Original Article

The Influence of Transformational Leadership, Motivation and Work Environment on Employee Performance Mediated by Discipline Work at PT. Pupuk Indonesia Pangan

Iqbal Kurniawan¹,², Arie Wibowo Khurniawan², Faizul Mubarok³

¹,²,³Universitas Terbuka

Correspondence Author: iqbalkurniawan3006@gmail.com

Abstract:
Problems that occur at PT. Pupuk Indonesia Pangan where there are allegations of problems that cause the company’s revenue targets to not be achieved from year to year, which has an impact on the company's revenue achievement, which is caused by employee performance always decreasing every year. Theoretically, various elements, such as work environment, discipline, motivation, and transformational leadership, affect an employee's performance. Performance is the range of outcomes each person achieves in their line of work. This study aims to ascertain how work discipline at PT. Pupuk Indonesia Pangan, a 110-person company, mediates the effects of motivation, work environment, and transformational leadership on employee performance. There were 110 responses in the sample. A Likert scale was used to do the variable measurement. SmartPLS was used for data analysis. Based on the findings, work discipline is significantly positively impacted by transformational leadership, motivation, and surroundings. Transformational leadership and the work environment have little influence on employee performance. In contrast, motivation and work discipline have a large beneficial direct effect: workplace motivation, work environment, and transformative leadership at PT. Pupuk Indonesia Pangan may all be mediated by work discipline. Conclusion: At PT. Pupuk Indonesia Pangan, work discipline mediates the direct and indirect effects of transformational leadership, motivation, and work environment on employee performance.

Keywords: Transformational Leadership, Motivation, Work Environment, Employee Performance, Work Discipline
Introduction

Food security is a major strategic issue in the process of agricultural development and national development, especially for developing countries like Indonesia with a large population. Not just a matter of the stomach, food security is also a complex phenomenon, involving many aspects and factors from various angles. The complexity of the food security problem is very significant and needs special attention in making development policies. The importance of food security is not only limited to the economic aspect, but also has an impact that extends to other sectors, and can even affect the balance of national defense and security. As an economic commodity, food security also plays an important role in social and political aspects, both at regional, national and global levels. Therefore, in determining development policies, the complexity of food security must be recognized and considered holistically to achieve optimal results (Source: PT Pupuk Indonesia Rancangan Jangka Panjang Perusahaan (RJPP) 2020-2024, 2021).

To address the challenges of food issues, the government remains consistent in implementing policy responses to overcome price fluctuations at the consumer level while still considering the level of farmer welfare, including maintaining prices with the highest retail price policy, reference prices, distribution supervision and inter-regional trade cooperation to reduce price disparities between regions (Source: PT Pupuk Indonesia Rencana Jangka Panjang Perusahaan (RJPP) 2020-2024, 2021).

PT Pupuk Indonesia Pangan is a company that carries out business in the agricultural industrial sector and in the agricultural trade sector. The presence of PT. Pupuk Indonesia Pangan is a government policy for the sustainability of agricultural productivity improvement programs in corporate form. PT. Pupuk Indonesia Pangan operates in the agricultural sector, especially food, which started with the food cluster concept and was built through strong competence in conducting agribusiness from upstream to downstream, where each series of business processes has value and is well consolidated (Source: Rencana Jangka Panjang Perusahaan (RJPP) PT Pupuk Indonesia Pangan 2020-2024, 2021).

Based on data from 2017-2021, there was a decline in performance from a quantitative aspect, the Company’s L/R until 2021 experienced a loss where the comprehensive achievement (loss) for the current year was a loss of IDR 8.43 billion compared to the 2021 RKAP, which was due to operational performance not reaching the target, as well as accrued costs of IDR 1.4 billion and low income from recovery of receivable losses (Source: PT. Pupuk Indonesia Pangan 2021 Annual Report, 2021). This happened because the rice sales target was not achieved.

