

Transformational Leadership, Emotional Itelligence and Psyhcological Capital and its Impact on Work Engagement and Job Performance PT.Telkom Indonesia

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ABSTRACT

The findings of this research demonstrate that there is a favourable correlation between transformational leadership, emotional intelligence, and psychological capital, and the level of job satisfaction among TELKOM employees. Furthermore, it is worth noting that job happiness has been found to have a favourable impact on both work engagement and employee performance. The present study employed the Partial Least Squares Structural Equation Modelling (PLS-SEM) methodology, and data was gathered using a questionnaire administered to a sample of 212 participants. The findings of this study suggest several recommendations for enhancing work engagement and employee performance among TELKOM employees. These recommendations include enhancing transformational leadership, emotional intelligence, psychological capital, and job happiness. By focusing on these areas, organisations can potentially improve the overall engagement and performance levels of their employees.

ABSTRAK

Temuan penelitian ini menunjukkan bahwa terdapat hubungan positif antara kepemimpinan transformasional, kecerdasan emosional, dan modal psikologis, serta tingkat kepuasan kerja karyawan TELKOM. Selain itu, perlu dicatat bahwa kebahagiaan kerja terbukti memiliki dampak positif terhadap keterlibatan kerja dan kinerja karyawan. Penelitian ini menggunakan metodologi Partial Least Squares Structural Equation Modeling (PLS-SEM), dan data dikumpulkan menggunakan kuesioner yang diberikan kepada sampel sebanyak 212 peserta. Temuan penelitian ini memberikan beberapa rekomendasi untuk meningkatkan keterikatan kerja dan kinerja karyawan di kalangan karyawan TELKOM. Rekomendasi tersebut antara lain meningkatkan kepemimpinan transformasional, kecerdasan emosional, modal psikologis, dan kebahagiaan kerja. Dengan berfokus pada bidang-bidang ini, organisasi berpotensi meningkatkan keterlibatan dan tingkat kinerja karyawannya secara keseluruhan.



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INTRODUCTION

The significance of Human Resource Management (HR) within corporate settings is growing in prominence, mostly attributed to essential aspects of organisational behaviour, including but not limited to job happiness, emotional intelligence, transformational leadership, and job performance (Alwali & Alwali, 2022). According to Robbins and Judge (2021), the significance of job happiness in influencing employee performance is emphasised, despite the importance of awards and successes. Job satisfaction refers to the state in which employees experience contentment and fulfilment in relation to their employment. The relationship between these two notions frequently prompts scholarly discourse, as an individual's work

satisfaction can be influenced by various motivating reasons or conditions. (Evelyne, 2018; Hussain & Diaz, 2020; Rahman et al., 2019). Job happiness is positively correlated with employee performance, as those who experience greater levels of contentment in their work are inclined to exhibit enhanced effectiveness and productivity in their respective roles. Moreover, it has been observed that employees who experience job satisfaction are less likely to engage in turnover behaviour and leave their respective organisations. (Wei, 2022).

The study conducted by Malik and Awan (2016) offers valuable insights into the performance of employees within the telecommunications industry. To comprehensively understand this topic, researchers need to investigate the extent of job satisfaction and its impact on employee performance. Furthermore, it is crucial to explore how these aspects influence employee motivation, productivity, and overall effectiveness. Job satisfaction is frequently seen as a measure of individuals' attitudes towards their work, and it has been found to have a positive correlation with employee performance (Alwali & Alwali, 2022; Lam & O'Higgins, 2012; Rahawarin & Arikunto, 2015). Job happiness is contingent upon the establishment of positive connections with staff and colleagues, the ability to exercise control over vacation time, the provision of sufficient resources, and the presence of work autonomy.

Furthermore, it is imperative to thoroughly analyse the employees' perspectives on emotional intelligence and its impact on job performance. The HRM policies and practises of healthcare organisations should aim to foster a work environment that cultivates emotional intelligence, hence generating favourable outcomes in terms of employee creativity, motivation, cooperation, performance, and overall organisational effectiveness. The presence of emotional intelligence in the workplace is well acknowledged; nonetheless, the existing body of research on this topic remains relatively constrained (Bande et al., 2015; Sony & Mekoth, 2016). Numerous empirical studies have posited that employees exhibiting higher levels of emotional intelligence tend to outperform their counterparts with lower emotional intelligence. This can be attributed, at least in part, to their heightened job satisfaction, which subsequently translates into enhanced job performance (Alonderiene & Majauskaite, 2016; Li et al., 2018; Wong & Law, 2017).

