The Relationship Between Transformational Leadership and Organizational Climate on Civil Servant Performance at the Regional Secretariat of Surabaya City

Rizky Ilhami[1]
[1] Universitas Padjadjaran
*Corresponding author : risky.ilhami@unpad.ac.id

INFO ARTIKEL	ABSTRACT
	The purpose of this study was to investigate the impact of transformative leadership and organizational climate on the performance of Civil Servants (PNS) in the Secretariat of the Regional Government of Surabaya Regency, South Sulawesi Province. This study attempts to determine how much each influence of transformational leadership and organizational climate has on civil servant performance, as well as how much influence transformational leadership and organizational climate have on public servant performance simultaneously. The descriptive method with a quantitative approach was utilized in this study, with analysis based on the PLS-SEM SmartPLS 3.0 tool. The research population includes all government servants, and the sample includes 31 civil servants from Echelons IV, III, and II. The findings revealed that transformational leadership has a significant and strongest effect on civil servant performance, followed by organizational climate, and then the effect of transformational leadership and organizational climate both having a significant effect on civil servant performance.
	Tujuan penelitian ini adalah untuk menyelidiki dampak kepemimpinan transformasional dan iklim organisasi terhadap kinerja Pegawai Negeri Sipil (PNS) di Sekretariat Pemerintah Daerah Kabupaten Surabaya, Provinsi Sulawesi Selatan. Penelitian ini berupaya untuk menentukan seberapa besar pengaruh masing-masing kepemimpinan transformasional dan iklim organisasi terhadap kinerja PNS, serta seberapa besar pengaruh kepemimpinan transformasional dan iklim organisasi terhadap kinerja PNS secara simultan. Metode deskriptif dengan pendekatan kuantitatif digunakan dalam penelitian ini, dengan analisis berdasarkan alat PLS-SEM SmartPLS 3.0. Populasi penelitian meliputi seluruh pegawai negeri sipil, dan sampel terdiri dari 31 PNS dari Eselon IV, III, dan II. Hasil penelitian menunjukkan bahwa kepemimpinan transformasional memiliki pengaruh yang signifikan dan terkuat terhadap kinerja PNS, diikuti oleh iklim organisasi, dan kemudian pengaruh kepemimpinan transformasional dan iklim organisasi secara bersamaan memiliki pengaruh yang signifikan terhadap kinerja PNS.

INTRODUCTION

The phenomenon of organizational success is nearly the same everywhere, including private organizations, public organizations, and social / community organizations, and is largely determined by the presence of a leader who can direct and mobilize to achieve organizational goals. Leadership and organization are interdependent, with the organization serving as a container for numerous resources, particularly human resources, which constitute an organization's power and core capital and which act in managing other resources. The administration of numerous resources in an

organization is a process, and a leader's most important responsibility is to carry out the process. Similarly, professional leadership is required in Local Government Organizations to supervise the organization's operations.

Empirically, several problematic difficulties exist in Regional Government Organizations, such as public services that do not meet community expectations, discriminatory attitudes, and KKN practices, making it difficult to implement Bureaucratic Reform. Other issues related to civil servant performance include the inability to carry out their primary duties and functions , inadequate work facilities / equipment, an unbalanced work space in relation to the number of employees, and a variety of other issues in providing administrative services to the community. This will almost likely have a negative impact on the organizational climate and performance of federal servants, ultimately lowering organizational performance.   The strong interference of supporting political parties, kinship, and so on, which creates a recruitment process for structural officials that is not based on competence in the field of tasks handled, also creates problems that have a significant impact on civil servant leadership ability/professionalism, organizational climate, and apparatus performance.

According to Holidin (2013), in Indonesia, the problem of bureaucracy that directly involves the apparatus, such as: low performance, wasteful image, red plate, has been attached to themselves, so that this has an impact on the community, which is perceived as a less professional apparatus behavior, because it appears slow, less dexterous, poor service, and long in completion. Leadership is the activity of influencing and directing a group in varied activities with interconnected tasks (Sharma and Jain, 2013). Transformational Leadership is one of the leadership styles that motivates subordinates to carry out their responsibilities (Shibru et al., 2011).

Organizations are faced with an increasingly complicated environment in the current era of disruption (Babalola, 2016), requiring executives to comprehend the complexity of the global environment with fast changes. Leaders who can apply four or more leadership models, according to Goleman (2004), may produce the optimal work environment and corporate performance. According to Mardiasmo (2016), the issue of local government performance is currently a concern for various organizations, particularly those concerned with encouraging government organizations to be more efficient and effective by eliminating stereotypes that have long been associated with government agencies, namely a hotbed of inefficiency, waste, a source of fund leakage, and institutions that always lose money.

