

# Professionalism and Inter-Employee Trust in Mediating the Relationship Between Transglobal Leadership Style and Employee Performance of Indonesian Financial Transaction Reports and Analysis Centre

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The purpose is examines and tests comprehensively the relationship between transglobal leadership style towards trust between employees (mutual trust), professionalism, and its impact on employee performance, simultaneously. The approach used in this research was quantitative approach (positivism), where data obtained from survey results was in the form of numbers, which were then analyzed using statistics to answer questions and test the research hypothesis. The data collected was cross sectional data. It was obtained from respondents in responding to indicators outlined in the form of questionnaires relating to the variables of Leadership Style (X1) on Employee Performance (Y), with mediation of Trust (M1) and Professionalism (M2). This study found that Transglobal leadership style had a significant influence on professionalism and trust among employees, but Transglobal leadership style did not significantly influence employee performance. However, through an indirect influence test (mediation test), it was seen that professionalism and inter-employee trust mediated the influence of the transglobal leadership style on employee performance. Literature review on global leadership as a driver of employee performance mediated by trust between employees and professionalism has not been found yet. This provides an opportunity for research or there is a gap that can be investigated. The mediation relationship and the inclusion of the transglobal leadership variable is a relatively new model in research on employee performance, thus, it can be seen as novelty in this research

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## I. INTRODUCTION

Employee performance is very important and strategic in driving organizational performance. Every organization is always willing to improve the performance of its employees, given that human resources are an organizational asset that is not easily replicated by other organizations. The Indonesian Financial Transaction Reports and Analysis Centre (INTRAC) employs employees from the Ministry of Finance, Ministry of Law and Human Rights, Ministry of Communication and Information, Bank Indonesia, the State Cyber and Encryption Agency, BPS (the Central Bureau of Statistics), the Republic of Indonesian Police and Attorney's Office. Trust between employees (mutual trust) is believed to be one of the variables that can affect employee performance, given the diversity of the origin of the task and the background of each employee[1].

INTRAC receives data from the Reporting Party. It is received by the Directorate of Reporting. The information obtained will be analyzed by the Directorate of Transaction Analysis and will produce the Analysis Results (AR). If the information analyzed is not too heavy and the results of the Directorate of Transaction Analysis have provided sufficient evidence, the results can be reported directly to the Law Enforcement Officials (LEO) so that further investigation is carried out. However, if the information raises a lot of discussion and the results of the analysis do not get enough evidence, the Directorate of Transaction Analysis will proceed to the Directorate of Research and Development Examination so that the analysis is carried out in more detail. The

results obtained from the Directorate of Research and Development Examination are Inspection Results (IR)[2]. The examination results are then given to LEO for investigation.

The results of the investigation by LEO will be reported back to INTRAC and will be received by the Directorate of Cooperation and Public Relations. If the results of the LEO investigation confirm the evidence obtained by INTRAC, then it will be reported to the Public Prosecutor to proceed with the court process. In handling its main tasks and functions, INTRAC has 3 kinds of employees, namely: permanent employees, employed employees and contract employees. Permanent employees are INTRAC civil servants, while employed employees are from the Ministry of Finance, Ministry of Law and Human Rights, Ministry of Communication and Information, Bank Indonesia, the State Cyber and Encryption Agency, BPS (the Central Bureau of Statistics), the Republic of Indonesian Police and Attorney's Office. In addition, INTRAC also has contract employees[3].

The important thing that is needed as an institution that handles money laundering crimes with employees who come from various backgrounds is trust between employees. This needs to be done because handling information about the crime received by INTRAC will be carried out in synergy and continuity from one Work Unit to others. If there is no trust between employees, it will hinder the success of a job because it always raises suspicion between divisions and even between individuals. Therefore, trust between employees

becomes an interesting and important thing from this research[4].

Employees at INTRAC often don't trust each other, considering they come from various backgrounds of institutions and types of jobs and professions, thus, their performance becomes less optimal. This condition appears with the suspicion of a certain group of employees or work units against employees or other work units, especially those concerning the possibility of Analysis Results (AR) leakage or the possibility of providing data for analysis material that is often not valid. As it is known, Analysis Results (AR) is a document that is very confidential and only submitted to the investigator. Other forms of distrust are triggered by the existence of professional egoism between the analyst profession and the profession from those who came from law enforcement. Therefore, to support the achievement of the vision and mission of the organization, INTRAC needs to maximize the organizational functions through optimizing the performance of its employees, one of which is through efforts to increase trust between employees[5].

