

The Effect of Transformational and Transactional Leadership on Employee Negative Behavior Mediated by Work Stress

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Abstract.

The objectives of this research was analyzed the effect of transactional leadership on work stress , the effect of transactional leadership on employee negative behavior, the effect transformational leadership on work stress, the effect of transformational leadership on employee negative behavior, and the effect of positively work stress on employee negative behavior. This research also analyzed the impact of transformational and transactional leadership on employee negative behaviour through work stress. The population of this study consist of two hundred employees PT. X Jakarta as the respondents provided the data that were analyzed for this study. Using the sub-set of the sampling consisting of was used to test five hypothesized relationship in the model. Data analysis in this research was used Structural Equation Model (SEM) to test independent variables influence the dependent variable. The result of this research conclude that there is positive impact from transactional leadership on work stress and negative impact from transformational leadership on work stress. The result of the study also revealed that theres in and positive indirect impact from transactional leadership on employee negative behaviour through work stress and negative indirect impact from transformational leadership on employee negative behaviour through work stress.

Keywords: Transformational Leadership; Transactional Leadership; Employee Behavior; Work Stress.

1. INTRODUCTION

Resources are needed by each company to achieve company goals. In an effort to achieve company goals, there are not only raw materials, work tools, production machines, money and the work environment, but also employees (human resources) who manage these production factors (Marwanto, 2012). According to (Saragih & Sierma, 2011) employees are the prime mover of a company. Without employees, the company and other resources will never be anything meaningful.

Every company must have employees who have competitive advantages, good teamwork, trust and adequate mastery of information. But besides all these factors, the main factor that determines the success and success of the company is the *Leader* in the company. *Leadership* is an important aspect in a company (Wehrich, Cannice, & Koontz, 2013). According to (Judge & Robbins, 2018) effective leaders will be able to motivate all employees to advance the company and achieve company goals well. Employees who have positions as *leaders* play an important role in a company. The

important role of a *leader* is to lead a *teamwork*. Leading a *teamwork* in a company is not easy, because *leadership style* a manager's will be different from one another. For that the *leader* must have a special style and hold the principles that can make him an effective leader.

According to (Bass & Bass, 2009) *leadership styles* there are two applied in a company, namely *Transactional Leadership* and *Transformational Leadership*. In practice, *Transactional Leadership* and *Transformational Leadership* have different concepts. Some researchers also concluded that *Transformational Leadership* has a higher assessment of individual, group and company performance (Honell & Avolio, 1993) (Lowe, Kroeck, & Sivasubramaniam, 1996). *Transformational Leadership* can improve employee performance, motivation and morale because *leaders* with a *Transformational Leadership style* can provide inspiration and influence for the employees they lead (Odomeru & Ogbonna, 2013). *Transformational leadership* also has weaknesses, such as company employees who are influenced by different leaders will produce different visions so that it can lead to conflicts between the leader and the members they lead. Leaders who have a strong role can increase the motivation of their members, but there will be a lot of competition that arises between different groups in the company. When cooperation between leaders and their members is required to achieve organizational goals, the result can be a decrease in organizational effectiveness. Different from *Transformational Leadership*, further James A & Ogbanna (2013) stated that *Transactional Leadership* is leadership that prioritizes *reward* and *punishment*. *The rewards* that will be received by employees are due to the employees' targets being achieved so that they are given awards from the company. Meanwhile, if the employee does not reach the target, he will be given *punishment* such as a warning letter from the company. This makes employees experience stress due to pressure and lack of motivation from the leader.

As a human being, every employee who works in a company usually has problems. These problems, such as life and work pressures that are getting stronger nowadays, can lead to *work stress* heavy for employees (Zhang, 2002). *Work stress* makes companies pay for the consequences, such as decreased employee productivity, health costs, and related laws (Sulsky & Smith, 2005). *Work stress* experienced by employees needs to be considered because *work stress* increased will be able to trigger *negative employee behavior* such as the emergence of interpersonal conflicts, attendance, *turnover* and extreme behavior such as revenge that can spread in the workplace and this will certainly disturb and endanger the effectiveness and organizational development (Liu, Li, Shi, & Fang, 2013).

Currently, there is research that examines the effect of *leadership* on *work stress* employee in the domain of organizational behavior and human resource management. However, research that analyzes *leadership* and *work stress* employee and employee behavior is still limited. The results of the study (Yao, Fan, Guo, & Li, 2014) state that *leadership styles*, in this case *Transformational* and *Transactional*, have different

effects on *work stress* and *negative employee behavior*. From the above background, this study aims to examine the effect of a *leadership style* consisting of *Transformational leadership* and *Transactional leadership* on *negative employee behavior* through the *work stress* of employees at PT. X Indonesia where this company is engaged in services. In this company, there is a sign that employees who work have *negative behavior*. Such as arriving late, not reaching targets, decreased performance caused by high levels of *work stress*. The stress level of employees of PT. X Indonesia is caused by a *leadership style* manager who is considered less than optimal. The actions and behavior of employees will be reflected in the *leadership style* of the leaders of each group. The existence of several cases of employee behavior in PT X Jakarta made researchers want to explore more about "The effect of *transformational leadership* and *transactional leadership* on levels of *work stress* and *employee negative behavior*."

