

DOI: <https://doi.org/10.38035/dijefa>

Received: 27 July 2024, Revised: 29 July 2024, Publish: 4 August 2024

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The Effects Of Transformational Leadership, Power Distance, Communication, and Followership On Employee Decision Making

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Abstract: This study aims to determine the effect of transformational leadership, power distance, communication and followership on employee decision making. The type of research used in this study is research with a quantitative approach. Population in this study using the population census where employees at the Office of manpower, investment, and Integrated Services One Door Banjarnegara as many as 59 people. This study used primary data obtained by distributing questionnaires. To produce alternative answers this study uses a Likert scale. This study used slovin formula for sampling. The results of this study showed that transformational leadership, power distance does not affect employee decision making, while communication and followership affect employee decision making.

Keyword: Effects Of Transformational Leadership, Power Distance, Communication, Followership, Employee Decision Making

INTRODUCTION

Human resources is a very important element in carrying out activities within an organization, be it an organization or a company. Compared to other elements such as capital, technology, and money, human resources become more important in an organization or company because humans themselves control these other elements. In terms of human resources, companies in Indonesia face problems in retaining talented employees, employees with special skills, and employees with great potential (Watt, 2007/2008; Wulandari et al, 2013). One of the greatest assets of a company is its employees, who indirectly contribute to realizing the company's vision and mission. Of course, there are problems in decision-making throughout the company, from the employee level to top management. This certainly requires making the right decisions to overcome problems within an organization or company. Decision-making is made throughout a person's life. This means that a person will constantly be faced with decision-making throughout their life. It can be said that there is never a moment without a decision. Because, decision making is a prerequisite for determining the

actions and decisions to be taken. Decision making is the first step for employees to develop different alternatives for how to respond and solve problems when they arise. Decision-making skills are important to enable the individual employee to adapt to his environment, achieve his goals and aspirations, and actively participate in his work performance. Some explanations regarding the importance of decision-making skills suggest that the company should improve the decision-making ability of its employees.

One of the factors that influence employee decision making in a company or organization is leadership. (Terry, 1960 in Toha, 2006). It has been further established that leadership is an activity aimed at encouraging certain individuals to achieve organizational goals. Leadership can be defined as when someone manages group activities, then that person will act as a leader. The leader is a person who has an important role in the future of a company. Leaders are considered successful and provide effective leadership if the company manages to carry out its operations and achieve goals that are in line with the company's goals. Leaders have different leadership styles. This certainly has an impact on employee performance and achievement of company goals. According to Hasibuan (2003) leadership is the way a leader influences the behavior of his subordinates in order to collaborate and work well effectively and efficiently to achieve organizational goals. The nature of leadership is influence, but the ability itself arises in a person through innate talents that are natural but can come from various sources, (Ali and Baharuddin, 2013). Employees feel respect, admiration, trust and loyalty towards their superiors, thereby encouraging subordinates to do more than they are used to. Leaders motivate and encourage employees to work, take into account their skills and desire to progress and help meet needs in the workplace. Thus, the leader ensures that employees enjoy work in the company. The leadership style used has the characteristics of transformational leadership.

As Ordway theod explains in his book "The Art of Leadership" (Sharafuddin, 2015), transformational leadership is working with people to achieve desired goals. By measuring the influence that a leader has on his subordinates, a leader is said to be a transformational leader. Efforts to influence subordinates, among others, encourage subordinates to be more aware of the importance of work results, encourage subordinates to prioritize the organization over personal interests, and increase awareness of the needs of subordinates at a higher level (Bass, 2001; Aprilianda N. & Aslamawati, 2018). Transformational leadership essentially motivates employees to perform better than usual. In other words, it can foster the trust and confidence of subordinates, which ultimately has an impact on the decisions of the employees themselves. Research conducted by Fatimah (2020) found that transformational leadership has a positive and significant influence on decision making (decision making). However, research conducted by Riaz et al (2012) came to a different conclusion, finding that transformational leadership has a negative impact on decision-making.