An employee should have a high performance in doing a job so that the goals of the organization can be achieved. However, this tends to be difficult to achieve, even many employees have low performance despite having work experience, and have attended education and training. Low employee performance will be an organizational problem, because the performance produced by employees is not as expected by the organization[6]. To be able to have a good performance, in carrying out his work, an employee must have the skills and abilities that are in accordance

with the work he is engaged in [7]. In policy, in order to realize Good Governance, INTRAC has implemented the Bureaucracy Reform movement based on eight (8) areas of change and institutional objectives, namely: Change Management, Regulation of Prevailing Laws and Regulations, Organizational Structuring and Strengthening, Governance Arrangement, HR Apparatus Management System Arrangement, Supervision Strengthening, Performance Accountability Strengthening and Public Services Improvement. However, this policy is not effective enough to touch on performance quality improvement of INTRAC employees individually[8].

There are 5 (five) main behaviors that must be carried out by all INTRAC employees both in the office and outside the office which are then commonly considered as INTRAC organizational culture. The culture is Integrity, Responsibility, Professional, Confidentiality and Independence which is abbreviated as *INTAN PERMAI*. Every employee is required to have a professional attitude both in the government and private sector. With a professional attitude, it will encourage better employee performance which will have an impact on organizational performance. The term *professionalism* comes from the word *profession* which means a job that requires knowledge, including science, skills and methods. Professionalism is an ability that is based on a high level of knowledge and special training, creative thinking power to carry out tasks that are in accordance with the field of expertise and profession. Someone is said to be professional if he/she meets three criteria, namely: having the expertise to carry out

duties in accordance with his/her fields; carrying out a task or profession by setting normative standards in the relevant profession and; carrying out his/her professional duties by complying with established professional ethics [9].

At the time of managing the organization, leaders interact with employees who have diverse backgrounds so that in addressing the matter the leader produces different leadership styles [10],[11],[12]. The new leadership style is done to find the best way of performance. Leadership style is a way of leadership to influence other people/subordinates in such a way that the people want to do the will of the leader to achieve organizational goals even though it might not be liked personally [13].

Sharkey et al. [14] examined theoretical problems regarding transactional and transformational leadership which are classified in local-type leadership. In the initial development, leadership styles appeared in local forms (version) that had not been able to reach aspects globally. Therefore, he initiated a more global type of leadership, known as transglobal leadership. Transglobal leadership is leadership whose influence crosses cultural and state boundaries, is universal and contributes greatly to the human spirit that transforms human civilization. The services of global leaders cause the lives of many people to be more attractive, more beautiful, more prosperous, more dignified, or better. Transglobal leaders take their ideas and adapt them to a new environment that is broader and more complex. Global leaders are more likely to support and help form a unique approach to work, while local leaders

are great at stable operations and build the same minded team that will achieve repetitive and reliable goals.

This research will examine the variables that affect the performance of INTRAC employees. Factors or variables that are believed to affect employee performance are organizational culture, transglobal leadership style, professionalism and trust between employees. In the causality relationship to be studied, the role of professional variables will also be analyzed as mediating the relationship between organizational culture and employee performance. Furthermore, the role of trust between employees as a mediation of the relationship between Transglobal Leadership Style and Employee Performance will also be tested.

Several studies have discussed factors that affect employee performance. This study focuses on the influence of organizational culture and leadership style on trust, professionalism, and its impact on employee performance. There are several different research results between one research and others which become research gaps for this research.

The existence of those inconsistent relationships raises the gap of research, as follows: **First**, on the relationship between Leadership and Performance, Russell & Stone [15], Hayward [16], Sabir et al. [17], Suparman [18], Wardani [19], Harwiki [20], Pariaribo [21], Choudhary & Zaher [22], McCann, Graves & Cox [23], Liden, Liao & Meuser [24], Abid, Gulzar & Hussain [25], Tischler, Giambatista, McKeage & McCormick [26] showed a significant and positive influence. On the other hand, Bateh & Heyliger [27], Lisbijanto & Budiyo

[28] showed that there was no significant influence. The occurrence of an inconsistent relationship provides an opportunity for further research or a gap that can be investigated. One of them is believed to require mediation variables. In this study, professionalism and trust among employees are placed as mediation of the relationship. **Second**, on the relationship between organizational culture and employee performance, Robert [29], Sohail & Al-Ghamdi [30], Sadegh & Vahid [31], Smits et al. [32] showed a significant and positive influence. On the other hand, Mian et al. [33] showed that there was no significant influence. As in the previous description, one of the inconsistencies is also believed to require mediating variables. There are two variables in this research, namely professionalism and trust among employees which are placed as a mediation of the relationship.

Literature review on global leadership as a driver of employee performance mediated by trust between employees and professionalism has not been found yet. This provides an opportunity for research or there is a gap that can be investigated. The mediation relationship and the inclusion of the transglobal leadership variable is a relatively new model in research on employee performance, thus, it can be seen as novelty in this research.

