THE IMPACT OF TRANSFORMATIONAL LEADERSHIP AND JOB CHARACTERISTICS ON EMPLOYEE ENGAGEMENT IN BANK BRI KC BOULEVARD MANADO

PENGARUH KEPEMIMPINAN TRANSFORMASIONAL DAN KARAKTERISTIK PEKERJAAN TERHADAP KETERLIBATAN KARYAWAN DI BANK BRI KC BOULEVARD MANADO

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Abstract: This research aims to analyze the impact of transformational leadership and job characteristics on employee engagement in Bank Rakyat Indonesia, Manado boulevard branch office. This study uses quantitative methods. The data collection method by a questionnaire measured with the Likert scale method given to 30 respondents that works in Bank BRI KC Manado Boulevard. The analytical tool used is Multiple Linear Regression by using the SPSS Program. The results of this study indicate that transformational leadership and job characteristics have a positive influence on employee engagement in PT. Bank Rakyat Indonesia, Manado Boulevard branch. The transformational leadership variable has a positive effect on employee engagement, and job characteristics have no effect on employee engagement.

Keyword: transformational leadership, job characteristics, employee engagement

INTRODUCTION

Research Background

Human resources have a major role in every activity of the company. Although the company has been supported by the infrastructure and natural resources, without the support of qualified human resources activities, the company will not be able to compete properly. As the key, human resources will determine the successful execution of the company's activities. Companies that are ready to compete must have effective management in improving the performance of employees which is necessary for employees to have qualified and competent skills in their field (Wua, 2015). In the banking sector, employees are expected to work optimally to achieve the company's vision and mission. By achieving the company goals, it concluded that the existing human resources in the company work optimally. One of the supporting factors of employee engagement absence is the type of leadership applied by the managerial level in the company, if a manager cannot carry out his role properly, there will be many problems that affect employees such as lack of motivation, employees also cannot feel the figure of a manager who can encourage them, supportive, and have the power to influence the employee. Another factor is
job characteristics, if it is not in accordance with the employees then the result is boredom, low ability to do the job and resulting in low performance ability. The negative side will result in a low level of employee engagement. Hackman and Oldham (1976) describe job characteristics as a set of variables that relate the core nature of a job to conditions that are widely believed to be the root causes of worker behavior. Schaufeli and Salanova (2007) found that job characteristics such as performance feedback, opportunities for learning, social support from supervisors and peers, skill diversity, and autonomy are associated with job engagement. Previous research has stated that job characteristics are the most important factors when predicting engagement in terms of both aspects of intensity, dedication and preoccupation (Janhwa, 2011).

PT Bank Rakyat Indonesia (BRI), Tbk consistency in presenting sustainable business growth is increasingly being recognized internationally. BRI has also been named the largest public company in Indonesia in the Forbes 2022 Global 2000 World’s Largest Companies ranking for eight consecutive years. The achievement cannot be separated from the company performance which has been able to continue to grow positively for more than 100 years. In order to manage the employee, Bank Rakyat Indonesia truly understands the importance, and several actions have been taken by the company. One of the challenges regarding leadership at Bank BRI is that people who occupy managerial positions are often transferred to other sections or branches, so that people who act as leaders often change. This is a challenge for both the employees and managers because both of them have to adapt to each other, because each manager has its own personality and characteristics that make them appear different. Employees are required to be able to adjust to the leadership style adopted by the new manager. The discrepancy and lack of capability of a manager to carry out his role as a transformational leader has a direct impact on employee engagement. Morales, Barrionuevo and Gutierrez (2012) show that leadership change has a positive impact on organizational performance as it fosters a culture of innovation and dynamism, and continues to learn in the face of environmental change.

The level of employee engagement at Bank BRI Boulevard is considered low, this is becoming a major concern for the company so that it can immediately boost employee engagement. If employee engagement is high, it will also have a good impact on the company, so the company can achieve its main goals. Employees who are engaged in their work will automatically give themselves fully to the company or in other words they dedicate themselves to the company. They tend to enjoy and love what they do and give to the company, but the reality is that employees do their job only because it is the duty and responsibility that has been given to them, without any sense of willingness to do the job with pleasure. Of Course, the output of the work will be different when employees are forced and when they are fully engaged and enjoy working, when employees are engaged, they tend to put in their maximum effort and it will bring the best results which will certainly be profitable for the company. There are many factors that influence employee engagement in companies, one of which is the leadership style and job characteristics applied in the company.