In order to assess the degree of success in achieving results linked to the company’s vision and to comprehend the advantages and disadvantages of operational policies, Rismawati & Mattalata, (2018) state that performance is a condition that certain parties must comprehend and acknowledge, meanwhile, Ricardianto, (2018) states that performance interpretation describes the degree of success in implementing activity plans or policies to achieve goals, including the organization’s vision and mission, as outlined in the strategic plan.

Theoretically, several factors can influence the performance of a company’s employees, including transformational leadership, motivation, environment and work discipline. Performance is various forms of results achieved by each individual in their field of work. Performance is the quality and quantity of an organization’s identified potential, capabilities and work results to achieve its goals.
To further understand alleged problems with employee performance that have an impact on the company's revenue achievement and considering the importance of companies continuing to improve themselves through demands for increased employee performance, appropriate efforts and strategies are needed to optimize existing resources within the company. There are six main assets in administration that influence the organization's achievement in achieving its goals, namely capital, machinery, human resources, materials, strategy and cash (Lase & Sahyar, 2022).

The leaders of PT Pupuk Indonesia Pangan use a transformational leadership style in leading. Leaders always guide and direct their subordinates and provide training so they can work better and optimally. Leaders want to make their employees smart and useful to other people. Leaders always maintain good relationships with their subordinates and always treat all their subordinates fairly. The phenomenon of PT Pupuk Indonesia Pangan felt dissatisfaction with the existing transformational leadership style, resulting in decreased employee performance. Leaders show attitudes that do not set a good example apart from causing losses to the company's performance.

A leader who practices transformational leadership modifies and motivates followers to go above and beyond what the company expects of them. The principles of transformational leadership include individual concern, intellectual stimulation, inspiring motivation, and ideal influence, which can boost worker effort. This can increase productivity, work morale and satisfaction, organizational effectiveness, and reduced turnover. Decreased absence rates and increased organizational responsiveness (Sari & Judge, 2018). The advantages of transformational leadership have been supported at various levels of work. In general, organizations will perform better when they have transformational leadership. Companies that have transformational leadership will demonstrate superior performance for the organization. Thus, transformational leadership has a big impact on the company (Robbins, 2017).

Consequently, this case study will examine the effects of work discipline, motivation, and transformational leadership on worker performance. By forming employee work discipline, research by Riyanto et al., (2021) titled The Influence Of Transformational Leadership And The Work Environment On Employee Performance: Mediating Role of Discipline demonstrates how both transformational leadership style and the work environment directly affect civil servant performance in the Ministry of Villages, Development of Disadvantaged Regions and Transmigration (Kemendes-PDTT). Despite being different from the Republic of Indonesia (Kemendes-PDTT) research, this includes disciplinary factors.

**Methods**

Quantitative research is the methodology used. This kind of quantitative research is grounded in positivism. It examines certain populations or samples, collects information using research instruments, and assesses preconceptions using quantitative and statistical data analysis (Sekaran & Bougie, 2020). The following research stages will be carried out to ensure efficient and effective implementation:
Results

Table 1. Summary of Research Hypothesis Results

<table>
<thead>
<tr>
<th>Research Hypothesis</th>
<th>Results</th>
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<tbody>
<tr>
<td>H1</td>
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<td>H2</td>
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<td>H3</td>
<td>Significant Influence</td>
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<td>H4</td>
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<tr>
<td>H5</td>
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<tr>
<td>H6</td>
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<tr>
<td>H7</td>
<td>Significant Influence</td>
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Hypothesis | Results |
--- | --- |
H₈ | Work discipline is able to mediate transformational leadership on employee performance at PT. Pupuk Indonesia Pangan |
| Significant Influence |
H₉ | Work discipline is able to mediate motivation on employee performance at PT. Pupuk Indonesia Pangan |
| Significant Influence |
H₁₀ | Work discipline is able to mediate the work environment on employee performance at PT. Pupuk Indonesia Pangan |
| Significant Influence |

1. The influence of transformational leadership on work discipline

The SEMPLS analysis study findings indicate that PT. Pupuk Indonesia Pangan's work discipline is significantly impacted directly by transformational leadership, with hypothesis H1 being accepted. Work discipline will increase by 0.158 if transformational leadership is increased by one unit, according to the magnitude of its influence on work discipline, which has a parameter coefficient of 0.158. This indicates that the direction of influence between transformational leadership and work discipline is positive at 0.158.