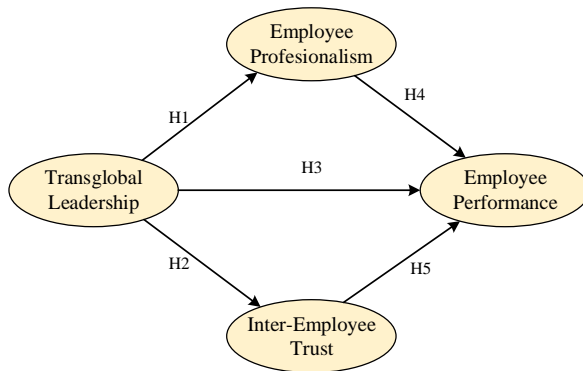
In addition, this research also examines and tests comprehensively the relationship between transglobal leadership style towards trust between employees (mutual trust), professionalism, and its impact on employee performance, simultaneously. This system approach is seen as more comprehensive, so

it is expected to contribute to the novelty of the development of human resource science.

## II. PREVIOUS RESEARCH AND RESEARCH HYPOTHESIS

This research aims to examine the effect of transglobal leadership style on professionalism and trust among employees, as well as its impact on improving employee performance. Good organizational management requires leaders to interact with employees who have diverse backgrounds so that in addressing the matter the leader produces different leadership style. The new leadership style is done to find the best way of performance. Many experts say that organizational culture can be a basis for adaptation and the key to organizational success so that a lot of research is done to identify values or behavioral norms that can contribute greatly to the success of the organization [34]. Professionalism is an ability that is based on a high level of knowledge and special training, creative thinking power to carry out tasks that are in accordance with the field of expertise and profession. A number of literatures show that trust has a significant effect on organizational productivity [34],[35]. Based on the background, empirical studies and theoretical studies that have been explained previously, this research's concept framework can be described as follows:





**Figure 1:** Conceptual Framework

## 2.1 Transglobal Leadership Style and Employee Professionalism

Veithzal Rivai, et al [37] defined leadership as the ability to influence the behavior of a person or group of people to achieve certain goals in certain situations. Leadership is a social problem in which there is an interaction between those who lead and those who are led to achieve a common goal by influencing, persuading, motivating, and coordinating. Another opinion expressed by Wirawan [38] defined leadership as "The leader's process creates a vision and interacts with each other to influence to realize the vision." From the definition, it can be concluded that a good leadership style will be able to improve employee professionalism.

*H1: Transglobal leadership style has a positive influence on employee professionalism*

## 2.2 Transglobal Leadership Style and Trust Among Employees

Leadership style is a way of leadership to influence other people or subordinates in such a way that the people want to do the will of the leader to achieve organizational

goals even though personally it may not be liked. Carneiro [39] said that leadership has a strong positive effect on performance and it also has a significant effect on organizational learning. This finding signals that leadership style is very influential on the performance of subordinates, in addition to getting good performance, it is also necessary to provide good learning to subordinates. Leadership styles that tend to be informal emphasize more exemplary patterns of leadership, but provide greater freedom for auditors to create their work and greater responsibility. Therefore it can be formulated that a good leadership style will be able to increase trust between employees.

*H2: Transglobal leadership style has a positive influence on trust between employees*

## 2.3 Transglobal Leadership Style and Employee Performance

The most important thing that needs to be done by a leader is to constantly learn from experience, whether when he is involved in the participation of a task force or team work, interaction with superiors, colleagues or in contact with mentors or resource persons. The success of a leader is an indication of being able to create a work environment that is conducive to the environment, such as giving opportunities to subordinates to develop their potential and achievements that lead to feelings of satisfaction in work or in other words to motivate their subordinates. Bateh & Heyliger, Lisbijanto & Budiyo found that leadership style has an insignificant influence on employee performance. But in McKeage & McCormick's [40] study, they found that leadership style has a significant

and positive influence on employee performance. Therefore, the leadership style of a leader can influence the performance of employees.

*H3: Transglobal leadership style has a positive influence on employee performance.*

### **Professionalism and Employee Performance**

Vroom [41] argued that employee performance is influenced by professionalism and work motivation is the willingness of individuals to use high effort in an effort to achieve company goals and meet their needs. If the work demands imposed on individuals are not in accordance with their abilities, then the expected performance will be difficult to achieve Ashton[42], Ming-Seong Kim, Dong-Woo Koo, [43]. Thus, it can be formulated that professionalism can encourage better employee performance

*H4: Employee professionalism has a positive influence on employee performance.*

### **2.5 Trust Between Employees and Employee Performance**

Factors that influence individual commitment to the organization include the feeling of meeting individual expectations with the organization. These expectations are related to the employee's own trust in the organization or company. When employees have high trust in their organization, they will care about the future and success of the company and understand their role in the organization and try to do their best [44]. There is strong evidence that the vulnerability of employees in employment relationships has increased the importance of

trust in encouraging employee performance [45]. Therefore, it can be formulated that trust between employees will be able to encourage employee performance improvement.