The state of the organizational atmosphere is another essential aspect that is closely tied to the performance of the apparatus. Employees are affected by organizational climate, which is strongly

tied to the characteristics of the work environment. Employees will be more inspired to work harder if they work in a nice organizational climate. An excellent organizational climate can boost employees' willingness to perform their jobs more effectively (Widayati & Gunarto, 2017).

Based on the phenomena described, various field realities, as well as previous research results and existing theoretical references, it is interesting to examine together the variables of transformational leadership and organizational climate, which in some previous studies were separate, using smartPLS analysis on the performance of civil servants at the Surabaya Regency Regional Secretariat.

METHODS

This study employs quantitative methodologies, descriptive research, and confirmatory research procedures to examine and validate hypotheses generated by various tests and data processing. Quantitative research methods, according to Schiffman and Kanuk (2000), are concerned with data gathering methodologies, sample design, and the building of data collection devices. Transformational leadership and organizational climate are employed as independent factors, with civil servant performance as the dependent variable. The research population consisted of all Civil Servants (PNS) in the Regional Secretariat of the Surabaya Regency Government, and the sample was chosen using a purposive sampling technique, which is a sampling technique with specific considerations (Sugiyono, 2008), so that the selected civil servants were structural officials, occupying Echelon II, III, and IV positions, and for at least one year, with a total of 31 samples. This number satisfies the requirements for data processing utilizing the SmartPLS (Partial Least Square) software analysis technique version 3.0. The outcomes of sending surveys to respondents yield primary data.

All research variables were evaluated based on their indicator scores, which were calculated on a Likert Scale of 1-5 with the following categories: Very suitable (5), suitable (4), Quite suitable (3), Not suitable (2), and Very unsuitable (1). According to Ghozali (2006), PLS is a soft modeling analytical method since it does not require data to be measured on a specific scale, which means that the number of samples can be tiny (under 100 samples). According to Hair et al. (2006), this method is suitable for data reduction, namely calculating the least number of factors required to calculate the maximum position of the total variance represented in a set of original variables.

RESULTS AND DUSCUSSION

Respondent profile: out of 31 respondents, 22 men and 9 women, aged 31 to 60 years, education level S1 and S2, structural positions: 9.7% echelon II, 22.6% echelon III, and 67.7% echelon IV (Functional equivalent), structural position tenure 1 to 6 years.

Modeling and Hypothesis Testing

The analytical model employed has two evaluation assessments, one for the outer model or measurement model and one for the interior model or structural model.

The convergent validity test is used by the outer model or measurement model to determine the validity of each link between the indicator and the construct or latent variable. Experts underline that all items must be more than 0.7. A loading value of 0.5 to 0.6 is deemed sufficient for research in the early phases of constructing a measurement scale (Shmuelli et al., 2019). The findings are shown in the table below.

Table 1

Results of Convergent Validity Testing (Outer Loading)

Table	Indicator	Original Sample (O)	P Values	Critical Point	Kesimpulan
Transformational Leadership	X1.1	0.719	0.001	0.7	Valid
	X1.2	0.903	0.000	0.7	Valid
	X1.3	0.769	0.001	0.7	Valid
	X1.4	0.821	0.000	0.7	Valid
Organizational Climate	X2.1	0.872	0.000	0.7	Valid
	X2.2	0.919	0.000	0.7	Valid
	X2.3	0.788	0.000	0.7	Valid
	X2.4	0.705	0.000	0.7	Valid
Performance	Y1.1	0.802	0.000	0.7	Valid
	Y1.2	0.766	0.000	0.7	Valid
	Y1.3	0.845	0.000	0.7	Valid
	Y1.4	0.891	0.000	0.7	Valid

According to the table above, all indicators have a factor loading value larger than 0.7, implying that all indicators are legitimate. As a result, all indicators may be concluded to explain each existing
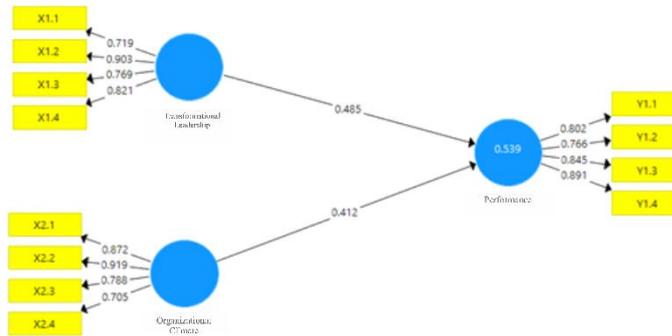
variable, and the variables can be stated to be valid for future study.

