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The Effect Of Transformational Leadership Style On Employee Job Satisfaction And Motivation As Mediating Variables

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Abstract

This study aims to analyze the influence of transformational leadership style on employee job satisfaction and work motivation, as well as the mediating role of job satisfaction in this relationship at PT. Sele Raya Merangin Dua. The research questions cover four main aspects, namely: the influence of transformational leadership style on job satisfaction, the influence of transformational leadership style on work motivation, the influence of job satisfaction on work motivation, and the mediating role of job satisfaction. This study uses a quantitative approach with Partial Least Squares Structural Equation Modeling (PLS-SEM) data analysis technique using SmartPLS software. The results show that transformational leadership style has a significant effect on job satisfaction ($O=0.173$; $T=2.046$; $P=0.041$) and work motivation ($O=0.510$; $T=6.678$; $P=0.000$). Furthermore, work motivation has a significant effect on job satisfaction ($O=0.625$; $T=8.978$; $P=0.000$). In addition, job satisfaction is proven to significantly mediate the effect of transformational leadership style on work motivation ($O=-0.146$; $T=2.387$; $P=0.017$). These findings contribute theoretically to the context of human resource management in the mining sector, demonstrating the importance of transformational leadership and job satisfaction in building employee motivation.

Keywords: Transformational Leadership Style, Job Satisfaction, Work Motivation, Smartpls, Mining Sector.

introduction

Employee performance is one of the determining factors for an organization's success in facing the dynamics of the world of work, which is undergoing rapid changes in line with technological advances, changes in the workforce demographics, and increasing work pressure. This phenomenon is not only occurring on a global scale but is also a real challenge in Indonesia, especially in various industrial sectors that still face issues related to work motivation and the quality of the work environment. Alipour et al. (2023) emphasize that transformational leadership has a positive and significant influence on employee engagement and performance, while Lai et al. (2020) show that employees who are inspired by transformational leadership tend to be more passionate about their work, which in turn results in better task performance and helpful behavior.

In Indonesia, the challenge of improving employee performance through the right leadership approach is becoming increasingly significant. A study by Chen et al. (2022) mentions that work-, mental health, and an unsupportive work environment are the causes of declining employee performance in various countries, including Indonesia. Khanna & Gupta (2024) found that transformational leadership acts as a major driver of job satisfaction and employee performance, especially in uncertain environments. Husna and Prasetya (2024) reinforce this finding by stating that an inadequate work environment has a direct impact on employee performance, while Habeahan (2023) shows that work motivation plays an important role in shaping optimal performance in a formal work environment.

A similar phenomenon occurred at PT. Sele Raya Merangin Dua, a company engaged in mining and energy, where a pre-survey of 15 employees revealed alarming conditions regarding job satisfaction and motivation. As many as 73% of employees admitted that the work environment at the company was not comfortable, and 67% stated that the workplace did not support them to work optimally. Even more worrying, only 40% of employees felt motivated to come to work every day,

and 80% of respondents stated that they did not receive proper recognition for their performance. This situation is in line with the findings of Janovac et al. (2021) in a study of PT. Pamapersada Nusantara, which showed that low motivation and satisfaction resulted in decreased productivity in the mining industry.

The problem at PT. Sele Raya Merangin Dua becomes even more complex when only 27% of respondents feel that their work is recognized by management and that they have opportunities for growth within the company. This condition indicates a significant gap in the implementation of a leadership style that can motivate and satisfy employees. Ahmad et al. (2022) emphasize that transformational leadership has a positive effect on various employee performance outcomes, but its productivity can be hampered by the relative neglect of its negative aspects. In addition, the low level of support from superiors felt by 60% of respondents indicates that the leadership style applied has not been able to create a work climate conducive to developing employee motivation and job satisfaction.

This study aims to analyze the influence of transformational leadership style on employee job satisfaction and work motivation, as well as to examine the mediating role of job satisfaction in the relationship between transformational leadership and work motivation at PT. Sele Raya Merangin Dua. The urgency of this study lies in the pressing need to understand the dynamics of leadership in the Indonesian mining industry, which has received relatively little attention in academic literature. The novelty of this study lies in its focus on the energy and mining industry sector in Indonesia, which differs from previous studies that have explored the banking or service sectors, as well as testing the mediation model of job satisfaction in the relationship between transformational leadership and work motivation, which has not been widely studied in the context of Indonesian mining companies. This study is expected to provide theoretical and practical contributions to the development of effective leadership strategies to improve employee performance in the mining and energy industries.

