# The Influence of Transformational Leadership and Intrinsic Motivation on Employee Performance with Discipline as An Intervening Variable

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## ABSTRACT

*This study is aimed to analyze the influence Transformational Leadership, intrinsic motivation on Job performance of employee, with work discipline as intervening variable. Case study at PT. Indonesia Pos Chemtech Chosun Ref. The population that used in this research is 45 (forty five) employees, from production department and Logistic department. This study used regression analysis to see the contribution from each independent variable Job Performance. Data analysis with multiple regressions and support by SPSS software (Statistical Package for Social Science) version 21.0. The result indicate that Transformational Leadership and Intrinsic Motivation has significant influence to job performance through work discipline as intervening mediator. The suggested variables are: transactional leadership, extrinsic motivation, job satisfaction and work environment. Because with more good performance of employees will also have a good effect on the company*

*Keywords: Transformational Leadership, Intrinsic Motivation, Work Discipline, Job Performance*

## INTRODUCTION

Companies must consistently possess competitive advantages to navigate the obstacles of commercial competitiveness and globalization effectively. To attain this competitive edge, effective corporate tactics and plans are vital, necessitating the company's ability to optimize its current resources. In addition to devising tactics and plans, organizations must comprehensively analyze the external environment, encompassing elements such as demography, socio-cultural aspects, political landscape, technical advancements, and competitors. (Sidharta & Foster, 2019) However, it is crucial to examine internal corporate issues thoroughly. The PT IPCR company strongly emphasizes the expectation of outstanding performance from its personnel. Employees must be capable of proficiently and productively fulfilling their assigned tasks and responsibilities. The anticipation is that when all employees exhibit high levels of performance, there will be a corresponding rise in overall corporate productivity, hence fostering the organization's long-term viability.

Nevertheless, within the company's operations, leadership challenges persist, alongside diminished morale and a lack of enthusiasm among employees towards company regulations that still need improvement. (Hadian, 2015; Sumual, 2015; Suryadana et al., 2014) Furthermore, the company must adequately regulate unaddressed violations within its policies. The findings from initial interviews with multiple employees indicate that various factors can be attributed to decreased employee performance. (Astutik, 2016; Prasetiyo et al., 2021; Wantania et al., 2021) These factors include the utilization of a leadership style that fails to instill intrinsic motivation among employees and the perception among certain employees that the current leadership style needs more essential leadership skills, assertiveness, and the ability to serve as a role model for subordinates. Consequently, these issues have resulted in inadequate employee discipline, potentially negatively impacting overall employee performance. The observation of this phenomenon is evident in the table provided, which pertains to the attendance of employees.

According to a study conducted by Hadian, (2018), a positive correlation exists between the transformational leadership level exhibited by leaders and staff motivation and the subsequent impact on employee performance. However, according to a study conducted by Nardo et al., (2019), it has been found that there is no substantial impact of transformational leadership and transactional leadership on employee performance. A study by Eliyana et al., (2019)supports the above proposition, asserting that transformational leadership's influence

on employee performance is not significant when emotional intelligence acts as a mediator. Aryani et al., (2022) demonstrated in a study that factors like work discipline, leadership, and motivation influence employee performance.

In their study titled "Transformational Leadership and Job Performance: The Case of SMEs in Taiwan," (Tsai et al., 2015) focused solely on the relationship between transformational leadership and employee competence. In contrast, our study expands on this research by incorporating additional variables such as intrinsic motivation and work discipline to examine their impact on employee performance. In their study titled "The Influence of Motivation and Work Discipline on Employee Work Productivity: A Case Study of Tona'an Markets," (Elqadri et al., 2015) focused on investigating the impact of motivation and work discipline on employee work productivity. However, their study solely examined the influence of motivation on work productivity and discipline. In contrast, our study incorporates variables such as Transformational Leadership, Intrinsic Motivation, and Work Discipline to analyze their effects on employee performance.

The primary objective of this research is to acquire a comprehensive comprehension and furnish empirical substantiation concerning the impact of transformational leadership, work discipline, and intrinsic motivation on the performance of employees. The anticipated outcomes of this study are expected to provide valuable insights for the advancement of Management Science, particularly in Human Resource Management. Specifically, it aims to enhance our understanding of the impact of transformational leadership, intrinsic work motivation, and work discipline on employee performance, focusing on the mediating role of work discipline.