II. METHODS

This research refers to research previously conducted by Ying et.al (2014) "*Leadership, Work Stress, and Employee Negative Behavior*". This study uses a hypothesis testing research design, which aims to test hypotheses that generally explain the effect of *Transactional Leadership* and *Transformational Leadership* on *Employee Negative Behavior* through *Work Stress*. Data obtained by distributing questionnaires to employees of Hygiene and Pest Control Industry. This shows that the variable *Transactional Leadership* and *Transformational Leadership* as independent variables (*Independent Variable*). *Employee Negative Behavior* as dependent variable (*Dependent Variable*). *Work Stress* as an intermediate variable (*Intervening Variable*).

a. Transformational Leadership

Transformation a leadership adopted in research conducted by Ying et.al (2014) uses four statement items measured through a five-point Likert scale where scale 1 shows strongly disagree and scale 5 shows strongly agree as follows: 1) My manager provides comfort even though I have to work hard in the company where I work. 2) I feel that my manager has ambition and a passion for his job at the company where I work. 3) My manager has a desire to help me solve life problems and family problems in the company where I work. 4). My manager gave me positive input about my future at the company where I worked.

b. Transactional Leadership

Transactional was adopted in research conducted by Ying et.al (2014) using three statement items measured through a five-point Likert scale where scale 1 shows strongly disagree and scale 5 shows strongly agree as follows: 1) My manager gives an award (*reward*) for my success (*Achievement*) in the company where I work. 2) My manager corrects and supervises my work to avoid all mistakes made in the company where I work. 3) My manager gives sanctions and warnings if the work process I do is not in accordance with the procedures of the company where I work.

c. Work Stress

Work Stress was adopted in research conducted by Ying *et.al* (2014) using four statement items measured through a five-point Likert scale where scale 1 shows strongly disagree and scale 5 shows strongly agree as follows:

1. I feel pressured by have heavy job responsibilities in the company where I work.
2. I feel pressured by the uncomfortable work environment in the company where I work.
3. I feel pressured by the competitive promotion at the company I work for.
4. I feel pressured by the interactions of colleagues at the company where I wor

d. Employee Negative Behavior

Employee Negative Behavior was adopted in a study conducted by Ying *et.al* (2014) using three statement items measured through a five-point Likert scale where scale 1 shows strongly disagree and scale 5 shows strongly agree as follows:

1. When I feel pressured by work at the company where I work, I arrive late to the office or do not work at all.
2. When I feel stressed about my job at the company I work for, I often lose control of my emotions and influence my colleagues.
3. When I feel pressured by work at the company where I work, I joke and say hurtful words to my co-workers.

The study population was employees of Hygiene and Pest Control Industry. The sample of this research was 200 employees at PT. X Jakarta. The entire population was included in this study, namely all employees of PT. X Jakarta so this research is a census. How to collect data by providing a questionnaire and asking to find responses to statements submitted through questionnaires to employees of PT.X Jakarta.

The data analysis method used in this study is a *structural equation model* (SEM) using the AMOS 24 program. According to Ferdinand (2000), SEM is basically a set of statistical techniques that allow testing a series of relatively "complex" relationships simultaneously. SEM is a multivariate technique that combines multiple regression aspects and factor analysis to estimate a series of dependency relationships simultaneously (Hair et al, 2010).

III. RESULT AND DISCUSSION

Analysis of results and interpretation is carried out based on the results of testing the hypothesis. The purpose of testing this hypothesis is to reject the null hypothesis (Ho) so that the alternative hypothesis (Ha) can be accepted. Hypothesis testing is performed using structural equation modeling (SEM) analysis which is a statistical method that is most suitable for this study. The purpose of this method is to predict changes in the dependent variable (*dependent / criterion variable*) associated with changes that occur in a number of independent variables (*independent / predictor variable*) (Hermawan, 2006). The error tolerance limit (α) used is 5% (0.05). The

results of hypothesis testing by comparing the t value with the estimated value of the beta coefficient (β) are arranged in the 4.5

