

GSJ: Volume 10, Issue 11, November 2022, Online: ISSN 2320-9186 www.globalscientificjournal.com

#### THE INFLUENCE ORGANIZATIONAL INNOVATION. OF MANAGEMENT **TRANSFORMATIONAL** KNOWLEDGE AND LEADERSHIP ON THE PERFORMANCE OF ASN BPKPD EAST KOLAKA

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#### **ABSTRACT**

This study aims to determine and analyze the effect of organizational innovation, knowledge management, and transformational leadership on the performance of ASN BPKPD East Kolaka. Organizational innovation on performance. Knowledge management on performance and transformational leadership on performance. The data analysis method used is the quantitative method using multiple linear regression analysis tools, and the test tools used are the F-test and t-test. The samples taken in this study amounted to 34 people. Testing research instruments using validity and reliability tests.

The research results found that organizational Innovation, knowledge management, and leadership transformational simultaneously have a positive and significant effect on ASN performance. This means that better organizational innovation, knowledge management, and leadership transformational process will encourage an increase in ASN performance. Partial organizational innovation has a positive and significant effect on ASN performance. This means that better organizational innovation then will encourage an increase in ASN performance. Knowledge management partially has a positive and significant effect on ASN performance. It means getting better knowledge management then it will encourage an increase in ASN performance. Leadership transformational partially has a positive and significant effect on ASN performance. It means a better leadership transformational process will encourage an increase in ASN performance.

Keywords: Organizational Innovation, Knowledge Management, Transformational Leadership, Performance

## Introduction

Human resources are one of the most valuable assets owned by an organization because humans are the only resource that can drive other resources. Thus, the element of human resources is a key factor that must be maintained by an organization in line with the demands that are always faced by the organization to answer every challenge that exists. Therefore, efforts to maintain quality human resources are the main steps toward organizational goals.

The success of an agency is strongly influenced by the performance of individual employees. Every agency will

always try to get the best performance from its employees, with the hope that the goals of the agency will be achieved. Performance or performance is a picture of the level of achievement of the implementation of an activity program or policy in realizing the goals, objectives, vision, and mission as outlined through the strategic planning of an organization. According to (Moeheriono, 2014) performance is a result of performance that can be achieved by a person or group of people in an organization both qualitatively and quantitatively, according to the authority, duties, and responsibilities of each to achieve the goals of the organization concerned legally, does not violate legal and by morals and ethics. Performance measurement, namely quality, is how well a person does what he should do. Quantity is how long an employee works in one day. The quantity of this work can be seen from the work speed of each employee and the implementation of tasks, namely how far a person can do his job accurately or without errors, and responsibility, is the awareness of the employee's obligation to carry out the work given organization, Pakpahan (2014).

The organizational innovation factor is one of the main factors that can affect the performance of Sartika (2015) and Kumaat and Dotulong (2015). Over the past few years, many for-profit and non-profit- oriented organizations, both private and government, have undergone rapid, large, and comprehensive changes in various aspects. These changes are a necessity for every organization that wants to continue to exist in facing the challenges of the times so every organization should be able to focus on developing itself and the elements within it to be able to adapt to environmental changes that develop and change from time to time with different characteristics than usual. With these capabilities, the organization can certainly achieve effectiveness,

External environmental conditions with a high level of uncertainty, as well as an increasingly dynamic and complex environment are the biggest triggering factors for many organizations to innovate. Environmental Contingency Theory says that successful organizations are those that can adapt their internal structure to environmental characteristics (dynamic or stable), Sartika (2015). The trend of increasing innovative practices in organizations today and in the future is largely due to changes in external environmental conditions, changes in the competitive environment, and so on. Innovation creates a competitive advantage.

Components that exist within the organization are maximized to achieve goals, and employees who are an important asset of the organization are no exception. Dynamic employees need employees who are competent in their fields. Productive employee performance is needed by organizations to support employee performance. The establishment of an agency or institution aims to optimize the use of potential while reducing development disparities between regions. However, the implementation is not easy, there are still problems related to the lack of consistency in planning and materials to problems in the field. Besides that, the space for local government to move in planning and regulating development according to regional potential and priorities is very limited, Wijaya (2021).