Research Method

Validity Test

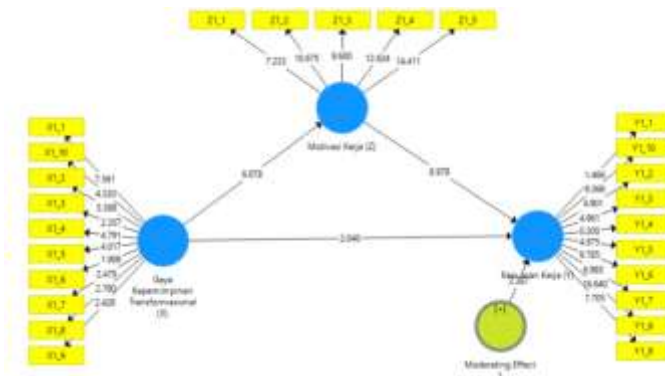


Figure 1. Outer Loading Results

Based on the results of the primary data analysis in the research instrument testing stage that has been carried out on the variables of Transformational Leadership Style (X), Job Satisfaction (Y), Work Motivation (Z), purchase interest, and purchase decision using the SmartPLS version 3.3.3 program in accordance with Figure 1. The *Outer Loading* results of each research variable can be described in Table 1 below:

Table 1. Outer Loading Validity Test

Variable	Transformational Leadership Style (X)	Job Satisfaction (Y)	Work Motivation (Z)
X1_1	0.721		
X1_10	0.729		
X1_2	0.837		
X1_3	0.744		
X1_4	0.777		
X1_5	0.898		
X1_6	0.790		
X1_7	0.880		
X1_8	0.754		
X1_9	0.363		
Y1_1		0.977	
Y1_10		0.724	
Y1_2		0.703	
Y1_3		0.987	
Y1_4		0.946	
Y1_5		0.979	
Y1_6		0.964	
Y1_7		0.770	
Y1_8		0.780	
Y1_9		0.761	
Z1_1			0.722
Z1_2			0.731
Z1_3			0.718
Z1_4			0.808
Z1_5			0.810

Based on the validity test results shown in Table 1 through outer loading analysis, it can be concluded that most of the indicators in this study have a factor loading value above 0.70, which indicates that these indicators are valid and capable of representing the latent variables being measured.

For the Transformational Leadership Style (X) variable, there are ten indicators (X1_1 to X1_10). Of these indicators, nine have loading values > 0.70, such as X1_1 (0.721), X1_2 (0.837), X1_3 (0.744), X1_4 (0.777), X1_5 (0.898), X1_6 (0.790), X1_7 (0.880), X1_8 (0.754), and X1_10 (0.729), all of which are declared valid. However, indicator X1_9 has a loading value of 0.363, which means that it does not meet the validity criteria because it is far below the minimum limit of 0.70, so it should be excluded from further analysis models.

Meanwhile, for the Job Satisfaction (Y) variable, there are ten indicators (Y1_1 to Y1_10). All indicators in this variable show factor loading values above 0.70, ranging from Y1_1 (0.977), Y1_2 (0.703), Y1_3 (0.987), Y1_4 (0.946), Y1_5 (0.979), Y1_6 (0.964), Y1_7 (0.770), Y1_8 (0.780), Y1_9 (0.761), to Y1_10 (0.724). This indicates that all indicators in the job satisfaction variable are valid and can be used in further analysis.

For the Work Motivation (Z) variable, there are five indicators, and all of them also meet the validity criteria with a loading value above 0.70. The values of each indicator are Z1_1 (0.722), Z1_2 (0.731), Z1_3 (0.718), Z1_4 (0.808), and Z1_5 (0.810). This shows that all work motivation indicators are valid in measuring the moderation variable.

