

The Effect of Transformational Leadership on Team Performance in The Work Environment

Gettik Andri Purwanti ^{1*}, Mutia Febrina Sari ²

¹ Institut Pertanian Malang, Malang

² Institut Agama Islam Negeri Bukittinggi, Bukittinggi

* Correspondence: getikandri1976@gmail.com

Article Information

Received: September 8, 2024

Revised: September 11, 2024

Online: September 29, 2024

ABSTRACT

Transformational leadership has become one of the prominent topics in management and organizational research due to its significant impact on organizational effectiveness and team performance [1]. In an increasingly dynamic and complex work environment, the need for leaders who are able to inspire, motivate, and empower their teams is essential to increase productivity and innovation. This study aims at the relationship between transformational leadership style and various team performance indicators, including productivity, innovation, job satisfaction, and team commitment to the organization.

This study uses a quantitative approach with an explanatory survey design to examine the relationship between transformational leadership and team performance in the workplace. The sample size is 66 employees from several departments with sample criteria, namely those who have work experience under the leadership of a transformational leader for at least one year.

Based on the results in table 2, the results of the regression test (p-value 0.000) of transformational leadership on team performance show that transformational leadership has a positive and significant influence on team performance. Meanwhile, team motivation also has a positive influence on team performance (p-value 0.000) indicating that team motivation also improves performance. Transformational leadership has a significant and positive influence on team performance in the work environment. Transformational leadership encourages intrinsic team motivation through inspiration, idealized influence, and intellectual empowerment, which in turn increases team productivity and performance quality.

It can be concluded that organizations must focus on developing transformational leadership and creating a work environment that supports the intrinsic motivation of team members.

Keywords : Transformational Leadership, Team Motivation, Team Performance

1. Introduction

Transformational leadership has become a prominent topic in management and organizational research because of its significant impact on organizational effectiveness and team performance [1]. In an increasingly dynamic and complex work environment, the need for leaders who are able to inspire, motivate, and empower their teams is essential to increase productivity and innovation. Transformational leadership, characterized by the ability to create a long-term vision, foster employee commitment, and inspire by example, plays a vital role in ensuring optimal team performance in the work environment.

Transformational leaders tend to pay special attention to the individual development needs of team members, provide emotional and intellectual support, and encourage them to think innovatively [2].



This is in line with the findings of Bass and Avolio (1994) who stated that transformational leadership increases intrinsic motivation and individual sense of responsibility for work results [3][4].

In a challenging and uncertain work environment, the ability of leaders to adapt to change quickly and effectively is essential. Transformational leadership enables organizations to remain flexible in the face of changes in the market, technology, and regulatory policies [5][6]. This contributes to improved team performance through open communication, the development of a collaborative work culture, and the creation of an environment that supports innovation. A study by Wang et al. (2019) found that teams led by transformational leaders had a higher ability to adapt to change, which in turn increased their productivity [7][8].

One of the key elements of transformational leadership is its impact on team commitment and employee job satisfaction. Transformational leaders foster a strong connection between individual goals and organizational goals, creating a greater sense of ownership and collective responsibility. When team members feel valued and supported, they tend to perform better and contribute significantly to the achievement of organizational goals.

Team performance in the work environment is not only influenced by technical skills, but also by psychological factors such as motivation, loyalty, and trust between team members. Transformational leadership plays a role in improving these aspects through fostering mutually respectful relationships and employee empowerment. Research conducted by Judge and Piccolo (2004) shows that transformational leaders who are able to inspire and develop individual potential will produce teams that are more productive, efficient, and able to achieve the organization's strategic goals [9].

In addition, transformational leadership has a far-reaching impact on the formation of a strong and adaptive organizational culture. By emphasizing continuous learning and individual development, this leadership style facilitates the creation of an innovative and proactive work environment. An organizational culture influenced by transformational leaders enables team members to take risks, propose new ideas, and collaborate more effectively.

However, there are challenges in implementing transformational leadership across organizational contexts. Each organization has unique characteristics, so the strategies used by transformational leaders need to be tailored to the specific conditions of the workplace and team dynamics. Further research is needed to understand how variations in organizational context may affect the effectiveness of transformational leadership in improving team performance.

Based on the above explanation, this study will further explore the influence of transformational leadership on team performance in the work environment. The focus of this study will be on the relationship between transformational leadership style and various team performance indicators, including productivity, innovation, job satisfaction, and team commitment to the organization.

2. Materials and Method

This study uses a quantitative approach with an explanatory survey design to examine the relationship between transformational leadership and team performance in the workplace. This design was chosen because it is appropriate for identifying the causal relationship between the independent variable (transformational leadership) and the dependent variable (team performance), as well as

providing a deeper understanding of the extent to which transformational leadership affects team performance.

The population in this study were employees of companies operating in the industrial and service sectors in the Padang City area. The sample was taken using a simple random sampling technique to ensure that each member of the population has an equal chance of being selected as a respondent. The number of samples was 66 employees from several different departments or work units, with the sample criteria being those who have work experience under the leadership of a transformational leader for at least one year.

