The Effect of Transformational Leadership on Employee Performance Through Job Satisfaction, Organizational Commitment and the Use of Social Media in Public Organization
(Case Study of Financial Services Authority Employees)

Nining Ariyanti[1]; Hunik Sri Runing Sawitri[2]

[1] Master Program in Management, Universitas Sebelas Maret Surakarta, Indonesia

[2] Faculty of Economics and Business, Universitas Sebelas Maret Surakarta, Indonesia

E-mail: ariyanti.nining@gmail.com; huniksri@yahoo.co.id

Abstract

This study aimed to analyze the effect of transformational leadership on employee performance by considering the mediating role of job satisfaction, organizational commitment and the use of social media in public organization. This was quantitative study. The data were analyzed using the Partial Least Squares (PLS) Structural Equation Model (SEM). This study involved employees of the Financial Services Authority, who were taken using proportional random sampling techniques so that 346 employees were selected as research respondents. The results of the study showed that transformational leadership has a positive and significant effect on employee performance, job satisfaction and organizational commitment, but not on the use of social media. Although job satisfaction, organizational commitment, and social media use do not have a direct effect on employee performance, through full mediation, these variables act as mediators in the relationship between transformational leadership and employee performance. The practical implications of these findings underscored the importance of developing transformational leadership and optimizing mediating variables as strategies for improving employee performance in public organizational environments. These implications could help organizations design more effective human resource development policies and programs.

Keywords: *Transformational Leadership; Employee Performance; Job Satisfaction; Organizational Commitment; Use of Social Media; Public Organization*

Introduction

Improving public sector services is the main focus of the Indonesian government which is recognized as real proof of the state's existence for society. In this case, the success of public

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organizations is measured through the level of community satisfaction, as service recipients. This satisfaction is realized when the service meets the expectations and needs of society whose demands are increasingly high. Human resources play a central role in achieving service improvements and ensuring community satisfaction. Broadly speaking, quality human resources support organizational transformation towards better goals.

The important role of a leader in directing an organization and guiding human resources is prominent. Leadership is a key element that enables organizations to compete and achieve goals. In an ever-changing environment, public organizations need leadership figures who are able to oversee change for the better. Transformational leadership, which focuses on organizational change and improving performance, is one approach required in this context. Transformational leaders are able to inspire, motivate and direct their subordinates to achieve common goals, as well as increase their pride and self-confidence.

The performance of organizational members has a crucial role in achieving organizational goals. Good performance from each member is an important factor that contributes to the success of the organization. Through optimal performance, organizations can overcome challenges effectively and efficiently. Conversely, poor performance will have a negative impact on overall organizational performance. Therefore, in the context of improving public sector services, it is important to understand the role of transformational leadership in improving employee performance. In turn, it will contribute to community satisfaction as service recipients.

Identifying factors that motivate organizational members to improve performance is a major challenge in organizational management. Previous research has produced varying findings regarding the relationship between transformational leadership and employee performance. Some studies show that there is no direct effect between transformational leadership and employee performance, while others find a positive relationship between the two. Findings on positive relationships in research conducted by K & Ranjit (2020) and Buil et al., (2019) show that transformational leaders can realize superior performance of employees by encouraging creativity, extra motivation, and providing constructive feedback. Transformational leaders also help employees perceive organizational success as a shared success and strengthen identification with the organization's goals and values.

Transformational leadership also contributes to employee job satisfaction and organizational commitment. Transformational leaders are able to create satisfaction for their subordinates and increase organizational commitment because they are able to motivate subordinates to be more involved in work. High job satisfaction and strong organizational commitment have a positive impact on employee performance. Job satisfaction and organizational commitment are factors that can influence employee performance (Eliyana et al, 2019). This shows that it is important for organizations to monitor and improve job satisfaction and organizational commitment as part of efforts to achieve organizational goals.

Social media has also emerged as a new element that plays a role in the dynamics of public organizations, especially in the context of internal and external communication and interaction with the public. Public organizations can use social media as an effective tool to obtain public opinion and keep the public updated on organizational activities. Transformational leaders who transfer information to social networks can increase employees' willingness to share information online (Steffes & Burgee, 2009). Social media has the potential to empower public sector employees and change the entire culture of the public sector by making it more transparent (Bennett et al., 2010).