Research Objective
The research objectives used are as follows:
1. Analyze Transformational Leadership and Job Characteristics influence on Employee Engagement in Bank BRI KC Boulevard Manado
2. Analyze Transformational Leadership influence on Employee Engagement in Bank BRI KC Boulevard Manado
3. Analyze Job Characteristics influence on Employee Engagement in Bank BRI KC Boulevard Manado

THEORETICAL FRAMEWORK

Employee Engagement
The concept of engagement was first introduced by Kahn in 1990. Kahn (1990) said that engagement is a situation where employees identify themselves with their work. Employees who have engagement will express themselves physically, cognitively and emotionally at work. Kahn (1990) added that engagement is a condition of optimal use of self that is present both physically and psychologically in carrying out its role as an employee in the organization.

Transformational Leadership
Transformational leaders pay attention to the needs and developments of their followers. They also encourage their followers to see the old problems with a fresh angel, and they have the ability to inspire and
motivate their followers to make more efforts to achieve organizational goals. The characteristics of transformational leaders are as follows: influencer, inspirational motivator, able to stimulate subordinates’ intellect and shown careful consideration (Nurcahyo et al., 2018).

**Job Characteristics**

Job Characteristics is a theory that can determine the conditions of a task where individuals are expected to succeed in their work. Specifically, the job characteristic model is a reference used in enriching some aspects of a job which is an effective way to change the psychological state of employees to increase the effectiveness of their work (Hackman and Oldham, 1976).

**Previous Research**

Mozammel and Haan (2016) aimed to determine the connection concerning transformational leadership and engagement among personnel in the banking sector in Bangladesh. The independent variable was transformational leadership, which relates to the capability of the leader to provide an environment that engages their employees. The dependent variable was work engagement, which pertains to the level of commitment among employees in the organization. The main research question examined the correlation between the study variables among employees in the branch-banking sector in Bangladesh. The outcomes of this study revealed that in a work environment, applying transformational leadership style does not assure that the employees will be fully engaged. However, the results of the current study are not aligned with the existing body of literature on transformational leadership and employee engagement.

Mulyana, Sari and Riksaraka (2020) determined the applied job characteristics model and employee engagement, as well as the effect of the job characteristics model on employee engagement at PTPN VIII Dayeuhmanggung Garut. The data analysis technique used is descriptive analysis, classical assumption test, correlation analysis, simple regression analysis, and the coefficient of determination. The results of this study indicate that the job characteristics model and employee engagement at PTPN VIII Dayeuhmanggung are classified as good, and there is a positive effect of the job characteristics model on employee engagement, meaning that any added value of the job characteristics model will have an effect on the addition of employee engagement values.

Sayuti, Hazizma and Detmuliati (2021) aimed to show that support of organizations relate to perception of employees to which an organization benefits from the contribution link of concern for employee welfare. Engagement of employees is the degree of commitment and involvement of employees to the organization and its values. This study proposes a relationship between perceptions of organizational support, job characteristics and employee engagement. Findings of the survey explain that support of organization plays an important role in encouraging employee involvement. However, on the contrary, job characteristics are not a driving force for employee engagement.

**Conceptual Framework**

![Figure 1. Conceptual Framework](Source: Theoretical Review, 2023)

**Research Hypothesis**

H1: Transformational Leadership and Job Characteristics suspected to have positive influence on Employee Engagement

H2: Transformational Leadership suspected to have positive influence on Employee Engagement

H3: Job Characteristics suspected to have positive influence on Employee Engagement
RESEARCH METHOD

Research Approach
This type of research is quantitative research, namely research that aims to answer or test the hypothesis that has been set based on a particular population or sample, as well as using a research instrument.

Population, Sample, and Sampling Techniques
The population for this research is the workers in Bank BRI KC Boulevard Manado. In this research sampling technique used is purposive sampling. The total respondents are 30 respondents. The criteria for respondents are workers under the level of a manager.

