

THE INFLUENCE OF TRANSFORMATIONAL LEADERSHIP AND TRANSACTIONAL LEADERSHIP IN CONFLICT MANAGEMENT AT PT POS INDONESIA MAIN BRANCH OFFICE MANADO

PENGARUH KEPEMIMPINAN TRANSFORMASIONAL DAN KEPEMIMPINAN TRANSAKSIONAL DALAM MANAJEMEN KONFLIK DI PT POS INDONESIA KANTOR CABANG UTAMA MANADO

By:

Andreas D. Pongoh¹

Paulus Kindangen²

Regina T. Saerang³

¹²³International Business Administration, Management Program,
Faculty of Economics and Business
University of Sam Ratulangi Manado

E-mail:

¹andreasdpo@gmail.com

²pkindangen@unsrat.ac.id

³regina.saerang@unsrat.ac.id

Abstract: Human resource becomes one of the very important aspect in the organization in order to be able to mobilize the rest of the resources. In the organization, it is hard to avoid conflict and conflict also might bring damage, to deal with organizational conflict, the leadership role and skill become important to be implemented and good leadership is become the alternative solution. This research aims to analyze the influence of transformational and transactional leadership in conflict management in PT Pos Indonesia Main Branch Office Manado. This research uses quantitative method with questionnaires used to collect the data, and Multiple Linear Regression as the tool of analysis. As the total sample are 47 employees. The result shows that transformational leadership style has a positive relationship and a significant influence toward conflict management also transactional leadership style has a positive relationship and a significant influence toward conflict management at PT Pos Indonesia Main Branch Office Manado. From the results, it is suggested for the company to consider about having an improvement in human resource, with the application of transformational leadership and transactional leadership style in managing conflicts.

Keywords: *transformational leadership, transactional leadership, conflict management*

Abstrak: Sumber daya manusia menjadi salah satu bagian yang terpenting dalam sebuah organisasi dalam menjalankan sumberdaya yang lain. Dalam sebuah orgaanisasi, adalah sangat sulit untuk menghindari konflik dan konflik juga dapat membawa dampak buruk bagi perusahaan. Untuk megatasi konflik peran dan kemampuan pemimpin menjadi penting untuk diterapkan dan kepemimpinan yang baik menjadi solusi alternatif. Penelitian ini adalah untuk menanalisa pengaruh kepemimpinan transformasional dan kepemimpinan transaksional dalam manajemen konflik di PT Pos Indonesia kantor cabang utama Manado. Menggunakan metode kuantitatif dengan kuesioner untuk mengumpulkan data dengan Regresi Linear Berganda sebagai alat untuk menganalisa data. Sampel dari penelitian ini adalah sejumlah 47 orang. Hasil dari penelitian ini menunjukkan bahwa kepemimpinan transformasional hubungan positif dan pengaruh yang signifikan terhadap manajemen konflik dan kepemimponan transaksional memiliki hubungan positif dan pengaruh signifikan terhadap manajemen konflik di PT Pos Indonesia kantor cabang utama Manado. dari hasil, disarankan untuk perusahaan untuk melakukan improvisasi dalam sumber daya manusia, dengan pengaplikasian dari kepemimpinan transformasional dan kepemimpinan transaksional dalam manajemen konflik.

Kata kunci: *kepemimpinan transformasional, kepemimpinan transaksional, manajemen konflik*

INTRODUCTION

Research Background

Conflict happens in a company include in the human resources. It occurs whenever disagreements exist in a social situation over issues of substance or whenever emotional antagonisms create frictions between individual or groups. Conflict in organization can be classified into three types which are the task conflict, the relationship conflict, and the process conflict (Klein et al, 2011). For that conflicts are unavoidable, the leaders are directly involved into solving the problem in the conflict. The most widely used conflict management mode (Rahim, 1983) identified five modes. The following are the five modes of handling the conflict based on the level of concern for self and other; integrating, obliging, dominating, avoiding, and compromising modes. In order to deal with organizational conflict, the leadership role and skill become important to be implemented. A more focus should be given to the mission of educating and mentoring leaders so that leaders who assume suitable leadership traits would be successful in providing pleasant work relationships, instead of encouraging the presence of conflict which comes from a turbulent work relationship.

