

THE INFLUENCE OF TRANSFORMATIONAL LEADERSHIP, WORK ENVIRONMENT AND WORKLOADS ON INTENTION TO LEAVE AND EMPLOYEE PERFORMANCE

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ABSTRACT

This research aims to analyze the influence of transformational leadership, work environment, and workloads on an intention to leave and employee performance in Bank Jatim Headquarters. The sample in this study is 84 employees of Bank Jatim headquarters using simple random sampling. Method of data collection using survey technique with questioners as instrument and methods of data analysis using PLS (Partial Least Square). The results of this study indicate that transformational leadership applied in the company has a significant effect on the intention to leave employees. However, the work environment and Workload gave to employees considerable impact does not affect the intention to leave of employees. Otherwise, transformational leadership does not significantly influence employee performance, and work environment, workloads, and intention to leave employees have a significant effect on employee performance.

Keywords: Transformational Leadership, Work Environment, Work Loads, Intention to Leave, Employee Performance

I. INTRODUCTION

The Bank is a financial institution that is a place for government and private agencies, companies or individuals to save their funds. The Bank serves financing needs and expedited payment system mechanisms for all sectors of the economy. The development of the banking world is overgrowing, the competition is good with fellow banks and with other financial institutions, and the development of an increasingly bad economic environment requires banks to have human resources capable of bringing banks to success. Employees can do this with good work behaviour. Each organization has a relationship with one another and tries to work hand in hand in carrying out organizational activities to improve productivity performance in their respective divisions or sections. A group in the organization

has a target of achieving work as well as every individual in the organization.

Leadership is motivating an employee to work to achieve the goals set [1]. Many types of leadership styles that can be applied in a company, one of which is the transformational leadership style, which is an effective leadership style in motivating subordinates to achieve success in carrying out their duties [2].

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companies experience changes in organizational conditions, both internal and external, by encouraging organizations to respond quickly and adapt to a competitive market environment. These changes can affect organizational climate and stress levels, which can reduce job satisfaction, which can ultimately lead to employee turnover, several studies that identify factors that influence employees' desire to stop working, one of which is the leadership style [3].

While addition to leadership style, many companies experience changes in organizational conditions, both internal and external, by encouraging organizations to respond quickly and adapt to a competitive market environment. These changes can affect organizational climate and stress levels, which can reduce the level of job satisfaction, which can ultimately lead to employee turnover. Several studies identify factors that influence employee desires to stop working, one of which is leadership style.

Turnover is interpreted as an estimate of the likelihood that an individual will remain in an organization [4]. One of the various factors that the company needs to pay attention to in reducing employee turnover is how the company manages an excellent and conducive climate in employee work activities. There is an effort to achieve unique and sustainable human resources. Some employees have reasons for moving away from work due to factors such as ineffective company management, including job security, Workloads, levels of Karis, and equilibrium theory [5]. A high level of intent to leave will hurt the organization [6]. In this case, it creates instability and uncertainty about labour conditions and increases in human resource costs in training and recruitment costs.

Workloads are caused by physical, emotional, and mental fatigue. The process is gradual, accumulative, and gradually gets worse. In the short term, the burden left unattended without dangerous handling on the part of the company makes the employee depressed, unmotivated, and frustrated, causing the employee to work less than

optimal so that the employee's performance will be disrupted. In the long run, the employee cannot withstand the Workloads, so he can no longer work in a company. With an increasingly severe stage, the burden can make employees become sick or even will resign.[7]

A bad work environment can cause a decline in employee performance. The work environment in the workplace is essential for an employee. Existing conditions in the workplace will affect the resulting performance [8]. A conducive work environment has a positive impact in the form of employee morale concerning achieving company goals. The work environment is all around the employee, both physically and non-physically, that can influence him in carrying out all the work delegated to him [9]. The benefits of the work environment are creating work passion, increasing productivity and work performance, and giving rise to job satisfaction for employees [10]. Performance is a fundamental element in achieving company goals. The success of a company. The individual performance of its employees strongly influences the success of a company. With the increase in a job, there will be a lot of competition, and the demands of higher professionalism will cause anxiety. Pressure has positive and negative effects. The positive impact at the low to middle level is functional in the sense that it acts as a driver for improving employee performance. At the same time, the negative impact on the scale at a high level is a drastic decline in employee performance [11].

