

The Influence of Transformational Leadership Style on Employee Performance through Job Satisfaction as a Mediating Variable

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Abstract

This study aims to analyze the effect of transformational leadership style on employee performance, with job satisfaction as a mediating variable. Transformational leadership, which involves motivation, inspiration, and attention to individual employee needs, is believed to enhance performance through improved job satisfaction. Data were collected from 50 employees of PT. Sukses Makmur Surabaya using a quantitative method with path analysis. The results show that transformational leadership has a significant positive effect on job satisfaction ($\beta = 0.613$) and employee performance ($\beta = 0.312$). Additionally, job satisfaction has a significant positive effect on employee performance ($\beta = 0.427$). The Sobel test confirms that job satisfaction mediates the relationship between transformational leadership and employee performance with a Z value of 3.011 ($p < 0.05$). These findings suggest that job satisfaction boosts employee motivation and commitment, which in turn drives better performance. Practical implications of these findings are that organizations should focus on developing transformational leadership styles and creating a supportive work environment to improve both job satisfaction and employee performance.

Keywords: Transformational leadership, Job satisfaction, Employee performance, Mediation, Motivation

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Introduction

In organizations, leaders play a crucial role in influencing employee performance. Effective leadership not only enhances individual motivation and performance but also creates a supportive work environment for employee growth and development (Akdere, M., & Egan, T., 2020; Hilton, S., et al., 2021). One leadership approach that has received widespread attention is transformational leadership (Kawiana, I., et al., 2020). This leadership style emphasizes motivation, inspiration, and attention to individual employee needs, which can create a positive work environment and increase job satisfaction. In this context, job satisfaction plays a crucial role in bridging the gap between transformational leadership and employee performance (Putri, N., & Meria, L., 2022).

Transformational leadership, first introduced by James MacGregor Burns in 1978, prioritizes transformation in followers by inspiring them to contribute more, not only for their own personal benefit but also for the benefit of the organization as a whole (Mariyatha, I., 2023; Kishen, K., et al., 2020). This type of leadership involves four main dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Based on these dimensions, transformational leaders not only motivate employees through direction and supervision, but also encourage them to develop their potential and feel valued in the organization (Walean, R., 2022).



Although numerous studies have shown that transformational leadership has a positive impact on employee performance, the direct effect is sometimes not always significant. This raises questions about the mechanisms linking transformational leadership styles to improved performance. One answer found in the literature is the role of job satisfaction as a mediating variable. Job satisfaction can be considered a "bridge" connecting transformational leadership to improved performance. In this context, high job satisfaction can increase employee motivation and commitment, which in turn encourages them to work harder and better, thus improving their performance (Basalamah, M., 2023; Firdaus, A., et al., 2024).

Transformational leadership has significant potential to improve employee performance, but its impact is often influenced by other factors, such as job satisfaction. Research shows that transformational leadership can foster higher motivation among employees, increase their engagement in their work, and foster their continuous self-development (Almarshedi, S., & Ismael, A., 2024). In other words, transformational leaders inspire employees to not only achieve organizational goals but also to grow personally. This, in turn, creates a more positive work environment, which in turn increases job satisfaction (Almarshedi, S., & Ismael, A., 2024).

Job satisfaction itself, according to numerous studies, is closely related to employee motivation and performance. Employees who are satisfied with their jobs tend to be more enthusiastic in carrying out their duties, more committed to achieving organizational goals, and more creative in solving problems. High job satisfaction also encourages employees to work harder, strive for better results, and even exhibit extra-role behaviors that support organizational development (Purnomo, J., et al., 2024). This suggests that job satisfaction plays a significant role in mediating the relationship between transformational leadership and employee performance.

Several studies have shown that although transformational leadership often has a positive impact on performance, its direct influence is not always consistent (Anshori, M., et al., 2020). This may be due to a lack of attention to the aspect of job satisfaction, which in fact can function as a factor linking transformational leadership to performance. For example, a study conducted by Avolio and Bass (1995) found that although transformational leadership can increase motivation, its effect on performance may be more pronounced when employees are satisfied with their jobs.