Validity Test

The Average Variance Extracted (AVE) approach can also be used to assess convergent validity for each concept or latent variable. If an instrument's Average Variance Extracted (AVE) is greater than 0.5, it is said to pass convergent validity testing. The findings are shown in the table below.

Table 2

Results of Construct Validity Testing Using AVE

Variable	Average Variance Extracted (AVE)	Critical Point	Kesimpulan
Transformational Leadership_(X1)	0,650	0,500	Good
Organizational Climate_(X2)	0,680	0,500	Good
Performance (Y)	0,684	0,500	Good

The table shows that the variables Transformational Leadership (X1), Organizational Climate (X2), and Performance (Y) have an Average Variance Extracted (AVE) value greater than 0.5. As a result, all indicators can be certified capable of measuring the variables they represent.

Reliability Test

Cronbach's alpha and composite reliability can be used to perform reliability testing. The test requirements specify that the construct is trustworthy if the composite reliability is better than 0.7 and Cronbach's alpha is greater than 0.6.

Table 3

Reliability Testing Results

	Cronbach's Alpha	Composite Reliability
Transformational Leadership_(X1)	0,832	0,880
Organizational Climate_(X2)	0,844	0,894
Performance (Y)	0,847	0,896

According to the table, each variable has a Cronbach's alpha value better than 0.6 and a composite reliability value greater than 0.7. Thus, all indicators are deemed reliable in measuring their variables based on the calculation of the chronbach's alpha value and the composite reliability value.

Inner Model Evaluation

The inner model or structural model evaluation step comprises the coefficient of determination, predictive relevance, and hypothesis testing to assess goodness of fit. The following figure depicts the research structural model:
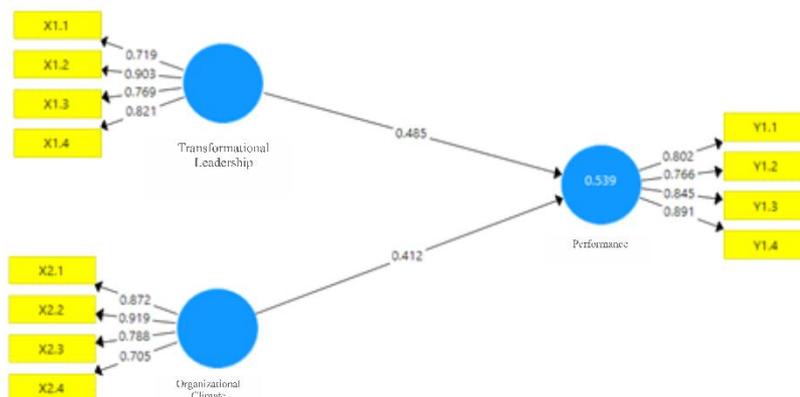
The equation obtained from the figure above is as follows:

R^2 = 0.539 (software) = 0.485 Transformational Leadership (X1) + 0.412 Organizational Climate (X2).

This equation leads to the following conclusion:

a. The R^2 value of Performance (Y) is 0.539, indicating that Transformational Leadership (X1) and Organizational Climate (X2) influence Performance (Y), hence Performance (Y) is 53.9% influenced by other factors not addressed in this study.

b. The path coefficient of Transformational Leadership (X1) is 0.485 with a positive direction, indicating that the link is unidirectional. Performance (Y) will rise by 0.485 if Transformational Leadership (X1) grows by one unit.

c. The path coefficient of Organizational Climate (X2) is 0.412 with a positive direction, indicating that the link is unidirectional. If the organizational climate (X2) improves by one unit, performance (Y) improves by 0.412.

Bootstrapping Path Analysis Hypothesis Testing

Hypothesis testing is used to determine whether exogenous variables have an effect on endogenous variables. The test requirements state that there is a significant influence of exogenous factors on endogenous variables if the T-statistics value T-table (1.96) or the P-value significant alpha 5% or 0.05. The following table displays the significance testing and model findings.

