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### The Role of Transformational Leadership in Managing the Organization at Solo Paragon Hotel and Residences

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#### Abstract

The concept of transformational leadership is a leadership strategy that affects employee performance in improving self quality. In its implementation, it consists of 4 indicators, namely idealized influence (or charismatic influence), inspirational motivation, intellectual stimulation, individualized consideration. This research method uses qualitative research methods with an instrumental case study approach that uses data collection techniques in the form of interviews, observation, and documentation. The

participants in this study consisted of 1 staff for observation (Revenue), and 3 people from the middle up (Human Resources Manager (HRM), HR Coordinator, FB Captain, Security Supervisor). This study aims to determine the role of transformational leadership in managing organizations at Solo Paragon Hotel and Residences. Based on observations and interviews, it shows that these participants have transformational leadership.

**Keywords:** New Normal, Concept, Leadership, Transformational

#### Introduction

When entering the new normal phase, there are some companies that have difficulty adapting, with various changes in global competition. Therefore, every company leader needs to give full attention and support to their employees to work more productively. This statement is in line with the findings of Ayman *et al.* (2021)<sup>[1]</sup> who said that when leaders provide support to employees, employees will show a positive attitude and work more productively. Meanwhile, Rajapathirana & Hui (2018)<sup>[2]</sup> state that the support of company leaders is a form of rewarding employees who work productively.

Likewise, leaders at Solo Paragon Hotel and Residences also need to pay attention and support to each of their employees, so that they can work more productively. This statement is in line with the findings of Fauzan *et al.*, (2023)<sup>[3]</sup> which states that leaders provide support to subordinates and subordinates must work together, for example, leaders influence subordinates to work as expected or even exceed the expectations of the leader. One of the leadership styles that has a positive impact is transformational leadership. This statement is supported by the findings of Burns (1978)<sup>[4]</sup> which states that transformational leadership tends to try to motivate employees by providing support to do something work exceeds the expectations of the leader.

On one occasion, the author was interested in conducting initial interviews with 4 leaders and 1 employee, on October 3, 2023 -October 4, 2023. The findings showed several phenomena, namely the 4 leaders said that, when being a leader should be able to motivate employees, and provide stimulation so that employees try to solve their own problems. In addition, leaders can also radiate positive energy to employees, so that employees can make leaders their role models. Then, employees are expected to have an attitude of loyalty, dedication, and commitment, as well as integrity in carrying out their duties and obligations. Likewise, there is 1 employee who expects to have a leader who provides concern for employee problems in terms of employee welfare, high loyalty, and a motivating attitude. Thus, employees are obedient and respectful to their leaders. This phenomenon is in line with the theory of Bass & Avolio (1993)<sup>[5]</sup> which says that transformational leadership can be observed and measured at all levels of the organization, although it is more likely to occur at higher levels, such as the management level. For some of these phenomena, it can be assumed that transformational leadership is important to be described more deeply at Solo Paragon Hotel and Residences.

Therefore, the role of Transformational Leadership is important to research. According to Kalsoom *et al.*, (2018) [6] transformational leadership plays an important role in contributing and advancing the efficiency of human resources. In line with Moyo Ngqabutho's research (2019) [7] that transformational leadership is able to change employee behavior, such as increasing loyalty, integrity, and motivation. In addition, the importance of researching transformational leadership, especially because of the globalization that occurs during this new normal era. The statement is supported by Hooda *et al.*, (2013) [8], namely in shifting times and global competition, transformational leaders can broaden perspectives, increase employee aspirations, clarify vision and values, so that employees are able to contribute to the company and be extra in the face of global competition. From the results of this study, it is also supported by the findings of Ahmad (2020) [9] who said that the performance of an organization cannot be separated from the work role of employees, but as a leader also needs to play a role in planning, managing, and controlling a company to motivate and manage its employees. In addition, this statement is also supported by Muhammad & Subroto (2023) [10] explaining that the transformational leadership style is able to influence employee performance, because with indicators from Robbins (2008) [11] figures such as, idealized influence (or charismatic influence), inspirational motivation, intellectual stimulation, individualized consideration, can make employees more comfortable, respect each other, and employees have high motivation. So that employees are able to work in accordance with the wishes of the leader.

There are several positive and negative influences on transformational leadership found by several previous researchers. According to research by Sutrisno *et al.* (2023) [12] transformational leadership style can provide significant changes to employees, namely increasing self-confidence, changes in values, perspectives, and needs. Furthermore, the research results found by Sutrisno *et al.* (2023), that leaders who apply this transformational leadership style can increase employee awareness about the importance of quality, quantity, timely attitude, and performance productivity in order to achieve company goals. This statement is supported by Prabowo *et al.* (2018) [13] who explained that the transformational leadership style is suitable for use in dynamic businesses or startup companies that keep up with the times, because it has a positive impact on employee welfare.