*H5: Trust between employees has a positive influence on employee performance*

### **2.6 Operational Definition of Research Variables**

1. Transglobal Leadership Style according to Sharkey et al. is leadership whose influence crosses cultural and state boundaries. Thus, it is universal and contributes greatly to the human spirit that changes human civilization. The characteristic of this global leadership lies in the intelligence possessed by the leader, and the behavior displayed. Sharkey et al. defined the indicators of Transglobal leadership based on leader intelligence, namely:

- a) Cognitive intelligence. Leaders have high intelligence, which can be measured by IQ.
- b) Moral intelligence. Leaders have clear ethical guidelines and understand the results globally.
- c) Emotional intelligence. Leaders empathize and connect with others at social and emotional levels. This kind of leader is aware and smart that one's emotional abilities are very important.
- d) Cultural intelligence. Leaders know the critical cultural norms and customs of the country and region, which is a characteristic of

successful leadership. Leaders with this intelligence often learn and practice the needs needed through culture for success.

- e) Business intelligence. Leaders understand the components of every business success. Leaders with this form of intelligence will operate from a framework that covers all the requirements of each from functional, process, data and information, and the results of the point of view, not only from a financial perspective.
  - f) Global intelligence. Leaders understand the legal, economic, governance and procedural environment in which they will function as leaders. Successful leaders with this intelligence learn how this is done in other parts of the world and do not assume that their own country methods can be transported everywhere. They balance global standardization with local needs
2. Professionalism according to the functionalist approach is associated with the view that work shows a number of characteristics required by the profession [46], [47]. The indicators of Professionalism from Hall [48] as a whole are as follows:
- a) Community affiliation, namely using professional ties as a reference, including formal organizations and informal peer groups, the main source of work ideas.
  - b) The need for Autonomy demand is a view that someone who is

professional must be able to make their own decisions without pressure from other parties (Government, clients, those who are not members of the profession).

- c) Confidence in the regulation itself/profession (belief self-regulation) referred to that the most authorized in assessing professional work is fellow professions, not "outsiders" who do not have competence in the field of science and their work.
  - d) Dedication to the profession is reflected in professional dedication by using the knowledge and skills possessed. Firmness to continue to carry out work even though extrinsic rewards are reduced.
  - e) Social obligation is a view of the importance of the profession and the benefits obtained by both the community and professionals because of the work.
3. Trust is an important determinant of satisfaction with leaders because it comes from affective circumstances (e.g. admiration for leaders) and cognitive circumstances (e.g. leaders have high self-confidence because of their abilities or attributes), it is not derived from behavior observed by leaders (Conger et al., 2000: 34). According to Mayer et al., there are indicators that shape a person's beliefs, namely:
- a) Ability. The ability of a person or company to do work that has been entrusted in developing a business.
  - b) Benevolence. Kindness is related to one's willingness to provide



mutually beneficial satisfaction between themselves and others

- c) Integrity. Integrity is related to one's behavior or habits in carrying out their work.
- 4. Employee performance is the result achieved by a person according to the size that applies in accordance with the work he is practicing. Soedjono in Chatman, et al. [50] mentioned indicators that can be used to measure individual employee performance, namely:
  - a) Quality. The results of the work performed are close to perfect or fulfill the expected objectives of the work.
  - b) Quantity. Amount generated or number of activities that can be completed.
  - c) Timeliness, that is, can complete at a predetermined time and maximize the time available for other activities.
  - d) Effectiveness. Maximum utilization of available resources in the organization to increase profits and reduce losses.
  - e) Independence, which can carry out work without assistance to avoid adverse outcomes.
  - f) Work commitment, namely work commitment between employees and their organizations.
  - g) Responsibility of employees for their organization.

### **III. RESEARCH METHODS**

The approach used in this research was quantitative approach (positivism), where data obtained from survey results was in the form of numbers,

which were then analyzed using statistics to answer questions and test the research hypothesis. The results of these statistical tests were used to explain the position of the variables studied, and predict the relationship of variables with other variables [51].

Based on the data analysis, this research was quantitative research because it analyzed sample data with inductive statistics and generalized descriptive statistics for population conclusions [52]. The data collected was cross sectional data. It was obtained from respondents in responding to indicators outlined in the form of questionnaires relating to the variables of Leadership Style (X1) on Employee Performance (Y), with mediation of Trust (M1) and Professionalism (M2).

Hypothesis testing was carried out using Partial Least Square (PLS) analysis using the help of WarpPLS package computer programs. WarpPLS analysis is the development of PLS analysis. Partial Least Square (PLS) analysis was first developed by Herman Hold. The PLS model was developed as an alternative when the design of the model had a weak or undiscovered theory and there were indicators that could be measured by reflective measurements. PLS is a powerful method because the assumptions on PLS models are not very necessary, and the required sample size can be large or small. PLS can be used to test hypotheses, but can also be used to build relationships that

have no theoretical basis and are also used for testing proportions.

