



# Employee Performance Model Based on Transformational Leadership and Work-Life Balance During Pandemic

(Study on Employees Chemical Industry in Jakarta)

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## Abstract

The explosion of the deadly coronavirus was an unprecedented crisis that has been declared a global pandemic by the WHO. Leadership plays a role in the growth of individual performance. The second aspect is the work-home balance known as work-life balance. Without hesitation, large-scale crises like this pose a huge challenge to organizations. Respondents in this research were employees of the Jabodetabek area of 200 people by filling out a questionnaire via a google form. The results of the research stated that transformational leadership has a significant effect on employee performance, and transformational leadership has a significant effect on work-life balance. work-life balance has a significant effect on performance.

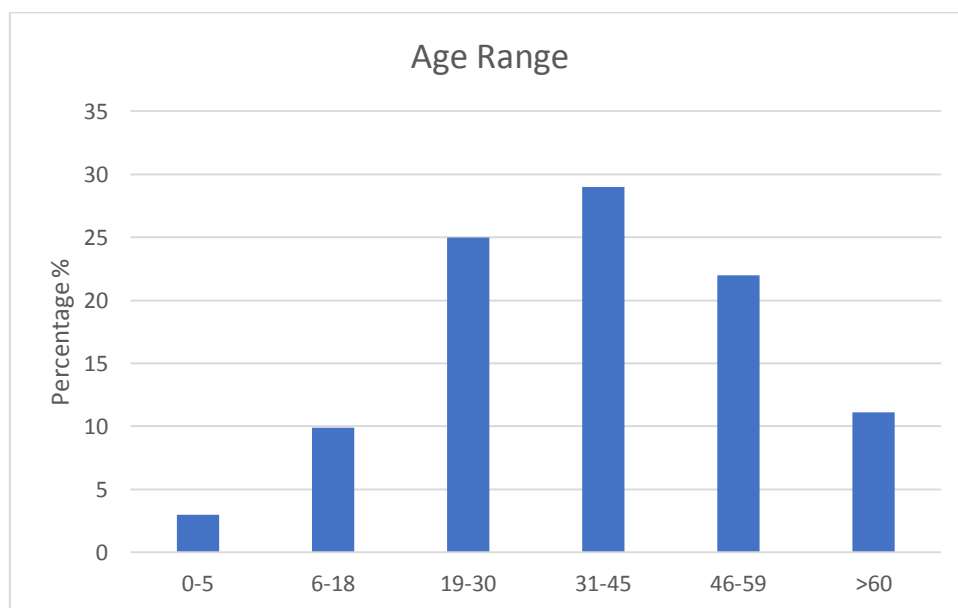
Keywords: Transformational leadership, work-life balance, performance

## 1.1 Background

According to (Wong et al., 2021), the coronavirus disease known as COVID-19 has caused severe illness due to its rapid spread throughout the world. On WHO website in June 2020, it was reported that there were 8.5 million cases worldwide, including 456,973 deaths (<https://covid19.who.int>). The number of cases has grown globally with a critical alert situation that demanded some emergency action with government entities around the world (J. Kim et al., 2020). Several countries and cities around the world are implementing various policies to prevent COVID-19 from spreading more widely.

The explosion of the deadly coronavirus is an unprecedented crisis that has been declared a global pandemic by the WHO. The new coronavirus from China has caused an increase in casualties, loss of income, jobs, and disruption of daily activities in more than 180 countries. From the world's leading economies to cities considered financial centers, from

large multinational corporations to start-ups, from children to adults working in organizations, have been impacted by the coronavirus. Undoubtedly, this large-scale crisis poses a huge challenge to the organization and even threatens its survival of the organization (Dhoopar, 2020).



Source: databoks.katadata.co.id

**Figure 1. Age Range**

Based on the table above, it can be seen that the majority of positive cases of the coronavirus covid 19 came from productive age. Based on data from the COVID-19 handling task force as of July 15, 2021, 29 & ages 31-45 were infected. 25% of 19-30 years old were infected and 22% of 46-59 years old were infected with this virus. The age above 60 years reached 11.1%, and ages 6-18 years and 0-5 years were 9.9% and 3% respectively.

The COVID-19 outbreak has brought changes to the lives of employees around the world, such as social distancing, travel restrictions, and working from home, resulting in changes in the way of working. Furthermore, there was a change in the behavior of employees who had temporary to long-term lockdown. This triggered organizational intervention in accepting the impact of decreasing employee performance. According to the ILO, the COVID-19 pandemic has paralyzed some organizations and their employees from entering into highly vulnerable zones, employees had anxiety, frustration, and accumulated fatigue that have an impact on employee performance. (Narayanamurthy & Tortorella, 2021).

Nowadays, when the whole world is facing the global health crisis of covid 19, many believe that transformational leadership as a useful resource is useful for continuing organizational performance by facilitating followers and maintaining organizational strategy (Khalid & Ali, 2020; Salloum et al., 2019). During a crisis, tasks become more complex requiring relatively much effort. Communication is impeded, and only transformational leadership can cope. Significantly, when institutions are closed, work is disrupted during covid 19. The behavior of transformational leaders also affects the confidence of their followers (Almohtaseb et al., 2021).

Leadership plays a role in the growth of individual performance. A leader must facilitate the needs of employees so they can work and achieve common goals. The COVID-

19 pandemic has had a huge impact on all lines of business. To prevent the spread of the coronavirus, there have been lifestyle changes such as the use of digital technology throughout society, especially for employees in the company. Interaction occurs through cyberspace such as online meetings via gmeet, zoom, and others. On the other hand, the prospect of the business industry is also considered to be uncertain. There are various new policies such as social distancing, this has an impact on employee performance and affects the achievement of company targets (Solopos, 2021). In addition, in the current era of disruption, there are various challenges faced, such as low employee productivity, high unemployment, and workers who face various kinds of obstacles. Thus, good relations between superiors and subordinates are needed which will have an impact on performance (Yücel, 2021).

Furthermore, the covid 19 outbreak has provided a shift in employee activities. This has also affected managerial leadership in a company, such as the leadership crisis (Mathende & Karim, 2022). During the covid 19, leadership practices were felt to not affect work, that transformational leadership styles had a positive impact on the performance of employees who were in a challenging environment (Buil et al., 2018).

Transformational leadership does not only facilitate performance but it is also closely related to managerial effectiveness. However, a mediating factor is needed to explain that transformational leadership has a positive effect on employees and the organization, especially work-life balance.

The second aspect is the work-home balance or well-known as work-life balance. Based on (Schermerhorn JR, Hunt JG, Osborn RN, 2010), Work-life balance can affect performance. Employee performance during the COVID-19 pandemic is conducted at home, by working from home online. When doing office work at home, an employee sometimes also has the burden of carrying out household chores from taking care of children to taking care of all the needs of family members at home. Thus, with the COVID-19 pandemic, employees have a lack of work-life balance. It results in conflicts between work and life that employees have never experienced before. This condition requires an employee to need a work-life balance(Charoensukmongkol & Puyod, 2021).