## METHOD

This study utilizes the causality technique to enhance the hypothesis on the impact of transformational leadership and intrinsic motivation on employee performance while considering work discipline as the mediating variable. In theoretical terms, variables can be conceptualized as characteristics or features that exhibit variation among different individuals or objects (Hatch and Farhady, 1981, as cited in Sugiyono, 2014:95). This study

utilizes three distinct categories of variables, namely independent variables, intervening variables, and dependent variables. The variables employed in this study include transformational leadership and intrinsic motivation as independent factors, with work discipline as the intervening variable, as determined by the literature review and hypothesis construction. The study's population and sample comprise 45 production personnel at PT. Indonesia Pos Chemtech Chosun Ref, Cilegon.

The data utilized in this study may encompass both qualitative and quantitative components. The data sources encompass primary and secondary sources, with the research predominantly relying on primary data.

The distribution of age, gender, duration of service, and education is analyzed to provide an overview of the respondents. The age group of 19-25 comprises the highest proportion of respondents, accounting for 46.67% of the total. Robbins and Judge (2015:28) assert that employees' age contributes to their work performance by endowing them with a range of advantageous attributes, such as experience, consideration, strong work ethics, and a steadfast commitment to quality. A significant proportion of participants (68.89%) reported having a work tenure exceeding two years. Robbins and Judge (2015:32) assert that the duration of one's tenure indicates productivity, indicating accumulated job experience. Hence, a substantial proportion of the participants possess professional expertise.

The research sample consists primarily of male respondents, comprising 97.78% of the total, with the remaining 2.22% being female respondents. A higher emphasis on fieldwork and the operation of production machinery characterizes the nature of the activity undertaken at the research site. The data reveals that a significant proportion of participants (64.44%) have successfully attained a high school diploma or an equal level of education. The data presented suggests that the majority of employees at PT. IPCR exhibit a satisfactory level of skills, knowledge, and capacities necessary for the successful execution of their job responsibilities, as substantiated by their formal educational attainment. Providing sufficient education is of utmost importance as it plays a pivotal role in enabling employees to contribute to organizational performance effectively.

The data collection methods employed in this study encompass library research and field research methodologies. The researchers employ methods such as observation and

interviews. To conduct a quantitative analysis, they use questionnaires to collect data on the observed factors: Transformational Leadership, Intrinsic Motivation, Employee Performance, and Employee Work Discipline. These questionnaires are structured in a Likert scale format. The employed technique for transformation is the Method of Successive Interval (MSI), which is employed to turn ordinal data into interval data. Given that the data presented by the researcher is in ordinal measurements and utilizes a Likert scale for assigning weights (scores on the questionnaire completed by each participant), it is necessary to convert it into interval data.

The researcher utilizes regression intervention to examine the associations among the investigated variables. This method entails the assessment of the validity and reliability of testing equipment. This study's initial phase involves analyzing the classical assumptions of Ordinary Least Squares (OLS) regression. This investigation enables the assessment of the appropriateness and normalcy of the data employed in the research. In practical applications, four conventional assumption tests are commonly employed: normalcy, linearity, multicollinearity, and heteroscedasticity.

# RESULT AND DISCUSSION

The analysis reveals a strong link between each indicator and the total construct score of each variable. This is evidenced by the calculated correlation coefficient (r), which is more significant than the critical value (0.3) obtained from the tabular data. Hence, all items in the questionnaire possess validity.