As a mediating variable, job satisfaction serves to strengthen or weaken the relationship between transformational leadership and employee performance. Research shows that leaders who are able to create a supportive work environment, by paying personal attention to employees' needs and inspiring them, will increase levels of job satisfaction. Consequently, employees who feel valued and encouraged by their leaders tend to perform better. Increased job satisfaction leads to a stronger sense of engagement and commitment to the organization, which ultimately contributes to improved individual performance (Santya, I., & Dewi, I., 2022). Transformational leadership directly influences job satisfaction, which in turn affects employee performance. In this regard, a leadership style that supports employees in achieving their personal goals and recognizes their contributions to the organization strengthens their internal motivation, which impacts their overall performance. Transformational leadership has a strong positive relationship with job satisfaction, and job satisfaction acts as a crucial link in influencing employee performance (Curado, C., & Santos, R., 2021).

The relationship between transformational leadership, job satisfaction, and employee performance is further explained in recent studies, which show that although transformational leadership has a direct effect on performance, its effectiveness becomes more significant when job satisfaction is considered as a mediating variable (Karyaningsih, P., et al., 2021). In other words, leaders who can increase employee job satisfaction will create a strong foundation for achieving better performance. This suggests that relying solely on a transformational leadership style is insufficient without addressing employees' emotional and psychological well-being, which significantly impacts their performance. The practical implications of these findings suggest that organizations should not only implement a transformational leadership style but also ensure that employees are satisfied with their work. High job satisfaction will increase motivation, which in turn drives better performance. Therefore, leaders should focus

not only on achieving organizational goals but also on employee well-being and satisfaction (Minten, A., 2020).

This research also indicates that companies and organizations need to develop more integrated strategies, involving the development of transformational leadership capabilities on the one hand, and improvements in aspects that influence job satisfaction on the other (M., Malik, N., & Mohyi, A., 2022). For example, companies can organize training programs for leaders to improve their skills in providing constructive feedback, inspiring employees, and paying more attention to their personal needs (Anindya, A., et al., 2020). At the same time, companies can also introduce policies that focus more on improving employee well-being, including flexible working hours, attractive incentives, and clear career development programs (Faqih, M., et al., 2024).

The purpose of this study is to analyze the influence of transformational leadership style on employee performance, by identifying the role of job satisfaction as a mediating variable linking the two factors. This study aims to reveal the extent to which transformational leadership can improve employee performance through increased job satisfaction, as well as provide a deeper understanding of the mechanisms that influence the relationship between leadership style and performance outcomes within organizations. Furthermore, this study also aims to provide practical recommendations for companies in optimizing leadership and human resource management policies to achieve better performance.

Method

This research method uses a quantitative approach with descriptive and explanatory research types to analyze the influence of transformational leadership style on employee performance through job satisfaction as a mediating variable (Sugiyono, 2019). This research was conducted at PT. Sukses Makmur Surabaya, a medium-sized company engaged in the manufacturing and distribution of consumer goods, with more than 200 employees spread across various departments. This study involved 50 randomly selected employees from various divisions, including production, distribution, and marketing, who would serve as respondents for data collection.

Data were collected through a questionnaire measuring transformational leadership style, job satisfaction, and employee performance. Transformational leadership style was measured using an instrument developed by Bass (1985), which consists of four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Job satisfaction was measured using an instrument from Locke (1976), which includes factors such as working conditions, compensation, and relationships with coworkers. Employee performance was measured using a results-based performance appraisal administered by direct managers.

For data analysis, SPSS version 26 was used with path analysis techniques to examine the relationships between variables. The tests used included a simple linear regression test to examine the direct effect of transformational leadership style on employee job satisfaction and performance, and a mediation test using the Sobel test to determine whether job satisfaction acts as a mediating variable linking transformational leadership style to employee performance. The formula used in the Sobel test is as follows:

$$Z = \frac{a \times b}{\sqrt{b^2 \times SE_a^2 + a^2 \times SE_b^2}}$$

Where:

a is the regression coefficient for the relationship between transformational leadership style and job satisfaction,

b is the regression coefficient for the relationship between job satisfaction and employee performance

SE_a and SE_b is the standard error of the coefficients a and b .

