E-ISSN : 2987-9329
P-ISSN : 2987-9337
Siber International Journal of Digital Business (SIJDB)
https://review.e-siber.org/SIJDB siberpublisher.info@gmail.com +62 812-1046-7572
DOI: https://doi.org/10.38035/sijdb.v3i4

Transformational Leadership and Work Discipline as Drivers of Employee Performance

Eka Kusuma Mustikoaji Sinaga[1], Editya Nurdiana[2]
[1]Universitas Swadaya Gunung Jati, Cirebon, Indonesia, eka.122020359@ugj.ac.id .
[2]Universitas Swadaya Gunung Jati, Cirebon, Indonesia, editya_nurdiana@ugj.ac.id

Corresponding Author: editya_nurdiana@ugj.ac.id[2]

Abstract: This study examines how leadership and behavioral discipline contribute to employee performance in the logistics industry. The research object is employees of PT Triglobal Mandiri Indonesia, a national logistics and distribution company operating in a time-sensitive and coordination-intensive environment. The objective of this study is to analyze the direct effects of transformational leadership and work discipline on employee performance, to examine their influence on the quality of leader–employee relationships, and to test the mediating role of leader–member exchange. This study employed a quantitative associative research design using a structured questionnaire distributed to 100 employees, with data analyzed through Partial Least Squares–Structural Equation Modeling. The results show that transformational leadership and work discipline have a positive and significant direct effect on employee performance. Transformational leadership also significantly influences leader–member exchange, while work discipline does not. Leader–member exchange has a positive effect on performance; however, it does not mediate the relationship between transformational leadership and performance nor between work discipline and performance. The study concludes that employee performance in logistics companies is driven primarily by direct leadership practices and disciplined work behavior, while relationship quality plays a supportive but non-mediating role.

Keyword: Transformational Leadership; Work Discipline; Leader–Member Exchange; Employee Performance; Logistics Industry.

INTRODUCTION

The logistics industry is an essential driver of Indonesia's economic performance because it connects production, distribution, and customer markets. Intensifying competition, time-sensitive demand, and high service expectations require firms to operate with strong productivity and cost discipline. In this setting, employee performance is a strategic economic asset: higher individual output and reliability translate into lower unit costs, better service quality, and stronger competitive advantage for the firm. Improving performance is therefore not only a managerial priority but also an economic necessity for sustaining value creation in a dynamic market.

Leadership is a central lever that shapes productivity at the employee level. *Transformational leadership* which emphasizes vision, inspiration, intellectual stimulation, and individualized consideration helps employees attach meaning to their work, align with organizational goals, and invest extra effort (Bass, 1985). From an economic standpoint, such leadership enhances the quality of human capital, reduces internal coordination frictions, and increases the organization's adaptive capacity. These mechanisms are consistent with *Expectancy Theory*, where clearer links between effort, performance, and valued outcomes raise employees' willingness to exert effort (Vroom, 1964), and with *Social Exchange Theory*, where supportive leader behavior elicits reciprocal commitment and performance (Cropanzano & Mitchell, 2005). In parallel, *Path–Goal Theory* explains how leaders who clarify goals, remove obstacles, and provide support improve work effectiveness and, ultimately, organizational efficiency (House, 1971).

A growing body of empirical research supports these theoretical links. Studies report that transformational leadership improves employee performance directly and through motivational pathways in various service and manufacturing settings (Saprudin et al., 2025; Sudibyo & Sukmono, 2022). Related findings show that leadership can enhance performance via engagement and organizational citizenship behaviors, indicating productivity spillovers beyond formal task requirements (Lai et al., 2020; Qalati et al., 2022; Jiatong et al., 2022). These results position transformational leadership as a high-yield managerial investment with clear economic payoffs.

Work discipline is another factor closely tied to economic performance. Discipline captures punctuality, adherence to rules and standard operating procedures, and consistency in task execution. In operational terms, disciplined behavior reduces delays, error rates, and rework, stabilizing throughput and lowering avoidable costs. Empirical evidence consistently shows that discipline has a positive and significant effect on performance, both directly and through improved satisfaction and process quality indirectly (Burhanudin et al., 2023; Putra et al., 2025; Putri Hana Salsafila et al., 2023). For logistics firms that rely on synchronized processes and strict time windows, discipline is a core driver of efficiency.