Overall, of the total 25 indicators tested, 24 indicators (96%) showed factor loading values above 0.70 and were declared valid, while only 1 indicator (4%), namely X1_9, was invalid because it had a loading value far below the threshold. This indicates that the quality of the instruments in this study is quite good and suitable for use in the next stage of structural analysis.

Reliability Test

Table 2. Construct Reliability

Variable	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Transformational Leadership Style (X)	0.753	0.868	0.776	0.656
Job Satisfaction (Y)	0.755	0.821	0.823	0.540
Work Motivation (Z)	0.804	0.810	0.865	0.563

Based on the results of the construct reliability testing presented in Table 2, it can be concluded that all variables in this study meet the criteria for good reliability. The main criteria used in this test include Cronbach's Alpha, rho_A, Composite Reliability, and Average Variance Extracted (AVE). The following is an explanation of each variable:

The Cronbach's Alpha value of 0.753 indicates that the indicators in this variable have adequate internal consistency (value $\geq$ 0.70). The rho_A value of 0.868 and Composite Reliability of 0.776 also indicate that this construct is reliable, as it is above the minimum threshold of 0.70. Meanwhile, the AVE value of 0.656 also meets the criteria because it is greater than 0.50, which means that this variable is able to explain more than 50% of the variance of its indicators.

This variable has a Cronbach's Alpha value of 0.755, indicating fairly good internal reliability. The rho_A value of 0.821 and Composite Reliability of 0.823 indicate a high level of construct consistency and meet the requirements (> 0.70). For the AVE value, this variable scored 0.540, which means that the indicators are able to explain the construct variance quite well, as it exceeds the minimum threshold of 0.50.

The work motivation variable shows a Cronbach's Alpha value of 0.804, which is a strong indicator of internal consistency. The rho_A value of 0.810 and Composite Reliability of 0.865 indicate that this variable is highly reliable. The AVE value of 0.563 also shows that this construct is able to explain more than half of the variance of its indicators.

Overall, the results of the construct reliability test show that all variables in this study (Transformational Leadership Style, Job Satisfaction, and Work Motivation) have good reliability and convergent validity. The Cronbach's Alpha, rho_A, and Composite Reliability values are all above 0.70, while the AVE value is above the minimum threshold of 0.50. Thus, all constructs are suitable for use in further structural model testing.

Model Testing

The validity test results in this study show that all statements for each variable—namely excellent service quality (X1), food quality (X2), restaurant atmosphere (X3), and customer satisfaction (Y)—are valid. This is evidenced by the calculated r value for each statement being greater than the table r value.

The following are the results of the instrument test administered to 100 respondents at Haidilao Hot Pot Restaurant, Pakuwon Trade Center, Surabaya:

Table 3. R Square Test Results

Variable	R Square	Adjusted R Square
Job Satisfaction (Y)	0.730	0.721
Work Motivation (Z)	0.966	0.952

Based on the results of the analysis in Table 2 regarding the R Square (R^2) test, it can be explained that the R Square value is used to determine how much the independent variables in the model can explain the dependent variables.

An R Square value of 0.730 indicates that 73% of the variability in job satisfaction can be explained by transformational leadership style as an independent variable and work motivation as a moderating variable in the model. Meanwhile, the remaining 27% is influenced by other factors outside this research model. The Adjusted R Square value of 0.721 shows that after adjusting for the number of predictors in the model, the value remains high and indicates model stability. This value falls into the strong category, because according to Hair et al. (2014), an R Square value of 0.75 is categorized as high, 0.50 as moderate, and 0.25 as low. Thus, this model is able to explain job satisfaction quite strongly.

An R Square value of 0.966 indicates that 96.6% of the variability in work motivation can be explained by transformational leadership style and/or other variables in the model. The remaining 3.4% is influenced by other factors not included in the model. An Adjusted R Square value of 0.952 also indicates a well-adjusted and very strong model.

This value is very high, which means that the prediction model for work motivation as a moderating variable is very strong and almost all of the variation in work motivation can be explained by the variables used in the study. Thus, it can be concluded that both models of the relationship between variables in this study have high predictive power, and the modeling constructed is very suitable for use in the subsequent hypothesis testing process.