Table 4

Value Path Coefficient

Hypothesis	Original Sample (O)	T Statistics (|O/STDEV|)	P Values	Results	Description
H1: Transformational Leadership -> Performance	0.485	4.560	0,000	Significant	Accepted
H2 :Organizational Climate -> Performance	0.412	2.425	0,021	Significant	Accepted

*Significance Level: T-statistic > 1.96; p value < 0.05

According to the table, it is as follows:

H1: Transformational Leadership (X1) has an impact on Civil Servant Performance (Y)

The path coefficient value of Transformational Leadership (X1) on Performance (Y) is 0.485 (positive direction), T statistics of 4.560, and a p-value of 0.000, as seen in the test results provided in the table above. The test findings show that the T statistics value is greater than 1.96 and the p-value is less than 0.05. This suggests that Transformational Leadership (X1) has a considerable effect on Civil Servant Performance (Y), and that the better transformational leadership is applied, the better employee performance at the Surabaya Regency Regional Secretariat will be. According to prior research, transformational leadership can boost employee creativity, foster an innovative culture, and support employee performance (Garcia-Morales et al., 2012). Transformational leadership, as demonstrated by idealized influence, inspirational motivation, customized consideration, and intellectual stimulation, has no effect on employee performance (Buil et al., 2019; Golden & Shriner, 2019). These findings contradict Andreani and Petrik's (2016) findings, which suggest that transformative leadership has a significant impact on employee performance.

H2: Organizational atmosphere (X2) influences civil servant performance (Y) in a positive and significant way.

The path coefficient value of organizational climate (X2) on performance (Y) is 0.412 (positive direction), T statistics of 2.425, and p-value of 0.021 in the test findings provided in the table above. The test findings show that the T statistics value is greater than 1.96 and the p-value is less than 0.05. This suggests that organizational climate (X2) has a positive and significant effect on performance (Y), therefore the better the organizational climate in the Regional Secretariat of Surabaya Regency, the higher the employee performance. Stringer defines organizational climate as a collection of environmental patterns that determine motivation, focusing on rational and observable views; thus, there is a direct influence of character on organizational members' performance. According to Ma'muroh et al (2023), organizational environment has a substantial effect on apparatus performance, and that favorable and conducive organizational climate support can promote employee contentment with their work, which will improve employee performance.

H3: Transformational Leadership (X1) and Organizational Climate (X2) both have a major impact on Performance (Y).

The F test (simultaneous test) is calculated manually to test the third hypothesis using the following formula:

$$F \ count = \frac{(n - k - 1) \ (R^2)}{k(1 - R^2)}$$

Description :

n = number of samples

k= number of exogenous variables

R^2 = R square

Criteria for testing:

If F count > F table, H3 is acceptable.

If F count < F table , H3 is rejected.

The following outcomes have been obtained:

$$F\ count = \frac{(31 - 2 - 1)\ (0,539)}{2(1 - 0,539)}$$

$F\ count$ = 16,369

The F table is 3.340 when the number of samples (n) is 31 and the number of exogenous variables (k) is 2, the value of df1 = k = 2, and the value of df2 = n-k-1 = 31-2-1 = 28.

Because the calculated F value (16.369) is greater than the F table (3.340), H3 is accepted, indicating that Transformational Leadership (X1) and Organizational Climate (X2) have a significant effect on Performance (Y) at the same time, and that the better the application of transformational leadership and organizational climate, the better the performance of civil servants in the Regional Secretariat of Surabaya Regency. According to the idea of Banik, Gao, and Rabbanee (2019), rewarding employees is inextricably linked to the role of transformational leadership style, which attempts to recognize suitable employee performance. In an organization where people are given responsibility and authority to solve organizational challenges, a leader's capacity to motivate and provide emotional support will be deemed an intrinsic incentive (Islam, Furuoka, and Idris, 2020).

Bird photography and birdwatching

Birdwatching and photography are two ecotourism activities available in Tigawasa. This activity has promise and is in high demand among Tigawasa visitors (Sutaguna et al., 2021).

Tigawasa has 88 bird species in 2020, distributed throughout seven types of agroforestry and two habitats. Clove garden, sengon garden, cacao garden, rubber cassava garden, sugar cane garden, rice field, and mixed garden are the seven types of agroforestry. House yards and river banks are the two habitats. 2023 (Sutaguna).

Birds and the Release of Birds

Since the enactment of Perdes No.65 of 2020, bird catching activities have automatically been forbidden. The restriction of bird catching has had an impact on the income of some locals who rely on bird sales for a living. This, of course, necessitates a solution in order for the processes of bamboo weaving, economic development, and community empowerment to coexist and succeed. Kopi Sulingan and the Kutilang Indonesia Foundation launched a bird adoption initiative in 2016, which was later entirely administered by the Wanapaksi Forest Farmer Group, which is made up of Pentingsari Village, Slemanrs (Sutaguna, 2022).

