

The Impact of Transformational Leadership Style and Performance Allowances on Work Motivation in Government Organizations

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Abstract. Employee performance is something that must be achieved by every organization in the face of increasing competition. To achieve the targeted performance, there needs to be encouragement or motivation to reach the intended goals. This research aims to identify and analyze the impact of the independent variables, namely leadership style and performance allowance, on the dependent variable, employee work motivation, at the Education Service Office in Jember Regency. The population of this research consists of all employees working at the Education Service Office in Jember Regency, totaling 135 people. The sample was determined using a saturated sample method so that the entire population was sampled, namely 135 respondents. Validity and reliability analyses were carried out to test the measurement instrument (questionnaire) used in this study. Hypothesis testing was also conducted to determine whether the independent variables influenced the dependent variable. After conducting calculations using inferential statistics, it was found that the transformational leadership variable had a positive effect on employee work motivation. Performance allowances also have an impact on employee work motivation at the Education Service Office in Jember Regency.

Keywords: transformational leadership; performance allowance; work motivation; education authorities.

1. Introduction

The Education Service, which operates in Jember Regency, is one of the agencies under the Jember Regency government. In facing the increasing demands of society, employee performance is something that needs attention. The Education Department's activities were not in line with the initial targets. We know that several indicators continue to fall short of the predetermined targets. The result can be seen in Table 1 below.

Table 1. Achievement of Performance Targets

No.	Work Behavior	Target (%)	2021 (%)	2022 (%)	2023 (%)
1.	Presentation of building condition is good Elementary/MI	100	60	73	73,5
2.	Package school enrollment figures A SD/MI	100	92	87	87
3.	Figures continue from SD/MI to SMP/MTs	100	99	99,2	99,2
4.	Presentation of building condition is good SMP/MTs	100	60	63	63
5.	School enrollment figures SMP/MTs	100	96	84,3	84,5
6.	Figures continue from SMP/MTs to SMA/MA	100	99	99,2	99,2

Source: Jember Regency Education Office (2024)

Based on the data in Table 1, employee performance achievements at the Jember Regency Education Service are still not optimal, as shown by several indicators that have not reached the maximum target. In general, the researchers found that the performance of Jember Regency Education Service employees was still suboptimal in carrying out their main duties and functions, as indicated by the achievement of Employee Performance Targets (SKP). The underachievement of performance targets at the Jember District Education Office may be due to a lack of motivation or encouragement to achieve the established goals. Employee work motivation needs to receive attention from every organization. Employees who are motivated to work better will have an impact on the organization's performance. Motivation can be defined as a psychological drive that directs a person towards a goal [1]. Motivation can also be interpreted as a series of attitudes and values that influence individuals to achieve specific goals in accordance with their personal objectives [2]. According to McClelland's Need for Achievement Theory, there are three human needs that can motivate work enthusiasm. The three needs include: the need for achievement, the need for relationships, and the need for power [3]. Several factors can increase a person's work motivation, including the transformational leadership style of leaders in an organization and the performance allowances provided in addition to regular salaries.

One of the factors that can increase an employee's work motivation at work is the leadership style applied in the organization. One leadership style that is often applied in organizations is transformational leadership. Transformational leadership is a leadership style in which leaders inspire subordinates to set aside personal interests for the good of the organization [4]. A transformational leadership style often inspires employees to prioritize work and value the organization more highly, fostering confidence and motivation to perform better.

Leadership style can be defined as a set of characteristics used by leaders to influence subordinates so that organizational goals are achieved, or as a behavioral pattern and strategy commonly applied by leaders. [2]. Meanwhile, motivation is the driving force that encourages individuals to work more diligently. There is a positive relationship between leadership style and motivation. Someone who feels that an organization has a leader who can direct it to be better will usually be encouraged to work even better. Study [5]-[10] states that leadership can increase work motivation. Meanwhile, research which states that leadership has no impact on motivation was carried out by [11].

An employee's work motivation can also increase due to the benefits provided by the organization or company. According to [12], allowances refer to indirect compensation provided by companies to employees beyond wages and salaries to boost morale. Employees in a company typically receive a basic salary for their assigned work. To enhance enthusiasm and motivation, additional allowances may be provided to encourage better performance. Such allowances often serve as additional motivators for employees to improve their performance. It is expected that the benefits provided will increase work motivation, thereby improving employee performance. Research conducted by [13], [14] states that motivation can increase due to the benefits received. Apart from that, there is still research from [15]-[18] also argue that performance benefits can increase employee work motivation. Other research which also has a positive impact on work motivation is that carried out by [19]-[22]. However, not all benefits necessarily increase work motivation, as shown by [23].