II. LITERATURE REVIEW

Transformational leadership is a leadership style that describes leaders not only influencing their subordinates but also inspiring them to work above their abilities. This leadership style can make changes in an organization [12]. This study uses the definition of transformational leadership style from Bass m. Bernard and Riggio, (2006) which says that the transformational leadership style is a leadership style that can stimulate and

inspire members to get good results while increasing the capacity of their leaders.

Transformational leadership is found to reduce intention to leave, by transformational leadership directly will reduce the purpose of employees to resign and move to other companies [14]. Leaders who influence subordinates will make employees not only have the intention to leave but can provide inspiration or Motivation, and have intellectuals and always pay attention to assistants will make employees better in achieving their performance [15]. Thus it can be said that transformational leadership can affect the level of employee performance [16]. Other research also states that transformational leadership has a positive and significant effect on employee performance [17].

There are four dimensions in transformational leadership [13]

1. Ideal Influence (Idealized Influence), as behaviour that produces respect and confidence from the people they lead.
2. Inspirational Motivation, which is reflected in behaviour that always provides challenges and meaning for the work of the people they lead.
3. Intellectual stimulation (Intellectual Stimulation), a leader who demonstrates the type of leadership by exploring new ideas and creative solutions from the people they lead.
4. The individualized attention (Individualized Consideration), a leader who always listens attentively and gives special attention to the achievers and the needs of the people they lead.

In addition to leadership, the work environment also plays a role in improving employee performance, which is a force that influences, both directly and indirectly, the performance of an organization or company [18].

The work environment can have a good or bad impact on employees in carrying out their duties and responsibilities. Employees should get a pleasant work environment and be able to support the completion of their work, for him, a right work environment will make employees feel comfortable, thereby reducing their intention to resign from the company [16]. However, if the

situation does not support it and inhibits employees in carrying out their work, it will have an impact on their Motivation and performance.

Other researchers also stated that the work environment has a significant effect on Employee Performance [19], further, that a comfortable work environment for employees can improve their performance [20].

There are two types of work environments, [21]:

1. Physical work environment
2. Non-physical work environment

The Workload is something that arises from the interaction between the demands of the task, the work environment which is used as a workplace, skills, behaviour and perceptions of workers. Workload has 4 (four) indicators [22]:

1. Targets to be achieved, the individual's view of the number of work targets given to complete the work.
2. Working conditions include how employees perceive the facilities used at work.
3. Use of time, i.e. work time used in carrying out work activities.
4. Job standards, the impression that an individual has about his work.

High Workload negatively affects employee performance, which means that a decrease will follow the higher Workload in production. The work environment will have a positive effect on performance, which means an increase in the work environment will be followed by an increase in employee performance [23].

Intention to leave is the desire of employees to leave an organization; it is an intention for employees to stop working voluntarily [24]. But cravings can also be triggered by non-organizational factors as well as several organizational factors. Many factors make employees want to move. The first is personal factors which include job satisfaction, age, sex, education, length of work, geographical distance. The second is organizational factors which include reward systems, salaries, promotions and the extent to which work in a position becomes routine. Employees who have the intention to

leave will reduce work motivation and performance decreases, so it can be said that the intention to leave employees has a negative and significant effect on employee performance (Sumantri, Brahmasari, and Mujanah 2017)

Employee performance, according to Zainur Roziqin, (2010), is the entire work process of an individual whose results can be used as a basis for determining whether the individual's work is good or vice versa. Employee performance is a translation of production, which means they work of an employee, a management process or the organization as a whole, where the results of the work must be able to show concrete and measurable evidence [27]

There are 4 (four) employee performance indicators, namely [28]:

1. Quality of work, how well an employee does what should be done
2. The quantity of work, how long an employee works in one day, can be seen from the speed of work of each employee.
3. Performing tasks, to what extent employees can perform their duties and responsibilities accurately without any mistakes made.
4. Employee responsibility for work that has been given by the company

Based on the literature review above, a research model can be made, as shown in Figure 1.

