The Effect of Transformational Leadership, Organization Climate and Work Discipline on Employee Performance at Royal Denai Group Hotel Bukittinggi

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Abstract

The research objective was to analyze the affect of; 1) Transformational leadership has a significant effect on the performance of employees of the Royal Denai Group Hotel Bukittinggi. 2) Work climate has a significant effect on the performance of employees of the Royal Denai Group Hotel Bukittinggi. 3) Transformational leadership has a significant effect on the work discipline of employees of the Royal Denai Group Hotel Bukittinggi. 4) The work climate has a significant effect on the work discipline of employees at Royal DenaiBukittinggi Hotel. 5) Work discipline has a significant effect on the performance of employees of Royal DenaiBukittinggi Hotel. 6)Transformational leadership through work discipline has a significant effect on the performance of employees of the Royal Denai Group Hotel Bukittinggi. 7) Work climate through work discipline has a significant effect on the performance of employees of the Royal Denai Group Hotel Bukittinggi . This research uses Partial Least Square (PLS). the sample of 87 people, using a purposive sampling method . Type and sources of data are primary and secondary data.

Keywords: transfomational leadership, organization climate, work discipline, employee performance.

Introduction

Performance is a work achievement that has been achieved by someone. Performance is also the final result of an activity that has been done by someone to achieve a goal in work. The achievement of this work is also a form of comparison of one's work with established standards. If the work done by someone in accordance with work standards or even exceeds the standards, it can be said that the performance achieved good performance.

Performance is basically what employees do or do not do, employee performance also affects how much they contribute to the organization which includes the amount of output, the quality of output, work attendance and cooperative attitude. Gordon in (SuharnoPawirosumarto, 2017).

Individual performance contributes to group performance which further contributes to organizational performance. In highly effective organizations, management can help create positive synergies, that is, as a whole that is greater than the sum of its parts (Gibson, 2003).

Factors that affect performance in carrying out its work, namely 1) Manager's leadership, 2) Work climate , 3) Expectations , 4) Discipline of work and 5) Trust in company personnel . Employee performance can be measured by several indicators, according to Suwondo and Sutanto (2015) consisting of (1) Accuracy in completing work, meaning accuracy in completing work, attention to quality in completing work, ability to meet company targets and ability to complete work with on time. (2) The level of initiative in work, namely the Traffic anticipate a problem that might be the case and the ability to create an alternative solution to this problem. (3) Mental dexterity, mental dexterity can be measured through the ability of employees to understand the direction given by the leadership and the ability of employees to work with other colleagues. (4)Discipline of time and absenteeism, is the level of timeliness of a person and the level of employee attendance at work.

Leadership namely transformational leadership who can make all of the company's organization from employee to boss his job and loyalty to work to achieve corporate objectives. Bass in (Eliyana, 2019) transformational leaders can stimulate subordinates to create leadership perceptions with a new perspective because of the presence of intellectual stimulation. Leaders are able to make perceptions as individuals who can support and pay attention to subordinates with individual consideration, through motivation and charisma inspiration. transformational leadership indicators according to Bass and Avalio in Yukl (2010) namely Charismatic , Inspirational Motivation, Intellectual stimulation , Individualized.

Work climate is a characteristic that describes psychological company environment that can affect values, norms , attitudes, employee discipline, behavior and employees feeling in a company. work climate in a company according to Yuki (2009) revealed that the work climate of a series of work environment characteristics can be measured based on the collective perception of people who live and work in the environment and are shown to influence motivation, discipline and human behavior. Work climate indicators used in this study are 1) Structure, 2) Standards, 3) Responsibilities , 4) Rewards, 5) Support, 6) Commitment .

Work discipline is an attitude of loyalty and obedience to a person or group of people to an organization for the right time in doing the job, exploiting and using the equipment properly, resulting in a satisfactory job, follow the way of the work that has been determined by the company and have a high responsibility so achieving a goal. According to Malayu in Rachmawati (2018) said: "Discipline is an operational function of human resource management is important because the better employee discipline, the higher the performance that can be achieved by an employee". indicators that affect the discipline of employees according to Sinungan (2011): 1) Obey the rules of the time , 2) Taa t against company regulations, and 3) Obedience to the rules of behavior on the job.