Another factor that can affect performance is knowledge management, Harmen (2018). *Knowledge management* is important to apply so that organizations can achieve sustainable competitive advantage, because its implementation benefits the fields of operations and services, can improve personal competence, and maintains the availability of knowledge and innovation. In this case, the leader also acts as a controller so that the knowledge management implementation process can run well and a strong culture is formed. With knowledge management, knowledge will be managed properly, so that diverse individual knowledge becomes easily integrated that it can become organizational knowledge, Masduki (2020).

Knowledge management plays an important role in innovation. Knowledge management is defined as a process through which a company generates value from the assets of a knowledge-based organization that act in the organization's leading practices or the form of product ideas or ideas in the form of goods or services offered to consumers or the public. Knowledge management is very important to be improved and developed because it is an important asset for the organization. Knowledge management is also useful for all types of businesses that will be conducted because it is the main capital in the business world (Obeidat et al., 2016).

Another factor that can improve performance is transformational leadership. One approach which can be used to understand the success of leadership, namely by focusing on what the leader does. So what is meant here is the style. Leadership style is a norm of behavior that is used by someone in that person tries to influence the behavior of others as he wants.

Transformational leadership is defined as a very close relationship between leaders and subordinates that creates emotional bonds and very closeness, subordinates feel respect and trust in their leaders and are motivated to work more than they are, Arsyad et al (2015). Leadership style in the organization is needed to develop a conducive work environment and build a climate of motivation for workers so that it is expected to produce high performance. Transformational leadership can create something new out of something old.

Literature Review
Definition of Innovation

Innovation is one aspect that influences the development of an organization. Several organizations, both private sector and public sector organizations such as government organizations, are trying to find innovations, Mochammad (2019).

#### **Innovation Indicator**

As for measuring organizational innovation according to Abdulaziz and Ali in Sartika (2015: 141), namely:

- 1. Technological innovation
  - Technological innovation is defined as the adoption of a new idea to build a new product or service, and a new way of constructing an organization's production/service operations processes.
- 2. Administration innovation
  - Administrative innovation is a process of building a new management system, staff/employee development program, and new administration process.
- 3. Strategy innovation
  - Strategic innovation is a form of setting formal plans and building long-term organizational strategies to achieve organizational goals and objectives.

## **Definition of Knowledge Management**

Knowledge Management (KM) plays an important role in innovation. Knowledge management is defined as a process through which a company generates value from the assets of a knowledge-based company that acts in the company's leading practices or the form of product ideas or ideas in the form of goods or services offered to consumers or the public (Fontana, 2011). Management knowledge is very important to improve and develop because it is an important asset for the company. Knowledge management is also useful for all types of business that will be carried out because it is the main capital in the business world (Obeidat et al., 2016)

#### **Knowledge Management Indicator**

According to Honeycutt in Rahman (2020: 157) indicators of Knowledge Management are as follows:

- 1. Personal knowledge is a composite of experiences, values, contextual information, and broad insights that provides a knowledge framework for evaluating and incorporating new experiences and information.
- 2. *Job procedures* are work procedure that is the responsibility or task that must be carried out by employees based on operational standards that procedure exists and is formal. That employees can understand SOP well will make it easier for employees to do the job.
- 3. Technology is information technology consisting of two components, namely: (1) computer technology is a machine that can be programmed and has various functions to receive data, both raw data and numbers, then process and converts it into information that we can use. (2) communication technology consisting of electromagnetic systems and equipment for communicating over long distances connected through information sources through the network.

## Definition of transformational leadership

Transformational leadership is a type of leadership that can integrate creative insight, persistence, energy, intuition, and sensitivity toward employees to achieve organizational goals or desires and has a tremendous impact on employees (Prabowo et al, 2018).