The quality of the relationship between leaders and employees, conceptualized as *Leader–Member Exchange (LMX)*, also matters for economic outcomes. High-quality LMX marked by trust, open communication, mutual support, and professional respect fosters cooperation, knowledge sharing, and discretionary effort, all of which lower internal transaction costs and raise productivity (Graen & Uhl-Bien, 1995; Cropanzano & Mitchell, 2005). Empirical studies indicate that LMX relates positively to performance and often operates through job satisfaction and work engagement as proximal mechanisms (Zulfa, 2021; Jufrizen et al., 2024; Shang et al., 2024). At the same time, evidence suggests that not all formal aspects of work (e.g., strict compliance) automatically produce strong LMX; relational quality typically develops through sustained, reciprocal exchange.

Despite these advances, relatively few studies integrate transformational leadership, discipline, and LMX within a single explanatory model in the logistics sector. This gap is important because logistics operations are economically distinctive: they are time-critical, coordination-intensive, and highly sensitive to process deviations. Understanding how leadership, discipline, and leader–employee relationships jointly shape performance can therefore yield more precise managerial levers for productivity and cost effectiveness in logistics organizations.

Against this backdrop, the present study examines employees at PT Triglobal Mandiri Indonesia to analyze how transformational leadership and work discipline influence employee performance, with *Leader–Member Exchange (LMX)* as a mediating variable. The research objective is to explain whether transformational leadership improves performance directly and/or via LMX; whether work discipline contributes to higher productivity; how leadership and discipline affect LMX quality; and whether LMX itself translates into better performance. In short, the study asks: Do transformational leadership and work discipline raise performance in a logistics firm, does LMX add explanatory value, and can LMX serve as a mediator between these antecedents and performance?

Operationally, the constructs are defined as follows in narrative form. Transformational leadership refers to behaviors that provide *idealized influence*, *inspirational motivation*, *intellectual stimulation*, and *individualized consideration* (Bass, 1985). Work discipline denotes consistent compliance with company rules, punctuality, adherence to SOPs, and reliability in task completion (Burhanudin et al., 2023). LMX represents the quality of leader–employee exchange characterized by *affect*, *loyalty*, *contribution*, and *professional respect* (Graen & Uhl-Bien, 1995). Employee performance is assessed through the quality and quantity of output, timeliness, and efficiency in the use of resources (Saprudin et al., 2025). By integrating these dimensions, the study offers a concise economic framework that connects leadership and behavioral discipline to relational quality and, ultimately, to performance outcomes that matter for organizational competitiveness.

METHOD

Type of Research

This study employs a quantitative research approach using an associative design, which aims to examine causal relationships among variables measured numerically. The method is appropriate for identifying the direct and indirect effects of transformational leadership, work discipline, and *Leader–Member Exchange* (LMX) on employee performance within an organizational setting.

Population and Sample

The population of this study consists of 117 employees of PT Triglobal Mandiri Indonesia, a national-scale logistics and distribution company. The sample was selected using Proportionate Stratified Random Sampling, ensuring that each division within the company is proportionally represented.

Following the guideline of "10 respondents per variable," the minimum required sample was 40 respondents. However, to increase statistical reliability particularly for the PLS-SEM model—the study used 100 respondents, which meets the recommended standards for structural equation modeling and strengthens the generalizability of the findings.

Research Location and Time

The research was conducted at PT Triglobal Mandiri Indonesia, located in Depok, West Java. Data collection took place during November–December 2025, a period selected to ensure access to employees during normal operational cycles.

Research Instruments

Data were collected using a structured questionnaire consisting of close-ended items measured on a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Each variable was measured using validated dimensions:

1) Transformational Leadership: idealized influence, inspirational motivation, intellectual stimulation, individualized consideration
2) Work Discipline: rule compliance, punctuality, adherence to SOPs, task consistency
3) LMX: affect, loyalty, contribution, professional respect
4) Employee Performance: quality, quantity, timeliness, efficiency

The questionnaire items were adapted from established measurement tools and previous empirical studies to ensure content validity.

Data Collection Procedures

Data collection was carried out through two methods:

1) Direct distribution, where printed questionnaires were handed to employees during working hours.
2) Online distribution, using Google Forms for respondents unable to participate in person.

Participation was voluntary, and respondents were assured of confidentiality and anonymity. Before the questionnaire was distributed, respondents received a brief explanation of the study's purpose and gave informed consent.

