


The Influence of Transformational Leadership on Employee Career Development Case Study on PT. Pegadaian Branch of Pematangsiantar City

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received Dec 06, 2024 Revised Dec 18, 2024 Accepted Dec 22, 2024</p> <p>Keywords:</p> <p>Transformational Leadership, Career Development</p>	<p>This study aims to determine the influence of transformational leadership in employee career development at PT. Pegadaian, Pematangsiantar City Branch, the type of research used is quantitative. The population in this study were all employees at PT. Pegadaian, Pematangsiantar City branch and the number of samples in this study was 30 respondents (covering the entire population of the data source in this study using a research instrument in the form of a questionnaire and the processed data was tested using SPSS Version 25. The validity test for transformational leadership can be seen from having the lowest r count value of 0.376 while the r table is 0.349, so $0.376 > 0.34$ and it can be stated that all are valid. Meanwhile, the validity test for career development can be seen from all statements having the lowest r count value of 0.365 while the r table is 0.349, so $0.365 > 0.349$ and it can be stated that all statements are valid. Based on the calculation results, the Cronbach's Alpha value for transformational leadership is 0.842, which indicates that this questionnaire is reliable (consistent) because the Cronbach's Alpha value is > 0.7, while from the results of the reliability test, the value of Cronbach's Alpha for the career development variable is 0.839, which means it is greater than the threshold value of 0.7. This shows that all questionnaire instruments have good internal consistency, so they are reliable for use in research. For the t-test, the transformational leadership variable has a sig. value of 2.04841 and the tcount result $>$ ttable, ($10.9215 > 2.04841$), then H_a is accepted and H_o is rejected, so it can be concluded that the price coefficient partially has a significant effect on employee career development at PT Pegadaian Branch Kota Pematangsiantar.</p> <p><i>This is an open access article under the CC BY-NC license.</i></p> 

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1. INTRODUCTION

Leadership is one of the key factors in an organization that determines the success of employee performance and development. One of the leadership styles that is of concern in the modern business world is transformational leadership. According to Bass & Avolio (2018), transformational leadership is a leadership style that inspires and motivates followers to achieve higher performance by changing the way they think and behave. Transformational leaders are able to create a strong vision and move the entire organization towards that goal, while empowering and developing the potential of individuals in their team.

Basically, transformational leadership involves four main components, namely: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Burns (2019) states that through these components, leaders not only focus on achieving short-term goals, but are also committed to shaping and developing the abilities and careers of their followers in the long term.

2. RESEARCH METHOD

Leadership is a process in which an individual influences a group of people to achieve a common goal. According to Robbins and Judge (2017) emphasized that leadership is the ability to influence a group towards achieving a vision or goal. Leadership is the process of influencing others to achieve certain goals in an organization or group. It involves a person's ability to influence, inspire, and motivate others to work together effectively in achieving predetermined goals. The concept of leadership has been a major focus in various fields of study, including management, psychology, sociology, and political science, because of its crucial role in achieving organizational success.

One of the well-known definitions of leadership is that put forward by Peter Northouse (2019), namely "the process by which an individual influences other individuals or groups to achieve certain goals". This definition emphasizes the aspects of process and influence in leadership, where the leader acts as an agent who influences the behavior of his followers to achieve common goals.

The ability possessed by a leader is what is meant by leadership or where the ability possessed is able to influence others to follow the orders that are always desired. Leadership can be seen from personality traits in which a special situation plays an important role in its efforts to achieve organizational goals together with other members. Functionally, these traits are related to achieving the goal of maintaining and strengthening the group. Ali and Baharuddin (2013) the essence of leadership is influencing, but the ability alone arises from a person because of innate talent since nature but can possibly come from various sources. Theoretically, the source of leadership influence or it can be said that the influence attached to a leader can come from five sources.

a. Coercive power

There is a sense of pessimism about things that will be detrimental to the value of carrying out tasks. Power is based on coercion, to eliminate fear and is based on the subordinate's expectation that he will be punished if he does not agree with the superior's actions and beliefs.

b. Legitimate power

This arises because of the belief in reasonable and proper authority. Power that is based on law, this power arises from the supervisor in the organization concerned.

c. Reward power

The emergence of a subordinate's confidence regarding the rewards for services he will receive, strength because he can provide remuneration/rewards. Here rewards are given to subordinates for actions favored by their superiors.

d. Expert power

Influence that grants obedience because of confidence in the expertise or knowledge of superiors. This influence arises because someone has special skills, knowledge in a certain field.

e. Referent power

This arises because subordinates consider their superiors to be able to provide an example that is worthy of emulation because of their personality and leadership. Such strength is based on the results of subordinates' assessments of their leaders who are considered capable of showing good examples in every leadership.

3. RESULTS AND DISCUSSIONS

Respondent Characteristics

This study describes the influence of transformational leadership on the career development of employees of PT. Pegadaian Cabang Kota Pematangsiantar. Respondent characteristics are describing the description of the respondent's identity according to the research sample that has been determined. The aim is to provide a picture of the sample in this study. Respondent characteristics are grouped according to gender, age, education level and length of service.