#### Transformational Leadership Style Indicator

There are several indicators of transformational leadership style according to Robbins and Coulter (2010: 263), including:

- 1. Charisma
  - Charisma is considered to be a combination of personal charm and charm that contributes to an uncanny ability to get others to support a vision as well as promote it passionately.
- 2. Inspirational Motivation
  - Inspirational motivation describes a passionate leader in communicating the idealistic future of the organization. to have the same vision.
- 3. Intellectual Stimulation
  - Intellectual stimulation describes leaders as being able to encourage employees to solve old problems in new ways. Leaders try to encourage the attention and awareness of subordinates to the problems faced.
- 4. Individual Attention

Individual attention illustrates that leaders always pay attention to their employees, treat employees individually, train and advise. The leader invites employees to be observant in seeing the abilities of others. Leaders focus employees on developing personal strengths.

#### **Definition of Performance**

A qualified employee is someone whose performance can meet the targets or goals set by the company. To get employees who have good performance, it is necessary to apply performance, Winda (2018).

#### Performance Indicator

The indicators for measuring employee performance according to Sedarmayanti (2013: 260), namely:

1. Quality of Work

Quality of work, namely the quality of work achieved based on the conditions of suitability and readiness. Where the results of activities carried out are close to perfect which include accuracy in work and results of work that meet standards.

2. Quantity

Quantity Jobs Work, namely the amount produced is expressed in terms of the number of units, and the number of activity cycles completed.

3. Not quite enough answer

Not quite enough responsibility, namely the willingness to correct mistakes experienced in a job.

4. Initiative

The ability to complete a job by a predetermined time and be able to produce work according to the target.

## **Conceptual Framework**

Based on the understanding and theories put forward in the literature review, a conceptual framework can be developed that will examine several variables, namely organizational innovation (X1), knowledge management (X2), transformational leadership (X3) and performance (Y). This study will examine and analyze the influence of organizational innovation, knowledge management, and transformational leadership on the performance of ASN BPKPD East Kolaka. The framework for the flow of thought in this study was built based on the problems and study objectives, theoretical and empirical studies, and suggestions

Organizational Innovation

Knowledge management

Performance

Transformational leadership

Figure 1. Research Conceptual Framework

#### **Hypothesis**

The hypotheses in this study are as follows:

Based on the problems, literature review, and conceptual framework, the following hypotheses can be proposed:

- 1. organizational Innovation, *knowledge management*, and transformational leadership have a positive and significant effect on the performance of ASN BPKPD East Kolaka.
- 2. Organizational innovation has a positive and significant effect on the performance of ASN BPKPD East Kolaka.
- 3. *Knowledge management* has a positive and significant effect on the performance of ASN BPKPD East Kolaka.

4. Transformational leadership has a positive and significant effect on the performance of ASN BPKPD East Kolaka.

#### RESEARCH METHODS

#### Location and Time of Research

This research was conducted at the Regional Revenue and Financial Management Agency (BPKPD) located in Tirawuta District, East Kolaka Regency, Southeast Sulawesi. The time of carrying out this research was for two months with the details of the first month the researcher gave the questionnaire in the second month the writer collected data and carried out data processing.

## Population and Research Sample

Arikunto, (2010:173), the population is the whole object of research. If someone wants to examine all the elements in the research area, then the research is a population study, the technique of taking it is called a census. Because the population in this study was relatively small and young researchers reached it, the entire population of 34 employees of the Regional Revenue and Financial Management Agency was used as research respondents.

## Data Type

Data used in this research is quantitative data, namely data obtained in the field that can be measured in the form of numbers, such as the number of employees at the Regional Finance and Revenue Management Agency (BPKPD) East Kolaka. In this research, the population used is all civil servants.

#### Data source

This research data comes from:

- 1. Primary data is a source of research data obtained directly from sources (not through intermediaries). The primary data used in this research is the result of filling out the questionnaire to the respondents, namely civil servants from the Regional Finance and Revenue Management Agency (BPKPD) East Kolaka.
- Secondary Data, namely data taken in the form of reports that have been documented on Regional Finance and Revenue Management Agency (BPKPD) East Kolaka

#### Method of Collecting Data

Data collection in this study was carried out by:

- 1. Questionnaire
  - Done by filing a list of questions to employee respondents to obtain the information needed in answering research problems.
- 2. Documentation is a collection of supporting documents in the form of data that have been published by the East Kolaka Regional Financial and Revenue Management Agency (BPKPD) as illustrated in general, brief history, and job description.