Hypothesis Testing Results Table

	β	P-value	Decision
: <i>Transactional Leadership</i> has a positive effect on the <i>work stress</i> of employees of PT. X Jakarta	0.279	0.018	Ha Accepted
<i>Transactional Leadership</i> has a positive effect on <i>negative employee behavior</i> at PT. X Jakarta	0.047	0.462	Ha Rejected
<i>Transformational Leadership</i> has a negative effect on the <i>work stress</i> of employees of PT. X Jakarta	-0,298	0,009	Ha Accepted
<i>Transformational Leadership</i> has a negative effect on <i>negative employee behavior</i> of PT. X Jakarta	-0.088	0.155	Ha Rejected
H6: <i>Work stress</i> has a positive effect on <i>negative employee behavior</i> in PT. X Jakarta	0.271	0.000	Ha Accepted

Hypothesis 1

Hypothesis 1 examines the effect of *Transactional Leadership* on *work stress*, where the sound of the null hypothesis (H_0) and the alternative hypothesis (H_a) are as follows:

H_{01} : There is no effect of *Transactional Leadership* on *work stress*

H_{a1} : There is an effect of *Transactional Leadership* on *work stress*

Based on the table of hypothesis testing results, it is known that the effect of *Transactional Leadership* on *work stress* has a p-value of 0.018 and a value β of 0.279. The results of this study indicate that there is a positive and significant influence of *Transactional Leadership* on *work stress*, therefore the first hypothesis (h_a) in this study is supported by

Hypothesis 2

Hypothesis 2 testing the effect of *Transactional Leadership* on *employee negative behavior*, where the sound of the null hypothesis (H_0) and the alternative hypothesis (H_a) are as follows:

H_{02} : There is no effect of *Transactional Leadership* on *employee negative behavior*

H_{a2} : There is an influence of *Transactional Leadership* on *employee negative behavior*

Based on the table of hypothesis testing results, it is known that the effect of *Transactional Leadership* on *employee negative behavior* has a p-value of 0.462 and a value β of 0.047. The results of this study indicate that there is no positive and significant effect of *Transactional Leadership* on *employee*

negative behavior , therefore the second hypothesis (ha) in this study is rejected.

Hypothesis 3

Hypothesis 3 examines the effect of *Transformational Leadership* on *work stress* , where the sound of the null hypothesis (Ho) and the alternative hypothesis (Ha) are as follows:

H₀₃: There is no effect of *Transformational Leadership* on *work stress*

H_{a3}: There is an effect of *Transformational Leadership* on *work stress*

Based on the table of hypothesis testing results, it is known the effect of *Transformational Leadership* on *work stress* has a p-value of 0.009 and avalue β of -0.298. The results of this study indicate that there is a negative and significant effect of *Transformational Leadership* on *work stress* . Therefore, the third hypothesis (ha) in this study is supported.

Hypothesis 4

Hypothesis 4 examines the effect of *Transformational Leadership* on *employee negative behavior* , where the sound of the null hypothesis (Ho) and the alternative hypothesis (Ha) are as follows:

H₀₄: There is no influence of *Transformational Leadership* on *employee negative behavior*

H_{a4}: There is an influence of *Transformational Leadership* on *employee negative behavior*

Based on the table of hypothesis testing results, it is known that the effect of *Transformational Leadership* on *employee negative behavior* has a p-value of 0.155 and avalue β of -0.088. The results of this study indicate that there is no positive and significant influence of *Transformational Leadership* on *employee negative behavior* , therefore the fourth hypothesis (ha) in this study is rejected.

Hypothesis 5

Hypothesis 5 examines the effect of *transformational leadership* and *transactional leadership* on *employee negative behavior* through *work stress* where the sounds of the null hypothesis (Ho) and the alternative hypothesis (Ha) are as follows:

H₀₅: There is no effect of *transformational leadership* and *transactional leadership* on *employees negative behavior* through *work stress*

H_{a5}: There is an effect of *transformational leadership* and *transactional leadership* on *employee negative behavior* through *work stress*.

The indirect effect is identified by multiplying the effect of the path between *transformational leadership* and *transactional leadership* on *work stress* and the effect of *work stress* on *negative employee behavior*. From table 4.5 above table 4.5 above, it is known that there is aeffect *transactioal leadership* on *work stress* with an effect of 0.279 while *transformational leadership* has a negative influence on *work stress* with an effect of -0.298. Meanwhile, there

is a positive effect of work stress on *employee negative behavior* of 0.271, so it can be seen that the direct effect of *transactional leadership* on *employee negative behavior* is $0.279 \times 0.271 = 0.0756$. Meanwhile, the indirect effect of *transformational leadership* on *employee negative behavior* through *work stress* is $-0.298 \times 0.271 = -0.0807$. Based on this, it can be concluded that there is an effect of *transformational leadership* and *transactional leadership* on *employee negative behavior* through *work stress* and the fifth hypothesis in this study can be supported.