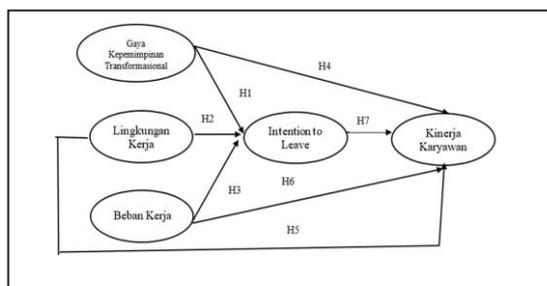


Figure 1
Research Conceptual Framework

- H1: Transformational leadership significantly influences on intention to leave
 H2: The work environment has a significant effect on intention to leave

- H3: Workload has a significant effect on intention to leave
 H4: Transformational leadership has a significant impact on employee performance
 H5: Work environment has a significant effect on employee performance
 H6: Workload is having a significant impact on employee performance
 H7: Intention to leave is having significant impact on employee performance

III. RESEARCH METHOD

In this study, the population is all employees of PT. Bank Pembangunan Daerah East Java Tbk Headquarters of 515 people who spread to all divisions. The sample used was 84 people; the sampling technique used was simple random sampling. Data collection techniques using survey methods with questionnaire instruments. The scale used in preparing the questionnaire is a Likert scale; respondents should answer the questionnaire according to their opinions with a rating scale of 1-5 or from disagreeing to strongly agreeing.

IV. RESULT AND DISCUSSION

Analysis PLS (Part List of Squares) Outer Model

Convergent validity in PLS with reflective indicators is assessed based on outer loading. The rule of thumb used for convergent validity is outer loading > 0.50 and average variance extracted (AVE) > 0.50. Evaluation of convergent validity of the outer loading value on each indicator on the variables of transformational leadership style, work environment, workload, intention to leave, employee performance can also be seen in Figure 2

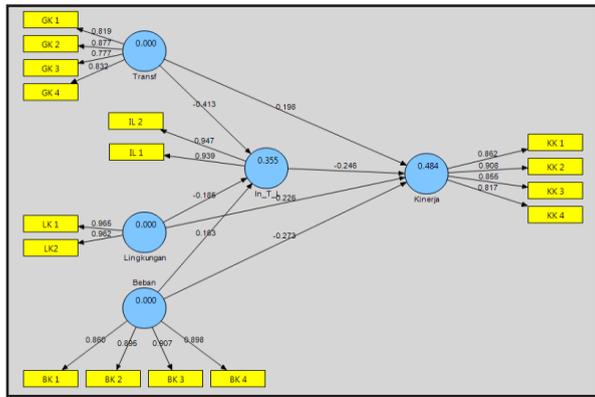


Figure 2
Value of Loading Factor

In addition to using outer loading, convergent validity testing can also be done by looking at the value of Average Variance Extracted (AVE). AVE values for each construct of transformational leadership style, work environment, workload, intention to leave, and employee performance are presented in Table 1.

Table 1
AVE Value For Each Construction

	AVE	Root AVE
Workload	0.793	0.890
Intent to Leave	0.889	0.943
Performance	0.741	0.861
Working Environment	0.928	0.963
Transformational L.	0.684	0.827

Based on the results of AVE calculations, all latent variables already have an AVE value above 0.50, so indicators of all variables in this study include transformational leadership style, work environment, Workload, intent to leave and employee performance are included invalid measuring variables latent or convergent validity

PLS Inner Model Analysis

The parameter of the presence or absence of partial effect can be determined based on the t-statistics value, provided that through the comparison of $t\text{-statistics} \geq 1.96$, there is the influence of exogenous variables on endogenous variables or endogenous variables on endogenous variables. Sebaliknya if $t\text{-statistics} < 1.96$, then

there is no effect of the exogenous variable on endogenous variables or endogenous variables on endogenous variables.