Data Analysis Techniques

The analysis followed several stages using SmartPLS 4 for Partial Least Squares–Structural Equation Modeling (PLS-SEM):

1) Descriptive analysis to summarize respondent characteristics and response patterns.
2) Outer model evaluation, including tests of convergent validity (outer loadings, AVE), discriminant validity (Fornell–Larcker and HTMT), and reliability (Cronbach's Alpha and Composite Reliability).
3) Inner model evaluation, consisting of R^2 (coefficient of determination), effect size (f^2), predictive relevance (Q^2), and significance testing of path coefficients using bootstrapping.
4) Mediation analysis using the Variance Accounted For (VAF) method to test the mediating role of LMX.

This analytical technique was chosen because PLS-SEM is effective for complex models with latent variables and does not require strict assumptions regarding data normality and sample size.

Ethical Considerations

The study adheres to the research ethics guidelines of Universitas Swadaya Gunung Jati, ensuring voluntary participation, informed consent, confidentiality, and the responsible use of data solely for academic purposes.

RESULT AND DISCUSSION

Results

The analysis began with examining the characteristics of the respondents. A total of 100 employees participated in this study, with equal representation between men and women. Most participants were in the age range of 21–25 years, and a large proportion had one to two years

of work experience. These characteristics indicate a predominantly young workforce with sufficient exposure to organizational procedures and leadership patterns.

Measurement Model (Outer Model)

Convergent Validity

All indicators met the minimum threshold of outer loading > 0.70, indicating strong convergent validity. The AVE values were also above 0.50 for all variables:

Variable	AVE
Transformational Leadership	0.732
Work Discipline	0.682
LMX	0.676
Employee Performance	0.710

These results show that the measurement items appropriately represent their respective constructs.

Reliability

Cronbach's Alpha and Composite Reliability values were all greater than 0.70, demonstrating strong internal consistency. For example, transformational leadership had $\alpha = 0.878$ and CR = 0.916, while work discipline had $\alpha = 0.845$ and CR = 0.907.

1) Structural Model (Inner Model)
   Coefficient of Determination (R^2)
2) Employee Performance (Y): $R^2 = 0.571$, meaning 57.1% of performance variation is explained by transformational leadership, work discipline, and LMX.
3) LMX (Z): $R^2 = 0.194$, indicating that 19.4% of LMX variation is explained by transformational leadership and work discipline.

Direct Effects (Path Coefficients)

Path	Coefficient	t-value	p-value	Result
Transformational Leadership → Performance	0.573	4.076	0.000	Significant
Work Discipline → Performance	0.240	2.153	0.031	Significant
Transformational Leadership → LMX	0.414	3.323	0.001	Significant
Work Discipline → LMX	0.039	0.300	0.764	Not significant
LMX → Performance	0.129	2.063	0.039	Significant

Transformational leadership had the strongest direct effect on employee performance.
Mediation Analysis (Indirect Effects)

Mediation Path	Coefficient	t-value	p-value	Interpretation
TL → LMX → Performance	0.053	1.595	0.111	Not significant
Discipline → LMX → Performance	0.005	0.275	0.783	Not significant

The measurement model demonstrated strong validity and reliability. All indicators exceeded the minimum loading value of 0.70, confirming that each measurement item accurately reflected its corresponding construct. The Average Variance Extracted (AVE) values for all variables were greater than 0.50, indicating good convergent validity. Reliability tests using Cronbach's Alpha and Composite Reliability also showed satisfactory scores above 0.70 for every variable, meaning that the instruments were internally consistent.

Evaluation of the structural model revealed meaningful relationships among the variables. Transformational leadership, work discipline, and Leader–Member Exchange (LMX) collectively explained 57.1% of the variance in employee performance, suggesting a substantial influence of these three factors on performance outcomes. Meanwhile, transformational leadership and work discipline explained 19.4% of the variance in LMX.

The direct effect testing produced several significant findings. Transformational leadership significantly improved employee performance, demonstrating the strongest effect among all variables. Work discipline also contributed significantly to performance, although with a smaller coefficient. Transformational leadership was found to significantly influence LMX, indicating that employees who experienced inspiring and supportive leadership were more likely to develop positive relationships with their leaders. However, work discipline did not show a significant effect on LMX, suggesting that compliance and punctuality do not necessarily translate into relational closeness. LMX itself showed a positive and significant impact on employee performance, indicating that positive relationships with leaders help strengthen employee output.