Table 4. Model Fit Test Results

Summary	Saturated Model	Estimated Model
SRMR	0.137	0.136
d_ULS	6.126	5.980
d_G	3,583	3,621
Chi-Square	1034.098	1032.894
NFI	0.342	0.342

Based on Table 4 regarding the Model Fit Test, it is known that this research model was analyzed using several goodness of fit measures, including SRMR, d_ULS, d_G, Chi-Square, and NFI. The Standardized Root Mean Square Residual (SRMR) value in the saturated model () is 0.137 and in the estimated model (Estimated Model) is 0.136. This value indicates that the difference between the observed covariance matrix and that predicted by the model is still quite high. Ideally, SRMR should be below 0.08, while values below 0.10 are still moderately tolerable. Therefore, SRMR that exceeds this limit indicates that the model has not shown an optimal level of fit to the data.

Furthermore, the d_ULS (Unweighted Least Squares Discrepancy) indicator obtained a value of 6.126 in the Saturated Model and 5.980 in the Estimated Model. Although there is no definite standard value as a tolerance limit, the smaller the d_ULS value, the better the model. In this case, there is a slight decrease in the d_ULS value from the saturated model to the estimated model, indicating a slight improvement in model fit, although it is still not significant. A similar pattern is seen in the d_G (Geodesic Discrepancy) value, where the value in the saturated model is 3.583, slightly lower than the Estimated Model value of 3.621, indicating that the model fit has not improved significantly.

The Chi-Square (χ^2) value in the saturated model is 1034.098, while in the estimated model it is 1032.894. The very small difference between these two values indicates that the estimated model is only slightly better than the saturated model. However, this Chi-Square value cannot be used as

the main benchmark in PLS-SEM because it is very sensitive to the sample size. With a large number of respondents, the Chi-Square value tends to be large and significant, even though the model is already quite good.

The last indicator shown in the table is the Normed Fit Index (NFI) with a value of 0.342 for both the Saturated Model and the Estimated Model. NFI measures how well the theoretical model is constructed compared to the zero model. In an ideal study, the NFI value should be in the range of 0.90 or higher to indicate a good model. However, in this study, the NFI value is still very low, indicating that the level of model fit to the data is not adequate and that there is likely still a gap between the structural model and the empirical data reality.

Overall, the model fit test results show that the structural model in this study does not yet fully demonstrate good fit. Several values, such as SRMR and NFI, are outside the ideal range, while the d_ULS and d_G values show insignificant differences. This indicates that the model still needs improvement, both in terms of the structure of the relationships between variables and the quality of the constructs used. Nevertheless, this model can still be used for further hypothesis testing, but with the caveat that the results need to be interpreted carefully and critically with regard to possible biases or model mismatches.

Hypothesis Testing

Table 5. Path Coefficients Test Results

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Transformational Leadership Style (X) - > Job Satisfaction (Y)	0.173	0.179	0.085	2.046	0.041
Transformational Leadership Style (X) - > Work Motivation (Z)	0.510	0.553	0.076	6.678	0.000
Moderating Effect 1 -> Job Satisfaction (Y)	-0.146	-0.125	0.061	2.387	0.017
Work Motivation (Z) → Job Satisfaction (Y)	0.625	0.634	0.070	8.978	0.000

Based on the data analysis results obtained from Table 5 regarding Path Coefficients, hypothesis testing was conducted to examine the direct and indirect effects of the variables Transformational Leadership Style (X), Work Motivation (Z), and Job Satisfaction (Y). The results of this analysis provide insights that are in line with the research questions and objectives, as follows:

1. Direct Effect of Transformational Leadership Style on Job Satisfaction
The Transformational Leadership Style (X) variable has a significant effect on Job Satisfaction (Y), with an original sample value of 0.173, a t-statistic value of 2.046, and a p-value of 0.041 (smaller than $\alpha = 0.05$). This indicates that H_0 is rejected and H_a is accepted. This means that Transformational Leadership Style has a direct positive effect on Job Satisfaction, with a significant influence. This leadership style can increase employee job satisfaction by providing inspiration and adequate attention to their needs.
2. Direct Effect of Transformational Leadership Style on Work Motivation
3. Transformational Leadership Style (X) also has a very significant effect on Work Motivation (Z), with an original sample value of 0.510, a t-statistic of 6.678, and a p-value of 0.000. Because the p-value is less than 0.05, H_0 is rejected and H_a is accepted. This shows that Transformational Leadership Style has a significant influence in increasing Work Motivation. Transformational leaders are able to provide strong encouragement for employees to be motivated to achieve better goals and performance.
4. Moderating Effect on Job Satisfaction
Moderating Effect 1 (moderating variable) shows a significant effect on Job Satisfaction (Y), with an original sample value of -0.146, a t-statistic of 2.387, and a p-value of 0.017

(less than $\alpha = 0.05$). This means that the moderating variable strengthens or weakens the relationship between the independent and dependent variables, according to the existing context.