The results of t-statistics calculations through the evaluation of the inner model are presented in Figure 3:

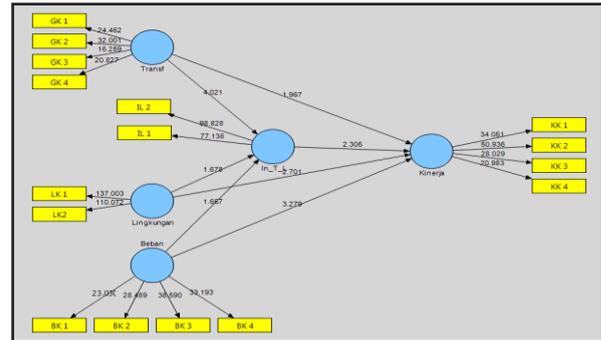


Figure 3
Results of Path Analysis-SmartPLS

The results of calculating the T-statistics values through the evaluation of the inner model in Figure 3 above are then used to test the hypothesis of the influence between variables, as presented in Table 2.

Table 2: Recapitulation of Path Analysis

	Original Sample (O)	Standard Error (STE RR)	T Statistics (O/STE RR)	Sig/Tidak Sig
Transf -> In_T_L	-0.413	0.103	4.016	Sig
W. Envir. -> In_T_L	-0.185	0.106	1.748	Not Sig
Load -> In_T_L	0.163	0.100	1.631	Not Sig
Transf -> Performance	0.198	0.104	1.897	Not Sig
W. Env -> Perform	0.226	0.088	2.572	Sig
Load -> Perform	-0.273	0.095	2.876	Sig
In_T_L -> Performance	-0.246	0.105	2.343	Sig

Transformational Leadership Significantly Influences Intention to Leave

Based on the results of testing the hypothesis obtained output that the transformational leadership style (X1) has a significant effect on

the intention to leave (Z). This is consistent with the resulting value of 4,016 (more than 1.96), which means that the more transformational leadership style will increase, it will significantly influence the intention to leave. Conversely, a decrease in the transformational leadership style will effect increasing intention to leave. Thus it is said that H1 was accepted. It's like what was stated by Esmeraldo and Hector (2012) that transformational leadership was found to reduce the intention to leave directly.. Nazim, Shahid, Arshad, and Muhammad (2014) that transformational leadership style is significantly related to the intention to leave.

Work Environment Has No Significant Impact on Intention to Leave

Based on the results of hypothesis testing, it is obtained that the work environment (X2) has no significant effect on the intention to leave (Z). It's according to the resulting value of 1,748 (less than 1.96). Thus H2 is rejected in other words; the work environment variable gives a negative but not significant effect on changes in the intention to leave variable. It's means that the increase in the value of the work environment relatively does not affect the decrease in intention to leave or vice versa. The results of Imran, Mehwish, Syed, Umar, Khalid Khan and Khalid Zaman (2013) research can be used as empirical evidence that has the same research results.

Workload Has No Significant Effect on Intention to Leave

Based on the results of hypothesis testing, the output shows that workload (X3) does not have a significant effect on the intention to leave (Z). According to the resulting value, which is equal to 1,631 (less than 1.96). Thus H3 has rejected in other words; the workload variable has a negative but not significant effect on changes in the intention to leave variable. This means that an increase in the relative value of the workload does not influence the decrease in intention to leave or vice versa. The results of this study contradict the results of research by Mochammand Taufan and

Unika (2016), which states that the workload has a significant positive effect on turnover intentions.