The mediation analysis showed that LMX did not mediate the relationship between transformational leadership and performance, nor between work discipline and performance. Although LMX positively affects performance, its indirect contribution through mediation was not statistically significant in this context.

Discussion

The results affirm the crucial role of transformational leadership in enhancing employee performance. Leaders who articulate a clear vision, provide motivational support, and encourage creativity help employees feel valued and empowered. This relationship directly affects employees' willingness to exert effort, contribute innovative ideas, and maintain high-quality performance. The finding underscores the importance of transformational leadership as a strategic tool for strengthening productivity within logistics operations, where rapid decision-making and adaptability are essential.

The significant effect of transformational leadership on LMX reflects the relational nature of leadership practices. When leaders express trust, communicate openly, and demonstrate individualized consideration, employees respond by developing higher levels of loyalty, mutual respect, and emotional closeness. This dynamic supports the understanding that

LMX develops through qualitative interactions rather than formal rules or organizational routines.

Work discipline showed a meaningful positive impact on performance, emphasizing that consistency, reliability, and adherence to procedures lead to efficient and timely task completion. In a logistics company where operations rely on accuracy and timely execution, discipline becomes a critical driver of efficiency. This finding reinforces the idea that disciplined employees help stabilize workflows and minimize operational disruptions.

However, the lack of a significant relationship between work discipline and LMX provides an important insight. While discipline contributes to structure and efficiency, it does not automatically build interpersonal relationships. LMX thrives on social exchange, mutual trust, and communication—elements that extend beyond rule-following behavior. This suggests that leaders must invest in relational practices, such as coaching, feedback, and recognition, to foster stronger LMX regardless of employee compliance levels.

The positive effect of LMX on employee performance aligns with the theoretical expectation that high-quality leader–member relationships encourage greater engagement, higher motivation, and increased organizational commitment. Employees who feel supported by their leaders are more likely to contribute meaningfully to organizational goals. However, the absence of mediation implies that while LMX enhances performance, it does not serve as the primary mechanism through which leadership or discipline exerts influence. Instead, transformational leadership and discipline likely impact performance directly through motivation, clarity, and behavioral consistency.

Overall, the findings demonstrate that transformational leadership and work discipline are central drivers of employee performance in this logistics context, while LMX plays a supporting but independent role. This suggests that organizations seeking to maximize performance should prioritize leadership development and strengthen disciplined work cultures, complemented by efforts to enhance relationship quality between leaders and employees.

CONCLUSION

This study set out to explain how transformational leadership and work discipline shape employee performance in a logistics firm, and whether *Leader–Member Exchange* (LMX) serves as a mediating mechanism. The empirical evidence demonstrates that transformational leadership and work discipline each exert a direct and meaningful influence on performance, while LMX improves performance but does not transmit the effects of leadership or discipline to outcomes. In practical terms, leaders who articulate a compelling vision, provide individualized support, and stimulate problem-solving enhance productivity independently of the quality of their dyadic relationships; likewise, disciplined adherence to procedures and time standards strengthens output through behavioral consistency rather than relational pathways. These results answer the research objectives by confirming the direct effects hypothesized for leadership and discipline, identifying a positive but non-mediating role for LMX, and clarifying the relative contribution of each construct to performance within a time-sensitive, coordination-intensive logistics context.

The findings contribute to industrial engineering and applied management science by linking human-centered levers to operational efficiency in a measurable way. First, they specify leadership development and discipline enforcement as high-leverage interventions for throughput, timeliness, and quality—performance dimensions central to logistics system design and process control. Second, by showing that LMX does not function as a mediating mechanism in this setting, the study refines how socio-technical systems should be configured: investments in leader–employee relationships add value, but continuous-flow operations benefit most when relational practices complement rather than substitute for clear goals,

procedural rigor, and capability-building. Third, the modeling approach using PLS-SEM strengthens the evidence base for integrating behavioral constructs into performance engineering, offering a compact, predictive framework that practitioners can translate into training programs, SOP refinement, and leadership routines. Collectively, these contributions advance an economically grounded view of workforce management in logistics, where disciplined processes and transformational leadership practices jointly underpin sustained improvements in organizational performance without overreliance on relational mediation.