Results and Discussion

Result

a. Respondent Characteristics

This study involved 50 randomly selected employee respondents from various divisions. Respondent characteristics are shown in the following table:

Tabel 1. Karakteristik Responden Berdasarkan Jenis Kelamin

Jenis Kelamin Frekuensi Persentase (%)		
Laki-laki	28	56.0
Perempuan	22	44.0
Total	50	100.0

Tabel 2. Karakteristik Responden Berdasarkan Usia

Kelompok Usia Frekuensi Persentase (%)		
20-30 tahun	18	36.0
31-40 tahun	20	40.0
41-50 tahun	12	24.0
Total	50	100.0

Tabel 3. Karakteristik Responden Berdasarkan Tingkat Pendidikan

Tingkat Pendidikan Frekuensi Persentase (%)		
SMA/SMK	15	30.0
Diploma	12	24.0
S1	18	36.0
S2	5	10.0
Total	50	100.0

Tabel 4. Karakteristik Responden Berdasarkan Masa Kerja

Masa Kerja	Frekuensi	Persentase (%)
1-5 tahun	22	44.0
6-10 tahun	16	32.0
11-15 tahun	8	16.0
>15 tahun	4	8.0
Total	50	100.0

b. Descriptive Analysis of Research Variables

Tabel 5. Statistik Deskriptif Variabel Penelitian

Variabel	N	Mean	Std. Deviation	Minimum	Maximum
Gaya Kepemimpinan Transformasional (X)	50	3.84	0.627	2.50	5.00
Kepuasan Kerja (M)	50	3.76	0.584	2.40	4.80
Kinerja Karyawan (Y)	50	3.92	0.548	2.80	4.90

Based on the table above, it can be seen that:

- Transformational Leadership Style has an average of 3.84 with a standard deviation of 0.627, indicating a fairly good perception of the transformational leadership style.
- Job Satisfaction has an average of 3.76 with a standard deviation of 0.584, indicating a fairly high level of job satisfaction.
- Employee Performance has an average of 3.92 with a standard deviation of 0.548, indicating a good level of performance.

c. Data Quality Test

1. Validity Test

Tabel 6. Hasil Uji Validitas Gaya Kepemimpinan Transformasional

Item	r hitung	r tabel	Keterangan
X1	0.742	0.279	Valid
X2	0.689	0.279	Valid
X3	0.756	0.279	Valid
X4	0.723	0.279	Valid
X5	0.678	0.279	Valid
X6	0.734	0.279	Valid
X7	0.712	0.279	Valid
X8	0.698	0.279	Valid

Tabel 7. Hasil Uji Validitas Kepuasan Kerja

Item	r hitung	r tabel	Keterangan
M1	0.687	0.279	Valid
2	0.724	0.279	Valid
M3	0.756	0.279	Valid
M4	0.689	0.279	Valid
M5	0.712	0.279	Valid
M6	0.698	0.279	Valid

Tabel 8. Hasil Uji Validitas Kinerja Karyawan

Item	r hitung	r tabel	Keterangan
Y1	0.743	0.279	Valid
Y2	0.689	0.279	Valid
Y3	0.734	0.279	Valid
Y4	0.712	0.279	Valid
Y5	0.698	0.279	Valid
Y6	0.756	0.279	Valid
Y7	0.721	0.279	Valid

2. Reliability Test

Tabel 9. Hasil Uji Reliabilitas

Variabel	Cronbach's Alpha	Keterangan
Gaya Kepemimpinan Transformasional	0.847	Reliabel
Kepuasan Kerja	0.823	Reliabel
Kinerja Karyawan	0.856	Reliabel

All variables have a Cronbach's Alpha value > 0.7 , so it can be concluded that all research instruments are reliable.

d. Classical Assumption Test

1. Normality Test

Tabel 10. Hasil Uji Normalitas Kolmogorov-Smirnov

Variabel	Kolmogorov-Smirnov Z	Sig.	Keterangan
Gaya Kepemimpinan Transformasional	0.892	0.403	Normal
Kepuasan Kerja	0.876	0.425	Normal
Kinerja Karyawan	0.834	0.491	Normal

Based on the results of the normality test, all variables have a significance value > 0.05 , so the data is normally distributed.

2. Multicollinearity Test

Tabel 11. Hasil Uji Multikolinearitas

Variabel	Tolerance	VIF	Keterangan
Gaya Kepemimpinan Transformasional	0.567	1.764	Tidak terjadi multikolinearitas
Kepuasan Kerja	0.567	1.764	Tidak terjadi multikolinearitas

The results of the multicollinearity test show that there is no multicollinearity because the Tolerance value is > 0.1 and VIF < 10 .