Work-life balance is a concept focusing on balancing the number of hours allocated to work and personal life activities. During the COVID-19 pandemic, with increasingly competitive company conditions, work-life balance is important for employees, who are the main resource for achieving company goals.(Mukhtar & Awan, 2022). This shows that further research is needed on transformational leadership on employee performance mediated by work-life balance, especially in the COVID-19 pandemic situation.

Work-life balance consists of time balance, engagement balance, and satisfaction balance (McDonald and Bradley, 2005). Employees highly prioritize work-life balance so they want to create flexible work in terms of time so they can work without neglecting their personal lives. According to data from katadata.co.id, the average working hours during the pandemic decreased by 7.4% in Indonesia. In 2019, working hours in Indonesia were 2,133.88 hours in a year then in 2020, it decreased to 1,975 hours or 37.9 hours per week.

## **LITERATURE REVIEW**

## **Covid 19**

The pandemic known as Covid 19 began to appear on December 31, 2019. The coronavirus began to spread in the city of Wuhan. It was initially named 2019-ncov then changed to the covid-19 virus (WHO, 2020). After the discovery of covid 19 in China, four months later another case was found outside China. Thus, the WHO Director General declared this virus a pandemic and has infected 37,364 in 113 countries (Ahmed et al., 2016). There are several actions taken to prevent and minimize the spread of this virus, including (a) the use of face masks (b) washing hands with soap and water (c) respiratory hygiene (d) avoiding touching the mouth, nose, eyes, and hands. The hospitalization rate for COVID-19 patients is very high, so health workers do not have time to relax and do other responsibilities other than focusing on COVID-19 patients (Osita et al., 2020).

## **Performance**

Based on (Bernardin & Russel, 1998), Performance is a record of the results produced on a certain work function or activity within a certain period. According to (Gibson, 2012), performance is the result of work related to organizational goals, such as quality, efficiency, and other effectiveness criteria. Meanwhile, according to (Lloyd, 2011), performance is the effect of employee effort modified by ability and performance (task) perception.

Performance assessment can be conducted by evaluating the employee's ability to work using certain objective benchmarks on a regular basis. According to (Robbins & Judge, 2018), Performance is the performance of employees both in quantity and quality achieved by a person during a certain period, usually within one year. (Robbins & Judge, 2018) added, when the resulting performance can reach or exceed the standards or targets that have been set, it can be considered that an individual's performance is a good category and vice versa. The wider the separation distance between the target and the achievement of performance, it can be considered low. Meanwhile, according to (Boxall, 2007), performance is the result of work or labor productivity both in quality and quantity achieved by an individual or a work team that carries out tasks following the responsibilities given by the organization. Employee performance indicators according to (Dessler, 2014) are (1) cumulative achievement (grade point), a person's future is determined by the interaction between the level of performance at work and the time spent at work (2) the level of performance at work is affected by the efficiency that comes from the nature of the task and some personal abilities (3) One's abilities, motives, knowledge, beliefs, and personal conceptions are affected by one's beliefs and personal conceptions are affected by the environment and formative heredity (growth and development) in the past. Meanwhile, according to Luthans (2011), performance indicators consist of (1) quality of work, (2) punctuality (3) initiative, (4) ability, and (5) communication. In addition, Kreitner & Kinicky (2014) state that performance measurement consists of (1) output quantity, namely the number of outputs produced by individuals as requirements in job standards (2) quality output, including quality accuracy in producing outputs concerning neatness, accuracy, and skills (3) presence, the presence of employees at work to carry out work (4) the ability to work together, namely regarding how to behave in the company both towards superiors, other employees and to work submitted for joint settlement.

Employees occupy important positions in the organization because they are valuable assets to the organization (Chakraborty & Biswas, 2019). They make things happen in organizational improvement by improving the individual performance of each employee. The nature of the business in a dynamic and competitive environment places employee performance as a top priority in the organization. Individual performance is behavioral, incidental, measurable, and diverse and is also the sum of incidents committed by

employees in the organization (Chu & Lai, 2011). According (Motowidlo & Van Scotter, 1994) multidimensionality of individual performance includes contextual performance and task performance. (Green & Heywood, 2008) identified two important factors that affect individual performance, namely personal aspects and work environment. Personal aspects consist of knowledge, skills, attitudes, and individual motives. The work environment factors are relationships with superiors, job expectations, incentives, and feedback.

(Viswesvaran et al., 2004) stated that individual performance consists of three dimensions, distinguished task performance, organizational citizenship behavior, and counterproductive performance.

## **Work-Life Balance**

Based on (Abendroth & den Dulk, 2011) work-life balance refers to the harmonious interface between the various life domains. (Daipuria & Kakar, 2013) defined work-life balance as a balance between life and work and feeling comfortable with work and family. The concept of work-life balance is built on the premise that work-life balance must complement each other in bringing perfection to life. (Pearson & Moomaw, 2005) also defined the concept of work-life balance as the extent to which a person is involved and equally satisfied with work and personal roles. (Byrne, 2005) emphasized that success in achieving work-life balance can bring many benefits to entrepreneurs because employees become more motivated, productive, and less stressed. This occurs because employees are more valued by employers. Work-life balance can also increase productivity and reduce absenteeism. Organizations that implement work-life balance are preferred by employees compared to those that do not implement it.

Work-life balance is a balance between two very different roles performed by individuals namely work and family roles, which brings satisfaction to the role holders (Greenhaus et al., 2003). Work-life balance determines how much time is available for an employee to balance the demands of family and work. Hence, work-life balance is the ratio of time division by an employee between work and family. The imbalance between the two is when work interferes with the family realm or family problems extend to the work realm. It causes stress and non-constructive work attitudes and is positively related to burnout (Tziner et al., 2015).

The term work-life balance is usually used as a more comprehensive expression to describe policies that were previously called family-friendly but are now extended beyond the family scope. Work-life balance refers to flexible work arrangements that allow parents and non-parents to take advantage of work arrangements that provide a balance between work responsibilities and personal responsibilities (Redmond et al., 2006). The origin of the practice of work-life balance begins with work-family conflicts experienced by employees. Work-family conflict is a role conflict that occurs when a person's role as an employee is not following the relationship as a partner, or parent with other activities. The concept of work-life conflict recognizes that most individuals have multiple roles. Work-life balance practice helps to minimize the number of work-life conflicts and also targets its predecessors (Lero, 2007). Some of the antecedents of work-life conflict include heavy work demands and work overload. Work-life balance practice intends to assist employees in managing their work better and time off work can be used for family-friendly policies or family-responsive policies. Based on (Clarke et al., 2004), work-life balance is associated with a balance between work and personal activities to maintain a sense of harmony in life as a whole. To understand work-life balance, it is important to be aware of different demands. There are various kinds of

family-friendly policies. Yet, they are not limited to things like flexible working hours, division of labor, part-time work, time off, telecommuting, and daycare facilities (Ngozi, 2015).