Methods

Research on the Influence of Transformational Leadership, Work Climate and Work Discipline on Employee Performance to be carried out at the Royal Denai Group Hotel Bukittinggi . Data analysis was performed using the Partial Least Square (PLS) method .to analyze the affect of transformational learning, work climate and work discipline on employee performance at Royal Denai Hotel Group Bukittinggi.

1.Sampling

Sugiyono (2013) "Samples are part of the number and characteristics possessed by the population". The technique used in the sampling of this study was purposive sampling. The sample in this study was Hotel Royal Denai Group Bukittinggi Hotel Employees, as many as 87 people consisting of Hotel Employees.

2.Data collection technique

Data collection techniques used in this research that Direct observation (Observation) and Questionnaire , collecting data in this study using a questionnaire in order to provide accurate data, in this study accompanied by interviews (interviews). Questionnaire is a way of collecting data through the distribution of questionnaires (a list of written questions) about his information and about the performance of employees while working at the Royal Denai Group Hotel Bukittinggi. The use of this research data questionnaire for the collection of primary data that is relevant to the way to input opinions, feedback, and view employees working in Hotel Royal Denai Group Bukittinggi.

Data Analysis Technique

Descriptive Analysis

This analysis is intended to describe the characteristics ma sing each study variable, the way of presenting the data into a frequency distribution table calculate the concentration and dispersion values and interpret them .

Data Analysis with Partial Least Square (PLS)

Data analysis was performed using the Partial Least Square (PLS) method . PLS is a method of analysis that is not based on many assumptions. For example, the data must be normally distributed, not necessarily

large because in this study the sample was limited to 87 respondents. PLS path Modeling there are two models namely the outer model and the inner model .

Measurement Model (outer model)

The measurement model is used to test the construct validity and instrument reliability.

1. Convergent validity is the value of the latent loading factor with its indicators. The loading factor is the path coefficient that connects the latent variable with the indicator. The validity of convergence is evaluated in three stages, namely:Indicator validity: seen from the value of the loading factor and t-statistic, if the value of the loading factor is between 0 .5 -0.6 then it is said to be sufficient, whereas if the value of the loading factor is ≥ 0.7 then it is said to be high (Ghozali, 2006). Construct reliability: judging from the value of composite reliability (CR) output , the criterion is said to be reliable is CR≥0.7Value Average Variance Ectracted (AVE): AVE expected value is ≥0,5.

2. The validity of the discriminant value of discriminant validity at this stage is useful fatherly know whether the construct has adequate discrimination. The assessment is proposed in two ways, namely by looking at the value of cross loading and fornelllacker criterion. The cross loading value of the indicator variable against the latent variable must be greater than the value of the other variables (Chin, 1998).

3. Composite reliability, composite reliability is a stage that is used to test the reliability of indicators of one variable. One indicator can meet the reliable requirements if it has a composite value of reliability> 0.6. Reliability testing with the composite reliability method can also be strengthened using Cronbach's alpha values. A variable is said to be reliable if it has a Cronbach's alpha value> 0.7.

4. Collinearity, aims to test whether there is a correlation between exogenous variables. To analyze the degree of kolinieritas by evaluating the value of tolerance and variance inflation factor (VIF). An indication of collinear-free is indicated by a VIF value of less than 10. (Ghozali, 2008).

Structural Model (Inner Model)

The second stage assesses the inner model or structural model. The structural model in PLS is evaluated using R^2 (R-square) for the dependent construct, the path coefficient value or the t-value of each path for a significant test between constructs in the structural model.

Path Analysis

The technical analysis used is path analysis in line with the objectives of the study, which is to determine the extent of the influence of causal variables on any other variable which is an effect variable, both directly and indirectly through intermediary variables.

Results and Discussion

Table 1. Characteristic of Respondents

Gender	Amount
Woman	25
Male	62
Total	87

From the above data it can be seen the number of research sample with total 87 people's consisting of 25 women and 62 men.