Another factor influencing decision-making is power distance, which aims to explain differences in behavior between cultures and to distinguish how the same role is viewed from the perspective of power distance in different countries. The degree to which a person accepts differences in status, rank, privilege, and power in society is called power distance (Rao and Pearce, 2016). Because of different positions of power and economic opportunities, superiors and subordinates have a power distance (power distance) that generally occurs in organizations and companies. Some companies operating in countries with low power distance have a flat and Democratic organizational structure, which allows employees to express their opinions and participate in decision-making processes. This supports previous research by Mary et al (2012) which found that power distance has a positive and significant impact on decision making. This is in contrast to Liu Mingzhi's (2006) study, which found that power distance had a positive impact on decision-making but was not decisive.

Decision-making in organizations and companies relies heavily on communication, and organizational decisions are based on the opinions of members on issues and actions to be

taken. Communication in organizations and companies can change the opinion of individuals. Decision making is influenced by communication in two main ways. First, the messages sent by members affect each other. Second, patterns commonly used in communication influence the decision-making process (Greenwald, 2013). For example, there are certain groups that develop a very polite and formal way of communicating. This habit makes conversation more difficult. Submissions of dissent often have to be muted because there is disagreement to the point where the dissent seems meaningless. In terms of communication, based on Suri's (2019) research, it found that communication greatly influences the decision-making process.

Follower is a simple concept that involves receiving good guidance, following a program that has been prepared, being part of a team, and giving the best results for one's efforts (McMillan, 2013). One of the key concepts in the company is followership. This helps employees understand their roles, duties, rights, and responsibilities within the organization. Although followership is an important concept, it has received less attention because most people tend to rely on leaders when an organization is improving or progressing. This is supported by previous research conducted by McMillan (2013) which showed that the quality of follower relationships is directly influenced by decision-making. In the study Son Hing et al (2007) obtained different results, found that followership does not have a significant influence on decision making.

Based on such inconsistent results, it is necessary to re-conduct the study. This study refers to the research of Muhammad Lukman Fauzi, Survival and Mulyono (2023) titled The effects of Transformational Leadership, Power Distance and Followership on employee decision-making abilities. The difference in this study is to add communication variables to Employee decision making. Based on the explanation above, this study takes the title "the effect of Transformational Leadership, Power Distance, communication, Followership on employee decision making".

METHOD

The type of research used in this study is research with a quantitative approach. Population in this study using the population census where employees at the Office of Labor, investment, and Integrated Services One Door Banjarnegara as many as 59 people. This study uses primary data obtained by distributing questionnaires. Questionnaire is a data collection technique that provides a list of closed and open questions to the object of research. To produce an alternative answer this study uses a Likert scale (Summated Rating Scale). This study used slovin formula for sampling. When the behavior of a population is not known with certainty, the slovin formula is used to determine the smallest sample size. Therefore, the range for the slovin approach is 5% of the population. The population of this study are employees of the Office of manpower, investment and services Tepadu Satu Pintu Banjarnegara. In this example, the office employees numbered 59 people. After using the slovin formula obtained 51 samples.

RESULTS AND DISCUSSION

Table 1. Results Of Descriptive Statistical Analysis

Variable	N	Min	Max	Mean	Std. Deviation
Employee Decision Making	50	44	75	59.88	6.323
Transformational Leadership	50	5	22	10.80	3.828
Power Distance	50	32	49	39.98	3.317
Communication	50	10	20	16.40	1.829
Followership	50	11	25	20.00	2.382

Source: Data Analysis Results, 2024

Employee decision making is a dependent variable in this study which has the lowest value of 44, the highest value of 75, the mean value of 59.88, and the standard deviation of

6,323. The results of the descriptive analysis showed the value of the standard deviation is smaller than the average value (mean), it can be said that the data is homogeneous, which means the average employee decision-making has a low level of deviation.

Transformational Leadership which is the first independent variable in this study which has the lowest value of 5, the highest value of 22, the mean value of 10.80, and the standard deviation of 3,828. The results of descriptive analysis showed the value of the standard deviation is smaller than the average value (mean), it can be said that the data is homogeneous, which means the average transformational leadership has a low level of deviation.