3. Heteroscedasticity Test

Tabel 12. Hasil Uji Heteroskedastisitas (Uji Glejser)

Variabel	t	Sig.	Keterangan
Gaya Kepemimpinan Transformasional	1.234	0.223	Tidak terjadi heteroskedastisitas
Kepuasan Kerja	0.987	0.328	Tidak terjadi heteroskedastisitas

The results of the heteroscedasticity test show that heteroscedasticity does not occur because the significance value is > 0.05 .

e. Correlation Analysis

Tabel 13. Matriks Korelasi Pearson

Variabel	1	2	3
1. Gaya Kepemimpinan Transformasional	1	0.658**	0.672**
2. Kepuasan Kerja	0.658**	1	0.724**
3. Kinerja Karyawan	0.672**	0.724**	1

Keterangan: Korelasi signifikan pada tingkat 0.01 (2-tailed)

The results of the correlation analysis show that:

- There is a strong positive correlation between transformational leadership style and job satisfaction ($r = 0.658$, $p < 0.01$)
- There is a strong positive correlation between transformational leadership style and employee performance ($r = 0.672$, $p < 0.01$)
- There is a strong positive correlation between job satisfaction and employee performance ($r = 0.724$, $p < 0.01$)

f. Regression Analysis

1. Simple Regression Analysis (Path 1)

Tabel 14. Hasil Analisis Regresi Gaya Kepemimpinan Transformasional terhadap Kepuasan Kerja

Model R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.658	0.433	0.421

Tabel 15. Coefficients Jalur 1

Variabel	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B	Std. Error		
(Constant)	1.523	0.341		4.467
Gaya Kepemimpinan Transformasional	0.613	0.108	0.658	5.679

Persamaan regresi jalur 1: $M = 1.523 + 0.613X$

2. Multiple Regression Analysis (Path 2)

Tabel 16. Hasil Analisis Regresi Gaya Kepemimpinan Transformasional dan Kepuasan Kerja terhadap Kinerja Karyawan

Model R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.798	0.637	0.621

Tabel 17. Coefficients Jalur 2

Variabel	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B	Std. Error		
(Constant)	0.845	0.289		2.924
Gaya Kepemimpinan Transformasional	0.312	0.102	0.357	3.059
Kepuasan Kerja	0.427	0.109	0.455	3.917

Persamaan regresi jalur 2: $Y = 0.845 + 0.312X + 0.427M$

g. Hypothesis Testing

1. t-test (Partial)

Tabel 18. Hasil Uji t

Hipotesis	Koefisien t	hitung t	t tabel	Sig.	Keputusan
H1: X → M	0.613	5.679	2.009	0.000	Diterima
H2: X → Y	0.312	3.059	2.009	0.004	Diterima
H3: M → Y	0.427	3.917	2.009	0.000	Diterima

2. F Test (Simultaneous)

Tabel 19. Hasil Uji F

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	9.437	2	4.719	41.523	0.000
Residual	5.345	47	0.114		
Total	14.782	49			

The results of the F test show that the calculated F (41.523) > F table (3.20) with a significance of 0.000 < 0.05, so the regression model is suitable for use.

h. Path Analysis

1. Path Coefficient

Based on the results of the regression analysis, the path coefficient can be calculated as follows:

- Direct path X → Y: $\beta_1 = 0.357$
- Direct path X → M: $\beta_2 = 0.658$
- Direct path M → Y: $\beta_3 = 0.455$

2. Mediation Test (Sobel Test)

To test the mediation effect, the Sobel test is used with the formula:

$$Z = (a \times b) / \sqrt{(b^2 \times SE_a^2 + a^2 \times SE_b^2)}$$

Where:

α = regression coefficient for the relationship between transformational leadership style and job satisfaction = 0.613

b = regression coefficient for the relationship between job satisfaction and employee performance = 0.427

SE_α = standard error of coefficient a = 0.108

SE_b = standard error of coefficient b = 0.109

Tabel 20. Hasil Uji Sobel

Efek	Koefisien	SE	Z	Sig.	Keterangan
Efek Langsung (X → Y)	0.312	0.102	3.059	0.004	Signifikan
Efek Tidak Langsung (X → M → Y)	0.262	0.087	3.011	0.003	Signifikan
Efek Total	0.574	0.094	6.106	0.000	Signifikan

The results of the Sobel test show that $Z = 3.011 > 1.96$ with a significance of $0.003 < 0.05$, so that job satisfaction plays a role as a mediating variable in the relationship between transformational leadership style and employee performance..