REFERENCES

Bass, B. M. (1985). leadership and performance beyond expectations.

Burhanudin, B., Deliah Fitriyani Pratiwi, & Yayuk Apriyani. (2023). Effect of Work Motivation and Work Discipline on Employee Performance. International Journal Of Humanities Education and Social Sciences (IJHESS), 2(5). https://doi.org/10.55227/ijhess.v2i5.430

Cropanzano, R., & Mitchell, M. S. (2005). Social exchange theory: An Interdisciplinary review. Journal of Management, 31(6), 874–900. https://doi.org/10.1177/0149206305279602

Graen, G. B., & Uhl-Bien, M. (1995). Relationship-based approach to leadership: Development of leader-member exchange (LMX) theory of leadership over 25 years: Applying a multi-level multi-domain perspective. The Leadership Quarterly, 6(2), 219–247. https://doi.org/10.1016/1048-9843(95)90036-5

House, R. J. (1971). A Path Goal Theory of Leader Effectiveness. Administrative Science Quarterly, 16(3), 321. https://doi.org/10.2307/2391905

Jufrizen, J., Harahap, D. S., & Khair, H. (2024). Leader-Member Exchange and Employee Performance: Mediating Roles of Work Engagement and Job Satisfaction. Journal of Economics, Business, & Accountancy Ventura, 26(3), 306–322. https://doi.org/10.14414/jebav.v26i3.3591

Kuvaas, B., Shore, L. M., Buch, R., & Dysvik, A. (2020). Social and economic exchange relationships and performance contingency: differential effects of variable pay and base pay. International Journal of Human Resource Management, 31(3), 408–431. https://doi.org/10.1080/09585192.2017.1350734

Ogunfowora, B., Nguyen, V. Q., Steel, P., & Hwang, C. C. (2021). A Meta-Analytic Investigation of the Antecedents, Theoretical Correlates, and Consequences of Moral Disengagement at Work. Journal of Applied Psychology, 107(5), 746–775. https://doi.org/10.1037/apl0000912

Puspitawati, R., & Ricky, R. (2024). The Influence of Idealized Influence, Inspirational Motivation, Intellectual Stimulation and Individualized Consideration on Teaching Behavior Mediated by Entrepreneurial Behavior. Petra International Journal of Business Studies, 7(2), 201–210. https://doi.org/10.9744/petraijbs.7.2.201-210

Putra, R. S., Agustina, T. S., & Aziz, A. A. B. (2025). The Influence of Work Environment and Work Discipline on Employee Performance through Job Satisfaction. Jurnal Ilmiah Manajemen Kesatuan, 13(5), 3745–3754. https://doi.org/10.37641/jimkes.v13i5.3629

Putri Hana Salsafila, Bintang Narpati, Murti Wijayanti, & Tri Yulaeli. (2023). the Influence of Work Discipline, Work Motivation, and Work Environment on Employee Performance. International Journal of Accounting, Management, Economics and Social Sciences (IJAMESC), 1(6), 882–894. https://doi.org/10.61990/ijamesc.v1i6.112

Saprudin Saprudin, Siti Afifatul Atqiyah, Muhammad Kosim, Syifa Nur Aulia, Fania Dwi Zahra, & Muhammad Fikri Haikal. (2025). Pengaruh Kepemimpinan Transformasional, Motivasi Kerja, dan Pelatihan SDM Terhadap Kinerja Karyawan. Jurnal Ilmiah Ekonomi, Akuntansi, Dan Pajak, 2(3), 49–59. https://doi.org/10.61132/jieap.v2i3.1463

Sudibyo, E., & Sukmono, R. A. (2022). The Influence of Motivation, Work Discipline and Leadership on Employee Performance. Indonesian Journal of Law and Economics Review, 16. https://doi.org/10.21070/ijler.v16i0.797

Vroom, V. (1964). Teoría de las expectativas – (Teoría de procesos). 1964, 1–2. https://www.potentialunearthed.co.uk/wp-content/uploads/2017/11/Vrooms-Expectancy-of-Needs-theory.pdf

Zulfa, N. (2021). Pengaruh Leader Member Exchange (LMX) terhadap Kinerja Karyawan melalui Kepuasan Kerja pada PT. Berlian Jasa Terminal Indonesia. Jurnal Ilmu Manajemen, 9(1), 414. https://doi.org/10.26740/jim.v9n1.p414-424