### Table 1. Validity Test Results

| Statement Items | RS value | Criteria | Information |
|---|---|---|---|
| Transformational leadership (X1) | | | |
| X1.1 | .588 | > 0.3 | Valid |
| X1.2 | .555 | > 0.3 | Valid |
| X1.3 | .858 | > 0.3 | Valid |
| X1.4 | .881 | > 0.3 | Valid |
| Intrinsic Motivation (X2) | | | |
| X2.1 | .656 | > 0.3 | Valid |
| X2.2 | .631 | > 0.3 | Valid |
| X2.3 | .769 | > 0.3 | Valid |
| X2.4 | .838 | > 0.3 | Valid |
| X2.5 | .933 | > 0.3 | Valid |
| X2.6 | .761 | > 0.3 | Valid |
| Work Discipline (Z) | | | |
| Z.1 | .395 | > 0.3 | Valid |
| Z.2 | .448 | > 0.3 | Valid |
| Z.3 | .594 | > 0.3 | Valid |
| Z.4 | .698 | > 0.3 | Valid |
| Z.5 | .883 | > 0.3 | Valid |
| Z.6 | .701 | > 0.3 | Valid |
| Z.7 | .508 | > 0.3 | Valid |
| Z.8 | .428 | > 0.3 | Valid |
| Z.9 | .883 | > 0.3 | Valid |
| Employee performance | | | |
| Y.1 | .908 | > 0.3 | Valid |
| Y.2 | .896 | > 0.3 | Valid |
| Y.3 | .908 | > 0.3 | Valid |
| Y.4 | .953 | > 0.3 | Valid |
| Y.5 | .748 | > 0.3 | Valid |
| Y.6 | .738 | > 0.3 | Valid |

Source: Processed primary data, 2016

### Table 2. Reliability Test Results

| Variabel | Alpha | Information |
|---|---|---|
| Transformational leadership | 0,711 | Reliabel |
| Intrinsic Morivation | 0,862 | Reliabel |
| Work Discipline | 0,805 | Reliabel |
| Employee performance | 0,930 | Reliabel |

Source: Processed primary data, 2016

The reliability test results reveal that all variables exhibit a sufficiently high Alpha coefficient, above the threshold of 0.60. This result implies that the measuring concepts for each variable in the questionnaire exhibit high levels of reliability. Hence, each conceptual variable's constituent elements might be considered appropriate for subsequent utilization as measurement instruments.

**Table 3. Normality Test Results**

One-Sample Kolmogorov-Smirnov Test

| | | Standardized Residual |
|---|---|---|
| N | | 45 |
| Normal Parameters[a,b] | Mean | .0000000 |
| | Std. Deviation | .96530730 |
| Most Extreme Differences | Absolute | .136 |
| | Positive | .103 |
| | Negative | -.136 |
| Kolmogorov-Smirnov Z | | .913 |
| Asymp. Sig. (2-tailed) | | .375 |

a. Test distribution is Normal.

b. Calculated from data.

Sumber: Lampiran output SPSS., Data primer yang diolah, 2016

From this image, the results show that all data is normally distributed. The data distribution is p/sig > 0.05.

**Linearity Test**

**Table 4. Linearity Test Results**

ANOVA Table

| | | | Sum of Squares | df | Mean Square | F | Sig |
|---|---|---|---|---|---|---|---|
| TOT_Y * TOT_X1 | Between Groups | (Combined) | 1101.278 | 11 | 100.116 | 14.650 | .000 |
| | | Linearity | 1021.207 | 1 | 1021.207 | 149.430 | .000 |
| | | Deviation from Linearity | 80.071 | 10 | 8.007 | 1.172 | .344 |
| | Within Groups | | 225.622 | 33 | 6.834 | | |
| | | | 1326.800 | 44 | | | |
| TOT_Y * TOT_X2 | Between Groups | (Combined) | 1263.425 | 15 | 84.228 | 38.942 | .000 |
| | | Linearity | 949.646 | 1 | 949.646 | 434.552 | .000 |
| | | Deviation from Linearity | 313.779 | 14 | 22.413 | 10.256 | .000 |
| | Within Groups | | 63.375 | 29 | 2.185 | | |
| | Total | | 1326.800 | 44 | | | |
| TOT_Y * TOT_Z | Between Groups | (Combined) | 1226.580 | 16 | 76.661 | 21.418 | .000 |
| | | Linearity | 1058.598 | 1 | 1058.598 | 295.757 | .000 |
| | | Deviation from Linearity | 167.982 | 15 | 11.199 | 3.129 | .004 |
| | Within Groups | | 100.220 | 28 | 3.579 | | |
| | | | 1326.800 | 44 | | | |

*Sumber: Lampiran output SPSS, Data primer yang diolah, 2016*

The results of the linearity test indicate that the significance values for all associations are below the threshold of 0.05. The linearity test is to ascertain the presence or absence of a statistically significant linear association between two variables. The test above is frequently employed as a precursor in examining correlation or linear regression. The Test for Linearity in SPSS is conducted at a significant level 0.05. A linear relationship between two variables is established when the significance (linearity) is shown to be below 0.05.