PT. Pos Indonesia main branch office Manado is one of state-owned enterprises in Indonesia. Previously the main product of PT. Pos Indonesia was delivery service for mails and packages, but now they expand their business into many more services such as payment, product selling, and remittance. The company also gives an opportunity to individuals who want to join or become their partner to open a delivery service under the name of PT. Pos Indonesia. PT. Pos Indonesia main branch office Manado employs many employees who are assign into various departments. With this large number of employees and departments, it is likely for the company to have conflicts that is required conflict management.

Research Objective

The research objectives are to identify the significant effect of:

1. Transformational leadership, transactional leadership toward conflict management simultaneously.
2. Transformational leadership toward conflict management partially
3. Transactional leadership toward conflict management partially.

THEORETICAL REVIEW

Human Resource Management

Human resource management is the key that determines the development of the company. It is the part of organization that concern with the human dimension (DeCenzo and Robbin, 1996:47). it is the process of acquiring, training, appraising, and compensating employees; and concerning about the relation between the company to their labor relation, health, safety, and fairness (Dessler, 2013:30).

Organizational Behavior

Organizational behavior refers to the collection of people or individuals that are working together to achieve a common purpose. This collection could be a variety of clubs, voluntary organizations, religious institutions, small and large businesses, labor unions, educational institutions, hospitals, government agencies, and so on. An organization is a coordinated unit that consists of at least two people or more who function to achieve the set goals (Gibson et. al., 2006:55).

Leadership

According to Keller (2012) leadership is a direction from individual to individual or a group of individual that working under him or her in such a way that their behavior becomes influenced. Leadership focused on group process leadership, skills approach, behavior approach, trait approach, situational approach, and many more that can be simplified as a process that involves influencing an individual or a group in effort toward objectives achievement (Hersey, Blanchard, Natemeyer, 1979). The central components of leadership which it is a process of transactional event of leaders and followers, occurs in group situations, involves influencing followers, and includes goal attainment. Leadership is an interpersonal influence that gets an individual or group to do what the leader wants to be done (Schermerhorn et al., 2005).

Transformational Leadership

Transformational leadership is defined as a leadership approach that causes change in individuals and social systems. Ideally transformational leadership creates positive and valuable changes in the followers or subordinates with the goal is developing followers into leaders. It enhance the motivation, morale and performance through a different variety mechanisms. Such as being a role model for followers and become their inspiration in workplace, challenging followers to take bigger sense of belonging to their work, understand both strengths and weaknesses of the followers so the whole organization will take the optimum in return (Schermerhorn et al., 2005). The concept of transformational leadership) is transformational leaders are charismatic leaders who influence followers and whose followers benefit from the influence. Transformational leadership focuses on the role of supervision, organization and group performance and concerned about day to day progress toward goal.

Transactional Leadership

Transactional leadership promotes compliance through supervision and the use of rewards and punishment. Transactional leadership is a process between leader and followers occurs in group, and it is a discipline practice that can be learned through education, self-awareness, self-management, and by managing relationship. It use rewards and punishment followers to influence and motivate follower behavior, do not look to change the future but maintain the status quo, and the transactional leaders accept the existing culture of the organization (Douglas, 2012). Transactional leadership into three dimensions which is contingent reward, active management by exception, and passive management by exception.

Conflict Management

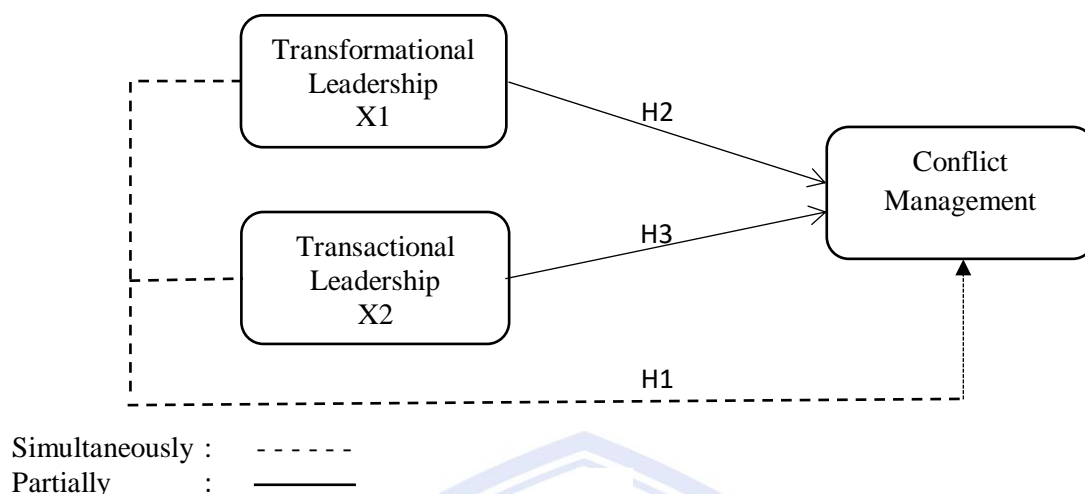
Conflict management is to dealing with the cause of the conflict with strategies and approach to resolve (Knapp, Putnan, Davi, 1988). Conflict management was synonymous with conflict avoidance. Its process was based on the assumption that all conflict is destructive and counter-productive to the organization (Madalina, 2016), Conflict management plays a very important role at the organization to prevent conflicts and for the employees to concentrate on their work. In general there are five different style of conflict management which are competing, accommodating, compromising, collaborating, and avoiding (Rahim,1983).