#### IV. RESULTS AND DISCUSSION

##### 4.1. Instrument Validity and Reliability Test

This research used an instrument in the form of a questionnaire (presented in Appendix 1) using a 5-Likert Scale choice of answers from *strongly disagree* to *strongly agree*. Before the data from the questionnaire collection can be used for further analysis, it is necessary to test the validity and reliability of the instrument. Validity test was conducted with Pearson correlation, the instrument is declared as valid if the correlation value is  $> 0.3$ . Complete results are presented in Table 1 below:

**Table 1:** Instrument Validity Test

Variables	Indica-tors	Item	Correlation	Result
Transglobal Leadership Style (X1)	<i>Cognitive Intelligence</i> (X1.1)	X1.1.1	0,764	Valid
		X1.1.2	0,621	Valid
	<i>Emotional Intelligence</i> (X1.2)	X1.2.1	0,461	Valid
		X1.2.2	0,494	Valid
		X1.2.3	0,498	Valid
		X1.2.4	0,527	Valid
	<i>Culture Intelligence</i> (X1.3)	X1.3.1	0,385	Valid
		X1.3.2	0,381	Valid
		X1.3.3	0,482	Valid
		X1.3.4	0,452	Valid
	<i>Business Intelligence</i> (X1.4)	X1.4.1	0,761	Valid
		X1.4.2	0,720	Valid
		X1.4.3	0,632	Valid
		X1.4.4	0,630	Valid
	<i>Global Intelligence</i> (X1.5)	X1.5.1	0,744	Valid
		X1.5.2	0,760	Valid
	<i>Moral Intelligence</i> (X1.6)	X1.6.1	0,723	Valid
		X1.6.2	0,472	Valid
		X1.6.3	0,458	Valid
		X1.6.4	0,507	Valid
Employee Professionalism (Y1)	Community Affiliation (Y1.1)	Y1.1.1	0,806	Valid
		Y1.1.2	0,758	Valid
		Y1.1.3	0,631	Valid
	Need for Autnonomy Demand (Y1.2)	Y1.2.1	0,414	Valid
		Y1.2.2	0,630	Valid
		Y1.2.3	0,734	Valid
	Confidence in Regulation Itself(Y1.3)	Y1.3.1	0,641	Valid
		Y1.3.2	0,597	Valid
		Y1.3.3	0,659	Valid
	Dedication to the profession (Y1.4)	Y1.4.1	0,720	Valid
		Y1.4.2	0,579	Valid
	Social Obligation (Y1.5)	Y1.5.1	0,727	Valid
		Y1.5.2	0,760	Valid
Inter-Employee Trust (Y2)	<i>Ability</i> (Y2.1)	Y2.1.1	0,641	Valid
		Y2.1.2	0,597	Valid
		Y2.1.3	0,659	Valid
	<i>Benevolence</i> (Y2.2)	Y2.2.1	0,720	Valid
		Y2.2.2	0,579	Valid
		Y2.2.3	0,727	Valid
	<i>Integrity</i> (Y2.3)	Y2.3.1	0,760	Valid
		Y2.3.2	0,791	Valid
		Y2.3.3	0,821	Valid
Employee Performance (Y3)	Quality (Y3.1)	Y3.1.1	0,392	Valid
		Y3.1.2	0,595	Valid

Variables	Indica-tors	Item	Correlation	Result
		Y3.1.3	0,588	Valid
		Y3.1.4	0,497	Valid
		Y3.1.5	0,420	Valid
	Quantity (Y3.2)	Y3.2.1	0,412	Valid
		Y3.2.2	0,659	Valid
		Y3.2.3	0,388	Valid
	Responsibility (Y3.3)	Y3.3.1	0,442	Valid
		Y3.3.2	0,535	Valid
	Timeliness (Y3.4)	Y3.4.1	0,453	Valid
		Y3.4.2	0,402	Valid
		Y3.4.3	0,396	Valid
	Effectiveness (Y3.5)	Y3.5.1	0,374	Valid
		Y3.5.2	0,517	Valid
	Wor Commitment (Y3.6)	Y3.6.1	0,590	Valid
		Y3.6.2	0,504	Valid
	Independence (Y3.7)	Y3.7.1	0,754	Valid
		Y3.7.2	0,493	Valid
		Y3.7.3	0,374	Valid

Table 1 above shows that the correlation coefficients on all questions on the questionnaire were above 0.3. Thus, it can be concluded that all of these items fulfilled the validity test and were included in the subsequent analysis. The next stage presented instrument reliability test. The instrument is declared as reliable if the Cronbach Alpha value is  $> 0.6$ . Complete results are presented in Table 2 below:

**Table 2:** Instrument Reliability Test

Variables	Cronbach Alpha	Result
Transglobal Leadership Style (X1)	0.900	Reliabel
Employee Professionalism (Y1)	0.893	Reliabel
Inter-Employee Trust (Y2)	0.858	Reliabel
Employee Performance (Y3)	0.817	Reliabel

Table 2 above shows the Cronbach Alpha values to the four research variables were above 0.6. Thus, it can be concluded that the instrument had fulfilled the valid and reliable requirements, so that the data obtained from the instrument (questionnaire) can be used for data analysis at the next stage.