Data was collected by distributing questionnaires online and offline to respondents. For online surveys, digital survey platforms such as Google Forms or email-based surveys will be used to facilitate access and responses from respondents. While offline surveys were conducted by direct distribution to employees in the workplace. The data collection process lasted for 4 weeks, depending on the responses received.

The data analysis technique uses multiple linear regression analysis techniques to test the relationship between the independent variable (transformational leadership) and the dependent variable (team performance). Before the regression analysis is carried out, classical assumption tests such as normality, heteroscedasticity, and multicollinearity tests will be run to ensure that the data meets the regression requirements.

3. Result

1. Respondent Characteristics

Based on the results of the questionnaire on respondents, the research data is as follows:

Table 1. Respondent Characteristics

Characteristics	Amount	Percentage (%)
Gender		
1. Man	45	68.2
2. Woman	21	31.8
educational background		
1. High school/vocational school equivalent	30	45.5
2. D3	5	7.6
3. S1	31	47
Years of service		
1 year	43	65.2
23 years	21	31.8
4 – 6 years	2	3

Based on the results of table 1 regarding the characteristics of respondents, it is known that the majority of respondents are male, namely 45 people (68.2%). Most respondents have a bachelor's degree background, as many as 31 people (47%). While the majority of respondents' work experience is 1 year, as many as 43 people (65.2%).

2. Multiple Linear Regression Test

The results of the multiple linear regression test coefficient of transformational leadership on team performance:

Table 2. Results of Multiple Linear Regression Test of Transformational Leadership on Team Performance

Dependent Variable	Independent Variable	Regression Coefficient (B)	t value	Sig.
Team Performance	Transformational Leadership	0.58	6.95	0,000
	Team Motivation	0.36	4.29	0,000

Based on the results in table 2 of the results of the transformational leadership regression test on team performance, the positive regression coefficient (0.58) indicates that transformational leadership has a positive and significant influence on team performance. The more effective the transformational leadership style is applied, the better the team performance. A very low significance value (0.000) confirms that this influence is very statistically significant. Meanwhile, team motivation also has a positive influence on team performance, with a regression coefficient of 0.36. Although its influence is smaller than transformational leadership, this result is still statistically significant (p-value 0.000), indicating that team motivation also improves performance.

4. Discussion

The Influence of Transformational Leadership on Team Performance in the Work Environment

Based on the results obtained, Transformational leadership is a leadership style that emphasizes the development of team members through motivation, inspiration, and empowerment to achieve better work results. The results of multiple linear regression tests in this study indicate that transformational leadership has a regression coefficient of 0.58, with a t value of 6.95, and a significance value (Sig.) of 0.000. This indicates that there is a significant influence between transformational leadership and team performance.

1. The Influence of Transformational Leadership on Team Performance

Transformational leadership focuses on four main components, namely:

- **Inspirational Motivation:** Leaders are able to communicate a clear and compelling vision to the team. Leaders also provide passion and enthusiasm to work together to achieve common goals.
- **Idealized Influence:** The leader acts as a role model who is respected and trusted by team members.
- **Intellectual Stimulation:** Leaders encourage creativity and innovation in solving problems.
- **Individualized Consideration:** Leaders pay attention to the developmental needs of individuals within the team.

In this study, transformational leadership significantly contributed to improving team performance. The high regression coefficient ($B = 0.58$) indicates that the more effective the leader is in implementing the transformational style, the higher the resulting team performance. This result is in line with a study conducted by Bass and Avolio, which found that transformational leaders can increase team productivity by increasing team member engagement, satisfaction, and commitment to organizational goals.

Researchers assume that transformational leadership is the main factor that significantly influences the improvement of team performance in the work environment. This leadership style is believed to be

able to encourage team members to work more effectively through inspiration, empowerment, and increasing their intrinsic motivation. And researchers also assume that the stronger the implementation of transformational leadership, the greater its influence on improving team performance. This is based on the regression results that show a positive and significant relationship between these variables.

2. The Influence of Team Motivation on Team Performance

In addition to transformational leadership, team motivation also has a positive influence on team performance. The results of the regression test show that team motivation has a regression coefficient of 0.36, a t value of 4.29, and a significance value of 0.000. This indicates that motivation is also a significant factor that influences team performance, although its influence is not as great as transformational leadership.

Team motivation in this context can be understood as the drive from within team members to achieve organizational goals. Maslow's theory of the hierarchy of needs states that individuals have basic needs such as recognition and self-achievement that influence their work motivation. In a work environment, motivation can be enhanced through positive reinforcement from leaders, challenging but realistic goals, and a supportive work environment.

Herzberg's two-factor motivation theory is also relevant in explaining how extrinsic motivation (such as financial rewards) and intrinsic motivation (such as recognition and personal development) can improve team performance [10][11]. In this study, team motivation generated by transformational leadership played an important role in supporting better performance, although its effect was lower than the direct influence of the leadership style itself.