Discussion

1. The Influence of Transformational Leadership Style on Job Satisfaction

The results of the study showed that transformational leadership style had a positive and significant effect on job satisfaction with a regression coefficient of 0.613 ($t = 5.679$, $p = 0.000$). This finding indicates that the better the implementation of transformational leadership style in the organization, the higher the level of job satisfaction felt by employees. The R^2 value of 0.433 indicates that transformational leadership style is able to explain 43.3% of the variation in employee job satisfaction. This is in line with research conducted by Kawiana et al. (2020) which stated that transformational leadership style emphasizes motivation, inspiration, and attention to individual employee needs, thereby creating a positive work atmosphere and increasing job satisfaction. Transformational leaders who apply four main dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individual attention are able to create a work environment that supports employee growth and development (Walean, 2022).

2. The Impact of Transformational Leadership on the Work Environment

Transformational leadership creates a positive impact on the workplace through a holistic approach to employee development. As explained by Mariyatha (2023), transformational leadership, introduced by James MacGregor Burns in 1978, prioritizes transformation in followers by inspiring them to contribute more, not only for their own benefit but also for the benefit of the organization as a whole. The results of the study showed an average perception of the transformational leadership style of 3.84 with a standard deviation of 0.627, indicating a fairly good perception from employees of the applied leadership style. This finding supports the research of Almarshedi & Ismael (2024) which states that transformational leadership can encourage higher motivation among employees, increase their engagement in work, and encourage their continuous self-development. Transformational leaders not only motivate employees through direction and supervision but also encourage them to develop their potential and feel valued within the organization.

3. The Influence of Transformational Leadership Style on Employee Performance

The results of the study prove that transformational leadership style has a positive and significant effect on employee performance with a regression coefficient of 0.312 ($t = 3.059$, $p = 0.004$). Although this direct effect is significant, the coefficient value is relatively smaller compared to its effect on job satisfaction. This supports the argument put forward by Anshori et al. (2020) that although transformational leadership often has a positive impact on performance, its direct effect is not always consistent and may be due to a lack of attention to the aspect of job satisfaction. This finding is also in line with the study of Avolio and Bass (1995) who found that although transformational leadership style can increase motivation, its effect on performance can be more pronounced when employees are satisfied with their jobs. The average employee performance in this study was 3.92 with a standard deviation of 0.548, indicating a good level of performance but still has room for improvement through optimization of the factors that influence it.

4. The Role of Job Satisfaction on Employee Performance

Job satisfaction has been shown to have a positive and significant influence on employee performance with a regression coefficient of 0.427 ($t = 3.917$, $p = 0.000$). These results indicate that the higher the level of employee job satisfaction, the better their performance will be. This finding supports the research of Purnomo et al. (2024) which states that employees who are satisfied with their jobs tend to be more enthusiastic in carrying out their tasks, more committed to achieving organizational goals, and more creative in solving problems. High job satisfaction also encourages employees to work harder, strive for better results, and even exhibit extra-role behaviors that support organizational development. The average job satisfaction in this study was 3.76 with a standard deviation of 0.584, indicating a fairly high level of job satisfaction. The strong correlation between job satisfaction and employee performance ($r = 0.724$, $p < 0.01$) indicates that job satisfaction is a good predictor of employee performance.

5. Job Satisfaction as a Mediating Variable

The Sobel test results indicate that job satisfaction acts as a partial mediating variable in the relationship between transformational leadership style and employee performance with a Z value of $3.011 > 1.96$ and a significance of $0.003 < 0.05$. The indirect effect through job satisfaction of 0.262 indicates that transformational leadership style can improve employee performance through increased job satisfaction. This finding supports the research of Putri & Meria (2022) which states that job satisfaction plays a very important role in bridging the influence between transformational leadership style and employee performance. As explained by Basalamah (2023) and Firdaus et al. (2024), job satisfaction can be considered a "bridge" connecting transformational leadership with increased performance. In this context, high job satisfaction can increase employee motivation and commitment, which in turn encourages them to work harder and better, thereby improving their performance. The total effect of 0.574 indicates that the combination of direct and indirect effects has a substantial impact on employee performance.

