. Transformational leadership is when a leader can influence his team members to become greater understanding of the significance of the work, prioritize the group, and meet the higher needs of their team members in order to improve their quality of life. By applying a transformative leadership style, a leader teaches his followers that achieving important goals is more important than personal interests. In this respect, stress that transformational leaders will do a lot to empower their followers and make them no longer depend on themselves. Examples include giving authority to everyone, enhancing the skills and self-confidence of his followers, creating governance, reducing things that are uncontrollable, and building a strong culture that supports the empowerment of the followers (Yukl, 2016).

Transformational leadership is the kind of leadership that unites or motivates their followers towards the goal enforced by defining roles and responsibilities of duty. Transformational leaders can motivate their following to carry out and manage their own interests for the benefit of the organization by providing ideal hospitality, intellectual stimulation, and influence, which will result in extreme efforts (Robbins, 2017).

Although it's a long-standing topic, leadership is still interesting to discuss as it is vital to the life of an organization. Responsibility is the core of leadership. Because of the many discussions about leadership throughout human history, this issue remains a major issue. Besides, in these days, that's getting worse morally and psychologically. Like, it's getting harder to find a good leader. Good leaders are actually those who are willing to sacrifice something for the sake of others and serve them (Hairudinor, 2020). Several studies conducted by (Sundi K, 2013) provide an explanation that leaders with transformative potential fundamentally increased awareness among followers of the principles and importance of work, create higher needs, and encourage them to show more attention to the organization. The impact impact of transformational leadership on output as stated by the test results is 0.646 with a positive direction, positive path coefficient, meaning that higher transformative leadership tends to improve employee performance. This can be demonstrated by a probability value of $0,000 < \beta = 0.05$, meaning that transformatory leadership has a significant or tangible impact on performance.

Research conducted by (Burhanudin, 2020) provides an explanation of how transformational leadership styles have a positive and significant impact on employee performance. Personal identity seems to be part of transformational leadership. Followers can recognize their leaders, imitate their behavior, and embrace the principles and principles that they hold. Attributes that appeal to their leaders can also be part of personal identification. Although charisma is an important component in transformational leadership, it is not enough to explain the process of transformation. Research conducted by (Rorimpandey, 2013) Employee performance quality is heavily influenced by transformational leadership styles. The results of statistical tests show that transformational leadership styles include the following: leaders provide an understanding of the vision and mission of the community as well as efforts to gain support and trust; leaders communicate high expectations; communicate goals with simplicity; and leaders encourage intelligence, rationality, and caution at work.

However, a study completed by (Bobo, 2019) explains that performance is not affected by transformational leadership. The results of the test of the hypothesis show that there is a transformational relationship between leadership and performance; there's a track coefficient of 0.070 and a statistical t-value of 0.830, both of which are lower than a t-table of 1.87.

Researchers who interviewed Ni Made Tjandra Surabaya employees found that transformational leadership does not give wisdom to its subordinates, which causes the organization not to thrive and vision and mission.

A study conducted by (Imran, 2012) showed that transformational leadership has a significant impact on employee performance. The results of the structural equation model showed a positive and significant relationship between employee performances without mediation variables and transformative leadership, with $p = 0,31$ and $p < 0,01$.

A study conducted by (Heimerer, 2019) explains that employee performance is significantly influenced by transformational leadership. The results of the double-linear regression analysis tested showed that there was an increase in the described variance from ($R^2 = .08$, $F = 2.2$, $p \leq .012$) to ($R^2 = .18$, $F = 4.1$, $p \geq .001$) with a significant change in the value of R^2 ($\Delta R^2 = .10$, $p \pm .001$). According to the regression correlation, the transformational leadership style is the strongest predictor of employee performance since its main principle encourages employees to improve their performance, which in turn contributes to their performance ($\beta = .27$, $p = .001$).

LITERATURE REVIEW

Employee Performance

Performance is defined as the outcome of work and work behaviour achieved over a certain period of time in the completion of tasks and responsibilities assigned (Kasmir, 2016). Performance is basically what an employee does or does not do (Hasibuan, 2013). (Rivai, 2014). Performance is an abstract concept and requires a certain definition that explains its characteristics. Performance concepts vary depending on the context, and each context has a different indicator to determine performance. Performance is also a process of making predictions about future success rates (Amir, 2015). If employees work for companies that have values and purposes that match their professional value and goals, they are more likely to follow positive actions. It contributes to making a strong organizational commitment and high work engagement (Cesário, 2017). The concept of employee performance can be measured using a scale of theory (Rivai, 2017) consisting of a). Quality, b). Quantity, c). Time accuracy. This scale is based on five points of the Likert Scale, which starts from 5). Totally Agree Once to 1). Very disagree once.

