

The effect of transformational leadership and compensation on job performance at bank

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ABSTRACT

This study aims to explore the direct impact of transformational leadership and compensation on job performance within the organizational setting of PT. Bank X. Utilizing a quantitative approach, data was collected through survey methods employing non-probability sampling, resulting in a sample size of 108 respondents. Analysis of the gathered data was conducted using SPSS 25 software. Validity testing was performed through confirmatory factor analysis, while reliability testing was assessed using Cronbach's alpha. The findings indicate a statistically significant positive relationship between transformational leadership and job performance, as well as a positive influence of compensation on job performance. The study underscores the importance of effective leadership and equitable compensation schemes in enhancing employee job performance within the banking sector. Additionally, it recommends further research endeavors aimed at expanding the population and sample size, as well as exploring additional variables to provide a more comprehensive understanding of organizational dynamics and performance determinants. Such insights are vital for fostering sustainable organizational success and competitiveness in the ever-evolving business landscape.

KEYWORDS

Transformational leadership;
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Introduction

In the contemporary landscape, organizations must exhibit strength and resilience to navigate evolving technologies, market changes, and heightened competition. These challenges directly impact employees (Karaman et al., 2020), highlighting the need for sustained standards to thrive in the business world. Job performance stands out as a pivotal and extensively studied factor in industrial management and organizational behavior (Carpini, Parker, & Griffin, 2017). Campbell et al. (1993) define it as observable individual behaviors that contribute value to the organization and align with its goals. The achievement of an organization's vision, mission, and goals heavily relies on employee behavior. Employees serve as strategic assets, acting as thinkers, planners, and controllers of company activities, thereby facilitating goal attainment through their talent, energy, and creativity. High-quality human resources correlate with superior organizational and employee performance. Employee job performance signifies the actual outcomes attained, reflecting the quality and quantity of work completed in line with assigned responsibilities. Enhanced employee performance augments the company's value, underscoring the significance of understanding how human resource management practices impact employees to yield high performance (Chen, 2018).

One of the prominent state-owned banks in Indonesia, Bank X, achieved robust performance growth throughout 2022, attributed to a coherent business strategy targeting potential segments and digital optimization efforts. Consequently, the bank witnessed heightened efficiency levels and business volume growth across all segments, along with an improved Current Account Savings Account (CASA) ratio in 2022. Bank X aspires to be a reliable partner for all customers and aims to enhance its leadership with wholesale clients, emphasizing outreach to all segments of society. However, according to my interview with the Head Auditor of PT. Bank X (Persero), the organization faced a decline in employee job performance during 2023. The Head Auditor provided insights into potential reasons for this decline and shared data indicating the decrease in job performance. Additionally, the Head Auditor furnished employee work hour data, revealing discrepancies between actual work hours and scheduled hours. More than 50 employees expressed grievances about excessive work hours without additional compensation, attributing the issue to superiors imposing too many after-hours tasks. This problem appears rooted in leadership practices, where leaders tend to pressure and overwork employees, hampering efficiency and causing dissatisfaction among the workforce.

The Head Auditor discussed potential causes for employee discontentment with their leaders, which encompass several key factors. Firstly, there's the issue of lack of direction, where employees might feel dissatisfied if their leaders fail to provide clear guidance or set realistic objectives. Secondly, poor communication emerges as a significant concern; insufficient feedback, recognition, and support from leaders can breed dissatisfaction among employees. Lastly, the absence of empathy plays a pivotal role; leaders who overlook employee development and neglect to offer support for enhancing individual performance could contribute to heightened levels of dissatisfaction within the workforce. These factors collectively underscore the importance of effective leadership practices in fostering a positive and productive work environment. Given these observations, addressing employee performance

at PT. Bank X, emerges as a critical research priority. Understanding the factors influencing employee performance, especially within this context, is essential. Transformational leadership and compensation emerge as focal points for investigation.

Transformational leadership, characterized by integrating creativity, persistence, energy, intuition, and sensitivity, plays a pivotal role in organizational goal achievement. This leadership style emphasizes building trust-based relationships between leaders and employees, beyond mere task assignments. While some studies indicate a positive influence of transformational leadership on employee performance (Hira Khan, 2020), others present conflicting results (Noermijati, 2018). Apart from leadership styles, compensation emerges as another influential factor in enhancing employee performance. Compensation, received in exchange for services rendered, positively impacts job performance by stimulating passion and satisfaction among employees (W. Liu, 2021). However, research suggests mixed outcomes regarding the relationship between compensation and job performance (Tjahjadi, 2021; Sutoro, 2019).