5. Direct Effect of Work Motivation on Job Satisfaction

Work Motivation (Z) shows a very significant effect on Job Satisfaction (Y), with an original sample value of 0.625, a t-statistic of 8.978, and a p-value of 0.000. Because the p-value is less than 0.05, H_0 is rejected and H_a is accepted. This shows that Work Motivation has a strong positive effect on Job Satisfaction. Motivated employees tend to feel more satisfied with their jobs, which results in higher productivity and loyalty to the company.

Overall, the analysis results show that Transformational Leadership Style and Work Motivation have a significant effect on Job Satisfaction. Moderating variables also play an important role in strengthening the relationship between the existing variables.

Interpretation of Research Results

The research results were interpreted to understand the meaning behind the statistical figures obtained from the structural model analysis (path analysis) using SmartPLS. This study highlights the influence of Transformational Leadership Style on Job Satisfaction, both directly and through Work Motivation as a mediating variable, as well as involving a Moderating Effect. First, the results show that Transformational Leadership Style has a direct and significant effect on Job Satisfaction with a coefficient value of 0.173 and a significance value (p-value) of 0.041. This indicates that an inspirational, visionary leadership style that encourages employee development has a positive impact on their job satisfaction. These results are in line with Bass's (1985) theory, which states that transformational leaders are able to increase the satisfaction and loyalty of their subordinates through ideal influence and inspirational motivation.

Second, Transformational Leadership Style also has a significant effect on Work Motivation, with a coefficient of 0.510 and a p-value of 0.000. This reinforces the view that leaders who are able to empower, pay attention to individuals, and encourage innovation will increase employee morale and intrinsic motivation. This finding supports Herzberg's motivation theory, in which supportive leadership is one of the motivating factors that increase job satisfaction.

Third, Work Motivation has a very strong and significant influence on Job Satisfaction ($\beta = 0.625$; $p = 0.000$). This shows that the higher the motivation of employees, the higher their level of satisfaction with their work. Good motivation is the main driver in fostering a sense of satisfaction, pride, and feeling valued in one's work.

Furthermore, the Moderating Effect on Job Satisfaction shows a negative but significant value ($\beta = -0.146$; $p = 0.017$). This indicates that there is an interaction effect that influences the relationship between leadership style and job satisfaction, but the direction of the relationship tends to decrease the level of satisfaction. The interpretation of these results may indicate that under certain conditions, the influence of leadership style on job satisfaction can change depending on the moderator variables used (e.g., work environment, organizational culture, or work pressure).

Overall, the results of this study reinforce the importance of leadership style in shaping employee motivation and job satisfaction. Work motivation acts as a strong mediator, bridging the relationship between leaders and levels of job satisfaction. Thus, organizations need to focus on developing transformational leadership styles and building motivating work systems in order to continuously improve job satisfaction.

Discussion

The Effect of Transformational Leadership Style on Employee Job Satisfaction at PT. Sele Raya Merangin Dua.

The analysis results show that transformational leadership style has a significant effect on job satisfaction, with an original sample value of 0.173, a t-statistic value of 2.046, and a p-value of 0.041. A p-value smaller than 0.05 indicates that the hypothesis is accepted. This means that the better the transformational leadership style applied, the higher the level of employee job satisfaction. This shows that leaders who are able to inspire, give individual attention, and motivate employees positively can increase satisfaction with the work being done.

Transformational leadership is a leadership approach that emphasizes motivation, inspiration, and employee potential development through strong vision and communication from leaders. Transformational leadership is believed to be able to create a supportive and motivating work environment, thereby positively impacting employee job satisfaction. A transformational

leader tends to give individual attention, encourage innovation, and demonstrate ideal influence that motivates employees to exceed their job expectations.