Transactional Leadership

Transactional leaders rely on a system of reward and punishment to encourage their subordinates to take responsibility (Gary Yukl, 2010). Transactional leadership means making a deal or an agreement in return for the employee's work and punishment if they break the rules. (Fadiyah Retno, 2020). By linking job satisfaction to salary assessment and ensuring that employees have the resources needed to complete their tasks, transactional leadership is a style of leadership that helps companies their current goals more efficiently (Wibowo, 2014).

The concept of transactional leadership style can be measured using a scale of theory (Bass, B.M dan Avolio, B.J, 2003) that consists of contingency compensation, active exception management, and passive exception management. Absolutely agree once to one. Kepemimpinan transaksional adalah kepemimpinan yang melibatkan proses pertukaran di mana pemimpin membantu bawahannya dalam menentukan apa yang harus dilakukan untuk mencapai hasil yang diharapkan, seperti pengeluaran yang lebih baik, penjualan, atau pelayanan yang lebih baik dari karyawan, serta mengurangi biaya produksi. Selain itu, pemimpin membantu bawahannya dalam menentukan apa yang harus dilakukan (Bass, B.M dan Avolio, B.J, 2003).

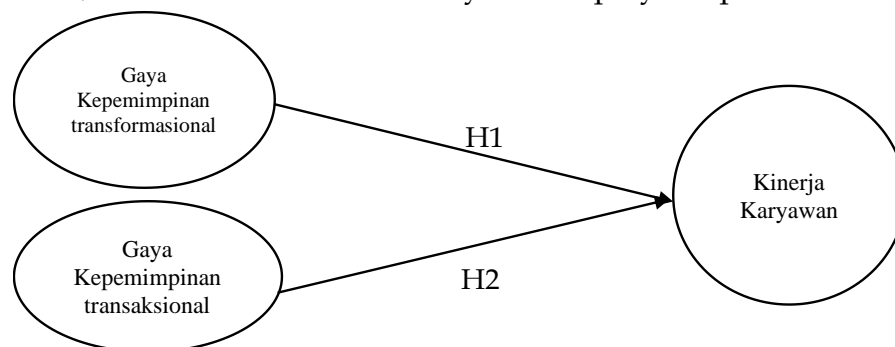
Transformational Leadership

Transformational leadership is when a leader can influence his team members to become greater comprehension of the significance of the task, prioritize the group, and meet the higher needs of their team members in order to improve their quality of life. By applying a transformational leadership style, a leader teaches his followers that achieving goals is more important than personal interests. In this respect, stress that transformational leaders will do a lot to empower their followers and make them no longer depend on themselves. Examples include giving authority to everyone, enhancing the skills and self-confidence of his followers, creating governance, reducing things that are uncontrollable, and building a strong culture that supports the empowerment of the followers (Yukl, 2016). Transformational leadership is the kind of leadership that unites or motivates their followers towards the goal enforced by defining roles and responsibilities of duty. Transformational leaders can motivate their following to carry out and manage their own interests for the benefit of the organization by providing ideal hospitality, intellectual stimulation, and influence, which will result in extreme effort (Robbins, 2017).

The concept of transformational leadership style can be measured using a scale of theory (Al Harbi, 2019) consisting of a. Idealized influence. b. Inspirational motivation, c. Intellectual stimulation, d. Individual consideration. (Individualized Consideration Skala ini didasarkan pada lima titik Skala Likert, yang dimulai dari 5). Absolutely agree once to one. Although it's a long-standing topic, leadership is still interesting to discuss as it is vital to the life of an organization. Responsibility is the core of leadership. Because of the many discussions about leadership throughout human history, this issue remains a major issue. Besides, in these days, that's getting worse morally and psychologically. Like, it's getting harder to find a good leader. Good leaders are actually those who are willing to sacrifice something for the sake of others and serve them (Hairudinor, 2020).

Hypothesis

Despite the fact that this article examines the direct relationship, previous research did not analyze the relationship between transformational leadership styles and transactional leadership style to employee performance. Figure 1 depicts the relation between transactional leadership Style to employment performance, transformational leader style to employee's performance.