#### Data analysis method

#### Multiple Linear Regression Analysis

The data analysis model used in this study is multiple linear regression analysis, namely to determine the effect of one variable on another. Linear regression analysis uses the multiple regression equation formulae with the following equation model:

 $Y = a+b_1X1+b2X2+b3X3....+b\alpha+X\alpha$ 

note:

Y = dependent variable (predicted value)

X1, X2 and X3 = Independent variable

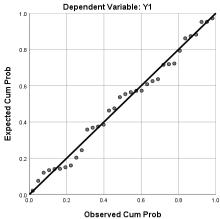
a = Constant (value Y' if  $X_1, X_2, X_3 = 0$ )

b = Regression coefficient (value of increase or decrease)

RESEARCH RESULT Results of Data Analysis Normality test To see normality seen through the output of the normal curve p-plot graph, a variable is said to be normal if the distribution image with data points is spread around the diagonal line and the distribution of data points in the same direction follows the diagonal graph.

Figure 2. Normality Test

Normal P-P Plot of Regression Standardized Residual



The image p-plot graph shows the distribution of data (points) around the regression line (diagonal) and the distribution of data points in the same direction following the diagonal line, it can be concluded that the regression model is feasible to use because it fulfills the normality assumption.

## **Multicollinearity Test**

If the VIF value is > 10 and the tolerance is > 0.1, this means that there is no correlation between variables. Multicollinearity test results can be seen in the following table:

Table 1. Multicollinearity Test

Variable	Tolerance	VIF	Information
Organizational	0.680	1,471	Multicollinearity
Innovation			Does Not Occur
Knowledge	0.695	1,439	Multicollinearity
management			Does Not Occur
Transformational	0.622	1622	Multicollinearity
leadership			Does Not Occur

The multicollinearity test results showed that the VIF value was above 10, namely 1.471, 1.439 and 1.622 and the tolerance value of each variable was above 0.1, namely 680, 695 and 622. This means that the independent variables in this study did not occur multicollinearity.

## **Heteroscedasticity Test**

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residual of one observation to another.

Scatterplot

Dependent Variable: Y1

| Comparison of the compariso

Figure 3. Heteroscedasticity Test

The results of the scatterplot graph in this study show that there is no heteroscedasticity by looking at not forming a certain pattern and the points that spread above and below the number 0 on the Y axis.

## Multiple Linear Regression Results

The coefficient value (R) and the coefficient of determination (R<sup>2</sup>) can be seen in the following table:

Table 2. Linear Regression Results

Free Variables	Unstandardized	t-count	t-Sig
	Coefficients		
	(b)		
Organizational Innovation	0.851	4,663	0.000
Knowledge Management	0.267	2,348	0.026
Leadership transformational	0.334	2,189	0.036
R = 0.862	-		N = 34
R Square = 0.742			$\alpha = 0.05$
F-count = 0.28.808		- 70	
F-significant = 0.000		_//	

Based on table 2, the multiple linear regression equation is obtained as follows:

Y = b1 X1 + b2 X2 + b3 X3

Y = 0.851 X1 + 0.267 + 0.334

Based on the explanation of the multiple linear regression model, it can be interpreted as follows:

- 1. The coefficient (R) of 0.862 indicates that the degree of closeness of the relationship between the variables of organizational innovation, knowledge management, transformational leadership, and ASN performance is 86.2. Or have a very strong relationship.
- 2. The coefficient of determination (R²) or R Square is 0.74.2 indicating that the direct influence of organizational innovation, knowledge management, and transformational leadership on ASN performance is 74.2%, while the remaining 25.8% is influenced by other variables not examined in this study.
- 3. The regression coefficient for the organizational innovation variable is 0.851. A positive value indicates that there is a positive or unidirectional influence between organizational innovation on ASN performance. So that it can be interpreted that if the organizational innovation variable is good and other independent variables are assumed to be constant or equal to zero, then the dependent variable of ASN performance will be better.
- 4. The regression coefficient for the knowledge management variable is 0.267. A positive value indicates that there is a positive or unidirectional influence between knowledge management on ASN performance. So that it can be interpreted that if the knowledge management variable is good and the other independent variables are assumed to be constant or equal to zero, then the dependent variable of employee performance will also be better.
- 5. The regression coefficient for the transformational leadership variable is 0.334. A positive value indicates that there is a positive or unidirectional effect of transformational leadership on ASN performance. So that it can be interpreted that if the transformational leadership variable is good and the other independent variables are assumed to be constant or equal to zero, then the dependent variable of ASN performance will also be better.