Previous Research

Erzen and Armagan (2015) conducted study about the effect of leadership in conflict management using meta analytic, with variables that were thought to have role in determining impact, the result showed that leadership has a small magnitude effect on conflict management

Yasdanifard and Andrus (2013) studied about the application of leadership style on organizational conflict. And highlighted the most common conflicts within an organization and apply the most well-known leadership styles which are transformational leadership style, transactional leadership style, and charismatic leadership style, and as the brief result this study stated that leadership roles should never be underestimated or undermined.

Lawless and Triff (2016) studied about managing interpersonal conflict at works by line managers. This study provides empirical evidence suggesting three sets of factors, namely, situational, personal and organizational aspects that influence the mode of handling conflict by line managers. Using mixed method to collect primary data from 19 managers, provides original findings on how line managers handle interpersonal conflicts, contributing to a better understanding of the under-researched area of the actual role of line managers in dealing with negative HR aspects.

Conceptual Framework**Figure 1. Conceptual Framework***Source: Data Processed, 2019***Research Hypothesis**

- H1: Transformational leadership and transactional leadership influence conflict management at PT. Pos Indonesia main branch office Manado simultaneously.
- H2: Transformational leadership influence conflict management at PT. Pos Indonesia main branch office Manado partially.
- H3: Transactional leadership influence conflict management at PT. Pos Indonesia main branch office Manado partially.

RESEARCH METHOD**Research Approach**

This research uses quantitative approach. Quantitative approach emphasizes objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques. Causal analysis is a research conducted to establish cause-and-effect relationship among variables. This is undertaken to find out the influence of Transformational Leadership (X1), Transactional Leadership (X2) in Conflict Management (Y) at PT. Pos Indonesia main branch office Manado.

Population, Sample, and Sampling Technique

The population of this research is 87 permanent employees of PT. Pos Indonesia main branch office Manado. Sample refers to a subset of a population comprises some member selected from it. The type of sampling used in this study is purposive sampling. The sample of this research is 47 permanent employee of PT. Pos Indonesia main branch office Manado.

Data Collection Method

This research analyzes the primary data to gather the information. The primary data of this study were taken from the questionnaires. The questionnaires were distributed to respondents so they can respond directly on the questionnaires

Operational Definition of Research Variables**Table 1. Variable Definition**

Variable	Definition	Indicators
Transformational Leadership (X1)	Leadership that inspires employees to trust the manager, perform behaviors that contribute to the achievement of organizational goals, and perform at a high level at PT.Pos Indonesia main branch office Manado.	<ul style="list-style-type: none"> - Idealized influence - Inspirational motivation - Intellectual stimulation - Individualized consideration
Transactional Leadership (X2)	Leadership that motivates employees by exchanging rewards for high performance and noticing and reprimanding subordinates for mistakes and substandards performance at PT.Pos Indonesia main branch office Manado.	<ul style="list-style-type: none"> - Contingent reward - Passive management by exception - Active management by exception
Conflict Management (Y)	Conflict management is a situation which occurs when the reasons for a conflict are eliminated.	<ul style="list-style-type: none"> - Accommodating - Collaborating - Compromising - Competing - Avoiding

Source: Author's Note, 2019

Validity and Reliability

Validity test is to see the validity of the questions, the researcher use Validity test. It is used to see whether the questions within the questionnaire are valid and in-line with the research. Validity refers to the degree to which evidence and theory support the interpretations of test scores entailed by proposed uses of tests. Reliability test is established by testing for both consistency and stability of the answer question.