Source: Theory of Processing Researchers
Figure 1. Conceptual Framework

Transformational Leadership on Employee Performance

Research conducted by (Burhanudin, 2020) explains that transformational leadership styles have a positive and significant impact on employee performance. Transformative leadership also seems to be part of transformational leadership. Followers can identify with their leaders, imitate how they behave, and embrace the principles and principles that they hold. Personal identification can include things that make a leader attractive to his followers. Although charisma is an important component in transformational leadership, it is not enough to explain the process of transformation. Trust in leaders is closely related to transformational leadership. Transformational behavior, such as inspiration like an optimistic vision, and individual consideration, like construction, can enhance individual autonomy of followers and overall team autonomy. Intellectual stimulation can enhance the creativity of individual followers. Under any circumstance or culture, transformational leadership is regarded as successful. This theory isn't define any requirements in which kind of leadership is transformational authentic, irrelevant or ineffective. To support this position, the positive link The correlation between transformational leadership and efficacy has been observed. to many leaders at various levels of authority, in various kinds of institutions, and in some different countries. The criteria of leadership effectiveness have covered various types of action. The judgment that in most cases is supported by evidence or Not every circumstance calls for the use of every facet of transformative leadership. Universal relevance, however, does not imply that transformative leadership is equally successful in every circumstance or scenario.

Research conducted by (Rorimpandey, 2013) The quality of employee performance is heavily influenced by transformational leadership styles. The results of statistical tests show that transformational leadership styles include the following: leaders provide an understanding of the vision and mission of the community as well as efforts to gain support and trust; leaders communicate high expectations; communicate goals with simplicity; and leaders encourage intelligence, rationality, and caution at work.

However, a study completed by (Bobo, 2019) explains that performance is not affected by transformational leadership. The results of the test of the hypothesis show that there is a transformational relationship between leadership and performance; there's a track coefficient of 0.070 and a statistical t-value of 0.830, both of which are lower than a t-table of 1.87. Researchers who interviewed Ni Made Tjandra Surabaya employees found that transformational leadership does not give wisdom to its subordinates, which causes the organization not to thrive and vision and mission.

A study conducted by (Imran, 2012) showed that transformational leadership has a significant impact on employee performance. The results of the structural equation model showed a positive and significant relationship between employee performances without mediation variables and transformative leadership, with $p = 0,31$ and $p < 0,01$). A study conducted by (Heimerer, 2019) explains that employee performance is significantly influenced by transformational leadership. The results of the double-linear regression

analysis tested showed that there was an increase in the described variance from ($R^2 = .08$, $F = 2.2$, $p \leq .012$) to ($R^2 = .18$, $F = 4.1$, $p \geq .001$) with a significant change in the value of R^2 ($\Delta R^2 = .10$, $p \pm .001$). According to the regression correlation, the transformational leadership style is the strongest predictor of employee performance since its main principle encourages employees to improve their performance, which in turn contributes to their performance ($\beta = .27$, $p = .001$).

H1: Transformational leadership styles have a significantly positive relationship to employee performance.

Transactional Leadership on Employee Performance

A number of studies conducted by (Sundi K, 2013) show that transactional leadership has a significant and positive impact on employee performance. The results of this study show that the transaction leadership style has a positive and significant impact on employees performance, with a score of 0.173 and positive direction, which shows that transactional leadership positively affects employees performance in the Konawe District Education Department. Positive track coefficients indicate that better transactional leadership tends to result in better performance.

Research conducted by (Fadiyah Retno, 2020) outlined that transactional leadership styles have a positive and significant impact on employee performance. Analysis results show that transactional leadership style has the highest item; this means that the leader intervenes if standards are not met. Thus, the EF English First leader interacts well with the leader. Companies can help or encourage employees to improve their performance. Those who work need real leaders. When leaders and employees are close to each other, they can create a harmonious working atmosphere and make employees feel comfortable.

The research conducted by (Adriansyah, 2020) explains that transactional leadership style has a positive and significant impact on performance. Based on available data, it has been shown that there is a direct influence on performance, which means the stronger application of this style in the Poor Resort Police, with a direct impact rate of 0.252%. But research carried out by (A. Nur Insan, 2017) shows that transactional leadership styles have no impact on employee performance. This is indicated by a negative marked line coefficient of -0,206 and a statistical t value of 1,221, which is lower than the tabular t-value of 1.96. This hypothesis was rejected because the value suggests that transactional leadership does not affect employee performance. As customers of telecommunications companies in Makassar City are declining with the emergence of handheld phones using pre-paid and post-payment cards, the price of pulse cell phones is cheaper compared to telephone companies, so the public prefers to use mobile phones rather than telecom company phones. It shows that the leaders of telecommunications companies in Makassar City do not implement optimal transactional leadership through the contingent reward dimension.