## Hypothesis test Simultaneous Test

The results of the calculation of the simultaneous test or F test can be seen in the following table:

#### Table 3. Simultaneous Test

F-test	Sig	
0.28.808	0.000	

Based on table 3 it is stated that the F-sig value is equal to  $0.000 < \alpha = 0.05$ , it means that the innovation variable organization, *knowledge management*, leadership transformational simultaneously influential positive and significant on ASN performance. Thus the hypothesis states that the influence variable organization, *knowledge management*, transformational leadership simultaneously significant effect on the performance ASN can receive.

## **Partial Test**

The results of the calculation of the partial test or t-test can be seen in the following table:

Table 4. Partial Test

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Variable	t-count	t-Sig			
Organizational Innovation	4,663	0.000			
Knowledge Management	2,348	0.026			
Leadership transformational	2,189	0.036			

Related to the explanation of the partial test results for each variable as follows:

- 1. It can be seen in the table that the significant organizational innovation variable obtained a t-sig value of  $0.000 < \alpha = 0.05$ . It can be concluded that organizational innovation has a positive and partial effect significant on ASN performance. Thus the hypothesis that organizational innovation partially has a positive and significant effect on ASN performance is acceptable.
- 2. It can be seen in the table that the significant knowledge management variable obtained a t-sig value of  $0.000 < \alpha = 0.05$ . It can be concluded that knowledge management partially has a positive and significant effect on ASN performance. Thus the hypothesis that knowledge management partially has a positive and significant effect on ASN performance is acceptable.
- 3. It can be seen in the table that the significant transformational leadership variable obtained a t-sig value of  $0.000 < \alpha = 0.05$ . It can be concluded that transformational leadership partially has a positive and significant effect on ASN performance. Thus the hypothesis that transformational leadership partially has a positive and significant effect on ASN performance is acceptable.

#### DISCUSSION

# The Effect of Organizational Innovation, Knowledge Management, and Transformational Leadership on Performance

Based on the results of data analysis, it is found that the F-sig value is  $0.000 < \alpha = 0.05$ , it means that the innovation variable organization, *knowledge management*, and transformational leadership simultaneously influential positive and significant on ASN performance. Thus the hypothesis states that the influence variable organization, *knowledge management*, and transformational leadership simultaneously significant effect on the performance ASN can receive.

External environmental conditions with a high level of uncertainty, as well as an increasingly dynamic and complex environment are the biggest triggering factors for many organizations to innovate. Environmental Contingency Theory says that successful organizations are those that can adapt their internal structure to environmental characteristics (dynamic or stable), Sartika (2015). The trend of increasing innovative practices in organizations today and in the future is largely due to changes in external environmental conditions, changes in the competitive environment, and so on. Innovation creates a competitive advantage. Past studies have shown that organizational innovation has an influence significant on performance, Marsalena et al (2020).

Knowledge management plays an important role in innovation. Knowledge management is defined as the process through which a company generates value from the assets of a knowledge-based organization acting in the organization's leading practices in the form of product ideas or ideas in the form of goods or services offered to consumers or the public. Knowledge management is very important to be improved and developed because it is an important asset for the organization. Knowledge management is also useful for all types of businesses that will be conducted because it is the main capital in the business world (Obeidat et al., 2016). Past studies have shown that if knowledge management has an influence significant on performance, Adzima et al (2019)

According to Avolio & Bruce (Suseno and Sugiyanto, 2010), the practice of transformational leadership style can bring about more fundamental changes such as changes in the values, goals, and needs of subordinates. This leadership concept is a combination of the "trait" paradigm and the contingency or dependency approach style, this is often also referred to as integrative psychology. Furthermore, Suseno & Sugiyanto (2010), citing Bruce's opinion, defines transformational leadership as the leader's ability to influence values, attitudes and beliefs, and the behavior of other leaders to complete the organization's mission. The results of this study are the same a Past studies have shown that if transformational leadership has an influence significant on performance, Sarina (2017).