**Table 5. Multicollinearity Test Results**

Coefficients[a]

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | -7.073 | 2.036 | | -3.474 | .001 | | |
| | TOT_X1 | .639 | .206 | .361 | 3.102 | .003 | .249 | 4.016 |
| | TOT_X2 | .294 | .128 | .251 | 2.291 | .027 | .281 | 3.560 |
| | TOT_Z | .382 | .137 | .372 | 2.787 | .008 | .189 | 5.280 |

a. Dependent Variable: TOT_Y

*Sumber: Lampiran output SPSS, Data primer yang diolah, 2016*

The table illustrates that the Variance Inflation Factor (VIF) values for all independent variables in this study are below 10, indicating a lack of multicollinearity. Additionally, the tolerance values for all independent variables exceed 10%, suggesting a low degree of collinearity. This observation suggests no statistically significant relationship between the independent variables. Hence, the regression model does not exhibit multicollinearity among its independent variables. As stated by Ghozali (2011:108), an essential need for a regression model is the lack of multicollinearity, which may be assessed by examining the cutoff values. The cutoff values frequently employed to indicate the presence of multicollinearity are a Tolerance value greater than 0.10 or a Variance Inflating Factor (VIF) value less than 10. Therefore, it can be inferred that the presence of multicollinearity is absent.

**Heteroscedicity Test**

From Table 4.14 below, the output of the two variables has no symptoms of heteroscedasticity because Sig>0.05. This means there is no deviation from the classic assumption of heteroscedasticity in the regression model created, in other words, accepting the homoscedasticity hypothesis. The complete table is as follows:

**Table 6. Heteroscedasticity Test Results**

**Correlations**

| | | | TOT_Kep Transfor masional | TOT_Motivasi Intrinsik | TOT_Displin Kerja | Unstandardized Residual |
|---|---|---|---|---|---|---|
| Spearman's rho | TOT_Kep Transfor masional | Correlation Coefficient | 1,000 | ,759** | ,824** | -,039 |
| | | Sig. (2-tailed) | | ,000 | ,000 | ,797 |
| | | N | 45 | 45 | 45 | 45 |
| | TOT_Motivasi Intrinsik | Correlation Coefficient | ,759** | 1,000 | ,836** | ,037 |
| | | Sig. (2-tailed) | ,000 | | ,000 | ,811 |
| | | N | 45 | 45 | 45 | 45 |
| | TOT_Disiplin Kerja | Correlation Coefficient | ,824** | ,836** | 1,000 | -,005 |
| | | Sig. (2-tailed) | ,000 | ,000 | | ,977 |
| | | N | 45 | 45 | 45 | 45 |
| | Unstandardized Residual | Correlation Coefficient | -,039 | ,037 | -,005 | 1,000 |
| | | Sig. (2-tailed) | ,797 | ,811 | ,977 | |
| | | N | 45 | 45 | 45 | 45 |

\*\*. Correlation is significant at the 0.01 level (2-tailed)
Sumber: Lampiran output SPSS, Data primer yang diolah, 2016

**Hypothesis Test**

According to the SPSS version 21 test output, the two independent variables (transformational leadership and intrinsic motivation) jointly influence work discipline.

### Table 7. Output 1

Coefficients<sup>a</sup>

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 7,070 | 1,658 | | 4,265 | ,000 |
| | TOT_Kep.Transformasional | 1,030 | ,195 | ,533 | 5,291 | ,000 |
| | TOT_Motivasi.Intrinsik | ,529 | ,124 | ,431 | 4,280 | ,000 |

a. Dependent Variable: TOT_Disiplin.Kerja

Sumber: Lampiran output SPSS , Data primer yang diolah, 2016

Meanwhile, the SPSS version 21 test output for the three independent variables (transformational leadership, intrinsic motivation and work discipline) together has an effect on employee performance.