Data Collection Method
The data used in this research are primary and secondary data. The primary is in the form of a questionnaire that has been distributed to the respondent who works in Bank BRI, and for the secondary data or the written source is from textbooks, and journals.

Operational Definition of Research Variables
3. Employee Engagement indicators: Vigor, Dedication, and Absorption

Testing of Research Instruments
Validity and Reliability Tests
A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire. The results of the validity test are said to be valid if the probability value is less than 0.05 while the probability value is greater than 0.05 indicating that the item statement is invalid. Another way to measure validity is by comparing the total value of the r count and r table. A questionnaire is said to be reliable if someone’s answer to a statement is consistent or stable over time. This research used the statistical test Cronbach Alpha. A construct or variable is said to be reliable if it gives a Cronbach Alpha value >0.06.

Classical Assumption Test
Normality
The normality test is carried out on a series of data with the aim of knowing whether the data population is normally distributed or not. If the data is normally distributed, parametric statistical tests can be used. Meanwhile, if the data is not normally distributed, a non-parametric statistical test is used. If the p value >0.05, it can be said that the data tested has a normal distribution.

Multicollinearity
The multicollinearity test aims to test whether the regression model found a correlation between independent variables by looking at the tolerance and opposite value, as well as the VIF. The cutoff value that is commonly used to indicate the presence of multicollinearity is a tolerance value <0.10 or equal to a value >10.

Heteroscedasticity
The heteroscedasticity test aims to test whether the regression model there is an inequality of variance from one residual to another observation. A good regression model is the one with homoscedasticity.

Hypothesis Test
F-Test and T-Test
The F test was conducted to determine the effect of the independent variables on the dependent variable. The T test is used to find out how far the independent variable is from the dependent variable.
RESULT AND DISCUSSION

Result

Validity and Reliability Tests

Based on the test result, it shows the data of validity test for all of the items, The r count value is greater than the r table which is 0.361, Based on the significance value of all variables is <0.05, it can be concluded that all items are valid. The value of Cronbach Alpha is 0.936, 0.919, and 0.913. According to the test result, all measuring instruments have a reliability coefficient that meets the requirements score of > 0.6. Therefore, the measuring instrument can be said to be adequate for use in research.

Classical Assumption Tests

Normality Test

Figure 2 shows the data form an approximately straight line among the lines. The normal distribution appears to be a good fit to the data.

Heteroscedasticity Test

According to the data result, it can be seen that the dots spread randomly, do not form a clear pattern, and are spread both above and below the number 0 (zero) on the Y axis, this means that there are no symptoms of heteroscedasticity on the processed regression model.

Multicollinearity Test

Table 1. Multicollinearity Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>I (Constant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational Leadership (X1)</td>
<td>.244</td>
<td>4.094</td>
</tr>
<tr>
<td>Job Characteristics (X2)</td>
<td>.244</td>
<td>4.094</td>
</tr>
</tbody>
</table>

According to the data, the tolerance value of Transformational Leadership is .244, and for Job Characteristics is .244, this shows that the Tolerance value is above 0.1. The VIF Value of Transformational Leadership is 4.094, while the VIF value for Job Characteristics is 4.094, both are less than 10.00. Means that this research is free from multicollinearity.
Multiple Linear Regression Analysis

Table 2. Multiple Linear Regression

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>-.296</td>
<td>3.516</td>
</tr>
<tr>
<td>Transformational Leadership (X1)</td>
<td>.476</td>
<td>.137</td>
</tr>
<tr>
<td>Job Characteristics (X2)</td>
<td>.246</td>
<td>.126</td>
</tr>
</tbody>
</table>

Source: Data Processed, 2023

- Constant = -.296, is a constant or condition when the employee engagement variable has not been influenced by other variables, namely the transformational leadership variable (X1) and the job characteristics variable (X2). If there is no independent variable, the employee engagement variable will not change.
- The regression coefficient value of X1 is .476, indicating that the Transformational Leadership variable has a positive influence on employee engagement, which means that every increase of 1 unit price variable will affect employee engagement by .476, assuming that other variables are not examined in this study.
- The regression coefficient value of X2 is .246, indicating that the Job Characteristics variable has a positive influence on employee engagement, which means that every 1-unit price increase will affect employee engagement by .246, assuming that other variables are not examined in this study.