The Financial Services Authority (OJK) in Indonesia is an independent state institution that plays an important role in safeguarding the stability of the financial services sector. OJK has demonstrated a strong commitment to improving performance to achieve its strategic goals effectively and efficiently. OJK's success in achieving its performance cannot be separated from the role of quality and competent

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human resources in the organization. OJK has implemented a performance management system that is connected to the assessment of individual employee performance, which has an impact on employee remuneration and incentives. Apart from that, OJK also invests in leadership development through several programs such as the Tiered Leadership Development Program (PPKB) and Leadership Development Program (PPK) which are very important to ensure organizational effectiveness.

One interesting aspect in the OJK context is the generational composition of employees, most of whom are Generation Y. This shows the important role of leaders in achieving OJK goals, especially those from Generation Y. Thus, research on leadership at OJK is relevant and can provide useful insights. valuable insight into how leaders from the younger generation can influence the performance and achievement of organizational goals. Apart from that, OJK has also used various media, including social media, as an effective communication tool to reach the public. Social media has become one of the main means of conveying OJK information, education and policies to the public and supporting OJK's vision and mission to encourage healthy financial industry growth. The use of social media as a means of communication with the public, such as WhatsApp, is a progressive step that reflects the organization's adaptation to current technological developments and communication trends.

This research analyzes the impact of transformational leadership on employee performance, by considering the mediating role of job satisfaction, organizational commitment, and social media use. It is expected that a deeper understanding of these dynamics can make a positive contribution to the development of strategies and policies to improve public sector performance and services in Indonesia.

Literature Review

The Effect of Transformational Leadership on Employee Performance

A number of previous studies have consistently shown that transformational leadership has a significant positive effect on employee performance. Buil et al., (2019) research, which focuses on the tourism and hospitality sector, found that transformational leadership directly contributes positively to employee performance. In addition, K & Ranjit (2020) identified a direct positive relationship between transformational leadership and employee performance. The results of this research explain that transformational leaders are able to encourage employees to think creatively, motivate employees to try harder, and provide constructive feedback, all of which contribute to achieving superior performance. Therefore, based on the research findings, the following hypothesis was proposed:

H1: Transformational leadership has a positive effect on employee performance.

The Effect of Transformational Leadership on Job Satisfaction

There is consistency in the results of previous research which shows that transformational leadership has a significant positive effect on employee job satisfaction. A number of studies, such as those conducted by (Al-edenat, 2018; Eliyana et al., 2019; Puni et al., 2018; Sahan & Terzioglu, 2022), have conclusively concluded that there is a strong positive relationship between transformational leadership and level of employee job satisfaction. In some of these studies, transformational leadership dimensions such as ideal influence, intellectual stimulation, inspirational motivation, and individual consideration have also been proven to be significant predictors of the level of job satisfaction. Therefore, based on these findings, the hypothesis of this research was formulated as follows:

H2: Transformational leadership has a positive effect on employee job satisfaction.

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The Effect of Transformational Leadership on Organizational Commitment

A review of several previous studies on the relationship between transformational leadership and organizational commitment consistently indicates a positive and significant relationship between the two. These findings imply that transformational leadership practices have the ability to increase employees' organizational commitment. For instance, the results of research conducted by Sahan & Terzioglu (2022), which focused on nurses, showed that transformational leadership had a positive impact on organizational commitment. Likewise, research by Eliyana et al (2019) on employees of Pelabuhan Indonesia III Inc also produced similar findings, namely that transformational leadership directly contributed positively and significantly to organizational commitment. Therefore, referring to the research findings, the research hypothesis was formulated as follows:

H3: Transformational leadership has a positive effect on organizational commitment.

The Effect of Transformational Leadership on the Use of Social Media

Transformational leadership has an important role in influencing the use of social media in the work environment, as revealed in research by Khan et al., (2019) involving employees in the insurance industry in China. The results of this research confirm that transformational leadership has a positive impact on the use of social media by subordinates. It can be explained by the motivational power and effect of transformational leaders who are able to encourage their subordinates to utilize social media as a means of effective communication and collaboration. Thus, based on the research findings, the research hypothesis was formulated as follows:

H4: Transformational leadership has a positive effect on social media use.