The main problem addressed in this research pertains to the declining job performance observed at Bank X, potentially influenced by factors such as transformational leadership and compensation. These challenges, as identified by The Head Auditor, are exacerbated by excessive work hours and inadequate compensation. The formulation of research questions revolves around investigating the significant influence of transformational leadership and compensation on job performance within this context. Specifically, the study aims to determine whether there is a significant effect of transformational leadership and compensation individually on job performance and whether there exists a simultaneous influence of both factors on job performance at Bank X. The research objectives align with the formulation of the problem, seeking to discern the impact of transformational leadership and compensation on job performance in this particular organizational setting. The study is expected to yield theoretical benefits by contributing empirical evidence to the field of human resource management, aiding in knowledge development for academic purposes. Additionally, it offers managerial benefits by furnishing valuable insights and reference material regarding the influence of transformational leadership and compensation on job performance, which could inform decision-making and organizational strategies at Bank X.

Literature review

Transformational leadership

Transformational leadership encompasses several dimensions, as articulated by various scholars. According to Robbins (2017), it involves motivating followers to prioritize organizational goals through individualized consideration, intellectual stimulation, and idealized influence. Similarly, Chan and Mak (2014) define it as a leadership style that instills confidence, pride, and loyalty in employees, encouraging them to surpass expectations. Avolio (2009) emphasizes the significance of shifting leaders' values and beliefs while addressing followers' needs. Moreover, Northouse (2013) highlights transformational leaders' social nature and concern for the collective welfare.

The dimensions and indicators of transformational leadership, as delineated by Bass and Avolio (2010), include idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Idealized influence encompasses leaders' charisma and ability to garner respect and trust from subordinates. Inspirational motivation entails fostering enthusiasm and commitment toward organizational goals. Intellectual stimulation involves generating innovative ideas and encouraging new perspectives to address organizational challenges. Lastly, individualized consideration pertains to leaders' attentiveness to employees' suggestions and career development, fostering strong relationships between superiors and subordinates. These dimensions collectively shape the concept of transformational leadership, serving as the basis for its examination as an independent variable in this research.

Compensation

Compensation stands as a critical facet of Human Resource Management, intricately linked to employment relations and organizational dynamics. It encompasses various aspects such as wages, benefits, incentives, and facilities, all of which serve as means of motivating and retaining employees within an organization. As noted by Rothwell & Kazanas (2003), compensation holds significant meaning for employees, reflecting their value within the organization and society at large. Martocchio (2015) further emphasizes its role as a reciprocal exchange for labor or services rendered, designed to attract, retain, and motivate employees toward achieving organizational goals. However, Hwang and Kleiner (2002) underscore the multifaceted nature of compensation, spanning monetary and non-monetary forms, and Murphy (2010) elaborates on its diverse manifestations, ranging from direct monetary payments to in-kind rewards like goods or services.

Indicators and dimensions of compensation are multifarious, reflecting the diverse ways in which organizations remunerate their employees. Monday and Robert (2013) outline several indicators, including wages and salaries, incentives, allowances, and facilities, each serving as a form of reward and recognition for employees' contributions. Similarly, Johari et al (2012) identify indicators such as bonuses, merit-based compensation, and promotions, which further elucidate the complexity of compensation structures within organizations. These indicators collectively contribute to fostering employee satisfaction, motivation, and performance, thereby reinforcing the organization's objectives and fostering a mutually beneficial employer-employee relationship. Therefore, the selection of compensation indicators, as proposed by Johari et al (2012), as the independent variable in this research underscores the importance of understanding and analyzing the impact of compensation on employee performance within the organizational context.

Job performance

Performance, as defined by various scholars, encompasses the outcomes achieved by employees in fulfilling their responsibilities within an organization. Luthans (2012) characterizes it as the quality and quantity of work accomplished by employees according to their assigned duties. Wittaker (2016) further highlights performance as a management tool for assessing individuals' level of responsibility in carrying out their tasks, while Viswesvaran and Ones (2017) view it as the management of organizational resources to achieve organizational goals. This comprehensive understanding of performance underscores its significance in evaluating employee contributions and organizational effectiveness, which can be gauged through factors such as skills, experience, and punctuality.