The distinction between bird adoption and pet adoption, such as cat or dog adoption, is that adopters adopt bird nests in their natural habitat in order to save birds. The number of successful chicks that exit the nest is one indicator of the program's success. This program also answers the question, "Do birds have economic value in their natural habitat that can be felt by the surrounding community?"

Residents will get cash rewards from adopters through the bird adoption program (Sutaguna, 2023). Some of the parties who will receive financial incentives include: landowners where nests are located, nest finders, RT / RW where nests are found, and program managers.

Under Shade and Organic Coffee

The increase of agricultural land is one of the factors that have pushed birds to the verge of extinction. According to birdlife.org's research (State of the World's Birds 2022 Paints Most Concerning Picture for Nature Yet, 2022), land expansion through homogenous agricultural planting and the use of chemical fertilizers and pesticides has resulted in 73% of bird species being classified as vulnerable.

Some families lost income from selling bird catches caught in Pentingsari Village, Sleman, and residents became concerned that if there was no cash, the kitchen would stop smoking. Yayasan Kutilang Indonesia is one of the Jalak Balidan Komunitas organizations.

Not shortly after the implementation of Perdes No.65 of 2020, Peduli Menoreh promptly aided the residents of Pentingsari Village, Sleman by activating community-based conservation.

One of the conservation efforts carried out to substitute the customary bird-catching activities carried out by residents is the restoration of coffee plants that have been neglected since 2002 because to the low selling price of coffee (Sutaguna, 2021). To support sustainability efforts and preserve the natural avian environment, coffee plant upkeep employs the concept of organic farming, which employs goat dung and dry leaf litter. Because many residents in the Pentingsari

Village, Sleman have goat farming companies, the usage of goat excrement fertilizer is organic (Sutaguna, 2022).

Residents' efforts in caring for coffee plants using organic ways paid off; in 2019, the coffee harvest was 7,500 kg, valued at 41 million rupiah. 2023 (Sutaguna).

The shade-grown coffee method, as used in the upland forest area of Bogor's upper Ciliwung watershed, produced positive results in terms of increasing coffee yields and encouraging local residents to learn more about forest restoration and environmental sustainability (Sutaguna, 2023). Large and shady trees are crucial components of the bird ecology because they provide a location for birds to shelter, obtain food, and reproduce. As a result, the shade-grown coffee method used by Tigawasa residents in coffee farming offers an alternative for assisting Tigawasa hamlet in its efforts to become a bird-friendly hamlet. In addition to coffee, inhabitants earn money by selling coconuts, palm sugar, and Klaceng honey (Trigona spp.) grown in little boxes around the yard.

CONCLUSION

Transformational leadership has a substantial impact on public servant performance, hence the better a leader's application of transformational leadership style, the better the performance of civil servants. Organizational climate has a huge impact on performance, therefore the better the organizational atmosphere, the better civil servant performance. Both transformational leadership and organizational atmosphere have a substantial impact on performance. This means that when a superior uses a transformational leadership style in carrying out his tasks, he creates a favorable organizational atmosphere, which causes subordinates' performance to improve in both quantity and quality.

REFERENCES

Abugre, J. B. 2017. *Relations at workplace, cynicism and intention to leave*. International Journal of Organizational Analysis, 25(2): 198-216.

Ahmad, F., Abbas, T., Latif, S., & Rasheed, A. 2014*. Impact of transformational leadership on employee motivation in telecommunication sector*. Journal of management policies and practices, 2(2), 11-25.

Andreani, F., & Petrik, A. 2016. *Employee Performance as the Impact of Transformational Leadership and Job Satisfaction* in Pt Anugerah Baru Denpasar. Jurnal Manajemen dan Kewirausahaan, 18(1), 25-32.

Avolio, BJ, Walumbwa, FO & Weber, TJ, (2009) *Leadership: current theories, research, and future directions*, Annual Review of Psychology, 60 (1),   421-449.

Babalola, S. S. 2016. *The effect of leadership style, job satisfaction and   Employee supervisor relationship on job performance and organizational commitment*. Journal of Applied Business Research (JABR), 32(3), 935-946.

Badeni. (2013). *Kepemimpinan dan Perilaku Organisasi*. ALFABETA. Bandung

Banik, S., Gao, Y., & Rabbanee, F. K. 2019. *Status demotion in hierarchical loyalty programs and its effects on switching: Identifying mediators and moderators in the Chinese context*. Journal of Business Research, 96: 125-134.