The WLB consists of four dimensions, namely the WIPL (Work Interference With Personal Life) dimension, the PLIW (Personal Life Interference With Work) dimension, the PLEW (Personal Life Enhancement of Work) dimension, and the WEPL (Work Enhancement of Personal Life) dimension (Fisher et al., 2009).

### **Transformational leadership**

Based on (Bass, 2008), Transformational leadership is a leader's behavior that changes and inspires subordinates to work beyond the expectations of the organization. The values embodied in transformational leadership such as individual consideration, intellectual stimulation, inspirational motivation, and ideal influence can generate extra effort from the workers to have higher productivity, higher morale and satisfaction, higher organizational effectiveness, turnover lower rates, lower absenteeism, and greater organizational adaptability (Judge, 2013).

There has been a paradigm shift from traditional leadership to a positive form of leadership in the leadership literature during the late 1970s (Bass et al., 2003). The first to introduce the term transformational leadership was Burns (1978) to describe the ideal situation between political leaders and their followers. The hallmark of transformational leadership is a leader who runs a continuous process as a process of providing services to his followers for the common good. Furthermore, (Avolio et al., 1988) explored the political concept of transformational leadership in the organizational context by defining transformational leadership as the ability of a leader to achieve extraordinary performance. The behavior of subordinates can be changed by transformational leaders. This showed that leaders can encourage subordinates to exceed organizational expectations through inspirational motivation, individual consideration, ideal influence, and intellectual stimulation. (Longshore & Bass, 1987). With inspirational motivation, leaders can provide articulation of the organization's vision to give hope to their followers. A trusted leader can be seen when the leader can respect the individuality of his followers and have individual considerations. Leaders who can provide role models can be shown by the consistency between the actions and the vision to be achieved, it can be said that the leader functions as a leader who has ideal influence. Furthermore, leaders who have intellectual stimulation generate contributions of innovative ideas and suggestions from employees (Sarros et al., 2008).

Transformational leadership refers to "leader behavior" that motivates followers to perform and identify organizational goals and interests and can motivate employees to exceed set performance expectations (Sarros et al., 2008). Transformational leadership is also a leadership style that aims long-term by increasing the interaction between leaders and followers by increasing strategic orientation (Herold et al., 2008). Transformational leadership focuses on empowering, supporting, and developing followers by covering four dimensions, such as (1) ideal influence (becoming an excellent role model), (2) inspirational motivation (communicating hopes and goals), (3) intellectual stimulation (increasing intelligence and rationality), and (4) individual consideration (paying attention to personal) (Bass, 2008). Transformational leaders recognize the need for change in the organization, create a vision for change, focus on exchanges between subordinates, seek to gain commitment from subordinates and throughout the organizational process can provide support for change.

It is understood that transformational leadership involves developing a closer relationship between leader and follower. It is not only agreement but also based on trust and commitment (J. Kim et al., 2020). It can be concluded that in leadership, a leader tries to build awareness of his subordinates to emphasize the importance of a better job, self-worth, and transformation that aims to achieve organizational goals. (Fakhri, 2020). The dimension of transformational leadership consists of four components: (Bass, 2008), there are Idealized influence, Inspirational motivation, Intellectual stimulation, and Individual consideration.

## **CONCEPTUAL FRAMEWORK**

### **Research Hypothesis**

Based on the formulation of the problem that has been described, the next step is to formulate a research hypothesis. The formulation of the research hypothesis in this research is as follows:

1. Transformational leadership has a positive effect on employee performance
2. Transformational leadership has a positive effect on work-life balance
3. Work-life balance has a positive effect on employee performance

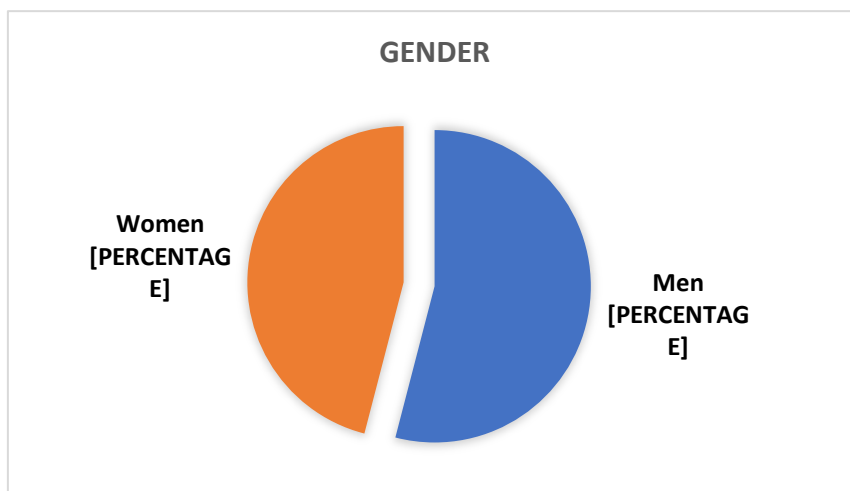
## **RESEARCH METHOD**

This research used a method of analysis with the PLS approach. This research study was based on primary data using an online questionnaire. The main discussion in this study was a teacher performance model based on emotional intelligence and work-life balance. Respondents in this research were employees of chemical industry Jabodetabek area as many as 200 respondents by filling out a questionnaire via google form.

## **RESULT AND DISCUSSION**

### **Profile of Respondent**

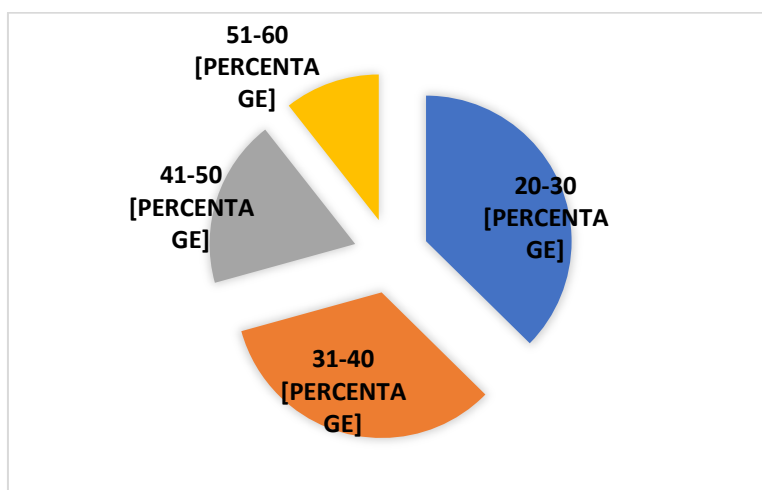
The following is the result of the recapitulation of the respondent's profile data by gender. Based on the calculation results, it can be seen that the proportion between male and female was quite well distributed. 54% were male respondents and 46% were female respondents.



Source: Data Processing, 2022

**Figure 2. Profile by Gender**

The following is the result of the recapitulation of the respondent's profile data by age. Based on the calculation results, it can be seen that 37% were respondents aged between 20-30 years. Furthermore, 33% are aged between 31-40 years, 19% were aged between 41-50 years and only 11% of respondents are over 50 years old.