Multiple Linear Regression

Multiple linear regression (MLR) is the suitable method of analysis when research problem consist of a single metric dependent variable estimated to be related to two or more metric independent variables. Multiple linear regression (MLR) are used to express the effect of independent variables and the dependent variable. The formula of linear regression (multiple linear regressions) in general as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

Description:

Y = Dependent Variable (Conflict Management)

X1 = Transformational Leadership

X2 = Transactional Leadership

β_1, β_2 = the regression coefficient of each variable

ε = Error

RESULT AND DISCUSSION**Result****Validity and Reliability**

Transformational Leadership (X1), Transactional Leadership (X2), and Conflict Management (Y) have a higher value than the rtable value that is 0.287. The significant level of each indicators of variables are below than significant level of 5% or 0.05. It means that every indicator in questionnaire in this research is valid and can be used for further analysis. The variable is reliable because the value of Cronbach's Alpha is 0,933 bigger than 0,7.

Result of Multiple Linear Regression Analysis**Table 2. Multiple Linear Regression Result**

		Coefficients ^a				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.381	2.930		.812	.421
	Transformational Leadership	.487	.183	.379	2.662	.011
	Transactional Leadership	.699	.189	.526	3.700	.001

a. Dependent Variable: Employee Resistance

Source: SPSS Output, 2019

Multiple regression analysis is used to determine the effect of the independent variables on dependent variable. The multiple linear regression equation can be interpreted as follows:

1. Constant value of 2.381 means that in a condition of ceteris paribus, if all independent variables equal to zero, then conflict management (Y) as dependent variable is 2.381.
2. Regression coefficient of Transformational Leadership (X1) is 0.487 means that if there is one unit increase in Transformational Leadership (X1), then the Conflict Management (Y) is increasing by 0.487 assuming the other variables are constant (ceteris paribus).
3. Regression coefficient of Transactional Leadership (X2) is 0.699 means that if there is one unit increase in Transactional Leadership (X2), then the Conflict Management (Y) is increasing by 0.699 assuming the other variables are constant (ceteris paribus).

Testing the Goodness of fit: Coefficient of Multiple Correlation (R) and Coefficient of Determination (R²)**Table 3. Result of R and R²**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.873 ^a	.761	.751	1.767

a. Predictors: (Constant), Transformational Leadership, Transactional Leadership

Source: Data Processed, 2019

The value of R is 0.873 indicating a strong relationship between independent and dependent variable. The value of R² is 0.761 or 76.1%. It means that Transformational Leadership and Transactional Leadership explain 76.1% of variation in the Conflict Management (Y), while the remaining 23.9% is explained by other factors outside the model or not discussed in this research.

Multicollinearity**Table 4. Multicollinearity Statistics**

Model	Collinearity Statistics		Status
	Tolerance	VIF	
Transformational Leadership	0.268	0.371	No Multicollinearity
Transactional Leadership	0.268	0.371	No Multicollinearity

Source: Data Processed, 2019

Table 4. shows the result of Multicollinearity test using Variance Inflation Factor (VIF). The tolerance of two independents variable that are Transformational Leadership (X1) and Transactional Leadership (X2) are same that is 0.268 and also the value of Variance Inflation Factor (VIF) is 3.731. If the value of VIF is below 10, so it means that there is no symptoms of multicollinearity between independent variable in the regression model.

Heteroscedasticity

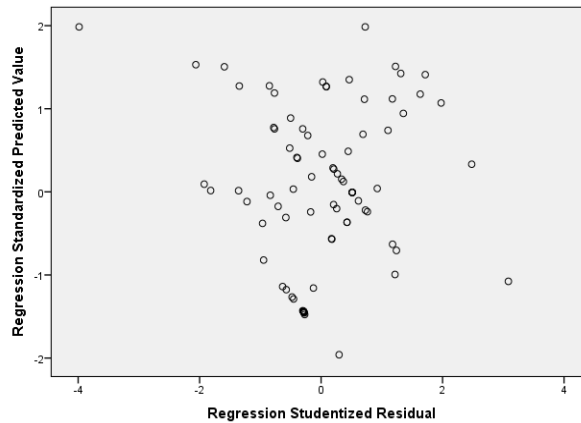
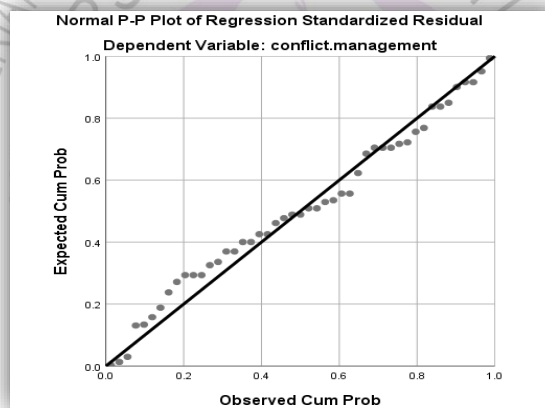