**The Effect of Transformational Leadership on Performance**

Hypothesis testing by researchers proves a positive influence between transformational leadership and employee performance, as evidenced by a positive t-value of 2.470 with a significance level of 0.018. The results of this research support previous research conducted by Eko Yudhi Setiawan (2015). This result shows that to improve employee performance, companies must create a cadre of transformational company leaders, provide inspiration and motivation to their members, and create a sense of loyalty and pride in the company. This leadership cadre formation can be carried out through training and development regarding leadership, with the object being employees at the supervisor level and above.

### Table 8. Output 2

Coefficients<sup>a</sup>

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -4,818 | 1,843 | | -2,614 | ,012 |
| | TOT_Kep.Transformasional | ,576 | ,233 | ,335 | 2,470 | ,018 |
| | TOT_Motivasi.Intrinsik | ,295 | ,138 | ,270 | 2,144 | ,038 |
| | TOT_Disiplin.Kerja | ,314 | ,143 | ,352 | 2,192 | ,034 |

a. Dependent Variable: Kinerja.Karyawan

Sumber: Lampiran output SPSS , Data primer yang diolah, 2016

**The Effect of Intrinsic Motivation on Employee Performance**

Hypothesis testing carried out by researchers proves that there is a positive influence between intrinsic motivation and employee performance. They are proven by a positive t-value of 2.144 with a significance level of 0.038. This research also supports previous research conducted by Fakhrian Harza Maulana, Djamhur Hamid, and Yuniadi Mayoan (2015). This result shows that to improve employee performance, and companies must encourage the creation of motivation from within the employees themselves so that employees will feel a sense of responsibility and take the initiative in doing their work without feeling forced or based on enjoyment. For strategic policies, companies are expected to provide training regarding motivation and spirituality. Apart from that, career promotions should be implemented fairly and transparently, not because of subjective conditions.

**The Influence of Transformational Leadership on Employee Work Discipline**

Hypothesis testing by researchers proves a positive influence between transformational leadership and employee work discipline, as evidenced by the calculated t-value of 5.291 with a significance level of 0.000. This research supports research conducted by Jhon Nasyaroeka (2011), which shows that leadership influences work discipline. This also implies that organizations that want their employees to have high work discipline must be able to provide precise tasks and work, provide equal treatment to all employees, and take clear and firm action against any violations while still maintaining harmony with all employees. The sanctions are expected to be adjusted to the error or violation committed and are not subjective. Likewise, all employees are expected to be able to understand and implement the rules and regulations that apply in the company. It is recommended that all employees be given regular and ongoing training and understanding regarding the current regulations in force.

**The Influence of Intrinsic Motivation on Employee Work Discipline.**

Hypothesis testing carried out by researchers proves that there is a positive influence between intrinsic motivation and employee work discipline. This is proven by the calculated t-value of 4.280 with a significance level 0.000. This research supports previous research conducted by Aries Susanty Sigit Wahyu Baskoro (2012), which stated that motivation significantly positively impacts work discipline. To improve employee work discipline,

which is driven by a sense of awareness and initiative, it is hoped that the company can develop programs that create motivation in each employee, for example, through meetings in order to absorb the aspirations of employees so that there is a reciprocal relationship between employees and the company for the sake of creating conduciveness and avoiding employment problems or conflicts. This research indicates that companies need to provide rewards for employees with high motivation and work discipline, which can be in the form of attendance incentives, promotions, or other awards.

**The Influence of Employee Work Discipline on Employee Performance.**

Hypothesis testing carried out proves that there is a positive influence between employee work discipline and employee performance, as evidenced by the calculated t-value of 2.192 with a significance level of 0.034.; The results support previous research by Brigita Ria Tumilar (2015) and Jajang Amiroso, Mulyanto (2015), which stated that work discipline influences employee performance. This shows that to improve employee performance, the company (PT.IPCR) must improve work discipline, which can be done through discipline through work attendance and punctuality, followed by supervision carried out by superiors or leaders of each work unit. This research indicates that discipline, especially attendance, punctuality, and leader supervision can improve performance. However, implementing disciplinary compliance is hoped to continue to create harmonious working relationships between subordinates, superiors, or fellow employees.