Performance assessment serves as a crucial mechanism for measuring and evaluating individual or group performance against established criteria or benchmarks set by the organization. Various definitions of performance appraisal, as outlined by Wittaker (2016), highlight its formal nature and its role in measuring worker performance, potential, and development needs. Additionally, Armstrong's perspective emphasizes performance appraisal as an opportunity to review work content, accomplishments, and future goals. The process of performance appraisal allows managers to assess employee progress, identify areas for improvement, and establish development plans and objectives. Furthermore, performance measurement encompasses various dimensions, including the quantity and quality of work produced, timeliness, presence, and collaboration ability, as elucidated by Luthans (2012). Similarly, Mathis and Jackson (2006) provide indicators such as quantity of yield, quality of results, timeliness of results, presence, and ability to work together, which are instrumental in assessing employee performance within organizations. These multifaceted dimensions and indicators collectively underscore the importance of accurately evaluating and measuring job performance to drive organizational success.

Methods

Research design

In this quantitative associative study, the focus lies on examining the effect of transformational leadership and compensation on job performance at Bank X, among its employees. Associative research, as defined by Lawrance (2003), is purposeful research aimed at describing and testing hypotheses regarding the connection between two or more variables. The study method employed here is quantitative, aligning with a positivist research philosophy, as elucidated by Lawrance (2003). This approach involves researching populations or specific samples, utilizing quantitative data collection methods, instruments, and statistical analysis to test predetermined hypotheses.

In line with this methodology, the research utilizes a survey method, as outlined by Kerlinger (1973), which involves studying data from samples taken from a larger population. This allows for the examination of relative incidents, distributions, and relationships between sociological or psychological variables within the organization. The title of this associative causal research starts with the word "effect," indicating the exploration of influential factors or determinants, consistent with Lawrance's (2003) framework. Therefore, this study aims to systematically investigate the impact of transformational leadership and compensation on job performance among employees of Bank X, employing a quantitative survey approach to gather and analyze relevant data.

Population and sample

Due to limitations such as financial constraints, time, and energy, a sample is selected from this population for study purposes. Employing a non-probability sampling approach, specifically the incidental sampling method, individuals are selected based on their availability and accessibility for participation in the study. This method allows for the examination of a subset of the population, facilitating a comprehensive analysis of the relationships between transformational leadership, compensation, and job performance among employees at Bank X. Sampling involves selecting the right number of elements from a population. According to Sekaran and Bougie (2016), to determine the minimum sample size, it's calculated as five times the number of question items. For this study, with 18 question items, the minimum sample size would be 90 respondents. Therefore, at least 90 employees from PT. Bank X, will be chosen as participants. The sampling technique used is non-probability sampling, specifically simple random sampling, where every employee has an equal chance of being selected. This ensures that the selected sample is representative of the entire population.

Data collection

In this study, primary data serves as the foundational basis for the analysis, supporting the previously formulated research questions. The primary data source comprises all employees of PT. Bank X, who participated by completing questionnaires provided by the researcher. The data collection method employed in this research is the questionnaire method, which involves administering a set of written questions to respondents for their responses. Respondents provided their answers via an online Google Form, where they assigned certain marks corresponding to their responses. The questionnaire encompasses questions related to both independent variables, such as transformational leadership and compensation, as well as the dependent variable, job performance. The scale utilized for measurement is an ordinal scale or Likert scale, enabling the assessment of respondents' perceptions and attitudes towards the variables under investigation.

Data analysis

For the validation process, meticulous scrutiny was applied to the questionnaire items to ensure their alignment with the pertinent subjects under investigation. The questionnaire's validity is paramount, as any deficiencies in this regard could compromise the meaningfulness of the resultant data. Conversely, reliability testing was employed to gauge the consistency of the measuring instrument in yielding consistent outcomes across multiple instances. Utilizing the Cronbach Alpha coefficient formula, a reliability threshold of ≥ 0.60 was set, indicative of a reliable questionnaire.

Subsequent to data collection, analysis was carried out using SPSS 25, encompassing a battery of classical assumption tests. These tests encompassed assessments for normality, linearity, and heteroscedasticity. The normality test was employed to ascertain whether the data adhered to a normal distribution, while the linearity test delved into the linear relationship between variables. Hypothesis testing was a pivotal component of the analytical framework, incorporating methodologies such as simple linear regression analysis, T-tests, and F-tests. The coefficient of determination (R^2) emerged as a crucial metric, elucidating the model's capacity to elucidate variations in the independent variables. Notably, R^2 values nearer to 1 signify more robust effects, thereby furnishing valuable insights into the dynamics of the studied phenomena.