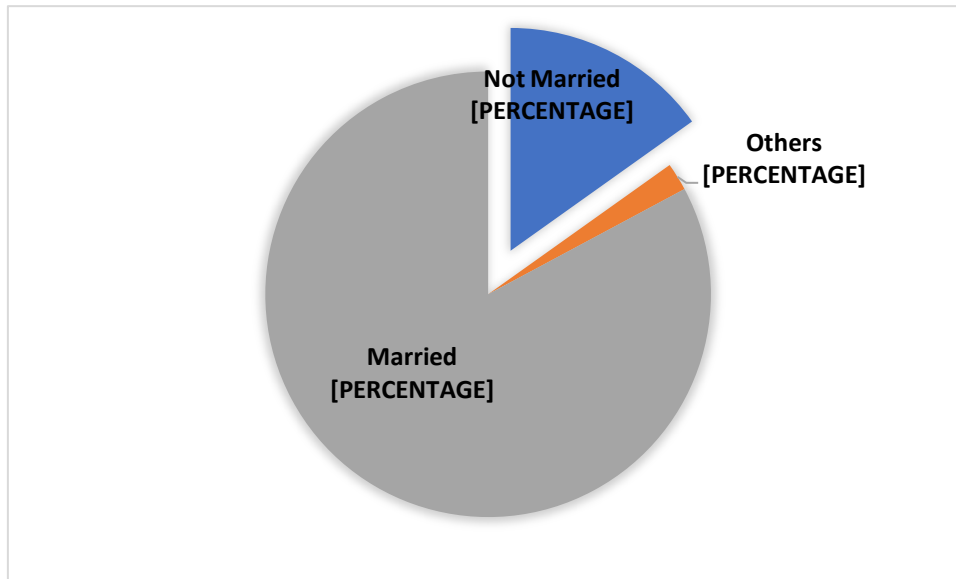


Source: Data Processing, 2022

**Figure 3. Profile by Age**

The following is the result of the recapitulation of the respondent's profile data based on marital status. Based on the calculation results, it can be seen that 83% are respondents with married status, then 15% of respondents stated that they were not married and the remaining 2% stated otherwise.

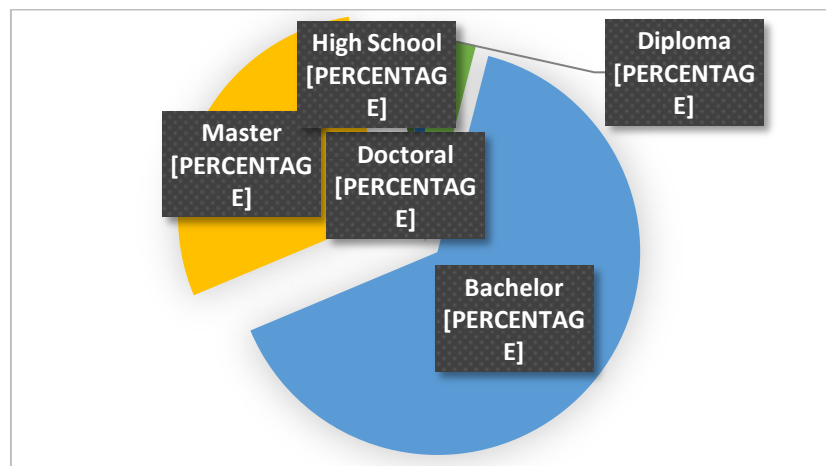




Source: Data Processing, 2022

**Figure 4, Profile Based on Marital Status**

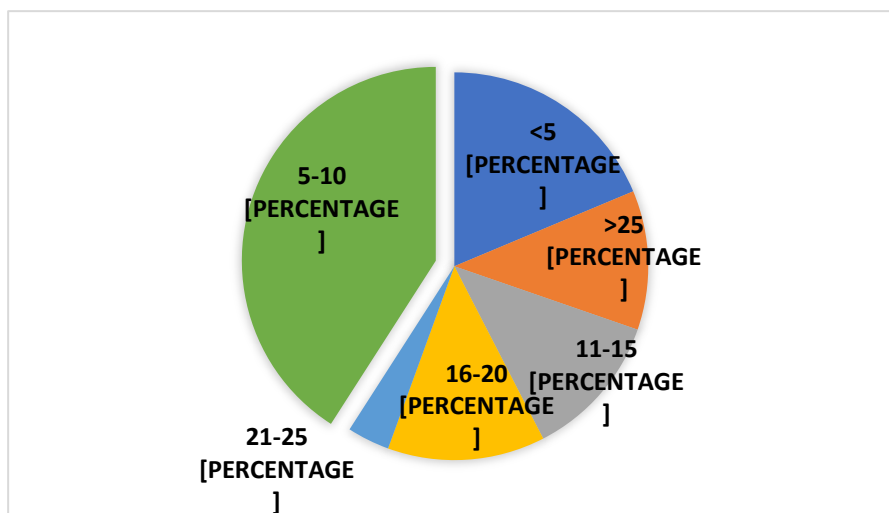
The following is the result of the recapitulation of the respondent's profile data based on the last education. Based on the calculation results, it can be seen that 65% were respondents with the last education of Bachelor or D4. Then 29% had the latest master's education and only 4% of respondents had diplomas 1 and 2.



Source: Data Processing, 2022

**Figure 5. Profile Based on Last Education**

The following is the result of the recapitulation of respondent profile data based on years of service. Based on the calculation results, it can be seen that 41% were respondents with 5-10 years of service. Furthermore, 19% had worked for a period of fewer than 5 years. 13% had worked for 16-20 years.



Source: Data Processing, 2022

**Figure 6. Profile Based on Years of Service**

## Research Model Test

### Measurement Model Test (Outer Model)

The measurement model (outer model) is a model that connects the latent variable with the manifest variable. Evaluation of the measurement results of the measurement model (outer model) is through confirmatory factor analysis or confirmatory factor analysis (CFA by testing the validity and reliability of latent constructs). The measurement model test consists of convergent validity, discriminant validity, and reliability tests.

Convergent validity relates to the principle that the quantifiers (manifest variables) of a construct should be highly correlated. The rule of thumb that is usually used to assess convergent validity. The loading value must be more than 0.7 for confirmatory research and the loading value between 0.6-0.7 for exploratory research is still acceptable and the Average variance extracted (AVE) value. ) must be greater than 0.5. However, for research in the early stages of developing a measurement scale, a loading factor value of 0.5-0.6 is still considered sufficient (Chin, 1998). While the reliability test was carried out to test the accuracy, consistency, and accuracy of the instrument in measuring constructs with Composite Reliability. The rule of thumb that is usually used to assess construct reliability is that the CR value must be greater than 0.7 for confirmatory research and 0.6-0.7 is still acceptable for exploratory research.