An effective organization requires the following strategy: influencing other people or members, and making the greatest contribution to achieving organizational goals (Setiawan, 2018). Transformational leadership is a leadership style in which a leader seeks to inspire and motivate his team members to achieve extraordinary achievements and change the culture of the organization. Effective transformational leaders can create a work environment where work discipline is enhanced because team members feel motivated to work hard and achieve greater goals.

The findings above are corroborated by earlier research conducted by Riyanto et al., (2021) which found that the transformational leadership style directly affects civil servant performance in the Ministry of Villages, Development of Disadvantaged Regions and Transmigration (Kemendes-PDTT) as well as forming employee work discipline. Indonesian Republic (Kemendes-PDTT). Similarly, Setiadi & Lutfi, (2021) indicates that transformative leadership has a big impact on worker performance. Research from Putri, (2017) shows that transformational leadership significantly impacts work discipline.

2. The influence of motivation on work discipline

According to the SEMPLS analysis study findings, which support the acceptance of hypothesis H2, there is a strong direct relationship between motivation and work discipline at PT. Pupuk Indonesia Pangan. The magnitude of the influence of motivation on work discipline is positive with a parameter coefficient of 0.331, meaning that the direction of influence between motivation and work discipline is positive, amounting to 0.331, meaning that if there is an increase in motivation by 1 unit, work discipline will increase by 0.331.

(Afandi, 2018) stated that an organization’s work discipline serves as a tool or means of survival. This is because workers or subordinates who possess strong discipline will adhere to all laws and rules, enabling the completion of tasks in line with prearranged schedules.

This is in accordance with the research results of Mahendra & Sadiartha, (2021). The analysis's findings demonstrate that (1) work motivation positively and significantly (really) influences work discipline. Apart from this research, the same results were also
found in research by Utomo et al., (2021) where the influence. motivation. Work. towards discipline. employee work. positively and significantly with a value of 0.027.

3. The influence of the work environment on work discipline

The SEMPLS analysis study findings support hypothesis H3, indicating that the work environment at PT. Pupuk Indonesia Pangan has a direct and substantial impact on work discipline. Work discipline is positively influenced by the work environment in a positive direction, as indicated by the positive parameter coefficient of 0.511, which indicates that a one-unit increase in the work environment will result in a 0.511 increase in work discipline. When workers are disciplined, they are aware of and prepared to follow all rules and guidelines that apply in the workplace so they may do their jobs effectively and leave work on time in compliance with set policies. This is the foundation of work discipline (Sutrisno, 2019).

Prior studies by Riyanto et al., (2021) showed that public servant performance at the Ministry of Villages, Development of Disadvantaged Regions and Transmigration (Kemendes-PDTT) is directly impacted by the work environment and that this effect also shapes employee work discipline. Republic of Indonesia (Kemendes-PDTT). Indonesian Republic (Kemendes-PDTT). According to research by Yulianti et al., (2023) the workplace has a big impact. Workplace dynamics are influenced by discipline. Similarly, Putra & Aprianti, (2020), found that the t-count exceeded the t-table value, indicating that the work environment impacted the work discipline of the Lambitu sub-district, Bima Regency workers.

4. The influence of transformational leadership on employee performance

According to the SEMPLS analysis investigation findings, hypothesis H4 is not supported, indicating transformational leadership at PT. Pupuk Indonesia Pangan has no discernible direct impact on worker performance. The benefit of transformative leadership on employee performance positively correlates with size and direction, as shown by the parameter coefficient of 0.047. This indicates that worker performance will rise by 0.047 for each unit increase in transformational leadership.