Results

Data collection result

This study enlisted permanent employees from Bank X as participants, utilizing primary data collection methods via distributed questionnaires. The focus of these questionnaires encompassed evaluating transformational leadership style, compensation structures, and job performance among the participants. The dataset analyzed consisted solely of primary data directly sourced from these respondents. The sample size comprised a total of 108 permanent employees from Bank X. To extract pertinent information, researchers designed a questionnaire grounded in insights gleaned from prior studies, featuring 18 statement items. These items were meticulously divided into three distinct sections: 8 items dedicated to assessing transformational leadership, 5 items targeting compensation evaluation, and 5 items directed towards gauging job performance. This structured approach ensured comprehensive coverage of the key variables under investigation, facilitating a nuanced analysis of the research objectives.

Respondent characteristics

The demographic characteristics of respondents in this study provide insightful glimpses into the composition of Bank X's workforce, offering valuable context for understanding organizational dynamics. Gender distribution among respondents revealed a notable predominance of female participants, constituting 59.3% of the total sample. This majority representation of women, totaling 64 individuals, suggests a discernible gender imbalance within the organization's permanent staff. In contrast, male respondents comprised 40.7% of the sample, accounting for 44 individuals. Such a gender distribution could potentially reflect broader trends prevalent in the banking industry or specific organizational factors within Bank X, hinting at potential influences on leadership dynamics, performance evaluations, and organizational culture. Turning to age demographics, the data illustrates a diverse spectrum of respondents across different age brackets. The highest frequency of respondents was observed among individuals aged above 40 years, representing 63% of the total sample, with 68 respondents falling into this category. This substantial presence of experienced professionals within Bank X's workforce underscores the organization's capacity to leverage seasoned talent and institutional knowledge.

Additionally, respondents aged between 20-30 years old accounted for 26.9% of the sample, comprising 11 individuals. Similarly, respondents aged 31-40 years old also constituted 26.9% of the total sample, with 29 individuals falling within this category. This age distribution reflects a diverse cross-section of the workforce, encompassing individuals at various stages of their careers, from entry-level employees to mid-career professionals. Understanding the age composition of employees is paramount for designing targeted strategies related to leadership development, compensation structures, and employee engagement initiatives tailored to meet the distinct needs and preferences of different age cohorts within Bank X. Moreover, this demographic insight enables organizations to foster inclusive workplaces that celebrate diversity and leverage the unique perspectives and experiences of employees across age and gender demographics.

Descriptive analysis

In the assessment of transformational leadership perception at Bank X, the data illuminates a prevailing positive outlook among respondents. With an overall mean score of 4.22, it suggests that employees perceive their leaders as effectively embodying transformational leadership qualities. Notably, certain statements garnered notably high mean scores, indicative of specific areas where leadership excels in fostering a conducive work environment. For instance, statements reflecting a positive and empowering atmosphere, such as encouraging a "can-do" attitude (mean score of 4.33) and recognizing employee initiative (mean score of 4.31), underscore the supportive and encouraging nature of leaders within Bank X. These findings imply that leaders are perceived as attentive, supportive, and conducive to fostering employee engagement, innovation, and career development.

When delving into the perception of compensation among Bank X employees, the data also reveals predominantly positive sentiments regarding various aspects of compensation and opportunities for education and training. Notably, Statement 2, indicating satisfaction with pay equality among colleagues, garnered the highest mean

score of 4.52. The overall combined mean score for all compensation-related statements is 4.19, indicating an overall positive perception of compensation practices within the organization. However, ongoing monitoring and addressing of employee perceptions are crucial for Bank X to ensure sustained satisfaction and engagement, ultimately contributing to effective leadership and organizational success.

Furthermore, analysis of self-perception regarding job performance among Bank X employees unveils several strengths within the workforce. The statement "I am reliable and show up at work on time" received the highest mean score of 4.53, suggesting a strong sense of reliability and punctuality among respondents. This positive self-assessment spans various facets of job performance, encompassing reliability, task comprehension, time management, interpersonal relationships, and problem-solving abilities. Such affirmative evaluations offer valuable insights into the competencies and strengths of Bank X employees, presenting opportunities for further development and optimization of organizational performance. This holistic understanding of employee perceptions and self-assessment serves as a foundation for informed decision-making and targeted interventions aimed at enhancing organizational effectiveness and employee satisfaction.