In addition, there is a negative influence stated by Dwi (2007) [14] through his book entitled Transformational Leadership, namely transformational leadership strategies and techniques have been tested for their effectiveness. However, if a leader uses these techniques for personal gain, it will have a negative effect. One of the keys is that character and morals must be the foundation of transformational leaders. Morals here are likened to a compass that points to the North, even though the compass is carried in various directions. The north direction is the character and morals that become the main principle. If it does not become the main role model for employees or subordinates, then the leader slips into a pseudo transformational leader. The research is supported by Vipraprastha & Yuesti (2018) [15], that transformational leadership has a negative influence on employee performance. Another study by Sudiarta (2018) [16], also

stated the same thing that transformational leadership has no significant effect on employee performance and found that transformational leadership actually has a significant negative effect on employee job satisfaction.

Meanwhile, Marisi (2020) [17] said that transformational leadership is influenced by one factor, namely the ability to communicate persuasively, for example, a leader conveys messages, perspectives to employees effectively and efficiently. This is supported by Prasetyo (2020) [18], that the ability of transformational leaders to communicate persuasively will support work comfort, so that employees achieve more for the achievement of company goals. Then, Ravik *et al.*, (2022) [19] explained that effective communication is an important factor in fostering relationships between leaders and employees, so that misunderstandings do not occur. In these findings, it is supported by Mangkunegara (2015) [20] which states that in communication there is a process of exchanging information, ideas, and intentions of one person to another, with the aim that the other person can understand and do according to the intended purpose. There is another opinion, put forward by Reitz (1981) [21], that the factors that influence transformational leadership are: personality (past experience affects leadership style), expectations (leaders use a task-oriented leadership style), characteristics (employee behavior expectations will affect leadership style), task needs (tasks will affect leadership style), climate and policy systems (affect employee expectations and behavior), behavior expectations among employees.

There are several research results that reveal that there is a role of transformational leadership in managing organizations. This is shown from several research results, such as research conducted by Avolio (1993) & Bass (1999) [22], namely the achievement of an organization's goals depends on the leadership style applied in an organization. Transformational leadership that influences followers to put aside personal interests for the common good and can have a significant effect on followers. This opinion is reinforced by Robbins (2003) [23] who states that transformational leadership provides intellectual considerations that have charisma, because charisma is seen as an inherent thing that only international class leaders have. Transformational leaders provide opportunities for employees to achieve self-actualization and self-development to develop the organization. This is supported by the theory of Bass (1985) [24] that transformational leadership can change the scope of work, management systems to be more structured to achieve organizational goals. Based on some of these studies, it can be concluded that transformational leadership plays an important role in managing the organization and employee self-development. As in today's modern era, a transformational leader is needed who is able to inspire employees by providing creative ideas to move towards the same goal. This is reinforced by Bagga *et al.*, (2022) [25] which states that transformational leadership describes leaders who are proactive as breakthroughs of change and support them in achieving big goals. Therefore, the purpose of this writing is to find out the role of transformational leadership in managing organizations at Solo Paragon Hotel and Residences.

## Method

This research uses qualitative research methods, with an instrumental case study approach. This qualitative research

method aims to explore phenomena to produce descriptive data in the form of sentences and observe the behavior of participants. According to Creswell (2014) [26], a case study is a research strategy to understand a phenomenon by collecting data through activities, events from one or more individuals in depth. This qualitative research uses data collection techniques through interviews and observations to explore the ideas, feelings and behavior of individuals.

## Results and Discussion

### Transformational Leadership

The definition of leadership is the ability to influence and inspire others to achieve common goals. A leader is someone who exercises leadership themselves. Leadership is an important part of all levels of an organization or company. The success of a leader is determined by how the leader's strategy in providing direction to his subordinates. In this case, the leader plays an important role in the organization or company. This statement is supported by the findings of Nur (2019) [27] which states that transformational leaders provide inspiration and motivation to employees to improve performance in an organization. Supported by Thoha (2013) [28], leadership is a strategy to influence followers, so that they can be directed to achieve organizational goals. This opinion is reinforced by Robbins (2008) theory, that leadership is a skill to influence a group or organization to achieve a shared vision. The concept of Transformational Leadership according to Robbins (2008) is that a leader inspires his followers, so that they put aside personal interests in order to achieve organizational goals. Robbins (2008) transformational leadership has several important aspects, such as: idealized influence (or charismatic influence), inspirational motivation, intellectual stimulation, individualized consideration. Transformational leadership factors become an interrelated unit to build the vision and mission of the organization. This opinion is reinforced by Bass (1990); Bass & Avolio (1993) [29], that transformational leadership empowers employees in a company or organization. Transformational leaders who humanize people, through various means such as self-development, increasing stimulation, and providing motivation.