The Effect of Job Satisfaction on Employee Performance

Job satisfaction factor is often considered an important indicator that reflects to what extent a person enjoys their work, and this has been positively related to employee well-being and performance (Spector, 1997). According to research conducted by Alwali & Alwali (2022), doctors in Iraqi public hospitals revealed that job satisfaction has a significant positive relationship with work performance. Apart from that, the results of research by Soomro & Shah (2019) also show a positive and significant effect between job satisfaction and employee performance. According to Soomro & Shah (2019), employee job satisfaction can improve employee performance and this also has a positive impact on the overall performance and size of the company. Other research by Eliyana et al., (2019) also strengthens this concept by finding a significant and positive relationship between job satisfaction and job performance. Based on empirical results from previous studies, which strengthen the positive relationship between job satisfaction and employee performance, the research hypothesis can be formulated as follows:

H5: Job satisfaction has a positive effect on employee performance.

The Effect of Organizational Commitment on Employee Performance

In the context of this research, there is a hypothesis which states that organizational commitment has a positive and significant effect on employee performance. This hypothesis is supported by findings from previous studies, such as (Hendri, 2019) research involving PTPN XIII employees in West Kalimantan, research by Soomro & Shah (2019) which found a positive relationship between organizational commitment and employee performance, and research by Yahaya & Ebrahim (2016) which also indicated a positive relationship between these two variables. Thus, the results of previous research

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illustrate that a high level of organizational commitment can contribute positively to employee performance in situations similar to those examined in this research.

H6: Organizational commitment has a positive effect on employee performance.

The Effect of the Use of Social Media on Employee Performance

In the context of this research, there is a hypothesis which states that the use of social media has a positive impact on employee performance. This hypothesis is supported by previous research, such as research by Khan et al., (2019) involving employees from insurance companies in Eastern China. The results of their research show that the use of social media in the workplace has a positive relationship with employee task performance. In addition, research by Chen et al., (2021) also confirms this hypothesis with the finding that the use of social media related to work and social aspects can improve employee performance. Thus, this hypothesis indicates that the use of social media can contribute positively to employee performance in situations similar to those examined in this research.

H7: The use of social media has a positive effect on employee performance.

The Effect of Transformational Leadership on Employee Performance through Job Satisfaction

In this research, there is a hypothesis that highlights the role of job satisfaction as a mediator in the relationship between transformational leadership and employee performance. This hypothesis is supported by findings from previous studies, such as research by Biswas & Varma (2012), which shows that job satisfaction acts as a mediator between transformational leadership and employee performance. Likewise, research by Hilton et al., (2021) shows that job satisfaction mediates a positive relationship between the four dimensions of transformational leadership and organizational performance. In addition, Alwali & Alwali (2022) research on doctors in Iraqi public hospitals also indicated that job satisfaction plays a positive mediating role in the relationship between transformational leadership and employee performance. Therefore, this hypothesis supports the idea that job satisfaction mediates the positive relationship between transformational leadership and employee performance, thereby highlighting the importance of job satisfaction in the context of employee performance.

H8: Job satisfaction mediates the positive relationship between transformational leadership and employee performance

The Effect of Transformational Leadership on Employee Performance through Organizational Commitment

In the context of the effect of transformational leadership on employee performance through organizational commitment, there are several studies that have indicated the important role of organizational commitment as a mediator. For instance, research conducted by Almutairi (2015) on female nurses in Saudi found that affective organizational commitment mediated the relationship between transformational leadership style and work performance. Similar findings were also found in Donkor et al., (2022) research in Ghana, where organizational commitment mediated the relationship between transformational leadership and employee performance in state-owned companies. These results indicate that transformational leadership not only has a direct effect on employee performance, but can also influence performance through increasing organizational commitment. Thus, this hypothesis supports the idea that organizational commitment mediates the positive relationship between transformational leadership and employee performance, which indicates the important role of organizational commitment in improving employee performance through transformational leadership.

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H9: Organizational commitment mediates the positive relationship between transformational leadership and employee performance

The Effect of Transformational Leadership on Employee Performance through the Use of Social Media

The use of social media in the context of the relationship between transformational leadership and employee performance has become an interesting research focus. Khan et al., (2019) research shows that the use of social media mediates the positive relationship between transformational leadership and employee performance. Thus, this hypothesis supports the idea that social media acts as an intermediary connecting transformational leadership with employee performance. In addition, increasing the use of social media can improve performance through employee commitment.