Figure 2. Heteroscedasticity Test

Source: Data Processed, 2019

Figure 2. shows that the dots are spreading above and below the number zero (0) in the Y axis. This proves that there is no heteroscedasticity in this regression model and can be used to predict the influence between dependent variable and independent variables.

Normality



Source: Data Processed, 2019

Figure 3. shows that the dots are spreading near to the diagonal line and follow the direction of the diagonal line. Therefore, the normality test is accepted which means the data of this research is normally distributed.

Hypothesis Testing

f-test

Table 5. Simultaneous Test (f-test Output)

		ANOVA ^a				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	438.479	2	219.240	70.189	.000 ^b
	Residual	137.436	44	3.124		
	Total	575.915	46			

a. Dependent Variable: Conflict Management

b. Predictors: (Constant), Transformational Leadership, Transactional Leadership

Source: Data Processed, 2019

Table 5. Shows the result of F-test in ANOVA output using the level of significance of 5% ($\alpha=0.05$). The $F_{\alpha(0.05)} = 3.20$. The number of $F_{count} > F_{\alpha(0.05)}$, $70.189 > 3.20$. Thus, the influence is significant. Based on the result, it shows that Transformational Leadership (X1) and Transactional Leadership (X2) as independent variables have significant influence on the Conflict Management as dependent variable simultaneously.

t-test

Table 6. Partial Test (t-test Output)

Variable	t_{count}	t_{table}	Description
Transformational Leadership (X1)	2.662	2.014	Accepted
Transactional Leadership (X2)	3.700	2.014	Accepted

Source: Data Processed, 2019

Table 6. Shows that for transformational leadership the $t_{count} > t_{\alpha(0.05)}$, $2.662 > 2.014$. Means that transformational leadership (X1) has significant influence on Conflict management (Y). In table 2. The result shows that the influence of X1 on Y is very significant with the number of 0.011.

For transactional leadership the $t_{count} > t_{\alpha(0.05)}$, $3.700 > 2.014$. Means that transactional leadership (X2) has significant influence on Conflict management (Y). In table 2. The result shows that the influence of X2 on Y is very significant with the number of 0.001.

Discussion

The independent variables are transformational leadership and transactional leadership that affect conflict management as dependent variable. A positive influence occurs when the independent variables increase, the dependent variable also increase. Based on the result, Transformational Leadership has a significant influence towards Conflict management partially. When the transformational leadership and transactional leadership increase the conflict management also gets better. Transformational leadership with its four indicators which are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration influence conflict management in PT Pos Indonesia main branch office Manado because this leadership style has something interesting about it. The employee in this organization feels comfortable with the fact that the conflict management is being handled in transformational leadership style. So based on that, the transformational leader who possesses all of the indicators of an idealized influence is able to inspire followers by motivating them, have an intellectual stimulation, and acknowledge an individual's well-being. Transactional Leadership has a significant influence towards Conflict management partially. the transactional leadership with all the three indicators which are contingent reward, active management by exception, and passive management by exception influence conflict management in PT Pos Indonesia Main Branch Office Manado. The result of this research is consistent with the result from the previous research conducted by Erzen and Amragan (2015) where it showed a positive relationship between transformational leadership and transactional leadership with conflict management.

CONCLUSION AND RECOMMENDATION

Conclusion

After examining the findings and discussing the result, the conclusions based on this research can be formulated as follows:

1. Transformational Leadership and Transactional Leadership have a significant influence to Conflict Management simultaneously.
2. Transformational Leadership have a positive relationship and significant influence to Conflict Management at PT Pos Indonesia Main Branch Office Manado.
3. Transactional Leadership have a positive relationship and significant influence to Conflict Management at PT Pos Indonesia Main Branch Office Manado.