This finding is the same as the results of research conducted by Marsalena et al (2020), Sartika (2015) and organizational innovation has a significant effect on performance. Budiprayitno (2020) and Heisig et al (2016) knowledge management is significant for performance. Sarinah (2017) and Asmah (2015) transformational leadership is significant for performance

## The Effect of Organizational Innovation on Performance

Based on the results of the data analysis obtained if the value sig of  $0.000 < \alpha = 0.05$ . It can be concluded that innovation organization partially has a positive and significant effect on ASN performance. Thus the hypothesis that states innovation organization partially positive and significant effect on performance ASN can be received.

Innovation is the application of new ideas to products, processes, and other aspects of company activities. Innovation focuses on the process of turning ideas into value. Individual innovation ability is the ability of each individual to apply the new ideas they have in a product or process. Increasing the ability to innovate can help individuals overcome problems at work so that the quality and quantity of work can be better. A high capacity for innovation can support the emergence of initiatives to produce more effective and efficient ways of working, Rahayunus (2021). The ability to innovate will help individuals take the initiative to generate ideas so that work processes are more effective and efficient. The ability to innovate is shown by always trying new ideas, trying new operating methods, and, product innovation. All of this will improve employee performance, Thayer et al (2018).

External environmental conditions with a high level of uncertainty, as well as an increasingly dynamic and complex environment are the biggest triggering factors for many organizations to innovate. Environmental Contingency Theory says that successful organizations are those that can adapt their internal structure to environmental characteristics (dynamic or stable), Sartika (2015). The trend of increasing innovative practices in organizations today and in the future is largely due to changes in external environmental conditions, changes in the competitive environment, and so on. Innovation creates a competitive advantage.

Over the past few years, many for-profit and non-profit-oriented organizations, both private and government, have undergone rapid, large, and comprehensive changes in various aspects. These changes are a necessity for every organization that wants to continue to exist in facing the challenges of the times, so every organization should be able to focus on developing itself and the elements within it to be able to adapt to environmental changes that develop and change from time to time with different characteristics than usual. With these capabilities, organizations can certainly achieve effectiveness and efficiency and produce high performance in achieving their respective goals.

This finding is the same as the study Sartika (2015) and Rediyono (2015). The findings from Sartika (2015) and Kumaat and Dotulong (2015) explain that organizational innovation has a positive and significant effect on ASN performance. So the increase in organizational innovation will increase performance as well.

### Influence Knowledge Management on Performance

Based on the results of data analysis obtained if the value t-sig of 0.000 <  $\alpha$  = 0.05. It can be concluded that knowledge *management* partially has a positive and significant effect on ASN performance. Thus the hypothesis that states knowledge *management* partially positive and significant effect on the performance of ASN can be received.

Knowledge management is important to apply so that companies can achieve a sustainable competitive advantage, because its implementation benefits the fields of operations and services, can improve personal competence, maintain the availability of knowledge and innovation as well as product development. In this case, the manager also acts as a controller so that the knowledge management implementation process can run well and a

strong culture is formed. With knowledge management, knowledge will be managed properly, so that diverse individual knowledge becomes easily integrated that it can become organizational knowledge, Ilmaniar and Djastuti (2018).

Knowledge management is also a process related to the creation, dissemination, and use of knowledge to realize the goals of the company (Samsir, 2017). Success in implementing knowledge management in an organization is determined by the pillars of leadership, organization, learning, and the right technology so that the role of technology is as justification that supports the process creation transfer and usage knowledge in organizations and between organizations, within organizational units, and between units within organizations or across organizations (Fontana, 2011). Knowledge management can influence competitive advantage for a company and have a positive and significant influence on carrying out the operational activities of a company (Samsir, 2017).