H10: Social media use mediates the positive relationship between transformational leadership and employee performance.

Research Method

Research Design

This is quantitative study that utilized a questionnaire as a data collection instrument. This study used secondary data and primary data with a one-shot or cross-sectional time horizon. The secondary data was used to compile a sample frame in the form of a list of employees at the Financial Services Authority obtained from the Annual Report of the Financial Services Authority. Meanwhile, primary data was collected from Financial Services Authority employees selected as samples.

Population and Sample

The study population involved 3,448 Financial Services Authority employees with positions ranging from Basic Employee to Head of Department. Determination of the sample size in this study was carried out based on the sample size table from Krejcie and Morgan (Sekaran & Bougie, 2016). Then, 346 employees were selected using proportional random sampling techniques.

Data Collection Technique

This study used a questionnaire which is prepared in the form of a Google form and then distributed online via various platforms such as email and WhatsApp to respondents. Variable measurements were carried out using a Likert scale in 5 (five) scales consisting of: (1) Strongly Disagree; (2) Disagree; (3) Doubtful; (4) Agree and (5) Strongly Agree.

Data Analysis Method

This study analyzed the direct effect of transformational leadership on employee performance, job satisfaction, organizational commitment and use of social media, as well as the direct effect of job satisfaction, organizational commitment and use of social media on employee performance. Apart from that, this study also analyzes the mediating role of job satisfaction, organizational commitment and social media use on the relationship between transformational leadership and employee performance. After the responses to the questionnaire are collected, the next step was descriptive analysis which was then continued with validity and reliability testing and ended with testing the research hypothesis. The data were analyzed using the Partial Least Squares (PLS) Structural Equation Model (SEM).

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In this research, operational definitions of variables are used to measure key concepts. Transformational leadership (X) was measured using the Multifactor Leadership Questionnaire (MLQ) 5X from Bass and Avolio (2004) which consists of five main dimensions, including the influence of ideal attributes, ideal influence, inspirational motivation, intellectual stimulation, and individual consideration. Employee performance (Y) was measured using the Individual Work Performance Questionnaire (IWPQ) from Koopmans et al (2013), which included the dimensions of task performance, contextual performance, and counterproductive work behavior. Job satisfaction (M1) was measured using the short form of the Minnesota Satisfaction Questionnaire (MSQ) developed by Weiss et al (1967) with two dimensions, namely intrinsic and extrinsic dimensions. Organizational commitment (M2) was measured using the Organizational Commitment Questionnaire (OCQ) from Mowday et al (1979) which focuses on three main dimensions: willingness to exert effort, desire to maintain membership, and acceptance of organizational values. The variable of social media use (M3) in this study included measurements of employee attitudes towards social media such as WhatsApp, Twitter, Facebook, Instagram and YouTube which were measured using a six-item scale (Ellison et al., 2007).

Results and Discussion

This research applied a field survey method to OJK employees involving a sample of 346 respondents. Data was collected through questionnaires distributed to employees and work unit leaders with the following respondent characteristics:

Table 1. Characteristics of Respondents

Characteristic	Category	Frequency	Percentage
Gender	Male	175	50.58
	Female	171	49.42
Age	< 26 years	39	11.27
	27 to 35 years	171	49.42
	36 to 45 years	111	32.08
	> 45 years	25	7.23
Education Level	High School	2	0.58
	Associate's Degree	9	2.60
	Bachelor's Degree	244	70.52
	Master's Degree	91	26.30
Position Level	Basic Employee	2	0.58
	Administrative Officer	60	17.34
	Staff	150	43.35
	Head of Subsection	91	26.30
	Head of Division	43	12.43
Years of Service	< 5 years	64	18.50
	> 5 to 10 years	234	67.63
	> 10 to 15 years	43	12.43
	> 15 years	5	1.45

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Analysis Results

The analysis in this study went through two stages, namely descriptive analysis and quantitative analysis. The categories for each interval were 1.00 to 1.79 'Bad'; 1.80 to 2.59 'Poor'; 2.60 to 3.39 'Fair'; 3.40 to 4.19 'Good'; 4.20 to 5.00 'Excellent'.