Based on the data in Table 1, it shows that the performance achievements of employees at the Jember Regency Education Office are still not optimal, this can be seen from the achievements of each indicator which have not reached the maximum target as well as research results. [22] which states that benefits can increase motivation, while research [23] stated that benefits do not have a significant impact on work motivation. Based on the problems that occurred, the researcher was interested in conducting research with the title "Increasing Employee Work Motivation Based on Transformational Leadership Style and Performance Benefits at the Jember Regency Education Office". Meanwhile, this research aims to determine and analyze the impact of leadership style and benefits on work motivation.

2. Literature Review

Human Resource Management

A science and art that discusses relationship issues and the roles and duties of employees in achieving stated company goals [24]. According to [25], understanding of human resource management is a science that discusses the problem of utilizing human resources in organizations, which is carried out through the functions of planning, recruitment and selection, human resource development, career planning and development, providing compensation and welfare, occupational safety and health , and industrial relations.

Transformational Leadership Style

According to [26], Transformational leadership can influence employee motivation and performance because leaders play a crucial role in inspiring subordinates. Usually these leaders have both physical and spiritual responsibility for the success of the work activities of those they lead or their subordinates. Thus, it is not easy to become a leader and each person must have a different character in leading their organization. Thus, everyone has a style in leading. Leadership style can be interpreted as a set of characteristics that leaders use to influence subordinates so that organizational goals are achieved or it can also be said that leadership style is a pattern of behavior and strategies that are preferred and often applied by a leader. [2]. According [27], Transformational leadership style is a leadership style that focuses on tangible qualities such as vision, shared values and ideas in order to build good relationships, give greater meaning to each activity, and provide a common foundation for the change process.

Performance Allowance

According to [12], The meaning of allowances is indirect compensation provided by the company to its workforce outside of wages and salaries to increase employee morale. Performance allowances can also be interpreted as allowances given to civil servants whose amount is based on the results of job evaluations and work performance achievements of civil servants (PNS), this is in accordance with Head of BKN Regulation Number 20 of 2011, which discusses the issue of Guidelines for Calculating Employee Performance Allowances for Civil Affairs.

Employee Work Motivation

According to [28], work motivation can be interpreted as something that creates enthusiasm for work. Thus, work motivation can also be called a driver of work enthusiasm. The strength and weakness of a worker's work motivation also determine the size of his or her achievements. According to [29], the definition of work motivation is a factor that encourages a person to carry out a certain activity; therefore motivation is often interpreted as a factor that drives a person's behavior [24].

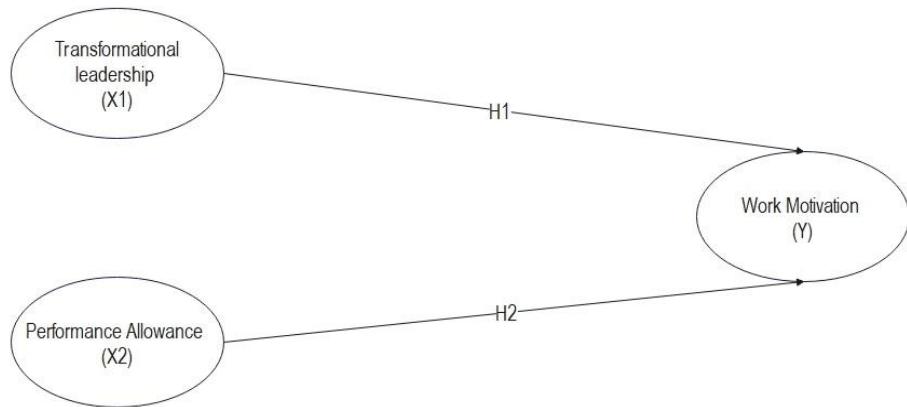


Figure 1. Conceptual Framework

Research Hypothesis

1. Leadership style (X1) has a positive impact on work motivation (Y)
2. Work benefits (X2) have a positive impact on work motivation (Y)

3. Research Method

This study was conducted at the Education Office of Jember Regency with the purpose of examining and analyzing the influence of transformational leadership style and performance allowances on employees' work motivation. The population of this study consisted of all 135 employees working at the Education Office of Jember Regency. Because the number of employees was limited, the sampling method used was the saturated sampling technique, in which the entire population was included as the research sample. The research employed a quantitative approach using a structured questionnaire as the primary data collection instrument. The questionnaire items were designed to measure the independent variables (transformational leadership style and performance allowances) and the dependent variable (work motivation). To ensure the accuracy and consistency of the measurement tool, validity and reliability tests were conducted. Validity tests were used to determine whether each indicator could accurately measure the intended variable, while reliability tests using Cronbach's Alpha were applied to ensure the internal consistency of each construct. Furthermore, hypothesis testing was performed using inferential statistical analysis to evaluate the effect of the independent variables (leadership style and performance allowance) on the dependent variable (work motivation). The analytical results were then interpreted to determine whether each proposed hypothesis was accepted or rejected.