### Transformational Leadership Measurement Model

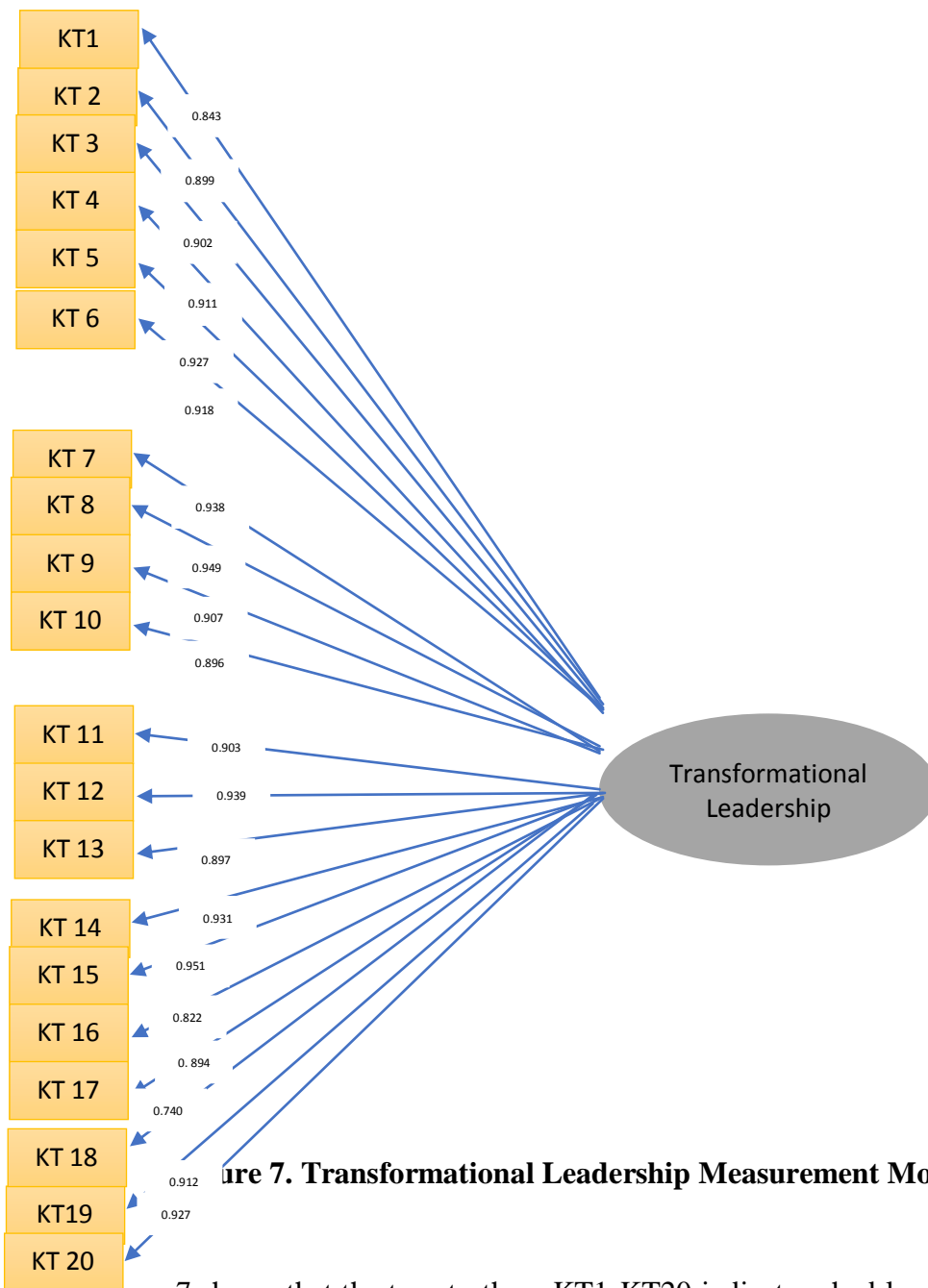
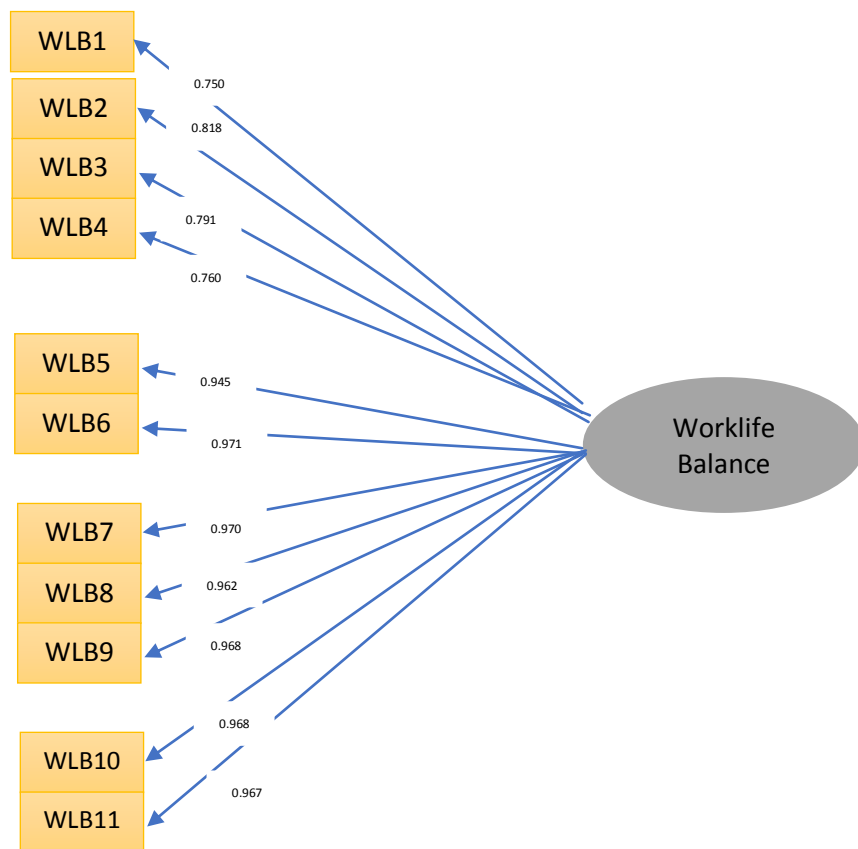


Figure 7. Transformational Leadership Measurement Model

Figure 7 shows that the twenty-three KT1-KT20 indicators had loading factors above 0.5. Based on the loading factor value. The dimension of KT15 is the dimension with the largest contribution to the performance variable, followed by KT8 and KT12.