This study further incorporates the variable of work engagement, which has been demonstrated to undergo significant enhancement as a result of engagement in development activities facilitated by transformational leadership (Chan, 2019; Monje Amor et al., 2020; Oh et al., 2018). According to a study conducted by Salau et al. (2018), it was found that the traits of transformational leadership have a notable and favourable influence on both job satisfaction and work engagement. Managers and supervisors must establish an environment characterised by a sense of assurance. In doing so, they should connect the overarching vision to the corresponding strategic plan for its attainment. Additionally, it is imperative for managers and supervisors to collaboratively construct a vision that is both stimulating and captivating, in conjunction with their employees.

RESEARCH METHOD

The data utilised in this research is derived from primary sources. Primary data refers to a compilation of information acquired through the administration of surveys and the subsequent distribution of questionnaires. The questionnaire has been developed by considering the dimensions and indications associated with each variable. Questionnaires will be disseminated to the entire workforce of PT. Telkom Group, encompassing individuals ranging from Directors to staff members, through the utilisation of a hyperlink. The survey will comprise a total of 50 questions and will employ the Likert scale as a form of response. The

Likert scale will consist of five options, ranging from 1 to 5, representing the following levels of agreement: Strongly Agree (SS), Agree (S), Simply Agree (CS), Disagree (TS), and Strongly Disagree (STS). Completing the questionnaire is estimated to require approximately 20 minutes. The researchers will establish a waiting period with a tolerance of plus or minus two weeks. The study's sample population encompassed respondents' profile or demographics, including gender, age, marital status, and recent educational attainment. This paper presents a comprehensive analysis of the profiles of 212 participants.

Table 1: Descriptive Attributes of Participants

Participants		Frequency	%
Gender	Man	114	49,5
	Women	98	50,5
Age	21 – 30 years	66	31,0
	31 – 40 years	108	50,0
	41 – 50 years	37	17,5
	> 50 Years	1	0,5
Level of education	SMA	16	7,5
	D3	22	10,4
	S1	151	71,2
	S2	21	9,9
	S3	2	0,9
Department	Staff	120	56,6
	Supervisor	43	20,3
	Manager	43	20,3
	Director	6	2,8
Job Status	Contract	66	31,1
	Permanent	146	68,9
Work experience	0 – 1 Year	10	4,7
	1 – 5 years	46	21,7
	5 – 10 Years	64	30,2
	> 10 Years	92	43,4

Source: Primary Data Processed, 2023

According to the data presented in the table, it can be observed that out of the total 212 respondents, 50.5% were identified as women, while 49.5% were identified as men. Therefore, it can be inferred that the participants in this study predominantly consisted of female respondents. The participants were categorised based on their age, with about 50.0% falling within the age range of 31-40 years. A significant proportion of the respondents, specifically 31.0%, fall between the age range of 21-30 years. Approximately 17.5% of the respondents fall within the age range of 41-50 years, while the remaining respondents are aged beyond 45 years. Of the respondents, 71.2% possessed a bachelor's degree (S1) as their highest level of schooling. A total of 9.9% of the respondents possess a Master's degree (S2). Approximately 7.5% of the respondents possess a high school degree, while the remaining respondents hold doctoral and diploma qualifications.

RESULTS AND DISCUSSION

Validity and Reliability Test

Examining the soundness of employing correlationConfirmatory Factor Analysis (CFA) is a statistical technique used to assess the validity of statement items. In this analysis, statement items are considered legitimate if their correlation coefficient is equal to or greater than 0.5. To assess Discriminant Validity, it is recommended to employ the Average Variance Extracted (AVE) measure, as suggested by Hair et al. (2019), with a minimum threshold value of 0.5.