According to research by Fahmy, Hadi, and Purnamarini (2024), transformational leadership style has a significant influence on employee work motivation and job satisfaction. Leaders who are able to inspire and provide clear direction to their subordinates can create a sense of satisfaction because employees feel valued and recognized as an important part of the organization. Another study by Reja, Afuan, and Silvia (2025) also shows that transformational leadership style has a direct effect on job satisfaction, which in turn has an impact on improving employee performance in the banking sector.

Furthermore, Fitri et al. (2020) in their research on medical personnel concluded that transformational leadership has a positive impact on job satisfaction because it can increase employee trust and loyalty to the organization. On the other hand, research by Tokii, H., and Tandirerung (2025) also shows that the application of transformational leadership style in the financial sector plays a role in creating a conducive work environment and increasing employees' positive perceptions of their work.

Rouf et al. (2022) reinforce that transformational leadership style can indirectly influence employee work performance through job satisfaction and organizational culture. Leaders who are able to set an example and provide intrinsic motivation encourage employees to feel satisfied with their contributions to the organization.

Based on the above description, it can be concluded that transformational leadership style has a significant influence on job satisfaction. Visionary and inspiring leaders can shape a positive work culture, strengthen interpersonal relationships, and encourage higher job satisfaction among employees.

The Influence of Transformational Leadership Style on Employee Work Motivation at PT. Sele Raya Merangin Dua.

The test results also show that transformational leadership style has a significant and strong influence on employee work motivation, with an original sample value of 0.510, a t-statistic of 6.678, and a p-value of 0.000. This value explains that a visionary and transformative leadership style can increase both intrinsic and extrinsic work motivation among employees. Thus, leadership that is constructive and empowering will encourage employees to work harder, be more involved, and be oriented towards achieving organizational goals.

Transformational leadership style has characteristics that encourage employee motivation and development holistically. Leaders with this style tend to inspire their subordinates to work beyond their targets by providing vision, emotional encouragement, and individual attention to employee needs. In the context of an organization such as PT. Sele Raya Merangin Dua, which is engaged in energy exploration, this leadership style is very important for creating a high and sustainable work ethic.

Research by Hidayat and Pramudyo (2023) shows that transformational leadership has a significant positive influence on work motivation. Leaders who are able to clearly communicate expectations and set an example will encourage employees to be more motivated in completing their tasks. This is reinforced by the results of a study by

Mulyana and Putri (2024) state that transformational leaders create a work climate that supports employee initiative and confidence. According to Yuniarti, Fauzan, and Rahayu (2025), transformational leadership style also increases intrinsic motivation because leaders not only provide technical guidance but also build emotional relationships and provide challenges that evoke a sense of personal responsibility in employees. In organizations with high work pressure levels, such as the mining sector, this leadership approach is crucial for maintaining employee energy.

Previous research by Setiawan and Kharisma (2021) also confirms that work motivation will increase if employees feel empowered and given room to innovate by their superiors. Transformational leadership style provides this by giving trust and positive feedback in the work process.

Based on this description, it can be concluded that transformational leadership style plays an important role in increasing employee work motivation. Leaders who are able to consistently inspire and empower employees will create a positive work atmosphere, which ultimately has a direct impact on employee motivation and productivity.

The Influence of Job Satisfaction on Employee Work Motivation at PT. Sele Raya Merangin Dua.

In this research model, work motivation was proven to have a very significant effect on job satisfaction, with an original sample value of 0.625, a t-statistic of 8.978, and a p-value of 0.000. This indicates that well-motivated employees tend to feel a high level of satisfaction with their work. Strong motivation is a driving force in fostering pride, loyalty, and a sense of belonging to the job and organization. Job satisfaction is a positive feeling that arises from a person's evaluation of their work.

This satisfaction covers various aspects such as salary, job security, relationships with coworkers, and career development opportunities. Employees who are satisfied with their work will have a stronger internal drive to contribute maximally to the organization, including in terms of work motivation.