Validity and reliability test

The validity test, conducted on the questionnaire with a sample size of 108 respondents using a significance level of 5% and SPSS analysis, yielded promising results. The calculated values (Corrected item Total Correlation) for all indicators surpassed the critical value (r table) for $\alpha=0.05$, with degrees of freedom (df) of 106. This robustly suggests that the data collected are indeed valid, indicating that the questionnaire effectively measures the intended constructs. Moreover, the reliability test, focusing on the consistency and stability of responses over time, reinforced the questionnaire's credibility. Each variable assessed—transformational leadership, compensation, and job performance—exhibited Cronbach alpha values exceeding the acceptable threshold of 0.60. This affirmation of reliability underscores the consistency of responses to the questionnaire's statements, thus further solidifying the validity of the research findings. These methodological rigor and statistical assurances provide a strong foundation for the credibility and integrity of the study's outcomes.

Hypothesis test

Regression analysis is a statistical tool employed to explore the relationship between independent variables, such as transformational leadership and compensation, and a dependent variable, in this case, job performance. The findings from the regression analysis, demonstrate that both transformational leadership and compensation significantly impact job performance among employees of Bank X. The T_{count} values for both independent variables surpassed the critical T_{table} value, with significance levels below 0.05, indicating a statistically significant relationship. Moreover, the positive coefficient values for transformational leadership and compensation suggest a positive influence on job performance, implying that improvements in these factors could lead to enhanced performance among Bank X employees.

Furthermore, the t-test was utilized to assess the significance of the relationship between each independent variable and job performance individually. The results from Table 4.13 allowed for several key conclusions to be drawn. Firstly, the hypothesis test for transformational leadership revealed a positive effect on job performance, supported by a calculated t-value of 4.760 with a significance level of $0.000 < 0.05$. Similarly, the hypothesis test for compensation indicated a positive impact on job performance, with a calculated t-value of 3.210 and a significance level of $0.002 < 0.05$. Additionally, the combined hypothesis test for both transformational leadership and compensation confirmed their positive effects on job performance, as evidenced by their respective positive t-values and significance levels below 0.05. These findings emphasize the significance of nurturing effective leadership qualities and enhancing compensation structures to promote optimal job performance among Bank X employees.

Table 1. Hypotesis testing result

| Variable | Coefficient Beta | T_{count} | T_{table} | Sig |
|----------------------------------|------------------|-------------|-------------|-------|
| Transformational Leadership (X1) | 0.436 | 4.760 | 1.982 | 0.000 |
| Compensation (X2) | 0.294 | 3.210 | 1.982 | 0,002 |

The coefficient of determination test (R^2) serves to gauge the extent to which independent variables influence the dependent variable. Upon processing the data using the SPSS 25 program, the results reveal an R^2 value of 0.428, as depicted in Table 4.15. This signifies that approximately 42.8% of job performance at Bank X is attributed to the combined effects of the transformational leadership and compensation variables. In other words, nearly half of the variation in job performance among employees at Bank X can be explained by the quality of leadership and the compensation they receive. This underscores the importance of effective leadership practices and fair compensation structures in fostering optimal job performance within the organization.

Table 2. Coefficient determination test result

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|--------------------|----------|-------------------|----------------------------|
| 1 | 0.654 ^a | 0.428 | 0.417 | 1.710 |

Discussion

The impact of transformational leadership on job performance

The regression analysis conducted in this study unveiled a significant positive relationship between transformational leadership and job performance, with a coefficient value of 0.436. This indicates that the impact of transformational leadership on job performance outweighs that of compensation. Supporting this finding, the results of hypothesis 1 testing indicated a T-count of 4.760, with a significance value of 0.000, underscoring the significance of enhancing leadership qualities for improved job performance. Notably, aspects of transformational leadership such as inspiration and motivation garnered the highest mean score of 4.33, highlighting their pivotal role in driving employee performance.