Transformational Leadership Has No Significant Impact on Employee Performance

Based on the results of hypothesis testing, the output shows that the transformational leadership style (X1) has no significant effect on changes in employee performance variables (Y). It's according to the resulting value of 1,897 (less than 1.96). Thus H4 has rejected in other words; the transformational leadership variable has a positive but not significant effect on changes in employee performance variables. It means that increasing the value of transformational leadership does not affect the performance improvement of employees or vice versa. The results of this study do not support previous research conducted by Achmat, Mulyanto and Slamet (2020) that leadership has a significant effect on employee performance, as well as the results of his study Anhairullah, (2016), Susanto Sukiman et al. (2018) and Imam Soetopo, Amiartuti Kusmaningtyas, and Tri Andjarwati, (2018). They stated that transformational leadership has a significant effect on employee performance.

Work Environment Has a Significant Effect on Employee Performance

Based on the results of hypothesis testing, the output shows that the work environment (X2) has a significant effect on changes in employee performance variables (Y). It's according to the resulting value which is equal to 2,572 (more than 1.96). Thus H5 is accepted meaning that an increase in the value of the work environment will effect improving employee performance or vice versa. The results of this study support previous research conducted by Delvin, Mujanah and Murgiyanto (2018) with the title "The Effect of Interpersonal Relationships, Work Environment and Perceived Organizational Support on Work Motivation and Employee Performance at PT Mitra Surya Persada", the conclusion of this study

is the work environment significant positive effect on employee performance.

Workload has a significant effect on employee performance.

Based on the test results obtained a hypothesis about the effect of work (X3) which is significant to changes in employee performance variables (Y). It's consistent with the value produced, which is 2.876 (more than 1.96). Thus H6 accepts the meaning of increasing work value will contribute to decreasing employee performance or vice versa. The results of this study support previous research conducted by Yudha, Bunasordan Bonar (2015) with the title "Effect of Workloads on Employee Performance of PT. Bank Jatim", the conclusion of this study is positive, real work on employee performance.

The Intention to Leave Has a Significant Effect on Employee Performance

Based on the results of testing the hypothesis obtained output is the intention to leave (Z) has a significant effect on changes in employee performance variables (Y). This corresponding value generated is 2,343 (more than 1.96). Thus H7 has accepted means that increasing the amount of intention to leave will contribute to a decrease in performance or vice versa. The results of this study support previous research conducted by Sumiati and Nur Hasan (2018) with the title "Compensating Effects, Communication and Spirituality at Work on Intention Turnover Performance as Intervening Variables", research from this study is turnover intention due to significant adverse effects on employee performance.

V. CONCLUSION AND SUGGESTION

Conclusion

This study was conducted to examine the effect of Transformational Leadership, Work Environment and Workload on the intention to leave Employee Performance at the Head Office of PT Bank Pembangunan Jawa Timur (Bank Jatim). Based on the results of analysis and discussion, it can be concluded that Transformational Leadership has a negative and significant effect on intent to leave

of employees. While the work environment has a negative and not significant impact on intent to leave employees, Workload has a negative and not significant effect on the intention to leave. The Transformational Leadership has a positive but not significant impact on employee performance; the work environment has a positive and significant effect on Employee Performance. In contrast, Workload has a negative and significant effect on Employee Performance; otherwise, intent to leave has a negative and significant impact on Employee Performance.

Thus there are some insignificant relationships from this finding so that it does not support previous research findings, namely the work environment and Workload on intent to leave as well as transformational leadership on employee performance. It's possible from other aspects to have been felt satisfied by employees, so even though the workload and working conditions are lacking, then they still have no desire to intend to leave.

Suggestion

Based on the findings in this study, it is suggested that the Bank of East Java can reduce the number of intention to leave employees by paying attention to workloads that are not too high and a comfortable work environment. Besides that the leadership of the Bank Jatim should provide the necessary needs of employees and pay attention to the complaints of employees in work, in this case also required the existence of two-way communication to form excellent communication to reduce the intention to leave employees. If necessary, training must be provided for both leaders and employees to work together in developing the company. If there is a heavy workload, there should be a balance or consequences such as providing incentives, because with a high workload and employees get an appreciation, it will spur employee competition to work better. They will provide the best for the company. For further researchers can conduct research on the work environment, Workload on

performance which in this case does not significantly affect employee performance

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