H2: Transactional Leadership Styles Have Relationship to Employee Performance

METHODOLOGY

The population of this study is 50 people from the Public Assessment Office of Ni Made Tjandra Kasih Surabaya, and the sample is 50 persons. All such populations are samples, in this case consistent with the opinion (Gay, 1992) and (Sugiyono, 2018). Smart PLS is used to analyze data (Ghozali, 2014).

Variable Operational Definition

Tabel 1. Variable Operational Definition

Variabel	Indikator Penelitian	Item
Transformational Leadership. (Al Harbi, 2019)	a). <i>Idealized Influence.</i>	The one who can be described is the manager. (X1.1) The employees respect my manager. (X1.1.2). Manager is reliable. (X1.1.3).
	b). <i>Inspirational Motivation</i>	I received training from the manager. (X1.2)
	c). <i>Intellectual Stimulation,</i>	I've always been encouraged by managers to be innovative in completing tasks. (X1.3).
	d). <i>Individualized Consideration.</i>	The manager explains what aims are to be achieved X1.4)
	Jumlah	6
Transactional Leadership (Bass, B.M dan Avolio, B.J, 2003)	a). Contingent Reward	The leader rewards me for my work, if I do my job well. (X2.1)
	b). Management by active exception	Leaders always correct every mistake that occurs during the work process. (X2.2). The leader always oversees the subordinate's work. (X2.3)
	c). Management by passive exception.	The leader sanctions when the job doesn't match the target. (X3.1). Leaders give warning when the work process is not targeted (X3.2)
	Jumlah	5
Employee Performance (Rivai, 2017)	a). Quality	I have the ability to complete tasks according to the requirements set by the leader. (Y1.1). Employees are careful and reduce mistakes in their work. (Y1.1.2)
	b). Quantity	I've been given the opportunity to take the initiative to the goal of leadership. (Y1.2).

c). Time Accuracy	I never missed my duty. (Y1.3)
Jumlah	4

Table 2. Instrument Kuesioner

No.	Variabel	Indikator Penelitian	Jumlah Item Pernyataan	Jumlah Nomor Item
1.	Transformational leadership	Idealized Influence.	3	1-6
		Inspirational Motivation	1	
		Intellectual Stimulation	1	
		Individualized Consideration	1	
2.	Transactional leadership	Contingent Reward	1	7-11
		Management by active exception	2	
		Management by passive exception.	2	
3.	Employee performance	Quality	1	12-15
		Quantity	2	
		Time Accuracy	1	

Dimensional Measurement

Employee Performance

The concept of employee performance can be measured using a scale of theory (Rivai, 2017) consisting of a). Quality, b). Quantity, c). Time accuracy. This scale is based on five points of the Likert Scale, which starts from 5). Very agree Once up to 1). Very disagree Once.

Transformational Leadership

The concept of transformational leadership style can be measured using a scale of theory (Al Harbi, 2019) consisting of a. Idealized influence. b. Inspirational motivation, c. Intellectual stimulation, d. Individual consideration. (Individualized Consideration). This scale is based on five points of the Likert Scale, which starts from 5). Absolutely agree once to one.

Transactional Leadership

The concept of transactional leadership style can be measured using a scale of theory (Bass, B.M dan Avolio, B.J, 2003) hat consists of contingent reward, management by active exception and management by passive exception. Absolutely agree once to one.

RESEARCH RESULTH

The correlation matrix of all the variables studied is shown in Figure 2. The results of the study show that transformational leadership affects performance, with a track coefficient of 0.983 and t-statistics of 3.025 ($p = 0,000$). Transactional leadership towards employee performance has a positive-value kovarians, based on the results, the path coefficient is 0.990 with a t-statistic of 1.780 ($p = 0,000$). The results explained that transactional leadership had an influence on employee performance, classified as high or low in the actions and actions of leaders who applied the transformational leadership style applied to the Public Assessment Office of Ni Made Tjandra Kasih Surabaya which has been shown to have an impact on the employee's performance levels.