**Table 9. Model 1 F Test Output**

ANOVA$^a$

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 1052,717 | 2 | 526,359 | 96,383 | ,000$^b$ |
| | Residual | 229,366 | 42 | 5,461 | | |
| | Total | 1282,084 | 44 | | | |

a. Dependent Variable: TOT_Disiplin.Kerja

b. Predictors: (Constant), TOT_Motivasi.Intrinsik, TOT_Kep.Transformasional

*Sumber: Lampiran output SPSS , Data primer yang diolah, 2016*

Based on the computed values in Table 4.17, the F statistic is determined to be 96.383, while the associated p-value is reported as 0.000. The obtained significance value, which is lower than the predetermined significance level of 0.050 (5%), indicates a statistically

significant impact of transformational leadership and intrinsic motivation variables on the work discipline variable. This implies that the model exhibits a satisfactory level of goodness of fit. According to the SPSS test output version 21, model 2 has been obtained, wherein the three independent variables (transformational leadership, intrinsic drive, and work discipline) collectively exhibit an F Test Output.

**Table 10. Model 2 F Test Output**

ANOVA[a]

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 824,958 | 3 | 274,986 | 58,371 | ,000[b] |
| | Residual | 193,151 | 41 | 4,711 | | |
| | Total | 1018,108 | 44 | | | |

a. Dependent Variable: TOT_Kinerja.Karyawan

b. Predictors: (Constant), TOT_Disiplin.Kerja, TOT_Motivasi.Intrinsik, MSI_TOT_Kep.Transformasional

*Sumber: Lampiran output SPSS, Data primer yang diolah, 2016*

Based on the calculations shown in Table 4.18, it is observed that the F value is 58.371, whereas the significance value is reported as 0.000. The obtained significance value, lower than the predetermined significance level of 0.050 (5%), indicates a statistically significant impact of the transformational leadership variables, namely intrinsic motivation and work discipline, on the employee performance variables. This finding suggests that the model exhibits a good fit.

**Table 11. Model Output**

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | ,900[a] | ,810 | ,796 | 2.17048 |

a. Predictors: (Constant), TOT_Disiplin.Kerja, TOT_Motivasi.Intrinsik, TOT_Kep.Transformasional

*Sumber: Lampiran output SPSS, Data primer yang diolah, 2016*

The R Square value, which represents the coefficient of determination, is 0.810 or 81.0%. This indicates that 81.0% of the variability in employee performance can be accounted for by the variations in the three independent variables: transformational leadership, intrinsic motivation, and work discipline. The remaining 19.0% of the variability is attributed to factors beyond the model's scope.

**Table 12. X1 to Y Test Results**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) 1 TOT_Kep.Transformasional | -.511 | 1.739 | | -.294 | .770 |
| | 1.453 | .140 | .845 | 10.345 | .000 |

Source: SPSS output attachment, Processed primary data, 2016

**Table 13. X1 to Z Test Results**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) 1 TOT_Kep.Transformasional | 9.463 | 1.848 | | 5.121 | .000 |
| | 1.664 | .149 | .862 | 11.152 | .000 |

Source: SPSS output attachment, Processed primary data, 2016

**Table 14. Test Results X1, Z to Y**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) 1 TOT_Kep.Transformasional | -5.086 | 1.916 | | -2.655 | .011 |
| | .649 | .241 | .377 | 2.696 | .010 |
| TOT_Disiplin.Kerja | .483 | .125 | .543 | 3.880 | .000 |