Subsequently, the dependability of the procedure was assessed through testing. According to Hair et al. (2019), the dependability of the results is considered satisfactory if the composite reliability coefficient exceeds 0.7. The subsequent section provides a concise overview of the outcomes obtained from assessing the soundness and dependability of each study questionnaire.

Table 2. Average Variance Extracted (AVE) and Composite Reliability (CR)

Variables	Composite Reliability	AVE
Emotional Intelligence	0.940	0.511
Job Performance	0.951	0.796
Job Satisfaction	0.896	0.682
Psychological Capital	0.927	0.539
Transformational Leadership	0.939	0.721
Work Engagement	0.942	0.645

Source: Primary Data Processed, 2023

Table 2 displays the validity indices, which are observed to exceed the critical value of 0.5. Therefore, it can be inferred that all the items used to assess the three variables are valid. Similarly, it can be inferred from the research conducted by Hair et al. (2019) that the three variable questionnaires have a reliability coefficient value beyond 0.7. This suggests that the four variable questionnaires are also reliable and can be employed for subsequent study.

Hypothesis testing

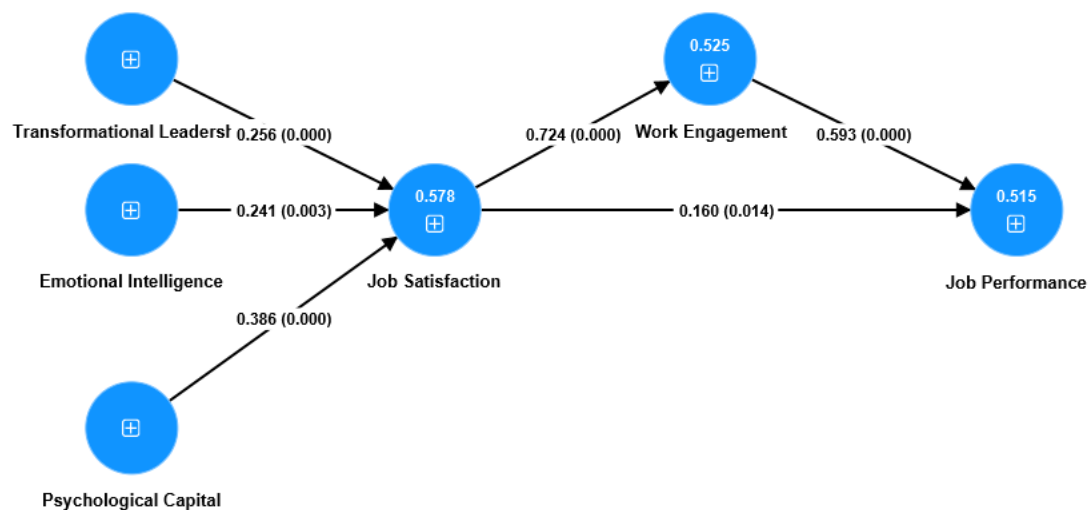


Figure 1. PLS-SEM results

Moreover, in alignment with the research objectives, specifically to investigate the impact of electronic service quality, electronic tourist satisfaction, electronic word of mouth, and intention to return, a structural equation model was employed for analysis. The details of this model are presented in the subsequent table.

Table 3. Hypothesis Testing

	Variables	<i>b</i>	<i>P</i>
H1	Transformational Leadership □ <i>Job Satisfaction</i>	0,256	0,000
H2	Emotional Intelligence □ <i>Job Satisfaction</i>	0,241	0,003
H3	<i>Psychological Capital</i> □ <i>Job Satisfaction</i>	0,386	0,000
H4	<i>Job Satisfaction</i> □ <i>Job Performance</i>	0,160	0,014
H5	<i>Job Satisfaction</i> □ <i>Work Engagement</i>	0,724	0,000
H6	<i>Work Engagement</i> □ <i>Job Performance</i>	0,593	0,002

Source: Primary Data Processed, 2023

The Effect of Transformational Leadership on Job Satisfaction (H1)

The analysis of the processed data revealed a p-value of 0.000, indicating that the resultant p-value is less than the predetermined significance level of $\alpha = 0.05$. There was a statistically significant and favourable relationship observed between Transformational Leadership and Job Satisfaction. The hypothesis positing a significant relationship between Transformational Leadership and Job Satisfaction is deemed valid.