Tabel 3. Path Coefficient Test Results

Relationship between variables	Original Sampel	t-statistic	P-Values
<i>Transformational Leadership</i>	0,983	3,025	0,000
<i>Transactional leadership</i>	0,990	1.780	0,000

Sumber: Smart-Pls 3.0

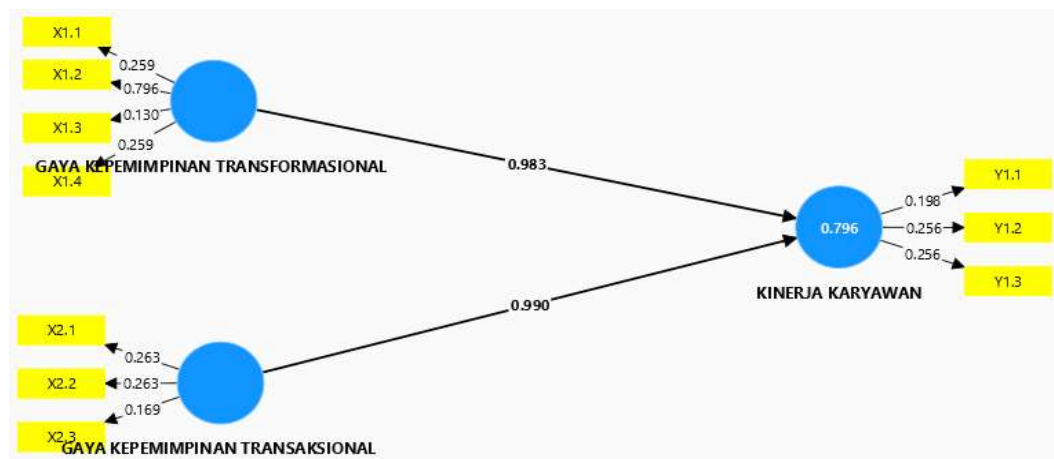


Figure 2. Bootstrap Model Measurement

Figure 2 shows what is shown by the measurement model of the addition factor result by adding the outer value of the statement about the overall indicator of each variable. All variables in the study are valid.

Discrimination Validity

This study, the discriminatory validity test is intended to calculate the value of cross loading and square root of the average (AVE). The purpose of this test is to determine whether the metric serves as an explanation or representation of a latent variable. The validity of discrimination was tested by extracting the square root of the average. The result of discriminant validity is as follows:

Tabel 4. Discriminant Validity Value

Variable	AVE	<i>Transformational leadership</i>	<i>Transactional leadership</i>	<i>Employee Performance</i>
<i>Transformational Leadership</i>	0.870	0.870		
<i>Transactional leadership</i>	0.870	0.730	0.810	0.510
<i>Employee Performance</i>	0.750	0.850	0.610	0.690

Sumber: Smart-PLS 3.0

Note: The coefficient of correlation between structures is the coefficient outside the diagonal, and AVE = Variation Average Extraction. Efficiency on the diagonals is the root of the AVE.

A model to test the discriminatory validity showed that constructions had a higher correlation coefficient than other constructions and the AVE value should be greater than 0.50. Since the performance structure had an AVE of 0.750, it would be obtained AVE root of 0.850, therefore, it could be concluded that there was sufficient validity for discrimination. Different variable values are larger than the correlation values between variables, as shown in Table 4, which shows the overall discriminatory validity result.

Reliability Test

Reliability is tested in the following way: a way to evaluate a questionnaire that contains indicators that indicate a constructive variable. A questionnaire is considered reliable if a person's answers to the statement are not always the same (Ghozali, 2014). In this study, two criteria – the reliability composition and the Cronbach alpha of the construction indicator block – were used to test the reliability of the structure. A structure is considered reliable if the combined reliability value and the cronbach alp only exceeds 0.70 (Ghozali, 2014). Here's the composite reliability and cronbach's alpha test results:

Tabel 5. Reliability

Variabel	<i>Composite Reliability</i>	<i>Cronbanch alpha</i>	Description
<i>Transformational Leadership</i>	0.790	0.830	Reliabel
<i>Transactional Leadership</i>	0.890	0.920	Reliabel
<i>Employee Performance</i>	0.890	0.920	Reliabel

Sumber: Smart-PLS 3.0\

Table 5 shows that the measurement model used in this study is highly reliable and of high quality The construction reliability test results showed a value of more than 0.70.