Source: SPSS output attachment, Processed primary data, 2016

Based on tables 14, 13 and 12 above, the influence path (substructure) can be obtained as follows:
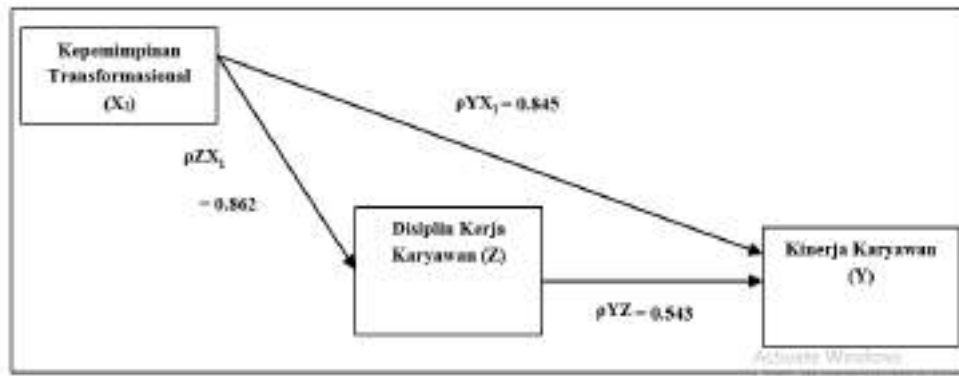
**Figure 1. Mediation on Employee Performance and Discipline**

The findings of the mediation analysis indicate that the magnitude of the direct influence is smaller than the indirect influence, namely $0.649 < 0.803$. Moreover, the total influence size is determined to be 1.453. These results prove that work discipline is a mediator in the relationship between transformational leadership and employee performance.

**The Effect of Intrinsic Motivation on Employee Performance**

Next, to find out the direct, indirect, and total relationship of the three variables (intrinsic motivation, work discipline, and employee performance), SPSS version 21 testing was carried out so that the output according to the table below was obtained:

**Table 15. X2 to Y Test Results**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| (Constant) 1 TOT_Motivasi.Intrinsik | -.014 | 1.857 | | -.007 | .994 |

Source: SPSS output attachment, Processed primary data, 2016

**Table 16. X2 to Z Test Results**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) 1 TOT_Motivasi.Intrinsik | 10.026 | 1.991 | | 5.036 | .000 |

Source: SPSS output attachment, Processed primary data, 2016

**Table 17. Test Results X2, Z to Y**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|---|---|---|---|---|---|
| | B | Std. Error | Beta | | |
| (Constant) 1 | -5.408 | 1.935 | | -2.794 | .008 |
| TOT_Motivasi.Intrinsik | .344 | .144 | .315 | 2.386 | .022 |

Source: SPSS output attachment, Processed primary data, 2016

Based on tables 17, 16 and 15 above, the influence path (substructure) can be obtained as follows:
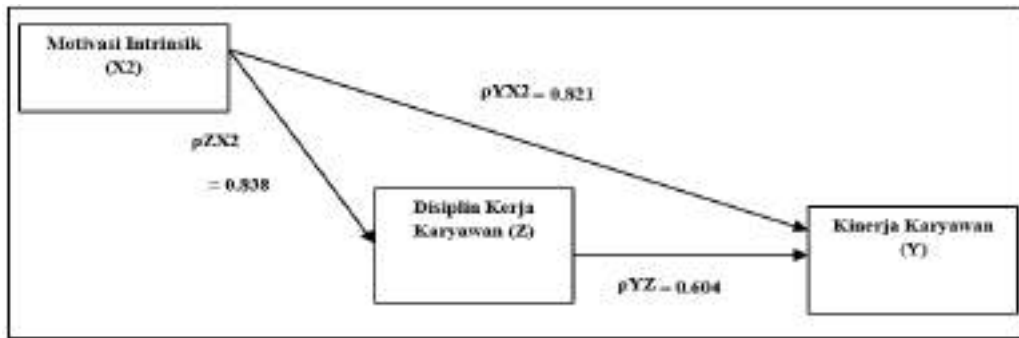
**Figure 2. Mediation of Motivation Intrinsic**

The mediation results show that the direct influence value is lower than the indirect influence, 0.344 < 0.552, with a total effect size of 0.897. This shows that work discipline can mediate the influence of intrinsic motivation on employee performance. To test whether the intervening variable is significant or not, a test is carried out using an online Sobel test as follows:

**The mediating influence of Transformational Leadership on Employee Performance through employee Work Discipline.**

It is comparing the calculated t value with the t table value with a population of 45 people and n=43, α = 0.05, which is 2,017. From the online Sobel test calculation, the calculated t value > t table value (2.616 < 2.017) is obtained, meaning it is significant. So, it can be concluded that the employee work discipline variable as an intervening variable can mediate the influence of transformational leadership on employee performance, and the influence is significant.