Table 2. Descriptive Statistics

Variables	Mean	Category
Transformational Leadership	3.90	Good
Employee Performance	4.22	Excellent
Job Satisfaction	3.90	Good
Organizational Commitment	3.72	Good
Use of Social Media	3.17	Fair

The model analysis in this study involved the assessment and evaluation stages of the quality of indicators to measure latent variables through the Structural Equation Modeling (SEM) approach. The main focus at this stage was validity testing which was divided into convergent validity and discriminant validity. First, a convergent validity test was carried out to measure to what extent the indicator could measure an interrelated construct. Convergent validity testing was declared valid if each item has an outer loading above 0.60 and has an Average Variance Extracted (AVE) value for each construct of 0.5 or more (Hair et al, 2014). Several indicators for variables showed outer loading values below 0.6, which indicated the need to consider deleting or modifying certain indicators.

Table 3. Validity and Reliability Test

Question	Transformational Leadership	Job Satisfaction	Organizational Commitment	Use of Social Media	Employee Performance
X10	0.8192				
X11	0.8105				
X12	0.8036				
X13	0.7361				
X14	0.7129				
X15	0.8203				
X16	0.7174				
X17	0.7487				
X18	0.7268				
X19	0.7828				
X2	0.6306				
X20	0.8325				
X3	0.6047				
X4	0.7204				
X6	0.8139				
X7	0.7452				
X8	0.8093				
X9	0.8238				
M1.11		0.7439			
M1.12		0.676			

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Question	Transformational Leadership	Job Satisfaction	Organizational Commitment	Use of Social Media	Employee Performance
M1.13		0.6868			
M1.14		0.748			
M1.15		0.7576			
M1.16		0.709			
M1.17		0.7649			
M1.18		0.6493			
M1.19		0.7302			
M1.2		0.6418			
M1.20		0.722			
M1.3		0.6114			
M1.4		0.758			
M1.5		0.7559			
M1.6		0.7095			
M1.8		0.6442			
M1.9		0.7242			
M2.1			0.7146		
M2.13			0.7503		
M2.14			0.7647		
M2.2			0.7878		
M2.5			0.743		
M2.6			0.7765		
M2.8			0.8292		
M3.1				0.6655	
M3.2				0.9151	
M3.3				0.7936	
M3.4				0.73	
M3.5				0.7477	
Y11					0.6419
Y13					0.7236
Y14					0.7905
Y2					0.6894
Y4					0.6356
Y7					0.7888
Y8					0.818
Y1					0.6446
AVE	**0.58**	**0.5032**	**0.5888**	**0.6004**	**0.5183**
Cronbach's Alpha	**0.9567**	**0.9381**	**0.8837**	**0.8571**	**0.8691**
R Square		**0.6008**	**0.2548**	**0.0112**	**0.034**

Next, the discriminant validity test was carried out using the Fornell-Larcker Criterion to measure to what extent a construct can be differentiated from other constructs. The results showed that the construct measured has good discriminant validity with an Average Variance Extracted (AVE) value greater than 0.5. Apart from that, the reliability test on the construct using Cronbach's Alpha and

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Composite Reliability produced a value above the threshold of 0.7 which indicated good consistency and reliability on the measurement instrument.

Analysis of the t-statistical significance test on the direct effect showed relevant results in evaluating the relationship between independent and dependent variables in the research model. Based on the test results, there were three direct effect relationships that were statistically significant, while the other four relationships did not show a significant effect.