#### 4.2. Predictive Linearity and $Q^2$ Assumptions Test

There is one assumption in the PLS model that must be met, namely linearity assumptions. The linearity assumption is the assumption that all relationships are linear. In checking linearity test, it can be done by making scatter diagrams or curve fit approaches (in SPSS software). Linearity assumption testing using curve fit method is done with SPSS software. The reference used is the principle of parsimony, namely (1) when the linear

model is significant, or (2) when all possible models are non-significant. Model specifications used as the basis for testing are linear, quadratic, cubic, inverse, logarithmic, power, S, compound, growth and exponential

models. These two conditions indicate that linearity assumptions are met. The following table presents the results of the linearity of the relationship between variables:

**Table 3:** Linearity Assumption Test

Relationships	Hasil Pengujian	Keterangan
Transglobal Leadership Style (X1) on Employee Professionalism (Y1)	Sig Linear 0.000< 0.05)	Linier
Transglobal Leadership Style (X1) on Inter-Employee Trust (Y2)	Sig Linear 0.000< 0.05)	Linier
Transglobal Leadership Style (X1) on Employee Performance (Y3)	Sig Linear 0.000< 0.05)	Linier
Employee Professionalism (Y1) on Employee Performance (Y3)	Sig Linear 0.000< 0.05)	Linier
Inter-Employee Trust (Y2) on Employee Performance (Y3)	Sig Linear 0.000< 0.05)	Linier

From the table above, it shows that the four relationships between variables (four hypotheses), all linear models are significant, because the sig (p-value) linear model is smaller than 0.05, so the linearity assumption is fulfilled. Thus, the five relationships between variables in this study are linear. Therefore, PLS can be used. Examination of the goodness of fit model in PLS can be seen from the predictive-relevance ( $Q^2$ ) value. The calculation results showed predictive-relevance value of 0.8893 or 88.93% of high value. Therefore, it is worthy of saying that the model had relevant predictive value. The predictive relevance value of 88.93% indicated that the diversity of data that can be explained by the PLS model built was 88.93% or in other words, the information contained in the 88.93% data can be explained by the model.

While the remaining 11.07% was explained by other variables (which were not contained in the model) and errors.

#### 4.3. Inter-Variable Relations Hypothesis Test

In the second part of PLS analysis is a structural model or structural model interpretation. Structural model presents the relationship between research variables. The model structural coefficient states the magnitude of the relationship between one variable and another. There is a significant influence between one variable on other variables, if the P-value is  $<0.05$ . In PLS, there are two kinds of influences, namely direct effect and indirect effect. The complete analysis results are presented in Table 3.



**Table 4:** Hypothesis Testing: Direct Effect

No	Relation-ships	Coeffi-cient	P-value	Result
1	Transglobal Leadership Style (X1) on Employee Professionalism (Y1)	0.655	<0.001	Significant
2	Transglobal Leadership Style (X1) on Inter-Employee Trust (Y2)	0.369	<0.001	Significant
3	Transglobal Leadership Style (X1) on Employee Performance (Y3)	0.094	0.104	Not-Significant
4	Employee Professionalism (Y1) on Employee Performance (Y3)	0.399	<0.001	Significant
5	Inter-Employee Trust (Y2) on Employee Performance (Y3)	0.295	<0.001	Significant

**Table 5:** Hypothesis Testing: Indirect Effect

Me-diation	Rela-tionship	Coeffi-cient	Result
Employee Professionalism (Y1)	Transglobal Leadership Style (X1) on Employee Performance (Y3)	0.261	Significant
Inter-Employee Trust (Y2)	Transglobal Leadership Style (X1) on Employee Performance (Y3)	0.109	Significant

This study found that Transglobal leadership style had a significant influence on professionalism and trust among employees, but Transglobal leadership style did not significantly influence employee performance. However, through an indirect influence test (mediation test), it was seen that professionalism and inter-employee trust mediated the influence of the

transglobal leadership style on employee performance.

## V. DISCUSSION

The following section will discuss the findings of this research. **First**, this research found that Transglobal Leadership Style (X1) influenced Interpersonal Trust (Y2). Transglobal

Leadership Style (X1) was high, which can be seen from the high Cognitive Intelligence, Emotional Intelligence, Culture Intelligence, Business Intelligence, Global Intelligence, and Moral Intelligence which would have an impact on the high Interpersonal Trust (Y2), which was reflected in the aspects of Ability, Benevolence, and Integrity.

Leadership style is a way of leadership to influence other people or subordinates in such a way that the person wants to do the will of the leader to achieve organizational goals even though personally it may not be liked (Luthans, 2002: 575). Carneiro (2008) said that leadership has a strong positive effect on performance and it also has a significant effect on organizational learning. This finding signals that leadership style is very influential on the performance of subordinates, in addition to getting good performance, it is also necessary to provide good learning to subordinates. Leadership styles that tend to be informal emphasize more exemplary patterns of leadership, but provide greater freedom for auditors to create their work and greater responsibility. Therefore, it can be formulated that a good leadership style will be able to increase trust between employees.