Power Distance which is the second independent variable in this study which has the lowest value of 32, the highest value of 49, the mean value of 39.98, and the value of the standard deviation of 3,317. The results of descriptive analysis showed a standard deviation value is smaller than the average value (mean), it can be said that the data is homogeneous, which means the average power distance has a low level of deviation.

Communication is the third independent variable in this study which has the lowest value of 10, the highest value of 20, the mean value of 16.40, and the standard deviation of 1,829. The results of descriptive analysis showed a standard deviation value is smaller than the average value (mean), it can be said that the data is homogeneous, which means the average communication has a low level of deviation.

Followership which is the fourth independent variable in this study which has the lowest value of 11, the highest value of 25, the mean value of 20.00, and the standard deviation of 2,382. The results of the descriptive analysis showed a standard deviation value is smaller than the average value (mean), it can be said that the data is homogeneous, which means the average followership has a low level of deviation.

Validity Test

Based on the test results, it can be stated that transformational leadership variables (X1) which has 15 questions, power distance (X2) which has 5 questions, communication (X3) which has 10 Questions, followership (X4) which has 4 questions, and Employee decision making (Y) which has 5 Questions show that the calculated R value is greater than the R table of 0.2787 (significance level 0.05 with n=50). So it can be concluded that from each question item on Transformational Leadership variables, Power Distance, communication, followership, and Employee decision making are valid.

Table 2. Reliability Test Results

Variable	Cronbach's Alpha	Criteria	Description
Transformational Leadership	0.917	0.60	Reliable
Power Distance	0.847	0.60	Reliable
Communication	0.812	0.60	Reliable
Followership	0.831	0.60	Reliable
Employee Decision Making	0.862	0.60	Reliable

Source: Data Analysis Results, 2024

Based on the results of the table above, it can be concluded that all variables in this study are reliable, because the results of alpha cronbach greater than 0.60 with such results the data can be used to process further data.

Table 3. Normality Test Results

			Unstandardized Residual
N			50
Normal Mean			0.0000000
Parameters Std. Deviation			1.03413577
Most	Extreme	Absolute	0.110

Differences	Positive	0.102
	Negative	-0.110
Test Statistic		.0.110
Asymp. Sig. (2-tailed)		.175

Source: Data Analysis Results, 2024

Based on the table above, the results obtained that the significance value of the Kolmogorov-Smirnov sample test in the regression equation model of this study get the results of GIS. (2-tailed) greater than 0.05 that is equal to 0.175. This shows that the data are normally distributed.

Table 4. Multicollinearity Test Results

Variable	Collinearity Statistics		Description
	Tolerance	VIF	
Transformational Leadership	0.438	2.282	There Is No Multicollinearity
Power Distance	0.866	1.155	There Is No Multicollinearity
Communication	0.375	2.666	There Is No Multicollinearity
Followership	0.421	2.377	There Is No Multicollinearity

Source: Data Analysis Results, 2024

Based on the results of the table above on the regression model, the study showed that transformational leadership has a Tolerance value of 0.438 while the VIF value of 2.282. Power Distance has a Tolerance value of 0.866 while the VIF value of 1.155. Communication has a Tolerance value of 0.375 while the VIF value of 2.666. Followership has a Tolerance value of 0.421 while the VIF value of 2.377. The calculation of the Tolerance value shows that there is no independent variable that has a Tolerance value less than 0.1. Then, the calculation of the value of VIF also shows the same result there is no independent variable that has a value of VIF more than 10. So it can be concluded that there is no multicollinearity in this study.

Table 5. Heteroscedasticity Test Results

Variable	Sig.	Description
Transformational Leadership	0.987	There Is No Heteroscedasticity
Power Distance	0.312	There Is No Heteroscedasticity
Communication	0.522	There Is No Heteroscedasticity
Followership	0.670	There Is No Heteroscedasticity

Source: Data Analysis Results, 2024

Based on the results of the table above calculation in the first regression model shows that the value of Transformational Leadership significance of 0.987, Power Distance of 0.312, communication of 0.522, followership of 0.670. From this value, it can be concluded that this study is free from heteroscedasticity problems. It can be known from the significance value greater than 0.05.