The author finds that there are similarities in the type of transformational leadership from the aspects of idealized influence (or charismatic influence), intellectual stimulation, inspirational motivation experienced by the four research participants. This is based on the results of interviews on October 3, 2023 - October 4, 2023, which show that participants LN-1, AS-2, SH-3, WW-5 have a transformational leadership type. However, for the individualized consideration aspect, participants AS-2 and WW-5 have limitations in raising positions to staff, because they are limited by the rules in the company. The following are the results of the interview:

1. The idealized influence (or charismatic influence) aspect in participant LN-1 is considered to meet the criteria of a transformational leader. This is supported by the results of interviews and statements from several coworkers of LN-1 participants. That, when LN-1 interacts with coworkers or subordinates, LN-1 always exudes leadership values leading by example or providing examples for his employees. The intellectual stimulation aspect, LN-1 is considered to have a strong enough stimulation drive, so that employees are able to

analyze problems, including in terms of guest complaints. In the aspect of inspirational motivation, participant LN-1 is able to provide encouragement to employees in the form of work challenges. This is done with the aim that employees value themselves and all packages in providing services to guests. As HR Manager, LN-1 has the authority to provide opportunities for promotion to his employees, for example, employees from the Bell Boy division are now HR Coordinators (AS-2). In this aspect, individual consideration is one part of LN-1's duties and responsibilities.

2. The second subject is an HR Coordinator (AS-2), in the aspect of idealized influence (or charismatic influence) always applies honesty in work, this is done by AS-2 with the aim that positive values become an example for each employee. With the hope that all employees will also do the same, namely being honest. In the intellectual stimulation aspect, AS-2 tends to provide stimulation in the form of views or sharing experiences. In the aspect of inspirational motivation, AS-2 is considered to have a high motivational drive. This is assessed from the participant's desire to provide the best experience in the hospitality world for employees and especially for interns. The experience is given, for example, in the form of training. However, in the aspect of individual consideration, AS-2 has limitations in raising the position of his employees.
3. The idealized influence (or charismatic influence) aspect in SH-3 is considered high. This is based on the interview results, that SH-3 always sets a positive example for her members before going to work, for example in terms of grooming and attendance. This is based on SH-3's own statement. In addition, the author also observed that SH-3 is friendly, polite, professional, and good at communicating. In the aspect of intellectual stimulation, SH-3 is included in the criteria of a transformational leader. This is based on, when his members experience problems at work, SH-3 provides a stimulus so that his members have new insights. In the aspect of inspirational motivation, SH-3 said that she gives motivational encouragement not only when problems occur, but every day during morning briefing. This is done so that his members feel cared for and do not experience work demotivation. As a Security Supervisor, SH-3 has the right to give consideration (individual consideration aspect) to outstanding members and convey these considerations to the HR Manager (LN-1) in accordance with Standard Operating Procedures (SOP).
4. In the aspect of idealized influence (or charismatic influence), as FnB Captain WW-5 has applied the same to staff and trainees. This is based on, when emitting a positive aura in terms of communication, WW-5 tends to maintain good relations with superiors or subordinates, so that there is no gap. And when a problem occurs, WW-5 always emphasizes to discuss the problem properly. In contrast to participants LN-1, AS-2, SH-3 in the aspect of intellectual stimulation, when providing new ideas, WW-5 prefers to convey ideas for menu refreshes or promos of the month. The goal is to increase promotion and sales revenue at Solo Paragon Hotel and Residences. In addition, WW-5 also applies aspects of inspirational motivation, what WW-5

does provide challenges to his subordinates. For example, by upselling menus or creating new menus. As a leader, WW-5 also pays attention to her subordinates to be considered to a higher level (individual consideration), such as daily workers. However, WW-5 has certain limitations to make decisions in providing opportunities to her subordinates. WW-5 has the authority to give consideration only to the FB Service manager.

## Conclusion

Based on the results of data analysis that has been done. So in this study, it is concluded that transformational leadership has been applied by the four participants (LN-1, AS-2, SH-3, and WW-5), who work at Solo Paragon Hotel and Residences. Increasing transformational leadership innovation in the modern era is very important, especially in the era of digitalization. With a leader who is able to understand subordinates is something that is expected. Then a management that is in line with the vision and mission of the company or organization will be created. Leaders who are able to create and implement the vision and mission of the company or organization are also expected to be born with a transformational leadership type. With the type of transformational leadership, it will open opportunities for superiors and subordinates to harmonize positive communication. The existence of this policy is expected to create new habits in a positive way.

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