Research conducted by Maulida and Rakhmat (2023) states that job satisfaction plays a major role in driving sustained work motivation. When employees feel that their efforts are appreciated and working conditions are supportive, they will be more motivated to complete their tasks wholeheartedly. Similar research by Aditya and Fikri (2024) also concludes that aspects of job satisfaction such as rewards and recognition have a significant impact on employee motivation.

The results of a study by Nuraini and Syaiful (2022) in the energy industry mention that employees who are satisfied with their work tend to have high loyalty, stable work motivation, and less potential for burnout. This is important for PT. Sele Raya Merangin Dua in maintaining employee performance amid high operational demands.

In addition, research by Salsabila and Herdian (2025) confirms that job satisfaction has a direct relationship with increased work motivation, especially in a work environment that supports a balance between personal and professional life. This motivation arises from the perception that the company cares about the welfare of its employees.

Based on the above explanation, it can be concluded that job satisfaction is an important factor in driving work motivation. Satisfied employees will be more enthusiastic, productive, and actively involved in achieving organizational goals.

Ha₃: $\beta_3 > 0$: There is a positive and significant influence between Job Satisfaction and Employee Work Motivation at PT. Sele Raya Merangin Dua.

Transformational Leadership Style on Employee Work Motivation Mediated by Job Satisfaction at PT. Sele Raya Merangin Dua.

Interestingly, the results also show an indirect effect between transformational leadership style and work motivation mediated by job satisfaction, as indicated by a moderating effect value of -0.146, a t-statistic of 2.387, and a p-value of 0.017. Although the coefficient value shows a negative direction, the significance of the relationship still indicates that job satisfaction plays a role in strengthening or weakening the influence of leadership style on motivation. This indicates that even though transformational leadership style directly affects work motivation, employee job satisfaction remains an important factor in strengthening or weakening this influence.

The relationship between transformational leadership style and work motivation is not always direct, but can be influenced by mediating factors such as job satisfaction. Transformational leaders are able to create pleasant and empowering working conditions, so that employees feel satisfied and motivated to work harder. Therefore, job satisfaction acts as a mediator in this relationship. Research by Andini and Wibowo (2022) states that transformational leaders play a major role in shaping a fair work environment that values individual contributions. When job satisfaction increases, the positive effect of leadership style on work motivation also becomes stronger. These results are in line with the findings of Ramadhan and Lestari (2023), which show that job satisfaction strengthens the relationship between leadership and motivation.

In the context of the mining sector, which has high work pressure, leaders who are able to increase job satisfaction will create a more stable work ethic among employees. A study by Kusuma and Arifin (2024) confirms that high job satisfaction can mediate the influence of leadership style on various work outcomes, including motivation and loyalty.

Recent research by Hanifah and Rendra (2025) also shows that leaders who provide emotional support and opportunities for development are able to increase job satisfaction, which then significantly boosts work motivation. This is a strong argument that job satisfaction is not only a result but also a link in the process of leadership influence.

Thus, it can be concluded that job satisfaction plays an important mediating role in explaining how transformational leadership style can increase employee work motivation at PT. Sele Raya Merangin Dua.

Conclusion

The conclusion of this study shows that transformational leadership style has a significant effect on employee job satisfaction and work motivation at PT. Sele Raya Merangin Dua. The results of the PLS-SEM analysis show that job satisfaction acts as a significant mediator in the relationship between transformational leadership and work motivation. Practically, this confirms that leaders who are able to inspire, pay attention to, and encourage employee development will increase job satisfaction and motivation, thereby having a positive impact on organizational performance. These findings are consistent with previous studies that show the important role of transformational leadership in increasing employee engagement and work performance, especially in the challenging and uncertain mining sector. However, this study has several limitations that need to be considered. First, the research data was only collected from one company in the mining sector with a sample size of 100 employees, so generalizing the findings to other industries should be done with caution. Second, the study used a quantitative design with questionnaires as the main instrument, so in-depth interpretation of the dynamics of interpersonal relationships in organizations may be limited. For future research, it is recommended to conduct comparative studies in various companies and use a mixed methods approach to gain a deeper understanding. Practically, companies are advised to implement a consistent transformational leadership style and focus on improving employee job satisfaction as a strategy to effectively motivate employees and improve overall organizational performance.

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