Gender

Based on the results of research conducted at PT. Pegadaian Branch of Pematangsiantar City. it can be seen in the following table.

Table 1. Respondent Characteristics by Gender

Gender	Number of people	Presentation (%)
Man	14	46.7%
Woman	16	53.3%
Total	30	100%

Table 2. Respondent Characteristics by Age

No	Age	Respondents' Response Frequency	
		Person	Percentage %
1	18 - 25 years	4	13.33%
2	26 - 30 years	6	20%
3	Over 30 years	20	66.67%
	Amount	30	100

Table 3. Respondent Characteristics According to Education Level

Level of education	Number of people	Percentage (%)
SENIOR HIGH SCHOOL	5	16.7
S1	23	76.7
S2	2	6.67
Total	30	100%

Table 4. Respondent Characteristics Based on Length of Service

No	Years of service (Year)	Respondents' Response Frequency	
		Person	Percentage %
1	Under 11 years	17	56.67%
2	Between 11-30 years	12	40%
3	Over 30 years	1	3.33%
	Amount	30	100

Descriptive Analysis

Validity Test

Validity testing was conducted to ensure that the questions in the questionnaire were able to measure the intended variables, namely transformational leadership and career development. Validity was tested using SPSS version 24, and the validity criteria were based on the Pearson correlation value (r). If the correlation value of each item is greater than 0.3, then the item is declared valid (Ghozali, 2018).

In this study, validity testing is used to determine the extent to which the instrument or questionnaire used is able to measure the variables that should be measured accurately. Validity testing is carried out using Pearson Product Moment correlation through SPSS software version 25. The questionnaire consists of 5 questions related to transformational leadership and employee career development, with a total of 30 respondents.

Validity test decision-making criteria:

- If the correlation value (r-calculated) > r-table, then the instrument is valid.
 - If the correlation value (r-calculated) < r-table, then the instrument is not valid.
- r-table value** at a significance level of 5% and the number of respondents (n) = 30 is 0.349.

Table 5. Validity of Transformational Leadership Questionnaire (X)

No.	Statement	Rcount	Rtable	Information
1.	Statement 1	0.376	0.349	Valid
2.	Statement 2	0.649	0.349	Valid
3.	Statement 3	0.638	0.349	Valid
4.	Statement 4	0.778	0.349	Valid
5.	Statement 5	0.782	0.349	Valid
6.	Statement 6	0.651	0.349	Valid
7.	Statement 7	0.833	0.349	Valid
8.	Statement 8	0.768	0.349	Valid
9.	Statement 9	0.529	0.349	Valid
10.	Statement 10	0.542	0.349	Valid

Table 6. Results of the Validity Test of the Career Development Questionnaire (Y)

No.	Statement	Rcount	Rtable	Information
1.	Statement 1	0.365	0.349	Valid
2.	Statement 2	0.650	0.349	Valid
3.	Statement 3	0.639	0.349	Valid
4.	Statement 4	0.780	0.349	Valid
5.	Statement 5	0.786	0.349	Valid
6.	Statement 6	0.655	0.349	Valid
7.	Statement 7	0.834	0.349	Valid
8.	Statement 8	0.768	0.349	Valid
9.	Statement 9	0.490	0.349	Valid
10.	Statement 10	0.538	0.349	Valid

Reliability Test

Table 7. Results of Transformational Leadership Reliability Test (X)

Reliability Statistics	
Cronbach's Alpha	N of Items
,842	10

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
KT01	30.40	12,524	,264	,848
KT02	30.77	11,220	,547	,827
KT03	30.73	11,237	,533	,828
KT04	30.73	10,961	,715	,813
KT05	30.80	10,441	,704	,811
KT06	30.90	11,403	,561	,826
KT07	30.67	10,713	,782	,807
KT08	30.60	10,662	,691	,813
KT09	31.07	11,030	,337	,860
KT10	30.53	11,637	,420	,838

Table 8. Career Development Reliability Test Results (Y)

Reliability Statistics	
Cronbach's Alpha	N of Items
,839	10

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PK01	30.43	12,254	,251	,846
PK02	30.80	10,924	,548	,823
PK03	30.77	10,944	,533	,824
PK04	30.77	10,668	,716	,809
PK05	30.83	10,144	,708	,806
PK06	30.93	11,099	,564	,822
PK07	30.70	10,424	,783	,803
PK08	30.63	10,378	,691	,809
PK09	31.07	11,030	,295	,860
PK10	30.57	11,357	,414	,835

From the results above, From the results of the reliability test, the Cronbach's Alpha value for the career development variable is 0.839, which means it is greater than the threshold value of 0.7. This shows that all questionnaire instruments have good internal consistency, so they are reliable for use in research.

Based on the results of the reliability test, it can be concluded that the instrument or questionnaire in this study has a high level of reliability. This means that the questionnaire can be used consistently to collect data related to transformational leadership and employee career development.