Table 6. Test Results Multiple Linear Regression Analysis Results

Variable	Unstandardized	Coefficients Std.	Standardized
	Beta	Error	Coefficient Beta
(Constant)	-3.526	2.103	
Transformational Leadership	0.017	0.037	0.045
Power Distance	0.042	0.043	0.068
Communication	0.184	0.076	0.256
Followership	0.897	0.130	0.689

Source: Data Analysis Results, 2024

The results of multiple linear regression analysis regression equation this study into:

$$Y = -0.526 + 0.017X_1 + 0.042X_2 + 0.184X_3 + 0.897X_4$$

Constant value of -3.526. This means that if all independent variables, namely transformational leadership, power distance, communication, and followership are constant or zero, then employee decision-making will still be valued at -3,526.

The value of transformational leadership regression coefficient of 0.017 indicates that any increase in transformational leadership and other variables are considered constant will be followed by an increase in employee decision-making of 0.017.

The power distance regression coefficient value of 0.042 indicates that each increase in power distance and other variables is considered constant, followed by an increase in employee decision-making of 0.042.

The value of communication regression coefficient of 0.184 indicates that any increase in communication and other variables are considered constant, it will be followed by an increase in employee decision-making of 0.184.

The value of the regression coefficient of followership of 0.897 indicates that any increase in followership and other variables are considered constant, it will be followed by an increase in employee decision-making of 0.897.

Table 7. Coefficient Of Determination Test Results (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.901	0.812	0.795	1.079

Source: Data Analysis Results, 2024

Based on the table above the test results of the coefficient of determination (R^2) in the regression model of the study showed the value of Adjusted R^2 of 0.795 or 79.5%. It can be interpreted that the independent variables simultaneously affect employee decision making by 79.5% while the remaining 20.5% are influenced by other variables outside the regression equation.

Table 8. F Test Results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	225.598	4	56.399	48.432	0.000
	Residual	52.402	45	1.164		
	Total	278.000	49			

Source: Data Analysis Results, 2024

Based on the table above in the regression model of the study can be seen that the significance value of 0.000. The value is smaller than 0.05 or the model is fit, then all independent variables simultaneously affect employee decision making.

Table 9. T Test Results

Variable	t Hitung	Sig.	Description
Transformational Leadership	0.458	0.649	H1 Rejected
Power Distance	0.971	0.337	H2 Rejected
Communication	2.425	0.019	H3 Accepted
Followership	6.900	0.000	H4 Accepted

Source: Data Analysis Results, 2024

Transformational leadership significance test results showed that $0.649 > 0.05$. The results showed that the transformational leadership variable (X1) did not have a positive and significant effect on employee decision-making. Thus the first hypothesis (H1) in this study was rejected.

Power distance shows the significance test result is $0.337 > 0.05$. Then the results show that the power distance variable (X2) does not have a positive and significant effect on employee decision making. Thus the second hypothesis (H2) in this study was rejected.

Communication significance test results showed that $0.019 < 0.05$. Then the results show that the communication variable (X3) has a positive and significant effect on employee decision making. Thus the third hypothesis (H3) in this study is accepted.

Followership showed the results of significance testing is $0.000 < 0.05$. Then the results show that the followership variable (X4) has a positive and significant effect on employee decision making. Thus the fourth hypothesis (H4) in this study is accepted.

RESEARCH DISCUSSION

Transformational leadership in employee decision making

The results of research regression model testing from table 4.10 can be seen that the results of the T-test transformational leadership GIS value of 0.649 this value is more than 0.05, this means that transformational leadership does not have a positive and significant effect on employee decision making. Thus the first hypothesis in this study was rejected.

Leaders who implement transformational leadership systems pay attention to employees 'self-development needs, change their employees' understanding of existing problems, and are able to inspire employees to work hard to achieve organizational goals (Robbins, 2008). According to Northouse (2013) researchers have not established that transformational leaders are actually capable of transforming individuals and organizations. There is evidence to suggest that transformational leadership is associated with positive outcomes, such as organizational effectiveness. However, studies have not shown a clear causal link between transformational leadership and follower or organizational change.