Dessler, Garry. 2000. *Human Resource Management*, Translation Edition, Jakarta. Erlangga

Garcia, M.V. J., Jimenez-Barrionuevo, M. M., & Gutierrez, L. 2012. *Transformational leadership influence on organizational performance through organizational learning and innovation*. Journal of Business Research, 65(7), 1040–1050.

Ghozali, I. dan Latan, H. 2006. *Partial Least Square : Konsep, Teknik Dan Aplikasi SmartPLS 2.0 M3*.Badan Penerbit Universitas Diponegoro. Semarang.

Goleman, D. 2004. *What Makes a Leader* . Harvard Business Review. pp. 1-11.

Hair, et.al. J. 2006. *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)* (2nd Edition). Thousand Oaks: Sage Publications, Inc.

Holidin, D. 2013. *Reformasi Birokrasi Dalam Praktek*. Kementerian Pendayagunaan Aparatur Negara dan Reformasi Birokrasi. Jakarta

Iko Afe, C. E., et all. 2019. *Perceived organizational climate and whistleblowing intention in academic organizations: evidence from Selçuk University (Turkey).* Eurasian Business Review, 9(3), 299-318. doi:10.1007/s40821-018-0110-3

Islam, M. N., Furuoka, F., & Idris, A. 2020. *Employee championing behavior in the context of organizational change:* a proposed framework for the business organizations in Bangladesh. Journal of Asia Business Studies, ahead-ofprint(ahead-of-print)

Kotler, Philip. 1991. *Manajemen Pemasaran : Analisa Perencanaan,   Implementasi dan Pengendalian*. Jilid keenam. Jakarta : Erlangga

Luthans, F. (2006). *Organizational Behavior: An Evidence-Based Approach*. New York: McGraw-Hill. Mahoney, T.A, T. H. Jerde and S.J. Carroll. 1963. *Development of Managerial performance: A Research Approach*. Cincinnati, Ohio: South Wester Publishing Co

Ma'muroh, S dkk. 2023. *Pengaruh Iklim Organisasi, Budaya Kerja dan Linkungan Kerja Terhadap Kinerja Pegawai dengan Kepuasan Kerja Sebagai Variabel Mediasi* Pada Sekretariat Daerah Kabupaten Tegal. Jurnal PERMANA. Volume 15, No. 2, Halaman 266- 287

Mardiasmo, 2016. *Akuntansi Sektor Publik*. Gramedia. Jakarta.

Muenjohn, N., & Armstrong, A. 2007. *Transformational leadership: The influence of culture on the leadership behaviors of expatriate managers*.   International Journal of Business and Information, 2(2).

Moeheriono. 2014. *Pengukuran Kinerja Berbasis Kompetensi*. PT Rajagrafindo Persada. Jakarta

Omar, W.W., & Hussin, F. 2013. *Transformational Leadership Style and   Job Satisfaction Relationship*: A Study of Structural Equation Modeling, International Journal Of Academic Research in Business and Social Sciences, 3(2), 346-365.

Schiffman, L.G dan Kanuk, L.Z. 2007. *Consumer Behavior*. Eight Edition, New   Jersey: Pearson Education

Sharma, M.K and Jain, S. 2013. *Leadership Management: Principles, Models and Theoris*. Global Journal of Managemen t and Business Studies. Vol 3,   Number 3, pp. 309-318. http://www.ripublication.com/gjmbs.htm

Shibru, B., & Darshan, G. M. 2011. *Transformational leadership and its relationship with subordinate satisfaction with the leader* (The case of leather industry in Ethiopia). Interdisciplinary Journal of Contemporary Research in Business, 3(5), 686-697

Shmueli, G. et al. 2019. *Predictive Model Assesment in PLS-SEM: guidelines for using PLSpredict.* Europaean Journal of Marketing, 53(11), 2322-2347. https://doi.org/10.1108/EJM

Stringer, Robert. 2002. *Leadership and Organizational Climate: The Cloud Chamber Effect*. New Jersey: Prentice Hall

Sugiyono, 2011. *Metode Penelitian Kuantitatif-Kualitatif dan R & D*. Alfabeta,CV. Bandung.

Widayati, C.C. & Gunarto, W. 2017. *The Effects of Transformational Leadeship and Organizational Climate on Employee's Performance*. International Journal of Economic Perspectives, 11(4), 499-505.