It may be deduced that greater implementation of the transformational leadership style would result in higher employee performance since there are several characteristics associated with it. Another factor that the transformational leadership style has a positive but not significant effect on employee performance is encouraging employees to increase intelligence and the majority of respondents answered neutral and some answered that they strongly disagreed with leaders encouraging employees to increase intelligence. Things like this have negative impacts if they continue. There are characteristics of a transformational leadership style according to (Robbins & Judge, 2019), one of which is that leaders must be able to influence employees’ thinking to prioritize work, increase employee intelligence and increase creativity. If leaders are unable to increase intelligence in employees, it will be difficult for the company to develop better. Apart from that, employees think that leaders are good friends and will find it difficult to accept directions from leaders.

The results above corroborate Putri’s 2017 research, which concluded that a revolutionary leadership style has little impact on employee performance. At the Berkah Makmur Cooperative, workers’ productivity is not significantly impacted by their work motivation or transformational leadership style (Anah et al., 2020) Nurhuda et al., (2019)
study indicates that transformational leadership philosophies have little effect on worker performance.

5. The influence of motivation on employee performance

Motivation has a substantial direct effect on staff performance at PT. Pupuk Indonesia Pangan, according to the SEMPLS analysis study findings, accepts hypothesis H5. The relationship between employee performance and motivation is positive, and the magnitude of this relationship is positive (parameter coefficient = 0.449). This means that an increase of one unit in motivation will increase by 0.449 in employee performance.

This opinion is reinforced by (Gibson & Ivancevich, 2012) something that encourages or moves us to behave in a certain way. That is what stimulates someone to move forward. This is corroborated by Sari (2017) who said that rewarding exceptional workers may boost employee motivation since it has an impact on enhancing worker performance. Employee motivation has a big impact on an organization’s success.

Research by Mahendra & Sadiartha, (2021) supports this, showing that job motivation positively and significantly (realistically) impacts employee performance. According to Utomo et al., (2021) motivation and influence. Improve performance by exercising discipline. Work is substantial and positive, with a value of 0.011. This is consistent with the study by Murdivanto et al., (2022) which shows that employee performance is positively and significantly impacted by motivation to some extent. Citraningtyas, (2019) said that in the Ngunut District Office in Tulungagung Regency, motivation greatly impacts staff performance.

6. Influence of the work environment on employee performance

Based on the findings of the SEMPLS analysis study, hypothesis H6, indicating employee performance at PT, is not supported. The workplace does not significantly impact Pupuk Indonesia Pangan. With a parameter value of -0.001, the work environment can affect employee performance in a hostile way. This suggests that the influence’s direction is also negative, at 0.001, which means that worker productivity will decrease by 0.001 for each unit increase in the workplace.

This explains why employee performance at PT. The work environment negatively and negligibly impacts Pupuk Indonesia Pangan. This implies that worker performance will decrease with an improved work environment. This makes sense since workplace indicators measuring various aspects of the work environment have the lowest response rates from workers. It follows that music in the workplace may have a detrimental effect on worker productivity. The outcomes of evaluating this first premise go counter to A’s assertions. Dale Temple, cited by (Mangkunegara, 2015) asserts that internal and external influences may affect an individual’s performance. The company’s work environment is one of these external elements that affect an individual’s performance. This also holds for Simanjuntak (2015) assertion that organizational support, which includes planning, supplying infrastructure and facilities, selecting technology, creating a pleasant work environment, and providing working conditions and circumstances, is a necessary component of every individual’s performance.

These results are in line with research by Nurhuda et al., (2019) showing that work environment variables have no effect on employee performance.

7. The influence of work discipline on employee performance
The SEMPLS analysis research results support hypothesis H7, which shows a significant positive correlation between work discipline and employee performance at PT. Pupuk Indonesia Pangan. The parameter coefficient of 0.504 indicates a positive correlation between work discipline and employee performance, suggesting that work discipline has a favorable impact on this value. Accordingly, work discipline will rise by 0.504 for each unit where employee performance increases. (Sinambela, 2018) defines discipline as a person's desire to abide by the rules that are in place in the organization of their own will. Employees develop discipline and improve their ability to do their jobs by adhering to work laws. Employee performance will be excellent when there is a high degree of employee discipline, but it will also be poor when there is a low level of staff discipline.