R-Square Analysis

The model determination coefficient (R^2) calculated by combining all the determination factors of the model, can be seen from several calculations. The calculation result (R^2) is as follows:

Tabel 6. R-Square Measurement Results

Variabel	R^2	R Square adjusted
<i>Employee Performance</i>	0.981	0.981

Sumber: Smart-PLS 3.0

Table 6 shows R square measurements, which show that transformational leadership and transactional leadership account for 98.1% of performance, and other variables account for 1.9% of the remaining performance.

DISCUSSION

The results, based on empirical data analysis, show a relationship between employee performance and transformational or transactional leadership styles:

The Relationship Between Transformational Leadership Style and Employee Performance

The results showed that transformational leadership affects performance with a coefficient that yields good results, and the path factor is 0.983 with a t-statistic of 3,025 ($p = 0,000$). These results can indicate that the activity and behavior of a leader is very low, and that the leader uses the transformational leadership style of the Ni Made Tjandra Kasih Surabaya Public Service Assessment Office which has proven to have a significant impact on employee performance, so H1 is accepted.

This study is in line with (Burhanudin, 2020) which explains that employee performance is increased as a result of transformational leadership. In a study (Burhanudin, 2020) consisting of employees who work at BRI Purworejo Branch Bank, (Burhanudin, 2020) it shows that personal identification also appears to be a part of transformative leadership as well. Followers can identify with their leaders, imitate their behavior, and embrace the principles and principles they hold. Attractive traits for their leaders can also be part of personal identification. Although charisma is an important component in transformational leadership, it is not enough to explain the process of transformation.

The Relationship Transactional Leadership Style and Employee Performance

The results of the analysis give an explanation that transactional leadership has an influence on performance. has a coefficient that has a positive value, based on the results give an explication that the coefficient of the path is 0.990 with a t-statistic of 1.780 ($p = 0,000$). According to transactional leadership results have an influence on the performance of employees, classified as high or low in the actions and actions of leaders who follow the style of transactional leadership actions taken by the head of the Public Service Bureau of Appreciation of Ni Made Tjandra Kasih Surabaya which proved to have an impact on the level of employee performance, so H2 was accepted.

The results of this study are consistent with (Fadiah Retno, 2020) which explains that employee performance increases as a result of transformational leadership. In a study (Fadiah Retno, 2020) consisting of EF employees (English First Malang), (Fadiah Retno, 2020) it is explained that the better the transactional leadership style, the better employee's performance. The results of the analysis show that this style has the highest item, that is, the leader intervenes if the standard is not met. The head of EF English First interacts well with the employees. Leaders can help or encourage employees to improve their performance in the workplace. Employees need real leaders. If leaders and employees are close to each other, they can build a harmonious working atmosphere and make employees feel comfortable.

CONCLUSIONS

This study aims to test the relationship between transformational leadership and transactional leadership style to employee performance in employees of the Ni Made Tjandra Kasih Public Assessment Institute in Surabaya. Research shows that: (1) Transformational Leadership affects the performance of employees. (2). Transactional leadership has an impact on the performance of employees at the Ni Made Tjandra Kasih Public Assessment Institution in Surabaya. The corporate leader determines the path and achievement of the organization. Transformational leadership emphasizes that leaders serve as examples to their employees and can provide inspiration and motivation for their employees. Leaders can also guide employees in doing their daily tasks to help them improve their performance. However, the survey method is still considered to be one of the valid approaches to measuring these research variables.

The aim of this study is to fill the gap in understanding the relationship between transformational leadership and transactional leadership to employee performance. This research is also important for appropriate contributions to future academic recommendations and studies of the fact that "transformational leadage and transactional leadership are expected to have an impact on "employee performance".

This research cannot consider further research due to data bias in the scope of the research. This is mainly because the analysis is done using only fifty sizes of the sample sent. Besides, common method bias may be a problem, but this research tries to reduce problems that may occur with data from various sources, including their employees and directors. For example, senior managers are used to evaluate performance; however, at a higher level, performance should be measured with the help of other sources, such as managers and supervisors, to compare the impact of different sources. This research carries out a thorough analysis of many variables. However, it may be useful to include additional elements in future research. For example, it is interesting to see how the work discipline or the employee's working conditions relate to transformational leadership and transactional leadership towards performance.

This study can broaden our knowledge of performance and its components, understand it from a relationship perspective, and show that leaders and individual employee's factors can be considered to improve the performance of company employees.

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