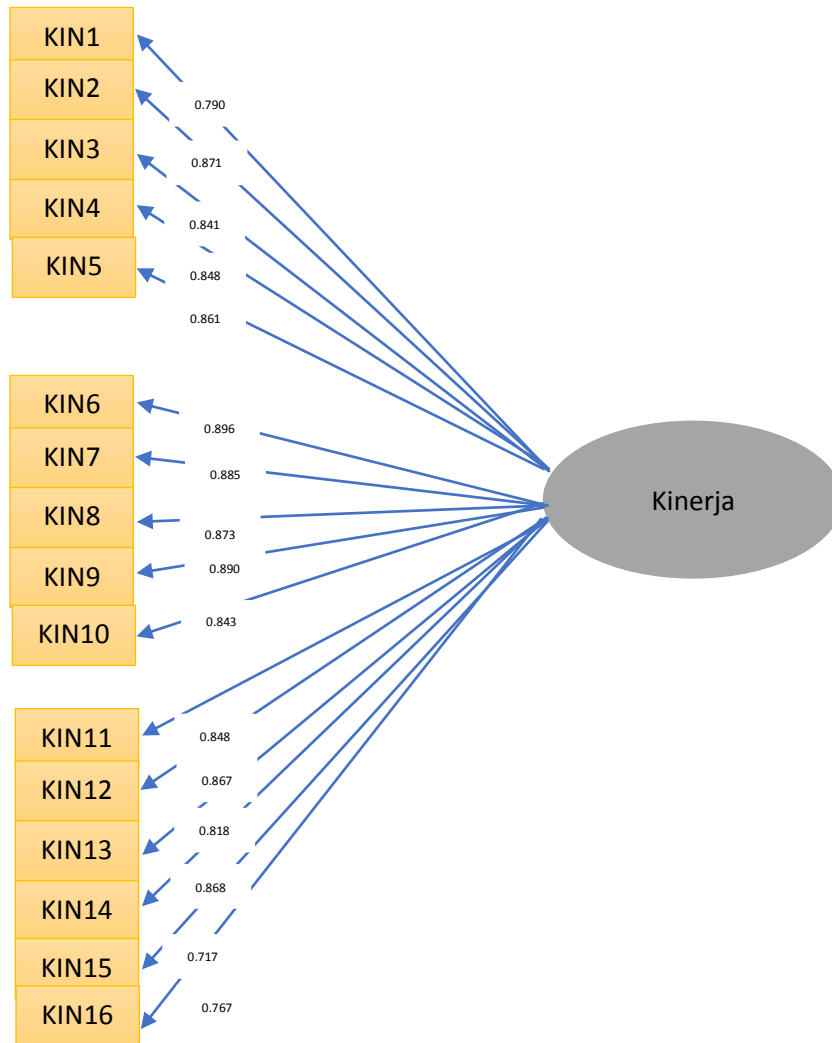
### Work-Life Balance Measurement Model



**Figure 8. Work-Life Balance Measurement Model**

Figure 8 shows that the twenty-three WLB1-WLB11 indicators had loading factors above 0.5. Based on the loading factor value, the dimension WLB6 was the dimension with the largest contribution to the Work-Life Balance variable, followed by WLB7, WLB9, and WLB10.

### Employee Performance Measurement Model



**Figure 9 Employee Performance Measurement Model**

Figure 9 shows that the twenty-three KIN-KIN16 indicators had a loading factor above 0.5. Based on the loading factor value, the KIN6 dimension was the dimension with the largest contribution to the Employee Performance variable, followed by KIN9 and KIN7.

### Convergent Validity

Convergent validity was conducted to test the item level that is accurate to measure the object of research. This research used a loading factor test. According to Hair et al (2017), an item can be considered to have convergent validity if the loading factor score is more than 0.7. The following is the result of the loading factor score.

**Table 1. Convergent Validity Test**

Variables	Manifest Variables	Loading Factors
Transformational Leadership	KT1	0.843
	KT2	0.899
	KT3	0.902
	KT4	0.911
	KT5	0.927

<b>Variables</b>	<b>Manifest Variables</b>	<b>Loading Factors</b>
	KT6	0.918
	KT7	0.938
	KT8	0.949
	KT9	0.907
	KT10	0.896
	KT11	0.903
	KT12	0.939
	KT13	0.897
	KT14	0.931
	KT15	0.951
	KT16	0.822
	KT17	0.894
	KT18	0.740
	KT19	0.912
	KT20	0.927
Work Life Balance	WLB1	0.750
	WLB2	0.818
	WLB3	0.791
	WLB4	0.760
	WLB5	0.945
	WLB6	0.971
	WLB7	0.970
	WLB8	0.962
	WLB9	0.968
	WLB10	0.968
	WLB11	0.967
Performance	KIN1	0.790
	KIN2	0.871
	KIN3	0.841
	KIN4	0.848
	KIN5	0.861
	KIN6	0.896
	KIN7	0.885
	KIN8	0.873
	KIN9	0.890
	KIN10	0.843
	KIN11	0.848
	KIN12	0.867
	KIN13	0.818
	KIN14	0.868
	KIN15	0.717
	KIN16	0.767

Source: Data Processing, 2022

The table above provides information about the loading factor value for each manifest variable. The loading factor value of all indicators on the latent variable showed  $> 0.7$ . Thus, all indicators are declared valid and able to measure variables correctly.

### Discriminant Validity

Discriminant validity relates to the principle that different constructs should not be highly correlated. Discriminant validity testing can be conducted using Cross Loading testing in the following table.

**Table 2. Test Results of Cross Loading Factor**

	<b>KT</b>	<b>WLB</b>	<b>KIN</b>
<b>KT1</b>	<b>0.843</b>	0.474	0.376
<b>KT2</b>	<b>0.899</b>	0.449	0.262
<b>KT3</b>	<b>0.902</b>	0.421	0.351
<b>KT4</b>	<b>0.911</b>	0.421	0.265
<b>KT5</b>	<b>0.927</b>	0.417	0.337
<b>KT6</b>	<b>0.918</b>	0.389	0.311
<b>KT7</b>	<b>0.938</b>	0.426	0.336
<b>KT8</b>	<b>0.949</b>	0.406	0.356
<b>KT9</b>	<b>0.907</b>	0.437	0.322
<b>KT10</b>	<b>0.896</b>	0.480	0.340
<b>KT11</b>	<b>0.903</b>	0.416	0.273
<b>KT12</b>	<b>0.939</b>	0.408	0.370
<b>KT13</b>	<b>0.897</b>	0.387	0.237
<b>KT14</b>	<b>0.931</b>	0.369	0.304
<b>KT15</b>	<b>0.951</b>	0.429	0.353
<b>KT16</b>	<b>0.822</b>	0.283	0.333
<b>KT17</b>	<b>0.894</b>	0.352	0.261
<b>KT18</b>	<b>0.740</b>	0.359	0.463
<b>KT19</b>	<b>0.912</b>	0.459	0.399
<b>KT20</b>	<b>0.927</b>	0.377	0.351
<b>WLB1</b>	0.416	<b>0.750</b>	0.276
<b>WLB2</b>	0.419	<b>0.818</b>	0.289
<b>WLB3</b>	0.322	<b>0.791</b>	0.267
<b>WLB4</b>	0.187	<b>0.760</b>	0.295
<b>WLB5</b>	0.427	<b>0.945</b>	0.364
<b>WLB6</b>	0.447	<b>0.971</b>	0.414
<b>WLB7</b>	0.459	<b>0.970</b>	0.437
<b>WLB8</b>	0.450	<b>0.962</b>	0.437
<b>WLB9</b>	0.438	<b>0.968</b>	0.448
<b>WLB10</b>	0.439	<b>0.968</b>	0.443
<b>WLB11</b>	0.442	<b>0.967</b>	0.421
<b>KIN1</b>	0.390	0.396	<b>0.790</b>
<b>KIN2</b>	0.357	0.405	<b>0.871</b>
<b>KIN3</b>	0.330	0.404	<b>0.841</b>
<b>KIN4</b>	0.295	0.360	<b>0.848</b>
<b>KIN5</b>	0.265	0.312	<b>0.861</b>
<b>KIN6</b>	0.326	0.358	<b>0.896</b>