This study is in line with **Goswami Ashita et al. (2016)**, this study aimed to examine affective event theory (AET) by examining the mediating effects of positive influence on employees in work in the positive use relationship of humor leaders with employee work

involvement, work performance, and organizational citizenship behavior (OCBs) and moderated influence on transformational leadership style to the relationship between the use of positive humor and the influence of positive subordinates in the workplace. Data was obtained from 235 permanent employees who worked for information technology and large business consulting companies. Mediation moderation was carried out to test the proposed model. Leaders' positive humor-findings were related to the creation of subordinate positive emotions at work and work involvement. Positive emotions at work did not mediate the humor of performance leaders or OCB. In addition, due to the use of transformational leadership styles by leaders, the relationship between positive humor of leaders and positive emotions of employees in the workplace was getting stronger.

**Trong (2012)**, his study aimed to bridge the gap in the literature by examining three constructs - leadership, organizational trust, and the level of unethical behavior in relation to data from consumer goods companies in Vietnam. From responses by 214 pairs of sales directors and sales managers for self-structured questionnaires, data was collected and processed through variance analysis and structural equation models to test the research hypothesis. The findings revealed that transactional leadership correlated with calculus-based trust. Transformational leadership, on the other hand, formed identity and knowledge-based trust,

which correlated with lower levels of unethical behavior. Calculus-based beliefs, in contrast, were associated with higher levels of ethical behavior. The direct bridge between transformational leadership and the level of unethical behavior was also detected.

**Second**, this study found that Transglobal Leadership Style (X1) influenced Professionalism (Y1). Transglobal Leadership Style (X1) was high, which can be seen from the high Cognitive Intelligence, Emotional Intelligence, Culture Intelligence, Business Intelligence, Global Intelligence, and Moral Intelligence which would have an impact on the high Professionalism (Y1) reflected in the aspect of Community Affiliation, the Need for being Independent, Confidence in Own Regulations, Dedication to Professions, and Social Obligations.

Veithzal Rivai, et al (2013: 5) defined leadership as the ability to influence the behavior of a person or group of people to achieve certain goals in certain situations. Leadership is a social problem in which there is an interaction between those who lead and those who are led to achieve a common goal both by influencing, persuading, motivating, and coordinating. Another opinion expressed by Wirawan (2014: 7) defined leadership as "The leader's process creates a vision and interacts with each other to influence to realize the vision." From the definition, it can be formulated that a good leadership

style will be able to improve employee professionalism.

This research is in line with **Kurland et al. (2010)** in his study to determine the influence of the principal's leadership style on school organizational learning, using the school's vision as a mediator. The result is a link between school organizational variables and leadership style, making some contributions to the educational leadership literature. The empirical findings of studies on visionary and transformational leadership theory confirmed the assumption that vision was a key aspect of leadership (Conger and Kanungo, 1987) and especially in the case of principals. Transformational leadership promoted the school organization's learning process to improve the quality of teaching and student performance.

**Randeree and Chaudhry (2012)** in their study provided an examination of the extent to which different leadership styles influenced employee job satisfaction and organizational commitment in the United Arab Emirates (UAE) through case analysis in the construction sector. The results of the study showed that companies must re-examine the recruitment strategies of senior management and employee retention strategies in the UAE and the wider GCC region. Behavior was very important for employees who felt satisfied and committed to their superiors. Thus, the upper echelons of the organization needed to ensure that their human resources departments had mechanisms for managerial selection, which might include

appropriate interview and recruitment policies and the application of psychometric or similar tests, to understand leadership skills and identify future leaders.

**Third,** this study found that Transglobal Leadership Style (X1) influenced Employee Performance (Y3), through mediating variable of professionalism and trust between employees. Transglobal Leadership Style (X1) was high, which can be seen from the high Cognitive Intelligence, Emotional Intelligence, Culture Intelligence, Business Intelligence, Global Intelligence, and Moral Intelligence which would have an impact on high employee performance (Y3) which was reflected in the aspects of Work Quality, Work Quantity, Employee Responsibility, Timeliness, Effectiveness, Independence, and Work Commitment.

The most important thing that needs to be done by a leader is to constantly learn from experience, whether when he is involved in the participation of a task force or team work, interaction with superiors, colleagues or in contact with mentors or resource persons. The success of a leader is an indication of being able to create a work environment that is conducive to the environment, such as giving opportunities to subordinates to develop their potential and achievements that lead to feelings of satisfaction in work or in other words to motivate their subordinates. Therefore, this leadership style of a leader can influence the performance of employees.