Recommendation

In general there are supposed to have an improvement in human resource as one of the important aspect in PT Pos Indonesia Main Branch Office Manado, With a significant effect of transformational leadership and

transactional leadership in conflict management at PT Pos Indonesia Main Branch Office Manado, from now on the company from is expected to consider the application of transformational leadership style and transactional leadership style in managing conflict. Even the transformational leadership and transactional leadership has a significant effect in conflict management at PT Pos Indonesia Main Branch Office Manado, the company is expected to maintain the employee harmony, and prevent the future conflict that might arise and the writer hope that this research can be used as a reference in order to learn more about human resource ant to develop new idea that can be implemented towards human resource study.

REFERENCES

- DeCenzo, A., and Robbin, S. 1996. *Fundamental of Human Resource Management eight edition*. Pp 47. John Willey and Son Inc., New York.
- Dessler, G. 2013. *Human Resource Management Thirteenth Edition*. Pp 30. Pearson, New York.
- Douglas, I. 2012. The Moderating Role of Leader and Follower Sex in Dyads on The Leadership Behavior- Leader Effectiveness Relationship. *The Leadership Quarterly* 23. Pp 163 – 175, doi: 10.1016/j.lequa.2011.11.013. Available at <https://www.researchgate.net/publication/251637939> . Accessed on March 12th 2019.
- Erzen, E.,and Armagan, Y. 2015.The Effect of Leadership on Conflict Management. *Article*. Available at <https://www.researchgate.net/publication/273635901>. Accessed on March 24th 2019.
- Gibson, J.L., Ivancevich, J.M., Donnelly, Jr., and Konopaske, R. 2006. *Organizational; Behavior, Structure, Processes International Edition*. pp 55. McGraw-Hill, New York.
- Hershey,P., Blanchard, K.H., and Natemeyer, W. E. 1979. Situational Leadership, Perception, and the Impact of Power. *Group and Organization Studies*. Pp 418-428. Available at <https://journals.sagepub.com/doi/abs/10.1177/105960117900400404> . Accessed on April 12th 2019.
- Keller, R. T. 2012. Transformational Leadership, Initiating Structure and Substitutes for Leadership: A Longitudinal Study of Research and Development Project Team Performance. *Journal of Applied Psychology*, 91(1). Pp 202-210. Available at <https://www.researchgate.net/publication/7337581>. Accessed on April 20th 2019.
- Klein, K. J., Knight, A. P., Ziegert, J. C., Lim, B. C., and Saltz, J. L. 2011. When Team Members' Values Differ: The Moderating Role of Team Leadership. *Organizational Behavior and Human Decision Processes*, 114, Pp 25–36. Available at <https://www.sciencedirect.com/science/article/abs/pii/S0749597810000695>. Accessed on April 20th 2019.
- Knapp, M.L., Putnan, L.L., and Davi, L.J. 1988. Measuring Interpersonal Conflict in Organizations: Where Are We Go From Here?. *Management Communication Quarterly*, 1, pp 414 – 429 Available at <https://journals.sagepub.com/doi/10.1177/0893318988001003008>. Accessed on April 24th 2019.
- Lawless, J., and Triff,A. 2016. Managing Intrapersonal Conflict at Work by line Manager. *Irish Journal of Mangement*. Pp 74 – 87 DOI: 10.1515/ijm-2016-0005. Available at <https://www.researchgate.net/publication/283088913>. Accessed on April 20th 2019.
- Madalina, O. 2016. Conflict Management, A New Challenges. *Procedia Economics and Finance*. 39 (2016) 807 – 814. Available at <https://www.sciencedirect.com/science/article/pii/S2212567116302556>. Accessed on April 21st 2019.

Rahim, M.A. 1983. Measures of Styles of Handling Interpersonal Conflict. *Academy of Management Journal*, 26(2), pp 368 – 376. doi.org/10.2307/255985. Available at <https://psycnet.apa.org/record/1983-27060-001>. Accessed on March 28th 2019.

Scermerhorn. John R., Hunt J.G., and Osborn. R. N. 2005. *Organizational Behavior 9th Edition*. John Willey and Son Inc., New York.

Yasdanifard, R., and Andrus, P. 2013. The Application of Leadership Styles on Organizational Conflict. *Article*. Available at <https://www.researchgate.net/publication/256295600> Accessed on April 5th 2019.