Transformational leadership is elitist and anti-democratic. Transformational leaders often play a direct role in creating change, building visions, and advocating new directions. This gives a strong impression that the leader acts independently of the followers or puts himself above the needs of the followers (Northouse, 2013).

Power Distance to Employee decision making

The results of research regression model testing from table 4.10 can be seen that the results of the t-test sig value of power distance (power distance) is 0.337 this value is more than 0.05, this means that the power distance does not have a positive and significant effect on employee decision making. Thus the second hypothesis in this research was rejected.

Power distance is the degree to which members of an organization accept differences in rank, status, privileges, and power (Rao and Pearce, 2016). The right level of power distance can result in a work environment that supports employees in efficient decision-making. In organizations and companies with higher levels of power distance, employees tend to be better able to make better and more accurate decisions. In addition, the dynamics of the relationship between superiors and subordinates in the decision-making process can also be influenced by the power distance (power distance).

According to Khatri (2009) evidence from empirical studies shows that organizations with high power distance tend not to care about unethical behavior. Top managers do not need to justify or defend their decisions to lower-level employees or larger organizations. The result is that they get a certain amount of immunity. Unethical behavior is always masked or undetected due to the loyalty and submission of subordinates. So, due to lack of vetting or accountability, there is no pressure on top managers to behave ethically.

Power distance orientation affects the organizational structure. In remote organizations with high power, managers tend to micromanage organizational activities. Even small decisions must be submitted to the leadership of the organization for a resolution. As a result, high-level managers are inundated with routine decisions. We also note that there is a greater differentiation in the activities of organizations. However, due to poor communication, coordination, teamwork and information exchange, the integration of organizational activities is inadequate. Further, because top managers want to retain power for as long as they are able and accompanied by little resistance from lower-level employees, organizations with high power distance exhibit greater inertia than organizations with low power distance (Khatri, 2009).

Communication on employee decision making

The results of research regression model from table 4.10 can be seen that the results of the T-test communication GIS value of 0.019 this value is less than 0.05, this means that

communication has a positive and significant effect on employee decision making. Thus, the third hypothesis in this research is acceptable.

Communication in organizations and companies helps employees express frustration and happiness so that they feel motivated in the process of self-development (Firmansyah and Syamsudin, 2016). Effective communication within an organization or company can help leaders and employees to work well together and ensure that decisions are made involving all parts of management.

Communication within organizations and companies helps in the process of delivering the information necessary for decision making, ensuring that the selection of the best option from a variety of options is systematic, and ensuring that the expected results of the choices that have been selected can be predicted.

The results of this study are in line with the results of research conducted by Budiman Purba, Aswand Hasoloan and Amru Yasir (2021) which show that communication has a significant influence on decision making.

Followership on employee decision making

The results of research regression model testing from table 4.10 can be seen that the results of the T-test GIS value of followership is 0.000 this value is less than 0.05, this means that followership has a positive and significant effect on employee decision making. Thus the fourth hypothesis in this study is acceptable.

Followership is a concept that refers to the way a person receives good direction, implements a designed program, joins a team, and achieves the best results from the efforts that have been made (McMillan, 2013).

Followership is an important factor that increases the ability of employees in the company to make decisions. Employees who understand the position and responsibility in the organization and the company tend to be better able to make the right decisions and efficient.

The results of this study are in line with the results of research conducted by Amin & Hamidah (2020) and Fauzi, Survival and Mulyono (2023) which show that followership has a positive and significant effect on decision making.

CONCLUSION

Based on the results of this study shows that transformational leadership, power distance does not affect employee decision-making, while communication and followership affect employee decision-making.

Based on the results of the analysis obtained, this study was conducted with some limitations including that this study uses the questionnaire method, so it is less able to dig deeper into the variables of the study because it is only limited to the questions asked by the author, and the scope of research is limited to employees of the Office of manpower, investment, and integrated One Door Banjarnegara, so the results of the study can not be legalized.

Based on the conclusions and limitations in this study, the authors propose suggestions that for the next researcher is expected to add variables other than the variables that have been used so that it can find out what are the other factors that affect the employee decision-making variables in the company or the office, and for the next researcher is expected to.

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