The findings suggest that when employees perceive their leaders as inspirational and motivational, they are more likely to exhibit higher levels of enthusiasm and engagement, ultimately leading to enhanced job performance. These insights resonate with previous research conducted by Amir et al. (2012), affirming the substantial impact of transformational leadership on leadership effectiveness. Consequently, organizations may benefit from prioritizing leadership development initiatives aimed at fostering transformational leadership qualities among their managerial staff, thereby fostering a culture of motivation and inspiration conducive to superior job performance and organizational success.

The influence of compensation on job performance

The regression analysis conducted in this study illuminated a noteworthy positive relationship between compensation and job performance, although to a lesser extent compared to transformational leadership. The coefficient value of 0.294 suggests that while compensation plays a role in influencing job performance, its impact is not as pronounced as that of transformational leadership. Supporting this observation, hypothesis 2 testing revealed a T-count of 3.210, with a significance value of 0.000, affirming the significance of enhancing compensation packages for fostering improved job performance.

Of particular note is the merit indicator, which garnered the highest mean score of 4.52 in the assessment of compensation perceptions. This underscores the importance of recognizing and rewarding employees for their hard work and contributions. By offering bonuses, merit increases, and opportunities for advancement, Bank X effectively communicates appreciation for employee efforts, fostering a sense of value and appreciation among its workforce. Consequently, employees are more likely to demonstrate heightened levels of loyalty and commitment, translating into improved job performance. These findings are consistent with prior research conducted by Johari et al. (2012), which emphasized the pivotal role of compensation and benefits in not only attracting but also retaining talent, as well as enhancing overall job performance within organizational settings. The correlation between compensation satisfaction and job performance underscores the importance of aligning compensation strategies with employee expectations and organizational goals. Moreover, these insights underscore the necessity for Bank X to continually review and enhance its compensation policies to remain competitive in the talent market and ensure sustained employee satisfaction and performance.

The combined impact of transformational leadership and compensation on job performance

The regression analysis conducted in this study unveiled compelling evidence indicating that both transformational leadership and compensation exert positive influences on job performance, with coefficient values of 0.436 and 0.294, respectively. These findings were further reinforced by the outcomes of hypothesis 3 testing, which yielded significant T-count values of 4.730 for transformational leadership and 3.210 for compensation, both at a significance level of 0.000.

This robust statistical evidence underscores the importance of simultaneous improvements in leadership and compensation for fostering enhanced job performance. When employees are motivated by inspiring leaders and are fairly compensated for their efforts, they tend to experience heightened job satisfaction and morale. This, in turn, translates into increased levels of performance and productivity within the organizational context. Therefore, it can be deduced that transformational leadership style and compensation play pivotal roles as complementary factors influencing job performance at Bank X. By synergistically enhancing both leadership practices and compensation structures, the organization can effectively cultivate a work environment conducive to maximizing employee potential and driving organizational success. These insights underscore the multifaceted nature of factors contributing to job performance and highlight the importance of holistic approaches in organizational management and leadership practices.

Conclusion

Based on the research findings and discussions, several conclusions can be drawn regarding the factors influencing job performance at Bank X. Firstly, the implementation of transformational leadership style significantly impacts job performance positively. The regression analysis confirms that hypothesis I is supported, indicating that a well-executed transformational leadership approach enhances job performance. Therefore, effective leadership at Bank X, characterized by inspiration, motivation, and intellectual stimulation, can lead to improved employee performance. Secondly, compensation also plays a crucial role in influencing job performance positively at Bank X. The regression analysis supports hypothesis II, highlighting that satisfactory compensation contributes to higher employee enthusiasm and better performance. Therefore, ensuring that compensation packages are appropriate and satisfactory can lead to enhanced job performance among Bank X employees. Moreover, the combined effect of

transformational leadership style and compensation significantly influences job performance, as supported by hypothesis III. Thus, fostering a conducive leadership environment alongside competitive compensation can synergistically lead to improved job performance at Bank X.

Moving forward, for further research development, it is recommended to explore additional variables that may influence job performance, such as work motivation, performance appraisal, and organizational commitment. These aspects could provide deeper insights into enhancing job performance strategies at Bank X. Additionally, for organizational improvements, Bank X should focus on enhancing leadership effectiveness by encouraging leaders to take calculated risks and providing necessary training and guidance. Furthermore, evaluating and refining the compensation system to address discrepancies identified in employee perceptions can significantly boost job performance. Finally, investing in employee training, development, and recognition programs can further enhance the quality of work and minimize errors, ultimately leading to improved job performance across Bank X.

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