**Fourth,** this study found that Interpersonal Trust (Y2) influenced Employee Performance (Y3). High Interpersonal Trust (Y2), which can be seen from the high Ability, Benevolence, and Integrity would have an impact on high employee performance (Y3) which was reflected in the aspects of Work Quality, Work Quantity, Employee Responsibility, Timeliness, Effectiveness, Independence and Work Commitment.

Factors that influence individual commitment to the organization include the feeling of meeting individual expectations with the organization. These expectations are related to the employee's own trust in the organization or company. When employees have high trust in their organization, they will care about the future and success of the company and understand their role in the organization and try to do their best (Boe, 2002). Thus, it can be formulated that trust between employees will be able to encourage employee performance improvement.

This research is in line with **Sharkie (2009)** in his research to contribute to the debate on employee performance by discussing the importance of trust in driving performance. The results of the study showed market pressures and the introduction of new management practices, such as streamlining, benchmarking and collaboration, had a significant influence on traditional employment relationships. Traditional employment relationships have been largely replaced by new psychological

relationships that have fewer implied guarantees by employers for employees such as security and internal promotion. This in turn has greatly increased the need to understand how employees can be encouraged to engage in free extra-role behavior based on new psychological contracts.

**Tinline and Crowe (2010)** in his research presented how the Mersey Care NHS Trust introduced unique integrated leadership development and employee welfare programs from the British business psychologist, Robertson Cooper, to help prepare the status of the Foundation Trust equivalent (FTe). Priority Trust is ensuring that staff feel engaged and supportive during restructuring and feel happy to be able to work and be involved in their roles. The results of the study showed that the process has provided Mersey Care with a solid basis for ensuring that leadership development is focused on employee engagement and welfare. However, there is still important work to be done to ensure this is the norm in trust and there are a number of obstacles to achieving this goal. One of these obstacles is the various approaches to leadership development and NHS models that are exposed and on some degree.

**Fifth,** this study found that Professionalism (Y1) influenced Employee Performance (Y3). High professionalism (Y1), which can be seen from the high level of Community Affiliation, Needs to be Independent, Confidence in Own Regulations,

Dedication to Professionals, and Social Obligations would have an impact on high employee performance (Y3) which was reflected in aspects of Work Quality, Work Quantity, Responsibility Employees, Timeliness, Effectiveness, Independence, and Work Commitment.

Vroom (1964) argued that employee performance is influenced by professionalism and work motivation is the willingness of individuals to use high effort in an effort to achieve company goals and meet their needs. If the work demands imposed on individuals are not in accordance with their abilities, then the expected performance will be difficult to achieve.

This study is in line with **Ashton (2011)** in his research describing interviews and focus groups conducted with students in media-operated studios operated by industry, this paper focused on how students articulate their career development and aspirations. Based on the research results, it obtained that from the experience and form of their "identity work", students will feel "work ability" in terms of the concept of creativity and professionalism of the media industry. Anxieties surrounding future professional practices are also voiced, signifying the potential value of the Career Study approach that creates space to explicitly explore working conditions as meaningful personal problems.

**Kim and Dong-Woo Koo, (2017)** in their research using models, namely, hotel employees in South Korea using survey methods. Data were analyzed using frequency, reliability,



confirmatory factors, correlation and structuring. Based on the research, it was found that LMX recruitment significantly influenced and hindered the operation of small businesses and even indirectly influenced organizational involvement. Job involvement significantly influenced organizational involvement and innovative behavior but did not significantly affect job performance. Organizational involvement was significantly influenced by performance that was not in accordance with managerial performance. Current performance was strongly influenced by social behavior.

**Sixth,** Professionalism (Y1) and Interpersonal Trust (Y2) mediated the influence of Transglobal Leadership Style (X1) on Employee Performance (Y3). Given the positive-signed coefficient indicated that the higher Transglobal Leadership Style (X1) will result in higher Employee Performance (Y3) if mediated by Professionalism (Y1) and Inter-Employee Trust (Y2) which was also higher. Thus, Professionalism (Y1) and Interpersonal Trust (Y2) acted as mediating variables of the relationship between Transglobal Leadership Style (X1) on Employee Performance (Y3).

Global leadership is needed in connection with global trade and global technology integration. Knowing one's own abilities is the first step for developing Transglobal leaders. In addition to knowing oneself, leaders must also be able to make their own decisions without pressure from other

parties professionally. Leaders need to be trusted by their followers because trust is a mortar that links subordinates to their leaders. Trust in leaders has a positive correlation with employee performance.

## **VI. RESEARCH RECOMMENDATIONS**

Based on the results of this research, several suggestions are recommended to the next research and object of the research; as follows: (1) To all INTRAC employees/leaders in order to apply transglobal leadership style which tends to be more suitable at INTRAC. This research found that with a good transglobal leadership style, it will be able to increase professionalism as well as trust between employees so that it can directly or indirectly improve employee performance; (2) Future research can enrich research results by adding relevant variables, such as employee commitment, employee job satisfaction, and others.

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