The Effect of Emotional Intelligence on Job Satisfaction (H2)

Based on the analysis of the acquired data, it is evident that there exists a positive correlation between Emotional Intelligence and Job Satisfaction. The coefficient of 0.0241 indicates that a one-unit increase in Emotional Intelligence is associated with a 0.241 unit increase in Job Satisfaction. According to the given provisions, the p-value is determined to be 0.036, indicating that the p-value is less than the predetermined significance level α of 0.05. The hypothesis positing a significant relationship between Emotional Intelligence and Job Satisfaction is deemed acceptable.

The significant effect of Psychological Capital on Job Satisfaction (H3)

Based on the analysis of data processing, it is evident that there exists a positive link between the variables of Psychological Capital and Job Satisfaction. The coefficient of 0.386 indicates that a one-unit rise in Psychological Capital leads to a corresponding increase of 0.386 units in Job Satisfaction. According to the given provisions, the p-value is determined to be 0.000, indicating that the p-value is less than the predetermined significance level α of 0.05. Therefore, it is fair to posit the hypothesis that there exists a significant relationship between Psychological Capital and Job Satisfaction. Therefore, it is fair to posit the premise that there exists a substantial relationship between Psychological Capital and Job Satisfaction.

Significant effect of Job Satisfaction on Job Performance (H4)

The analysis of the processed data reveals a positive link between the variables of Job Satisfaction and Job Performance, with a coefficient of 0.160. This indicates that a one-unit rise in Job Satisfaction is associated with a corresponding increase in Job Performance by 0.160 units. Based on the information shown in the table provided, a p-value of 0.014 is observed, indicating that the p-value is less than the predetermined significance level α of 0.05. Therefore, the hypothesis positing a significant relationship between job satisfaction and job performance is deemed valid.

Significant effect of Job Satisfaction on Work Engagement (H5)

Based on the provided table, it is evident that the association between Job Satisfaction and Work Engagement is positive, as indicated by the beta value of 0.724. This suggests that a one-unit rise in Job Satisfaction is associated with a 0.724-unit increase in Work Engagement. Based on the information shown in the table provided, a p-value of 0.000 is observed, indicating that the obtained p-value is less than the predetermined significance level α of 0.05. Therefore, it is appropriate to posit the premise that there exists a substantial relationship between job satisfaction and work engagement.

Significant effect of Work Engagement on Job Performance (H6)

The table presented above indicates a positive association between work engagement and job performance, as seen by the beta coefficient of 0.593. This suggests that a one-unit increase in work engagement is associated with a corresponding gain of 0.593 units in job performance. Based on the information shown in the table provided, a p-value of 0.002 is observed, indicating that the p-value is less than the predetermined significance level α of 0.05. The hypothesis posits that there exists a substantial relationship between Work Engagement and Job Performance.

CONCLUSIONS

One primary suggestion is to strengthen the implementation of transformational leadership inside TELKOM. Transformational leadership is a kind of leadership that encourages employees to engage in personal growth, embrace change, and strive for elevated levels of success. In order to augment the effectiveness of transformational leadership, organisations have the opportunity to provide transformational leadership training programmes to their executives within the firm. One such suggestion entails enhancing the emotional intelligence of TELKOM personnel. Emotional intelligence refers to the capacity to comprehend and effectively regulate both one's own emotions and the emotions of others. In order to enhance emotional intelligence, organisations have the capacity to provide staff training programmes focused on emotional intelligence.

One more idea entails enhancing the psychological capital of TELKOM's workforce. Psychological capital is a significant determinant that exerts effect on both job satisfaction and employee performance. In order to enhance psychological capital, organisations have the potential to offer social skills training initiatives and augment employee recognition efforts. The fourth recommendation entails enhancing the job happiness of TELKOM's personnel. Job happiness is a significant determinant of work engagement and employee success. In order to enhance job satisfaction, organisations have the potential to enhance work facilities, offer incentives to employees, and cultivate a conducive work climate. Therefore, it is hypothesised that enhancing transformational leadership, emotional intelligence, psychological capital, and job happiness will result in a corresponding improvement in work engagement and employee performance within TELKOM.

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