High reliability indicates that respondents provide consistent answers to each questionnaire item, so that the resulting data can be used for further analysis. Thus, the reliability test supports the validity of the results of this study, because a reliable instrument will provide more accurate and reliable results.

Partial Test (t-Test)

Partial tests were conducted to determine the effect of transformational leadership on employee career development. The hypotheses tested were:

- **H₀**: There is a significant influence of transformational leadership on employee career development.
- **H_a**: There is no significant influence of transformational leadership on employee career development.

Table 9.t-Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,479	,310		1,543	,134
	Transformational Leadership	,987	,009	,999	109,215	,000

a. Dependent Variable: Career Development

Testing the Significance of Transformational Leadership Variable (X) on Career Development (Y)

Seen that the calculated price coefficient is 10.9215. While the t table can be calculated in the t-test table, with $\alpha = 0.05$, because a two-way hypothesis is used, when looking for the table, the α value is divided by 2 to become 0.025 and $df = 28$ (obtained from the formula: $t_{[\alpha; (df=nk)]}$). Given: $n=60$, $k=4$, $\alpha=5\%$ (0.05) then $t_{[5\%; (df=30-2)]} \rightarrow t = (0.05 ; 28)$. The t table obtained is 2.04841

The variable has a sig. value (0.000) < 0.05, meaning significant, while $t_{count} > t_{table}$, (10.9215 > 2.04841), then H_a is accepted and H_0 is rejected, so it can be concluded that the price coefficient has a partial significant effect on career development. The results of the study prove that the better the transformational leadership, the greater the career development of employees at PT Pegadaian, Pematangsiantar City Branch.

Discussion

This discussion aims to analyze the research results that have been obtained through validity, reliability, and partial tests. By referring to the hypothesis that has been proposed, the results of the statistical test will be analyzed in more depth to see whether there is a significant influence between transformational leadership and employee career development in this company.

The Influence of Transformational Leadership on Employee Career Development

Based on the research results, there is a significant influence of transformational leadership on employee career development. This is in line with the theory of Bass & Avolio (2018) which states that transformational leaders are able to provide inspirational motivation and personal attention that can encourage employees to develop in their careers. Leaders who pay special attention to employees and encourage innovation and creativity can create a work environment that is conducive to career development.

Bass (2018) emphasized that one of the important characteristics of transformational leaders is the ability to provide inspirational motivation, which encourages employees to achieve higher career goals. The results of the validity test showed that employees felt that their leaders provided strong motivation, based on the validity and reliability tests, it was found that all questionnaire items had a good level of consistency. The validity test showed that each item in the questionnaire was valid for measuring transformational leadership variables and employee career development. These results were reinforced by the reliability test, which showed that the Cronbach's Alpha value for Transformational Leadership was 0.842, which means that this questionnaire has good internal consistency. This shows that transformational leadership has an important role in motivating employees to develop their careers.

In addition, personal attention given by leaders is also important in career development, as stated by Northouse (2020). Leaders who pay attention to the individual needs of employees will create stronger bonds with those employees, so that they are more motivated to develop. The results of this study indicate that personal attention from leaders has a significant influence on career development, with a correlation value of 0.839,

Overall, the results of this study support the hypothesis that transformational leadership has a significant influence on employee career development at PT Pegadaian Cabang Kota Pematangsiantar. Leaders who are able to provide motivation, encourage creativity, and provide personal attention will create a work environment that encourages employee career development.

The Influence of Other Factors on Career Development

In addition to transformational leadership, employee career development can also be influenced by other factors, such as the work environment, training facilities, and organizational support. Dessler (2020) explains that career development does not only depend on the role of the leader, but also on how the company provides facilities and infrastructure that support employees to develop. This includes training programs, mentoring, and coaching that can help employees achieve their career goals.

In the context of PT Pegadaian, the existence of employee development facilities, such as professional training and further learning opportunities, also plays an important role. With adequate support from the company, employees will feel more motivated to improve their competence and take advantage of available career development opportunities.

4. CONCLUSION

Based on the results of the study on the influence of transformational leadership on employee career development at PT Pegadaian Cabang Kota Pematangsiantar, it can be concluded that there is a significant influence between transformational leadership and career development. The results of the partial test show that transformational leadership contributes significantly to increasing motivation and opportunities for employees to develop their careers. Transformational leaders who provide individual attention to employees, encourage creativity, innovation, and provide inspirational motivation, are able to create a work environment that is conducive to career development. Employees who feel appreciated, supported, and encouraged to develop show an increase in their commitment to the organization and a willingness to continue learning and developing themselves.

In more detail, the results of the validity and reliability tests show that all questions in the questionnaire are valid and reliable, which means that the measurement instruments used in this study have been able to measure the variables of transformational leadership and career development accurately and consistently. The partial test confirms that transformational leadership has a significant influence on employee career development with a significance value below 0.05. The conclusion of this study supports the transformational leadership theory put forward by Bass (2018) and Burns (2019), which states that leadership that is able to motivate and provide individual attention will have a positive impact on employee career development.

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