4. Result and Discussion

Validity Test Results

In order for a measuring instrument to have data validity and reliability, it is necessary to have a validity test and a reliability test. Data validity needs to be carried out so that the indicators in the questions are easy to understand [30]. An overview of the validity test is presented in Table 2 below.

Table 2. Recapitulation of Validity Test Results

Variable	Indicator	Validity Test Value
Transformational Leadership (X1)	Indicator 1	0,8650
	Indicator 2	0,9250
	Indicator 3	0,8980
	Indicator 4	0,9260
	Indicator 5	0,7270
	Indicator 6	0,8190
	Indicator 7	0,8590
	Indicator 8	0,6900
	Indicator 9	0,7840
	Indicator 10	0,8090
	Indicator 11	0,8260
	Indicator 12	0,8960
	Indicator 13	0,8650
	Indicator 14	0,3850

Based on the data presented in Table 2, it can be seen that the loading factor value of the variables leadership style, performance allowance and work motivation already has a value above 0.7 so it is declared valid.

Reliability Test Results

In order for the measuring instrument used to be reliable (the questionnaire used is relatively consistent), it is necessary to carry out a construct reliability test. There are 3 variables whose reliability must be tested. A construct in a variable can be said to be reliable if the Cronbach's alpha value is above 0.6. The results of the Cronbach's alpha calculation can be seen in Table 3.

Table 3. Reliability Test Results

No	Variable	Cronbach Alpha Value	Results
1.	Transformational Leadership (X1)	0,925	Reliable
2.	Performance Allowance (X2)	0,835	Reliable
3	Work Motivation (Y)	0,820	Reliable

Based on the research results presented in Table 2 related to the reliability test, it shows that the Cronbach alpha value for the variables transformational leadership style, performance benefits and employee work motivation is above 0.6. Thus, the conclusion that can be recommended is that all variables in this study meet the reliability criteria of a construct [31].

Direct Effect Test Results

There are 2 types of variables in this research, namely independent variables and dependent variables. One variable will influence another variable, so it is necessary to test the influence of the independent variable on the dependent variable, namely testing the research hypothesis. The results of the direct influence test are presented in Table 4, below.

Table 4. Direct Effect Test Results

Influence Between Variables	Coefficient Value	P-value	Information
Transformtional Leadership → Work Motivation	0,583	<0,001	H1 Accepted
Performance Allowance → Work Motivation	0,139	0,049	H2 Accepted

Discussion

The Influence of Transformational Leadership on Work Motivation

Based on the analysis that has been carried out, it can be seen that the coefficient value of the transformational leadership style variable is 0.583 with a p-value of less than 0.001. These results indicate that H1 is accepted and H0 is rejected. The hypothesis, which states that transformational leadership style has an impact on work motivation, is accepted. This finding means that leadership in the Jember Regency Education Service can provide motivation to employees to be more active in their work so that performance in the organization can be achieved. Therefore, with results like this, there need to be continuous efforts to increase employee work motivation through leadership style. It turns out that leaders really determine what happens in an organization. As stated by [32], the transformational leadership style can be interpreted as a leadership style where the leader is able to make changes within the individual to achieve the best performance. The results of this research are in line with research conducted by several researchers, which states that leadership can increase motivation [5]-[10], [33]-[37]. Meanwhile, Meanwhile, inconsistent results showing that leadership has no impact on motivation were reported by [11].

The Effect of Performance Allowances on Work Motivation

Based on the analysis that has been carried out, it can be seen that the coefficient value of the performance allowance variable is 0.139 with a p-value of less than 0.049. These results indicate that H2 is accepted and H0 is rejected. The hypothesis that benefits have an impact on work motivation is accepted. This means that the allowances provided by the Jember Regency Education Office can provide motivation to employees to be more active in working so that performance in the organization can be achieved. Therefore, policies concerning these benefits should be continuously implemented to sustain employee motivation. Several previous studies that align with this research also reveal that allowances have a positive effect on work motivation, as conducted by [13]-[22]. Meanwhile, research that is not in line with this research, namely the result that allowances have no impact on motivation, is carried out by [23].

5. Conclusion

This research concludes that the transformational leadership style affects work motivation. This means that leadership at the Jember Regency Education Service can motivate employees to be more active in their work, thereby improving organizational performance. Therefore, with results like this, there needs to be continuous efforts to increase employee work motivation through leadership style. Performance allowances affect work motivation. This means that the allowances provided by the Jember Regency Education Office can motivate employees to be more active in their work, thereby improving organizational performance. Thus, policies related to these benefits must continue to be implemented to encourage employees to work.

Suggestions that can be given after this research is carried out are that the leadership in the District Education Office should be. Jember is good; this has been proven to have an impact on work motivation. Therefore, efforts are needed to maintain and improve this kind of leadership. Performance allowances also have a positive effect, so this allowance policy must also be preserved and enhanced.

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