Table 4. Results of Direct Effect and Mediation Effect Testing

Variables	Original Sample	Sample Mean	Standard Deviation	T Stat	P Values
Transformational Leadership -> Job Satisfaction	0.775	0.779	0.021	36.828	**0.000**
Transformational Leadership -> Employee Performance	0.236	0.235	0.088	2.695	**0.007**
Transformational Leadership -> Organizational Commitment	0.505	0.508	0.047	10.741	**0.000**
Transformational Leadership -> Use of Social Media	0.106	0.089	0.091	1.167	**0.244**
Job Satisfaction -> Employee Performance	-0.069	-0.062	0.132	0.525	**0.600**
Organizational Commitment -> Employee Performance	-0.115	-0.118	0.081	1.413	**0.158**
Use of Social Media -> Employee Performance	0.074	0.076	0.094	0.787	**0.432**
Mediation Effect					
	T Stat 1	T Stat 2	P Values 1	P Values 2	Desc.
Transformational_Leadership -> Job Satisfaction -> Employee Performance	2.6949	0.5217	**0.007**	0.6021	Full Mediation
Transformational_Leadership -> Organizational Commitment -> Employee Performance	2.6949	1.4184	**0.007**	0.1567	Full Mediation
Transformational_Leadership -> Use of Social_Media -> Employee Performance	2.6949	0.7611	**0.007**	0.447	Full Mediation

Hypothesis 1, which states that transformational leadership has a positive effect on employee performance directly, is supported by a significant t-statistic value (2.6949) and a p-value of less than 0.05. It shows the positive effect of transformational leadership on employee performance.

Hypothesis 2, which states that transformational leadership has a positive effect on employee job satisfaction directly, is also supported by a high t-statistic value (36.828) and a significant p-value. It indicates that transformational leadership has a significant positive effect on employee job satisfaction.

Hypothesis 3, which states that transformational leadership has a positive effect on organizational commitment directly, is also supported by a very high t-statistic value (10.741) and a significant p-value.

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It confirms that transformational leadership contributes positively to the level of organizational commitment.

However, hypotheses 4, 5, 6, and 7, which respectively link transformational leadership with social media use, job satisfaction with employee performance, organizational commitment with employee performance, and social media use with employee performance, did not receive significant support from the data. Therefore, the direct effect between these variables was not proven to be statistically significant.

Furthermore, testing the mediation effect shows that job satisfaction, organizational commitment, and social media use mediate the relationship between transformational leadership and full employee performance. Thus, hypotheses 8, 9 and 10 are supported. These results strengthen the concept that these mediator variables play an important role in bridging the effect of transformational leadership on employee performance.

Discussion

The Effect of Transformational Leadership on Employee Performance

Transformational leadership has a positive and significant effect on employee performance. Effective leadership will encourage increased employee performance. The results of this research support the research of (Buil et al., 2019; K & Ranjit, 2020) which showed that transformational leadership has a positive effect on employee performance.

The Direct Effect of Transformational Leadership on Employee Job Satisfaction

Transformational leadership has a direct and positive effect on job satisfaction. Transformational leaders are always able to pay attention to aspirations and are also able to organize tasks well when carrying out their leadership duties. This will create a feeling of joy in the employees towards the leader thereby creating job satisfaction. The results of this research support the research of (Al-edenat, 2018; Eliyana et al., 2019; Puni et al., 2018; Sahan & Terzioglu, 2022) which show that transformational leadership has a positive effect on employee job satisfaction.

The Direct Effect of Transformational Leadership on Organizational Commitment

Transformational leadership has a positive and significant effect on organizational commitment. Transformational leadership can create employees who have high organizational commitment. Transformational leaders have the ability to mobilize and empower employees which can influence organizational commitment. The results of this research support the research of (Eliyana et al., 2019; Sahan & Terzioglu, 2022) who showed that transformational leadership has a positive effect on organizational commitment.

The Direct Effect of Transformational Leadership on the Use of Social Media

Transformational leadership does not have a significant effect on social media use. Transformational leadership, through its power of motivation and influence, has not been able to encourage subordinates to utilize social media. This may be caused by concerns about the use of social media which can have a negative impact on employee performance if not managed well so that leaders have not encouraged optimal use of social media. The results of this study are not in line with the results of research by Khan et al., (2019) which shows that transformational leadership has a positive effect on the use of social media.

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The Effect of Job Satisfaction on Employee Performance

Job satisfaction does not have a significant effect on employee performance. The research results showed that increasing job satisfaction does not have a direct effect on increasing employee performance. This may be caused by the high value of employee performance with a mean value of 4.22 and low job satisfaction with a mean value of 3.90. Relatively low job satisfaction is not enough to improve performance directly. This finding is not in line with the research results of (Alwali & Alwali, 2022; Eliyana et al., 2019; Soomro & Shah, 2019) which shows that there is a positive and significant effect between job satisfaction and employee performance.