Results:

The result of the hypothesis by using PLS is shown in the following order:

1. Konseptualiasasi models: conceptualization model describes the exogenous and endogenous latent variable and its indicators. The study consisted of three exogenous latent variables, namely:

Transformational leadership, work climate and work discipline. And an endogenous latent variables, namely the performance of employees.
2. Convergent validity and Composite Reliability

Table 2. Results of test reliability and validity analysis

	Cronbach's Alpha	Rho_A	Composite Reliability	Average Variance Extracted
work discipline	0,865	0,886	0,893	0,486
work climate	0,875	0,893	0,893	0,399
leadership	0,948	0,981	0,955	0,701
employee performance	0,896	0,909	0,915	0,520

Sources: Primary Data Processed, 2019

Based on the picture above can be seen the value AVE of work discipline and work climate <0.5. Thus the results suggest there are a few items that are invalid variable declaration but reliable. And can also be seen that the value of each variable in the composite Reliability above 0.6 and Cronbach's alpha values above 0.7. Thus these results indicate that each study variable fulfill criteria so that it can be concluded that the overall variable is said to be reliable.

Table 3. The results of the analysis of R-Square

	R Square	R Square Adjusted
work discipline	0,448	0,435
employee performance	0,496	0,478

Based on the above table it can be seen that the R^2 of 0.448 means working discipline variable transformational leadership and working climate to explain the variables of work discipline by 44.8%, while the remaining 55.2% is explained by other constructs beyond those examined in this study, R^2 employee performance amounted to 0,496 means of labor discipline, transformational leadership and working climate to explain the variable employee performance of 49.6% is 50.4% explained by other constructs beyond those examined in this study.

In conclusion, the result of the hypotheses test by using PLS-SEM are as follows:
1. Transformational leadership significantly influence employee performance Royal Denai Group Bukittinggi(0.046> 0.05)
2. Working climate have a significant effect on employee performance Royal Denai Group Bukittinggi(0.002 <0.05)
3. Leadership effect no significant effect on work discipline (0.363> 0.05)
4. Significant effect on the work climate of work discipline (0.000> 0.05)
5. Work discipline significantly influence employee performance Royal Denai Group Bukittinggi(0.000> 0.05)
6. Transformational leadership through work discipline significantly influence employee performance Royal Denai Group Bukittinggi(0.047> 0.05)
7. Working climate through work discipline sodium absorption ratio significantly influence employee performance Royal Denai Group Bukittinggi(0.279> 0.05).

Discussion

Effect of Transformational Leadership on Employee Performance

The results showed that transformational leadership has a significant influence on employee performance Royal Denai Group Bukittinggiwhich means that transformational leadership is one of the important variables that can improve employee performance.

Work Climate Influence on Employee Performance

The results showed that the working climate have a significant effect on employee performance Royal Denai Group Bukittinggiwhich means that the working environment is one important variable and can improve employee performance.

Effect of Transformational Leadership on Work Discipline

The results showed that transformational leadership has no significant effect on the discipline of work, the transformational leadership is not one of the variables that can improve employee work discipline at the Royal Denai Group Bukittinggi.

Effect of work climate on Work Discipline

The results showed that the working climate significantly influence the discipline of work, the working climate is an important variable that can improve employee work discipline at Royal Denai Group Bukittinggi.

Work Discipline influence on Employee Performance

The results showed that the labor discipline exhibited significantly affect the performance of employees, meaning the working climate is an important variable that can improve the performance of employees at Royal Denai Group Bukittinggi.

Effect of Work Discipline Through Transformational Leadership on Employee Performance

The results showed that transformational leadership through work discipline significantly influence employee performance, means that these two variables can indirectly improve employee performance Royal Denai Group Bukittinggi.

Effects Work ClimateThrough Work Discipline on Employee Performance

The results showed that the working environment through work discipline has no significant effect on the performance of employees, variable indirect labor discipline can not affect the work climate on employee performance Royal Denai Group Bukittinggi.

Conclusion

Based on the results of research and discussion, as already mentioned earlier can be concluded about the effect of transformational leadership style, work climate, and work discipline of the employee's performance Royal Denai Group Bukittinggi. Transformational leadership style has significant impact on employee performance Royal Denai Group Bukittinggi, but no significant effect of transformational leadership on employee work discipline at the royal trail group bukittinggi and transformational leadership through work discipline on employee performance Royal Denai Group Bukittinggi.

Furthermore, the influence of the working climate has a significant influence employee performance on Royal Denai Group Bukittinggi, further work climate has significant impact on employee work discipline Royal Denai Group Bukittinggi. Work discipline were significant influence on employee performance Royal Denai Group Bukittinggi.

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