Table 3. The Coefficient of Determination (R^2)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.899^{a}</td>
<td>.808</td>
<td>.794</td>
<td>2.70310</td>
<td>1.311</td>
</tr>
</tbody>
</table>

Source: Data Processed, 2023

The multiple correlation coefficient is indicated by (R) of .808 or 80.8% which means that the correlation or relationship between the independent variables consisting of transformational leadership and job characteristics together with employee engagement has a strong relationship.

Hypothesis Testing

T-Test

T test can be done by comparing the significance value of the t value of each regression coefficient with a significant level of 95% or (α = 0.05). T test also can be measured by comparing the t table and t count values.

1. Testing the effect of the Transformational Leadership variable on Employee Engagement obtained a t value of 3.481 > t table value of 2.052 with a significance of Transformational Leadership variable of .002 < a significance level of 0.05. This means that Transformational Leadership has a positive effect on Employee Engagement.
2. Testing the effect of the Job Characteristics variable on Employee Engagement obtained a t value of 1.982 < t table value of 2.052 with a significance of the Job Characteristics variable of .061 > a significance level of 0.05. This means that Job Characteristics has a negative effect on Employee Engagement.

Table 4. T-Test Result

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

Source: Data Processed, 2023

F-Test

Based on the results of the SPSS data it can be seen that the value of F is 56.912, with a significance level of 0.000 and because the probability level of significance is much smaller than 0.05 or (α=5%), so the regression model can be used to predict Employee Engagement. For the calculated F value of 56.912 > F table 2.92, the hypothesis is accepted, so the hypothesis which states that there is a significant influence between the
Transformational Leadership (X1) and Job Characteristics (X2) variables simultaneously on the dependent variable Employee Engagement (Y) is acceptable.

Table 5. F-Test Result

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>831.684</td>
<td>2</td>
<td>415.842</td>
<td>56.912</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>197.283</td>
<td>27</td>
<td>7.307</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1028.967</td>
<td>29</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data Processed, 2023

Discussion

Transformational Leadership and Job Characteristics on Employee Engagement

Research has found there is a very significant influence together of transformational leadership and job characteristics on employee engagement. When these variables are combined and applied properly by the company, it will increase employee engagement in employees. As proposed by Whittington and Galpin (2010) that in order to build and improve employee engagement, factors builders are behavior of transformational leaders, and an increase in job characteristics. It shows how important and how it affects the role of adapting the transformational leadership style of the company. Based on the result of the analysis and discussion carried out, the researcher provided several suggestions that can contribute to improving the Employee Engagement, the goals are for the employees to engage fully on their work, to dedicate themselves. In order to achieve the goals, the company should pay more attention to their leaders and how well they play out their role as the manager. The employee will need a manager who is able to communicate well with them, who motivates, listens and encourages the employee to give more to the company. When the employee feels like they are being listened to by their manager, they are more likely to feel comfortable and respected and it will result in their engagement with the company.

Transformational Leadership on Employee Engagement

Based on the results of statistical analysis, the significance value of Transformational Leadership is .002 < 0.05 where the significance value is smaller than the alpha. While t count value 3.481 > t table 2.052 where the t count has a greater value than t table. According to the hypothesis test result, we can say that transformational leadership is associated with increased employee engagement, which indicates that, linearly, a rise in employee engagement is accompanied by a rise in transformational leadership. With the transformational leadership style implemented by the leader or supervisor at the managerial level, this will further increase the sense of employee engagement among employees in the company, also the better the Transformational Leadership style adopted by the leader, the higher the level of Employee Engagement of an employee. This means that when leaders apply a transformational leadership style it will lead to factors of employee engagement, namely employees have a high level of energy, they enjoy and are able to fully concentrate on their job, and also dedicate themselves to the company. The results of this study are in line with the research of Zebua (2017) which shows that there is a significant effect on transactional and transformational leadership styles on employee work productivity simultaneously or partially by 0.675 or 67.5%. While the remaining 0.325 or 32.5% is influenced by other variables not used in this study. This also matches the study Balwant et al. (2019) on transformational leadership and employee engagement, which found a positive correlation. Transformational leadership is associated with employee engagement, according to the study's findings (Chin, Lok and Kong, 2019). The results also align with those of other studies that found that transformational leadership is positively associated with employee engagement (Breevaart et al., 2014). Based on much research that tries to understand about the effect of these two variables, most of them came with the result that the Transformational leadership style are working effectively in the company. The implementation of this leadership style in bank BRI Boulevard also work efficiently. The manager is required to continue to improve in carrying out their duties as a leader. Because apart from being a manager they are also a role model in the company. Then they are expected to continue to maintain good relations with employees, and to inspire and encourage employees which will have a positive impact on employee engagement. Based on the result of the analysis and discussion carried out, the researcher provided several suggestions that can contribute to improving the adaption of transformational leadership, the leader should pay more attention to how they treat and behave around the employee. Because as a role model, managers are expected to appear perfectly so that the employee will see the good things and aspire to be like their managers. a charismatic and inspirational leaders will help the employee to bring out the best version of themselves. The leaders should
also be willing to always learn and to keep on improving, because intellectual leaders will build trust and respect from the employee.