The Effect of Organizational Commitment on Employee Performance

Organizational commitment does not have a significant effect on employee performance. Even though having highly committed employees is considered an advantage for the organization, research results show that increasing organizational commitment does not have a direct effect on increasing employee performance. This may be caused by the high value of employee performance with a mean value of 4.22 and low organizational commitment with a mean value of 3.72. Employees are responsible for their duties to complete them with the best performance, regardless of where the employee works. This finding is not in line with the research results of (Hendri, 2019; Soomro & Shah, 2019; Yahaya & Ebrahim, 2016) which found a positive and significant effect between organizational commitment and employee performance.

The Effect of Use of Social Media on Employee Performance

The use of social media does not have a significant effect on employee performance. Even though social media is recognized as an important element in everyday life, its use has not shown a significant effect on employee performance. This may be due to concerns regarding the potential negative impact of social media use in the work environment when it is not managed well. Thus, leaders have not encouraged optimal use of social media. This finding contradicts research by (Chen et al., 2021; Khan et al., 2019) which shows that the use of social media has a positive and significant effect on employee performance.

The Effect of Job Satisfaction in Mediating the Positive Relationship between Transformational Leadership and Employee Performance

Job satisfaction mediates the positive relationship between transformational leadership and full employee performance. The transformational leadership experienced by employees has an impact on increasing employee performance through job satisfaction. That's because transformational leaders are able to have a positive effect on employees, are able to provide motivation to employees, and provide attention so as to increase the satisfaction of their subordinates. Employees with high job satisfaction will exert more effort in carrying out the assigned tasks and provide the best performance. The results of this research are in line with the findings of (Alwali & Alwali, 2022; Biswas & Varma, 2012; Hilton et al., 2021) which show that job satisfaction has a positive mediating effect on the relationship between transformational leadership and performance.

The Effect of Organizational Commitment in Mediating the Positive Relationship between Transformational Leadership and Employee Performance

Organizational commitment mediates the positive relationship between transformational leadership and full employee performance. The transformational leadership experienced by employees has an impact on increasing employee performance through organizational commitment. It is because transformational leaders motivate their subordinates to be more involved in work and appreciate their

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subordinates' contributions. It increases the organizational commitment of subordinates which in turn has an impact on improving employee performance. The results of this research are in line with the findings of (Almutairi, 2015; Donkor et al., 2022) which showed that organizational commitment mediates the relationship between transformational leadership and employee performance.

The Effect of the Use of Social Media in Mediating the Positive Relationship between Transformational Leadership and Employee Performance

The use of social media mediates the positive relationship between transformational leadership and full employee performance. The transformational leadership experienced by employees has an impact on improving employee performance through the use of social media. It is because transformational leaders are able and willing to adapt their leadership style to suit the situation and demands of changes in the organizational environment, including in the digital era, by encouraging their subordinates to use social media which can facilitate employees in sharing knowledge, problem solving, collaboration and communication within the organization so that it has an impact on increasing employee performance. The results of this research are in line with the findings of Khan et al., (2019) which showed that transformational leadership has an indirect positive relationship through social media on task performance.

Conclusion and Suggestion

In order to analyze the effect of transformational leadership on employee performance at the Financial Services Authority, this study presented significant findings. Transformational leadership is proven to have a positive and significant effect on employee performance, job satisfaction and organizational commitment, but does not directly influence the use of social media in the work environment. Although job satisfaction, organizational commitment, and social media use do not have a direct effect on employee performance, through full mediation, these variables play an important role in translating the positive effect of transformational leadership into increased employee performance. Leaders, who are able to inspire, motivate, and build commitment at the personal and organizational levels, can utilize job satisfaction, organizational commitment, and the use of social media as catalysts to improve employee performance.

Then, future research is suggested to involve a wider sample and a variety of public organizations so that the generalizability of the findings can be improved. Additionally, further research could consider additional variables that may influence employee performance, as well as deepen understanding of social media use in the work environment. Practically, organizations, especially the Financial Services Authority, can respond to these findings by increasing transformational leadership development to support job satisfaction, organizational commitment and more effective use of social media. This can create a work environment that is conducive to improving employee performance, which, in turn, will make a positive contribution to achieving organizational goals.

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