Figure 3. Results of Sobel Mediation Test 1

**The mediating influence of Intrinsic Motivation on Employee Performance through employee Work Discipline.**

It compares the calculated t value with the t table value with a population of 45 people and n=43, $\alpha = 0.05$, which is 2,017. From the online Sobel test calculation, the calculated t value > t table value (2.324 < 2.017) is obtained, meaning it is significant. So, it can be concluded that the employee work discipline variable as an intervening variable can mediate the influence of intrinsic motivation on employee performance, and its influence is significant.



Figure 4. Results of Sobel Mediation Test 2

## CONCLUSION

Based on the hypotheses posited within the present study, it can be inferred that transformational leadership exerts a favorable and statistically significant impact on the performance of employees. Consequently, the initial hypothesis is deemed valid. This conclusion suggests a positive relationship exists between the actions of superiors, such as inspiring, motivating, and paying attention to subordinates, and the performance of employees at PT. IPCR. Furthermore, it can be observed that intrinsic motivation exerts a favorable and noteworthy impact on the performance of employees, hence leading to the acceptance of the second hypothesis. This finding suggests a positive relationship exists between higher levels of intrinsic motivation among employees in the PT. IPCR and improved performance. Moreover, it can be observed that transformational leadership positively impacts employee work discipline, leading to the acceptance of the third hypothesis—the enhancement of work discipline among employees of PT. IPCR is observed when superiors inspire, motivate, and attentively engage with their subordinates. Furthermore, it can be shown that intrinsic motivation positively impacts the level of work discipline among employees, confirming the validity of the fourth hypothesis, as the level of intrinsic motivation among employees of PT. IPCR rises, and there is a corresponding increase in their work discipline. Finally, the presence of work discipline exerts a favorable impact on the overall performance of employees, thereby supporting the validation of the fifth hypothesis. When there is an increase in work discipline among employees of PT IPCR, it leads to an enhancement in their performance. The implementation of work discipline has successfully acted as a mediator, amplifying the impact of transformational leadership and intrinsic motivation on the performance of employees at PT. IPCR.

The research findings suggest that PT. IPCR's Top Management should prioritize the development of future leaders who can effectively manage the firm while also serving as excellent role models and sources of inspiration and motivation. In order to cultivate the qualities of idealism and honesty among future corporate leaders, it is imperative to provide them with comprehensive leadership training and development programs. This condition will bolster the company's competitive edge, progress, and expansion at domestic and international levels.

In order to cultivate a healthy working relationship between superiors and subordinates, the organization must provide explicit job descriptions with clearly defined company

regulations. This approach guarantees a favorable work environment and encourages employees to undertake disciplinary actions driven by their awareness rather than external pressure. Furthermore, the organization should offer appropriate incentives to employees who have remained with the company for more than five years. This is crucial because employees with extensive professional experience demonstrate strong dedication and possess specialized knowledge in their respective roles, enhancing their overall job performance. Additionally, the company should conduct training and orientation sessions for employees, focusing on the organization's vision, goals, and rules. This will help instill a strong sense of responsibility and initiative among the workforce. This aspect is significant in nurturing employee motivation, improving work efficiency, and heightening performance.

This study employed a restricted sample size, primarily focusing on the Production and Logistics Departments of PT Indonesia Pos Chemtech Chosun Ref, Cilegon. The study exclusively incorporated four variables into the built and tested model. About the constraints stemming from the employee performance variable, it is essential to note that the findings were derived only from the responses provided by the participants, thereby introducing a significant degree of subjectivity. In order to mitigate subjectivity in the evaluation of performance, it is possible to analyze performance by relying on objective records maintained by the organization. These records may include metrics such as the timeliness, quality, and quantity of output generated by individual employees. The findings of the $R^2$ test in this study suggest the existence of additional variables that warrant consideration. This suggests that additional factors exert an influence on performance, which cannot be accounted for just by the fluctuations in the three independent variables, namely transformational leadership, intrinsic motivation, and work discipline. Hence, it is advisable to incorporate supplementary elements that influence employee performance, such as transactional leadership, extrinsic motivation, job happiness, and work environment. Enhanced employee performance ultimately yields benefits for the organization.

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