Hypothesis 6

Hypothesis 6 tests the effect of *work stress* against employee negative behavior, where the sound of the null hypothesis (Ho) and the alternative hypothesis (Ha) are as follows:

H₀₅: There is no effect of *work stress* on *employee negative behavior*

H_{a5}: There is an effect of *work stress* on *employee negative behavior*

Based on the hypothesis testing results table, it is known that the effect of *work stress* on *employee negative behavior* has a p-value of 0.009 and a value β of -0.298. The results of this study indicate that there is a positive and significant effect of *Transformational Leadership* on *work stress*. Therefore, the fifth hypothesis (ha) in this study is supported.

IV. CONCLUSION

Based on the results of the analysis of the research that has been carried out in the previous chapter, then the conclusions will be described on the results of the research analysis. Therefore, it is concluded that the Independent Variables of *Transactional Leadership* and *Transformational Leadership*, and the Intervening Work Stress Variable on the Dependent Variable *Employee Behavior* obtained values which indicate that these four variables have a significant and acceptable influence.

1. There is a positive and significant effect of *transactional leadership* on *work stress*. The results of this study indicate that the higher the transactional leader's attitude will increase the work stress of the employees. This study supports the results of previous research conducted by Ying et.al (2014) which shows that *transactional leadership* that prioritizes employee performance and contribution will have a positive effect on employee stress levels which tend to increase.
2. There was no positive effect of *transactional leadership* on *employee negative behavior*. This shows that the transactional leadership style is not a factor that can cause employees to behave in negative ways in the workplace. The results of this study do not support the results of previous research conducted by Ying et.al (2014) which showed that *Transactional Leadership* can have a positive influence on *employee negative behavior*. The results of the research are different from the results of previous studies because the leadership style cannot directly influence

the negative behavior of employees but is more likely to have to form threats and emotional attitudes such as work stress which can then encourage negative behavior from employees

3. There is a negative effect of *transformational leadership* against *work stress*. These results indicate that the more prominent the transformational leadership style practiced by leaders in the company, the lower the stress level of employees. The results of this study support the results of previous research conducted by Khalid *et.al* (2012). *Transformational Leadership* has a negative effect on levels *work stress* employee. Because this leadership style provides a lot of motivation, enthusiasm, charisma, and trust in employees.
4. There is no negative effect of *transformational leadership* on *employee negative behavior*. The results of this study are inconsistent with the results of previous studies conducted by Pieters *et.al* (2010). *Transformational Leadership* has a negative effect on *negative employee behavior*. The results of research that are not in accordance with previous research are caused by negative behavior that will only be formed when employees have attitudes which are the result of evaluating a situation such as job stress which can also be caused by leadership style so that it can be said that leadership style cannot directly influence behavior. negative employees but must go through job stress first.
5. There is a positive effect of *transactional leadership* and *transformational leadership* on *employee negative behavior* through *work stress*. The results of the study show that *transformational leadership* and *transactional leadership* have an indirect effect on *employee negative behavior* through *work stress* where the indirect effect of *transactional leadership* on *employee negative behavior* through *work stress* is positive (0.0756) while the indirect effect of *transformational leadership* on *employee negative behavior* through *work stress* is negative (-0.0807). These results indicate that *work stress* must be created first from *transformational leadership* and *transactional leadership* which can then increase or decrease the formation of *employee negative behavior* or in other words *work stress* is a variable that is proven to mediate the effect of transformational and *transactional leadership* on *employee negative behavior*.
6. There is a positive effect of *work stress* on *employee negative behavior*. The test results showed that there was a positive and significant effect of work stress on employee negative behavior. These results indicate that the higher the work stress experienced by the employee, the higher the tendency for the employee to take negative actions at work. The results of this study support the results of previous research conducted by Shi *et.al* (2009). levels *work stress* Employee have a positive effect on *employee negative behavior* because employees who feel depressed at work will tend to have unstable emotional levels, insomnia and affect employee behavior. itself such as decreased performance levels, late coming to work, not coming to work, even deciding to stop working.

This research has implications for the managers of PX Jakarta, especially in reducing *employee negative behavior* from their employees. A manager with *transformational leadership* should provide comfort at work so that it can reduce levels of *work stress* by being more sensitive to the problems that employees have. A manager with *transactional leadership* should be fairer in providing *rewards* and not giving *punishment* excessively to employees so they don't feel pressured. Companies also need to cultivate organizational cultures that foster aside *transformational* and reduce the side *transactional*.

Based on the results of this study indicate that the *workstress* at PT. X Jakarta can be minimized by avoiding unhealthy competition between employees and managers by being more transparent in promoting their employees. Therefore, it is important for companies to strive to reduce *employee negative behavior* by increasing employee absenteeism discipline.

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