The above findings are corroborated by an earlier study by Mahendra & Sadiartha, (2021) which found that work discipline improves employee performance in a positive and meaningful (real) way. According to Utomo et al., (2021) work discipline has a favorable and statistically significant impact on employee performance, with a value of 0.052. The findings of Murdiyanto et al., (2022) study demonstrate that work discipline has a noteworthy and favorable impact on employee performance. Similarly, Citraningtyas, (2019) found that employee performance in the Ngunut District Office, Tulungagung Regency, is significantly impacted by work discipline. According to Syarif & Riza, (2022) work discipline impacts employee performance in the Riau Islands Education Service.

8. The influence of transformational leadership on employee performance as a mediating variable through work discipline

The SEMPLS analysis study findings indicate that PT. Pupuk Indonesia Pangan employee performance is indirectly impacted by transformational leadership via work discipline, as hypothesis H8 is accepted. A one-unit increase in transformational leadership through employee performance will result in a one-unit increase in work discipline. The indirect impact of transformational leadership on employee performance via work discipline, with a parameter coefficient of 0.079. 0.079% indicates the direction of effect between work discipline and transformational leadership.

The findings of the transformational leadership style study by Riyanto et al., (2021) provide support for this, as they influence employee work discipline and the performance of civil servants in the Ministry of Villages, Development of Disadvantaged Regions and Transmigration (Kemendes-PDTT) directly. Southeast Asian Republic (Kemendes-PDTT). Transformational leadership and employee performance may be mediated by work discipline, according to Setiadi & Lutfi, (2021). Work discipline is one way that Putri's research (2017) study demonstrates how a leader's style affects staff performance. The impact of leadership on employee performance via punishment was also shown by Utomo et al., (2021). Do the work. Much and favorably. That indicates discipline with a rating of 0.048. Labor is involved. Changing. Arbitrage.

9. The influence of motivation on employee performance as a mediating variable through work discipline

Based on the findings of the SEMPLS analysis study, which support hypothesis H9, transformational leadership at PT. Pupuk Indonesia Pangan has an indirect impact on worker performance via work discipline. With a parameter coefficient of 0.167, the indirect influence of motivation on employee performance through work discipline is significant. The indirect impact of motivation on worker performance via work discipline is noteworthy, with
a parameter coefficient of 0.167. This suggests a positive correlation between work discipline and motivation, suggesting that for every improvement in employee performance in a unit, work discipline will rise by 0.167. The challenge of motivation is directing subordinates’ energy and potential to facilitate effective teamwork and accomplish pre-established objectives. Motivation plays a crucial role in human behavior as it drives, directs, and sustains individuals’ willingness to put in the necessary effort and enthusiasm to get ideal outcomes. Mahendra Sadiartha (2021) found that work discipline has a favorable and substantial effect on modulating the impact of work motivation on increasing employee performance and supports these conclusions. Similarly, Utomo et al.’s (2021) data from 2021 show that discipline impacts employee motivation and performance. A rating of 0.048 indicates that disciplinary work has a positive and substantial influence. Arbitration.

10. The influence of the work environment on employee performance as a mediating variable through work discipline

According to the SEMPLS analysis study findings, which support hypothesis H10, work discipline indirectly impacts employee performance at PT. Pupuk Indonesia Pangan. With a parameter coefficient of 0.257, the indirect influence of the work environment on employee performance through work discipline indicates a positive direction of influence between the two. This means that the degree of work discipline will increase if the work environment improves by one unit due to employee performance. for 0.257.

The theory according to Sutrisno, (2019) is that a positive work environment creates a work environment that helps the organization achieve its goals, benefits employees and creates a disciplined attitude towards them. Based on this theory, the work environment can influence employee work discipline, because a good agency work environment can improve employee work discipline and achieve predetermined goals. A work environment can be achieved if there is a physical environment that supports employee recruitment and a non-physical environment that communicates well with superiors. The results above are supported by previous research conducted by Riyanto et al., (2021) and Yulianti et al., (2023) by obtaining research results namely that there is an indirect influence of the work environment on employee performance which is mediated by work discipline.