	<b>KT</b>	<b>WLB</b>	<b>KIN</b>
<b>KIN7</b>	0.326	0.410	<b>0.885</b>
<b>KIN8</b>	0.309	0.376	<b>0.873</b>
<b>KIN9</b>	0.361	0.326	<b>0.890</b>
<b>KIN10</b>	0.296	0.358	<b>0.843</b>
<b>KIN11</b>	0.345	0.310	<b>0.848</b>
<b>KIN12</b>	0.306	0.334	<b>0.867</b>
<b>KIN13</b>	0.253	0.378	<b>0.818</b>
<b>KIN14</b>	0.308	0.383	<b>0.868</b>
<b>KIN15</b>	0.194	0.256	<b>0.717</b>
<b>KIN16</b>	0.278	0.216	<b>0.767</b>

Source: Data Processing, 2022

Based on the table of results of the PLS software above, it can be seen that the value of the correlation cross-loading factor for each latent construct for the corresponding indicator was higher than the other constructs. Thus, it can be concluded that the indicators used to measure the latent variable met the requirements.

**Table 3. Discriminant Validity Test (Fornell-Larcker Criterion)**

	<b>KIN</b>	<b>KT</b>	<b>WLB</b>
<b>KIN</b>	<b>0.844</b>		
<b>KT</b>	0.370	<b>0.802</b>	
<b>WLB</b>	0.420	0.457	<b>0.802</b>

Source: Data Processing, 2022

Based on the results of the table above, it can be concluded that all the root values obtained for each variable were higher than the correlation. Thus, it can be concluded that the model has good discriminant validity.

### Reliability Test

Questionnaire items must meet the reliability criteria. According to Hair et al. (2017), reliability is related to internal consistency reliability. The well-known criterion which is usually used to measure internal consistency is Cronbach's Alpha and another alternative is Composite Reliability. The recommended value for Cronbach's Alpha and good Composite Reliability was 0.7. The following are the results of the reliability test for each construct.

**Table 4. Reliability Test**

	<b>Cronbach's Alpha</b>	<b>Composite Reliability</b>
<b>KIN</b>	0.973	0.975
<b>KT</b>	0.988	0.989
<b>WLB</b>	0.976	0.979

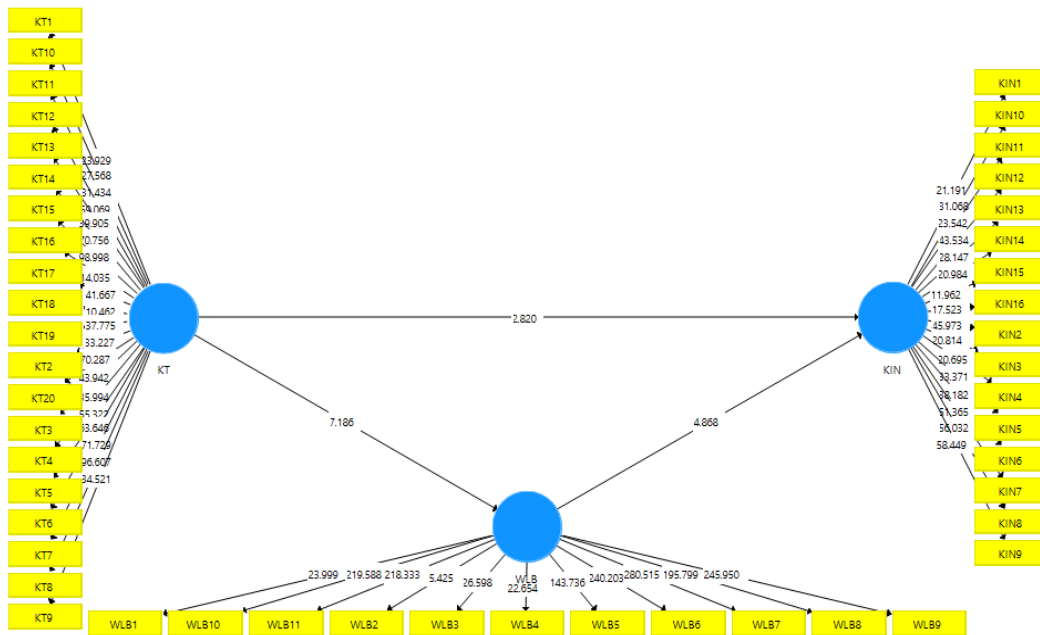
Source: Data processed by researchers (2022)

From the output results in table 4.22, it can be seen that the acquisition of Composite Reliability for each latent variable was bigger than 0.7 as well as the acquisition of Cronbach's Alpha value of greater than 0.7. It can be concluded that the questionnaire items meet the reliability criteria. This showed that all indicators had consistency in measuring each variable.



### Structural Model (Inner Model)

According to Hair et al. (2017), the second test in PLS is called the Structural Assessment Model or also called the Inner Model measurement. Testing was conducted by looking at the Path Value to see whether it had a significant effect or not. In this research, bootstrapping was carried out with 312 subsamples and a significance level of 0.05 (one tail). Based on the full structural model testing using the bootstrapping method, it is shown in the following figure.



**Figure 10. Full Path Structural Model (Bootstrapping) Diagram**

Source: Data processing, 2022

### Hypothesis Test

The following is the result of the calculation of the path coefficient and t-Value in the research shown in table 4.9 below:

**Table 5. Path Coefficient dan T-Statistics**

Variables	Path	T-value	P-Values	Decision
KT -> KIN	0.226	2.820	0.005	Supported
KT -> WLB	0.457	7.186	0.000	Supported
WLB -> KIN	0.317	4.868	0.000	Supported

Source: Data processed by researchers (2022)

The structural equation based on the table above is as follows:

$$KIN = 0,226*KT + 0,317*WLB + \epsilon_1$$

$$WLB = 0,457*K + \epsilon_2$$

In this research, the researcher used a 95% confidence level. The path coefficient score indicated by the T-Statistic value must be above 1.65 for the one-tailed hypothesis.

### **The Effect of Transformational Leadership on Employee Performance**

The first hypothesis testing is the effect of Transformational Leadership on Employee Performance. In table 5, the path coefficient between Transformational Leadership and Employee Performance was 0.226 with a positive direction. This showed that the higher the Transformational Leadership, the employee's performance would increase. On the contrary, the lower the Transformational Leadership, the employee's performance will decrease. Then the path coefficient was tested to prove whether there was a significant effect of the Transformational Leadership variable on Employee Performance.