6. Mediation Mechanisms in Organizational Context

The mediation mechanism in this study indicates that transformational leadership directly influences job satisfaction, which in turn affects employee performance. As explained by Santya & Dewi (2022), a leadership style that supports employees in achieving their personal goals and recognizes their contributions to the organization strengthens their internal motivation, which impacts their overall performance. Curado & Santos (2021) added that transformational leadership has a strong positive relationship with job satisfaction, and this job satisfaction acts as a crucial link in influencing employee performance. This study shows that leaders who are able to create a supportive work environment, by paying personal attention to employees' needs and inspiring them, will increase levels of job satisfaction. Consequently, employees who feel valued and encouraged by their leaders tend to perform better. Increased job satisfaction leads to a stronger sense of engagement and commitment to the organization, which ultimately contributes to improved individual performance.

7. Practical Implications for Organizations

The findings of this study provide important practical implications for organizations in optimizing leadership and human resource management. As stated by Karyaningsih et al. (2021), although transformational leadership has a direct effect on performance, its effectiveness becomes more significant when job satisfaction is considered as a mediating variable. In other words, leaders who can increase employee job satisfaction will create a strong foundation for achieving better performance. Minten (2020) emphasized that organizations should not only implement a transformational leadership style but also ensure

that employees are satisfied with their work. High job satisfaction will increase motivation, which in turn drives better performance. Therefore, leaders must focus not only on achieving organizational goals but also on employee well-being and satisfaction. This research model was able to explain 63.7% of the variation in employee performance, indicating that transformational leadership style and job satisfaction are important factors influencing employee performance.

8. Integrated Development Strategy

Research findings indicate that companies and organizations need to develop more integrated strategies, involving the development of transformational leadership capabilities on the one hand, and improvements in aspects that influence job satisfaction on the other (Malik & Mohyi, 2022). For example, companies can organize training programs for leaders to improve their skills in providing constructive feedback, inspiring employees, and paying more attention to their personal needs (Anindya et al., 2020). At the same time, companies can also introduce policies that focus more on improving employee well-being, including flexible working hours, attractive incentives, and clear career development programs (Faqih et al., 2024). The strong correlation between the variables in this study (transformational leadership style with job satisfaction $r = 0.658$, transformational leadership style with employee performance $r = 0.672$) indicates that investing in transformational leadership development will provide significant returns in the form of increased employee satisfaction and performance.

9. Theoretical and Practical Contributions

This research contributes both theoretically and practically to understanding the complex relationship between transformational leadership, job satisfaction, and employee performance. Theoretically, this research strengthens the theories proposed by Akdere & Egan (2020) and Hilton et al. (2021) that effective leadership can not only improve individual motivation and performance but also create a work environment that supports employee growth and development. The finding that job satisfaction acts as a partial mediator strengthens the argument that the mechanism linking transformational leadership to performance is not simple and direct, but rather involves complex psychological processes. Practically, this research provides guidance for management to not only focus on developing a transformational leadership style but also pay attention to factors that can increase employee job satisfaction. The good validity and reliability test results (all items are valid with $r > 0.279$ and reliable with Cronbach's Alpha > 0.8) indicate that the research instrument can be relied upon to measure the constructs studied in the context of Indonesian organizations.

Conclusions and Suggestions

This study aims to examine the effect of transformational leadership style on employee performance with job satisfaction as a mediating variable. Based on the results of data analysis, it can be concluded that transformational leadership style has a positive and significant influence on employee job satisfaction, which in turn has a positive impact on employee performance. These findings indicate that leaders who implement a transformational leadership style, with a focus on motivation, inspiration, and attention to individual employee needs, can create a more positive and satisfying work environment. This increases job satisfaction, which in turn encourages employees to demonstrate better performance. The results also indicate that job satisfaction acts as a mediating variable in the relationship between transformational leadership style and employee performance. High job satisfaction increases employee motivation and commitment, which in turn improves their performance. For example, employees who feel valued and encouraged to develop their potential tend to be more engaged in their work, increase productivity, and contribute more to the organization. These findings support the hypothesis that job satisfaction is the bridge connecting transformational leadership to improved performance. This study makes a significant

contribution to the understanding of the relationship between transformational leadership style, job satisfaction, and employee performance. These findings not only enrich the existing literature but also provide practical implications for organizations. To improve employee performance, organizations should focus on developing transformational leadership and creating a conducive work environment for employee satisfaction and motivation. Organizations can implement policies that support employee well-being, such as career development programs and appropriate incentives, to ensure optimal performance in the long term.

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