Based on the work discipline variable, the R Square value is 0.944. These findings clarify that proportion contributes to 94.4% of the effect of work discipline. The findings of the R2 calculation indicate that the value is strong based on this. This indicates that work discipline is directly impacted by transformational leadership and incentive characteristics by 94.4%, with other variables impacting the remaining 5.6%. Meanwhile, the R Square value for the employee performance variable is 0.960. The influence on employee performance is 96% explained by these results. Based on this, the R2 computation results show that the value is substantial. Work environment, motivation, transformational leadership, and work discipline directly govern 96% of employee performance, with other factors influencing the remaining 4%.

Conclusion

Based on the results of the research and data analysis explained in the previous chapter, the following conclusions can be drawn:

1. There is a significant direct influence of transformational leadership on work discipline at PT. Pupuk Indonesia Pangan, where every increase in transformational leadership will increase work discipline.

2. There is a significant direct influence of motivation on work discipline at PT.
Pupuk Indonesia Pangan, where every increase in motivation will increase work discipline.

3. There is a significant direct influence of the work environment on work discipline at PT. Pupuk Indonesia Pangan, where every improvement in the work environment will increase work discipline.

4. There is no significant direct influence of transformational leadership on employee performance at PT. Pupuk Indonesia Pangan, where every increase in transformational leadership does not always increase employee performance.

5. There is a significant direct influence of motivation on employee performance at PT. Pupuk Indonesia Pangan, where every increase in motivation will increase employee performance.

6. There is no significant direct influence of the work environment on employee performance at PT. Pupuk Indonesia Pangan, where every improvement in the work environment will improve employee performance.

7. There is a significant direct influence of work discipline on employee performance at PT. Pupuk Indonesia Pangan, where every increase in work discipline will increase employee performance.

8. At PT. Pupuk Indonesia Pangan’s work discipline can mitigate the effects of transformative leadership on worker performance.

9. At PT. Pupuk Indonesia Pangan, work discipline might mediate between employee motivation and performance.

10. At PT. Pupuk Indonesia Pangan, work discipline might mediate between the work environment and employee performance.

**Suggestion**

Suggestions for improving transformational leadership, motivation, work environment, work discipline and employee performance at PT. Pupuk Indonesia Pangan is as follows:

1. It is recommended that PT. Pupuk Indonesia Pangan provides transformational leadership training and development for managers at all levels of the organization. Facilitate mentoring and coaching sessions between senior and junior leaders to strengthen transformational leadership skills. Form discussion groups or forums for leaders to share experiences and best practices in implementing transformational leadership.

2. We recommend that PT. Pupuk Indonesia Pangan conducts regular employee satisfaction surveys to understand employee needs and expectations regarding motivation. Implement employee incentives and recognition programs to celebrate their achievements and contributions. Provide career development and training opportunities for employees who demonstrate dedication and high performance.

3. It is recommended that PT. Pupuk Indonesia Pangan evaluates and improves factors that influence the work environment, such as facilities, communication facilities, and work-life balance. Facilitate health and wellness programs to improve employee physical and mental health. Encourage an inclusive and collaborative work culture to increase employee satisfaction and motivation.

4. We recommend that PT. Pupuk Indonesia Pangan establishes clear rules and
procedures regarding work discipline and communicates them clearly to all employees. Provide work discipline and work ethics training to employees to ensure good understanding. Apply a fair and consistent approach in enforcing discipline, with due regard for fairness and transparency.

5. It is recommended that PT. Pupuk Indonesia Pangan implements an effective performance monitoring system to measure the achievement of individual and team goals. Provide employees with regular and constructive feedback on their performance, and identify development opportunities. Conduct periodic evaluations of leadership, motivation and work environment programs to assess effectiveness and make necessary improvements.

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