Knowledge management is important to apply so that organizations can achieve sustainable competitive advantage, because its implementation benefits the fields of operations and services, can improve personal competence, and maintains the availability of knowledge and innovation. In this case, the leader also acts as a controller so that the knowledge management implementation process can run well and a strong culture is formed. With knowledge management, knowledge will be managed properly, so that diverse individual knowledge becomes easily integrated that it can become organizational knowledge, Masduki (2020).

Knowledge management plays an important role in innovation. Knowledge management is defined as a process through which a company generates value from the assets of a knowledge-based organization that act in the organization's leading practices or the form of product ideas or ideas in the form of goods or services offered to consumers or the public. Knowledge management is very important to be improved and developed because it is an important asset for the organization. Knowledge management is also useful for all types of businesses that will be conducted because it is the main capital in the business world (Obeidat et al., 2016).

## Influence Transformational Leadership on Performance

Based on the results of data analysis obtained if the value  $t_{-sig}$  of  $0.000 < \alpha = 0.05$ . It can be concluded that leadership transformational partially has a positive and significant effect on ASN performance. Thus the hypothesis stated leadership transformational partially has a positive and significant effect on the performance of ASN can be received.

Transformational leadership is leadership with an approach by doing an Effort to change awareness, raise enthusiasm, and inspire subordinates to be able to issue their abilities to achieve organizational goals without any coercion and pressure. Transformational leadership is leadership that has the goal of change. Transformational leadership is a normative leadership style by increasing followers' awareness of collective interests and providing support to followers in achieving extraordinary goals. Empirical evidence shows that transformational leadership influences organizational effectiveness and employee performance, Sandiasa and Sos (2017). One approach which can be used to understand the success of leadership, namely by focusing on what the leader does. So what is meant here is the style. Leadership style is a norm of behavior that is used by someone in that person tries to influence the behavior of others as he wants.

Transformational leadership is defined as a very close relationship between leaders and subordinates that creates emotional bonds and very closeness, subordinates feel respect and trust in their leaders and are motivated to work more than they are, Arsyad et al (2015). Leadership style in the organization is needed to develop a conducive work environment and build a climate of motivation for workers so that it is expected to produce high performance. Transformational leadership can create something new out of something old.

The findings of this study are the same as the results of research by Asmah (2019) and Cahyono (2014) where they found that transformational leadership has a positive influence and is significant on performance. Then better transformational leadership will also improve ASN performance.

#### Conclusion

Based on the formulation of the problem, research objectives, data analysis, and discussion, the authors draw the following conclusions:

- Organizational innovation, knowledge management, and transformational leadership simultaneously have a
  positive and significant impact on the performance of the ASN Regional Financial and Revenue Management
  Agency (BPKPD) of East Kolaka Regency.
- 2. Organizational innovation partially has a positive and significant effect on the performance of ASN Regional Financial and Revenue Management Agency (BPKPD) of East Kolaka Regency.

- 3. *Knowledge management* partially has a positive and significant effect on the performance of ASN Regional Financial and Revenue Management Agency (BPKPD) of East Kolaka Regency.
- 4. Transformational leadership partially has a positive and significant effect on the performance of ASN Regional Financial and Revenue Management Agency (BPKPD) of East Kolaka Regency.

## Suggestion

Based on these conclusions, suggestions that can be given by the authors in this study are as follows:

- 1. For the leadership of the East Kolaka Regency Regional Revenue and Financial Management Agency (BPKPD) to increase organizational innovation by optimizing technological innovation so that the work of ASNs can run optimally.
- 2. For the leadership of the Regional Revenue and Financial Management Agency (BPKPD) of East Kolaka Regency to improve knowledge management by optimizing personal knowledge so that workers have a good understanding of the duties and responsibilities at work to produce quality work.
- For the leadership of the Regional Revenue and Financial Management Agency (BPKPD) of East Kolaka Regency to improve transformational leadership by increasing the charisma of the leadership so that it can encourage existing motivation in scope ASN Regional Finance and Revenue Management Agency (BPKPD) Kolaka Regency.

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