Job Characteristics on Employee Engagement

Based on the results of statistical analysis, the significance value of Job Characteristics is 0.061 > 0.05 where the significance value is greater than the alpha. While t count value 1.958 < t table 2.052 where the t count has smaller value than t table. According to the hypothesis test result, it can be concluded that Job Characteristics has no effect on Employee Engagement. This study indicates that Job Characteristics has no significant effect on Employee Engagement in PT Bank Rakyat Indonesia, Branch Manado Boulevard. This study is in line with research by Haribowo and Rezeki (2023) that shows there is no positive influence of Job Characteristics on Employee Engagement, with significance value and regression coefficient having negative value. In contrast, the calculated t values obtained are more minor than t tables. That shows the absence of influence of Job Characteristics on Employee Engagement. Another research is a survey conducted by Wildermuth and Pauken (2008), the two researchers conducted field studies using interviews with the result that there are employees who feel engaged because the effects of work can help their co-workers, there are also employees who feel bound if the job that he does has benefits for the company. In the end these two answers lead to the results of previous research which revealed that they feel engaged when their work becomes meaningful (Kahn, 1990). Based on the result of the analysis and discussion carried out, the researcher provided several suggestions that can contribute to improving the Job Characteristics on the company. Considering that based on this research there are still many aspects of job characteristics that don't have a significant effect on employee engagement. Some things that might be improved are job design for each employee. This is expected to help increase employee engagement. By realizing that the work they are doing is independent work and a reflection of their performance, can increase employee dedication and insight into their work.

CONCLUSION AND RECOMMENDATIONS

Conclusion

This study aims to examine the impact of Transformational Leadership and Job Characteristics on Employee Engagement. Based on the results of the statistical analysis that has been carried out, the following results can be obtained:

1. Transformational Leadership and Job Characteristics have positive influence on Employee Engagement in PT. Bank Rakyat Indonesia, Manado Boulevard Branch.
2. Transformational Leadership has a positive influence on Employee Engagement in PT. Bank Rakyat Indonesia, Manado Boulevard Branch.
3. Job Characteristics have a negative influence on Employee Engagement in PT. Bank Rakyat Indonesia, Manado Boulevard Branch.

Recommendations

Based on the research that has been done, the researcher provides several suggestions that are expected to be helpful and useful for the company, as well as for further research. Suggestions from researchers are as follows:

1. Further research to expand the population and research sample used to look more objectively and comprehensively. In order to get better results, increase the number of respondents who became the object of research. With a large population being studied is one way to get better research results.
2. PT. Bank Rakyat Indonesia Manado Boulevard Branch to continue to improve its leadership performance to make it more efficient and it is hoped that this will have a positive impact on employee productivity and increase employee engagement within the company.
3. The company should be consistent in adapting this Transformational Leadership style, and it is better for the company to consider giving the manager a special training, and do evaluation from time to time to see whether this leadership style is being implemented and work efficiently in the company. The managers also should be engaged in the company in the first place so that he or she can help influence other employees.
4. Because the Job Characteristics variable has no effect on employee engagement, there is a possibility that there are other influencing factors which are beyond the limitations of this research, suggestion for future research is to consider it.
REFERENCES