The following are the results of the significance test of the hypothesis through the statistical hypothesis as follows:

H<sub>0</sub>: Transformational Leadership does not affect Employee Performance

H<sub>1</sub>: Transformational Leadership affects Employee Performance

Based on table 5, the T<sub>statistic</sub> value of the Transformational Leadership variable on Employee Performance was 2.820 with a p-value of 0.005. Because the value of t<sub>statistics</sub> (2.820) was bigger than t<sub>table</sub> (1.65) and P value (0.005) < 0.05. thus, using a 95% confidence level (one tail) was decided to reject H<sub>0</sub> and accept H<sub>1</sub>. It means that Transformational Leadership had a positive and significant effect on Employee Performance. The higher the Transformational Leadership, the Employee Performance would increase, conversely the lower the Transformational Leadership, the Employee Performance would decrease.

### **The Effect of Transformational Leadership on Work-Life Balance**

The second hypothesis testing was the effect of transformational leadership on work-life balance. In table 5, the path coefficient between transformational leadership and work-life balance was 0.457 with a positive direction. This showed that the higher the transformational leadership, the work-life balance would increase, conversely, the lower the transformational leadership, the work-life balance would decrease. Furthermore, the path coefficient was tested to prove whether there is a significant effect of the transformational leadership variable on the Work-Life Balance.

The following are the results of the significance test of the hypothesis through the statistical hypothesis as follows:

H<sub>0</sub>: Transformational leadership does not affect work-life balance

H<sub>2</sub>: Transformational leadership affects work-life balance

Based on table 5, T<sub>statistic</sub> value of the transformational Leadership variable on Work-Life Balance was 7.186 with a p-value of 0.000. Because the value of t<sub>statistics</sub> (7.186) was greater than t<sub>table</sub> (1.65) and P value (0.000) < 0.05, using a 95% confidence level (one tail) was decided to reject H<sub>0</sub> and accept H<sub>2</sub>. It means that transformational leadership had a positive and significant effect on Work-Life Balance. The higher the transformational leadership, the more work-life balance would increase. Otherwise, the lower the transformational leadership the work-life balance will decrease.

### **The Effect of Work-Life Balance on Employee Performance**

The third hypothesis testing is the effect of Work-Life Balance on Employee Performance. In table 5, the path coefficient between Work-Life Balance and Employee Performance was 0.317 in a positive direction. This showed that the higher the Work-Life Balance, the employee's performance would increase. On the contrary, the lower the work-life balance, the employee's performance will decrease. Furthermore, the path coefficient was tested to prove whether there is a significant effect of the Work-Life Balance variable on employee performance.

The following are the results of the significance test of the hypothesis through the statistical hypothesis as follows:

H<sub>0</sub>: Work-Life Balance does not affect Employee Performance

H<sub>3</sub>: Work-Life Balance affects Employee Performance

Based on table 5, the T<sub>statistic</sub> value of the Work-Life Balance variable on Employee Performance was 4.868 with a p-value of 0.000. Because the value of t<sub>statistics</sub> (4.868) was greater than t<sub>table</sub> (1.65) and P value (0.000) < 0.05. furthermore, using a 95% confidence level (one tail) was decided to reject H<sub>0</sub> and accept H<sub>3</sub>. It means that Work Life Balance had a positive effect and is significant to employee performance. The higher the Work-Life Balance, the employee's performance would increase. On the contrary, the lower the work-life balance, the employee's performance would decrease.

#### 4.1.4.3 The Effect of Dependent Variable

The effect of the dependent variable can be shown by the R-square value. The following is the acquisition of the R-square value.

**Table 6. R Square Result**

	<b>R Square</b>
<b>KIN</b>	0.217
<b>WLB</b>	0.209

Source: Data processed by researchers (2022)

Through the coefficient of determination (R-square) contained in the table above, it can be seen in the first sub-structure that the R square value of the employee performance variable was 0.217. It showed that employee performance could be explained by 21.7% by the transformational leadership variable and work-life balance. In the second sub-structure, the R-square value of the Work-Life Balance variable was 0.209, which showed that the Work-Life Balance could be explained by 20.9% by the transformational leadership variable.

**Table 7. The Quantity of Direct Effect**

Effects	Path Coefficients	Total Direct Effects
KT → KIN	0.226	0.051
KT → WLB	0.457	0.209
WLB → KIN	0.317	0.100

## DISCUSSION

### Transformational leadership has a positive effect on employee performance

The results of the research stated that leadership has a positive effect on employee performance. This is in line with several other studies. Many studies confirm that transformational leadership, directly and indirectly, has a positive effect on performance (Alzoraiki et al., 2018). Picollo (2006) stated that transformational leadership is directly related to task performance. (Caillier, 2014) suggested that transformational leadership has a direct influence on an employee evaluation. (Wang & Walumbwa, 2007) conducted a meta-analytic study with a literature span of 25 years and concluded that transformational leadership is positively related to general

team performance and overall team performance, as well as task-related and creative. (Chiniara & Bentein, 2016) competencies and needs mediate between transformational leadership and performance.

#### **Transformational leadership has a positive effect on work-life balance**

The results of the research stated that transformational leadership has a positive effect on work-life balance. This is in line with other research. The leadership factor is a strong supporting factor for work-life balance (Drew & Murtagh, 2005). Supportive and transformational leadership are often debated to be relevant to work-life balance (Syrek et al., 2013).

Transformational leadership supports employees to run flexible working hours and even supports employees to choose a daycare center or take their elderly parents to the doctor. Leadership can affect work-life balance, namely how employees feel about the work environment and organization (Kossek et al., 2018). Transformational leadership encourages the creation of work-life balance (Jyoti & Bhau, 2015)

#### **Work-life balance gives a positive effect on employee performance**

The results of the study stated that work-life balance has a positive effect on employee performance. This is in line with other research. Work-life balance has implications for employee attitudes, behavior, and well-being. In recent years, work-life balance has become a major concern that has been studied to increase work flexibility and improve working conditions. Various physical and emotional stresses cause work imbalance. Thus, employees have a low work-life balance and show poor performance, which can affect their quality of life. (Bataneh, 2019) stated that work-life balance affects performance.

## **CONCLUSION**

The results of testing the transformational leadership hypothesis on the performance show that transformational leadership has a positive and significant effect. This shows that the higher the transformational leadership, the higher the performance, the lower the transformational leadership, the lower the performance. The results of testing the transformational leadership hypothesis on work-life balance show that transformational leadership has a positive and significant effect. This shows that the higher the transformational leadership, the work-life balance will increase, conversely the lower the transformational leadership, the work-life balance will decrease. The results of testing the Work-Life Balance hypothesis on employee performance show that the work-life balance has a positive and significant effect. It shows that the higher the Work-Life Balance, the employee's performance will increase, on the contrary, the lower the Work-Life Balance, the employee's performance will decrease. This research was conducted only in Jabodetabek employees in a covid 19 atmosphere so the author had difficulty obtaining more respondents who gave their willingness to fill out the questionnaire.

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