Researchers also assume that high team motivation, both from intrinsic and extrinsic factors, plays an important role as a mediator between transformational leadership and team performance. However, team motivation does not stand alone, but is directly influenced by the quality of transformational leadership applied.

3. The Relationship between Transformational Leadership and Team Motivation

Transformational leadership effectively influences team motivation, which ultimately contributes to improved team performance. Inspirational and creativity-encouraging leaders tend to create a positive work climate and motivate team members to work harder and be more innovative. This is supported by Burns' theory (1978), which states that transformational leaders are able to change the basic motivation of followers from personal interests to group or organizational interests [12].

In this context, motivation acts as a mediator variable between transformational leadership and team performance. Transformational leadership increases intrinsic motivation, such as a sense of accomplishment and pride in work, which in turn increases productivity and quality of performance.

4. Managerial Implications

The findings of this study have important implications for organizational management. To improve team performance, organizations need to develop transformational leadership styles among managers and leaders. This can be done through training that focuses on developing the ability to communicate vision, provide behavioral examples, and the ability to empower individual team members.

In addition, management must also strive to create a work environment that supports the intrinsic motivation of the team, such as providing opportunities for self-development and recognition for work achievements. Thus, the organization can create a more committed, innovative, and productive team.

5. Conclusions

This study confirms that transformational leadership has a significant and positive effect on team performance in the workplace. Transformational leadership drives intrinsic team motivation through inspiration, idealized influence, and intellectual empowerment, which in turn increases team productivity and performance quality. Team motivation, although important, has a smaller effect compared to transformational leadership, but still contributes positively to improving team performance.

Thus, in an effort to improve team performance, organizations must focus on developing transformational leadership and creating a work environment that supports the intrinsic motivation of team members.

References

1. Shafiyah, ZY, Mahbubah, NF, Azhar, AY, & Simamora, FR (2023, June 23). Optimizing Team Work Performance in Organizations: Understanding Dynamics and Effective Collaboration. <https://Www.umm.ac.id/En/Arsip-Koran/Jurnal-Post/Optimalisasi-Kinerja-Tim-Kerja-Dalam-Organisasi-Memahami-Dinamika-Dan-Kolaborasi-Yang-Efektif.html>.
2. Sulistio. (2024, January 31). Effective Leadership Strategy in Improving Team Performance and Motivation. Mmc. Kota waringin barat kab.go.id. <https://mmc.kotawaringinbaratkab.go.id/berita/strategi-kepemimpinan-efektif-dalam-meningkatkan-kinerja-dan-motivasi-tim>
3. Bass, B. M., & Avolio, B. J. (2024). Improving Organizational Effectiveness Through Transformational Leadership. Google Books. https://books.google.co.id/books/about/Improving_Organizational_Effectiveness_T.html?id=_z3_BOVYK-IC&redir_esc=y
4. Salter, C.R., Harris, M.H., & McCormack, J. (2014). Bass & Avolio's Full Range Leadership Model and Moral Development. <https://www.g-casa.com/conferences/milan/paper/McCormack.pdf>
5. Nilam, E., & Winario, M. (2024). Transformational Leadership on Organizational Ability to Overcome Crisis in the Digital Era. INNOVATIVE: Journal of Social Science Research, 4(1), 11022–11034.
6. Yusuf, AE (2017). Transformational Leadership for Sustainable Change. Character Building. <https://binus.ac.id/character-building/2024/02/kepemimpinan-transformasional-untuk-perubahan-berkelanjutan/>
7. Wang, Z., Xu, S., Sun, Y., & Liu, Y. (2019). Transformational leadership and employee voice: an affective perspective. Frontiers of Business Research in China, 13(1). <https://doi.org/10.1186/s11782-019-0049-y>
8. Lin, L., Lin, C., Purna Irawan, A., Anggarina, P., & Kumar, S. (2022). Transformational Leadership Impact on Organizational Effectiveness. Advances in Economics, Business and Management
9. Judge, T.A., Piccolo, R.F., & Ilies, R. (2004). The Forgotten Ones? The Validity of Consideration and Initiating Structure in Leadership Research. Journal of Applied Psychology, 89(1), 36–51. <https://doi.org/10.1037/0021-9010.89.1.36>
10. Syafranuddin, RAH, & Rahmanto, E. (2019). The Influence of Intrinsic Motivation and Extrinsic Motivation on the Performance of State Civil Apparatus (ASN) at the National Unity and Politics Agency of East Kutai Regency.
11. Widiawaty, IN, Rajindra, & Kadir, H. Abd. (2020). The Influence of Intrinsic Motivation and Extrinsic Motivation on Employee Performance at the Regional Revenue Agency Office of Central Sulawesi Province. Collaborative Journal of Science, 3(8), 390–400. <https://doi.org/10.56338/jks.v3i8.1749>
12. Nafal, Q., Maunah, B., & Patoni, A. (2024). The Nature of Transformational Leadership. Journal of Islamic Religious Education, 2(3), 45–58. <https://doi.org/10.59841/ihsanika.v2i2.1361>