



## The Effect of Transformational Leadership Style and Compensation Through Organizational Citizenship Behavior (OCB) on Employee Performance BPJS Employment Banyuwangi Branch

Citra Ayu Pratiwi<sup>1\*</sup>, Hary Sulaksono<sup>2</sup>, Tamriatin Hidayah<sup>3</sup>

<sup>1-3</sup> Departemen Magister Manajemen, Institut Teknologi dan Sains Mandala, Jember, Indonesia

Email : [citra.bpjstk@gmail.com](mailto:citra.bpjstk@gmail.com)

**Abstract.** This study aims to examine and analyze the influence of transformational leadership style and compensation on employee performance through organizational citizenship behavior (OCB) at the BPJS Ketenagakerjaan Banyuwangi Branch Office. The research employs a quantitative approach using questionnaires for data collection and is tested using the Structural Equation Modeling (SEM) method with the WarpPLS 7.0 application. The results of the study indicate that: 1. Transformational leadership style has a positive effect on OCB at BPJS Ketenagakerjaan KC Banyuwangi. 2. Compensation has a positive effect on OCB. 3. Transformational leadership style has a positive effect on employee performance. 4. Compensation has a positive effect on employee performance. 5. OCB has a positive effect on employee performance. 6. OCB mediates the influence of transformational leadership style on employee performance. 7. OCB mediates the influence of compensation on employee performance. These findings provide guidance for organizations in managing leadership, compensation, and work culture to improve employee performance. From an academic perspective, this study enriches theories on leadership, compensation, OCB, and employee performance by providing empirical evidence that OCB plays a mediating role in these relationships.

**Keywords:** Transformational Leadership Style, Compensation, Organizational Citizenship Behavior (OCB), Employee Performance

### 1. INTRODUCTION

In this highly competitive era of society 5.0, human resources (HR) is one of the important assets owned by an organization or company to manage everything that the organization has effectively and efficiently in order to achieve a better company. Human resources have a major role in every company activity. Every company will always try to develop and improve employee performance in the hope that the company's goals will be achieved. Human resources are still the main highlight and foundation for companies to survive in the era of globalization. Even though it is supported by modern facilities and infrastructure, the company's activities will not be completed properly. This shows that human resources are the main key that must be improved in order to achieve the expected performance (Landra & Rino, 2023).

One important element in efforts to improve employee performance is a leader who is able to influence subordinates and actively involve subordinates in achieving these goals through an appropriate leadership style. One leadership style that emphasizes the importance of a leader creating a vision and environment that motivates subordinates to achieve beyond their expectations is the transformational leadership style. Transformational leadership

increases follower motivation and performance more than transactional leadership (Khabibulloh et al., 2023).

Proper compensation is one of the factors to improve employee performance. Compensation can improve work performance and motivate employees. Therefore, the company's attention to rational and fair compensation arrangements is very necessary. Compensation includes financial rewards and intangible services and benefits received by employees as part of the employment relationship. Compensation is what employees receive in exchange for their contributions to the organization (Ingusci et al., 2019).

Companies must be selective in recruiting quality human resources so that they have OCB characters. Organizational citizenship behavior (OCB) as a form of individual contribution that exceeds the role demands in the work environment. This OCB involves several behaviors including helping others, volunteering for extra tasks, complying with rules and procedures in the workplace, so companies expect employees who have OCB characters, because the role of OCB is so important and has a positive impact on the company. The OCB attitude possessed by employees will help the company to achieve its goals, because employees will contribute fully because of their love for the company so that employees will be fully responsible and become employees who have the behavior expected by the company (Harahap et al., 2021).

BPJS Employment KC Banyuwangi as one of the independent state institutions in the implementation of social security programs. The resources owned by BPJS Ketenagakerjaan KC Banyuwangi such as capital, methods cannot provide optimum results if they are not supported by human resources who have optimum performance. Companies need employees who are able to work better and faster to produce high performance.

Based on the results of the background description above, as well as previous studies, a research gap was found. Thus, researchers will conduct research with the title “The influence of transformational leadership style and compensation through organizational citizenship behavior (OCB) on the performance of BPJS Employment KC Banyuwangi employees”.

## **2. LITERATURE REVIEW**

### **1. Human Resource Management**

Human Resource Management (HRM) is defined as a management and utilization of resources that exist in individuals. Wilson, (2018) explains that, “Human Resource Management is one of the fields of general management which includes aspects of planning, organizing, implementing and controlling”. Dewi & Harjoyo (2019) say that human resource

management is a management by utilizing the resources that exist in individuals (employees). The resources owned by the company can be categorized into four types of resources, such as; financial, physical, human, and technological capabilities. Enny (2019) states that human resource management is the utilization, development, assessment, reward and management of individual members of an organization or group of workers.

The goal of HRM is to increase the productive contribution of people in the organization through a number of strategically, ethically, and socially responsible ways. Simamora (2015) believes that HRM objectives consist of 4 objectives, namely: Societal Goals, Organizational Goals, Functional Goals, Individual Goals. Social goals are focused on making the organization socially responsible for the needs and challenges of society while minimizing the negative impact of society's demands on the organization. Organizational objectives are formal organizational goals or targets created to help the organization achieve its defined objectives. Functional objectives are to maintain the contribution of the HR department at a level that matches the needs of the organization. Individual Goals are the personal goals of each employee who joins the organization. Every HR person who enters a particular organization must have a personal goal, which is generally to obtain compensation.

## **2. Transformational Leadership Style**

According to Hamali (2018), leadership is a person's ability to influence other people (subordinates) in such a way that other people want to do the will of the leader even though personally it may not be liked. Landra & Rino (2023) state that most divisions regarding leadership reflect the assumption that leadership involves a process of social influence, in this case the influence that is deliberately carried out by someone on others to structure activities and relationships within a group or organization.

## **3. Compensation**

Gandung (2021) argues that compensation is everything that employees receive in return for their work. Total compensation can be classified into three main components, namely: First, basic compensation is compensation whose amount and time of payment are fixed, such as wages and salaries. Second, variable compensation is compensation whose amount varies and/or the timing of payment is uncertain. This variable compensation is designed to reward employees who perform well. Variable compensation includes individual and group incentive payments, gainsharing, bonuses, profit sharing, employee stock-ownership plans and stock-option plans. Third, the last component of total compensation is benefits or often also called indirect compensation (Harahap et al., 2021).

#### **4. Organizational citizenship behavior (OCB)**

According to Hamali (2018) OCB as free individual behavior, not directly or explicitly recognized in the reward system and in promoting the effective functioning of the organization. In other words, OCB is employee behavior that exceeds the required role, which is not directly or explicitly recognized by the formal reward system. Meanwhile, Gandung (2021) argues that OCB is an individual contribution that exceeds role demands in the workplace which involves several behaviors including helping others, volunteering for extra tasks, complying with rules and procedures at work. So in general, what is meant by OCB is a form of individual behavior that exceeds formal provisions that are carried out voluntarily without expecting compensation to improve the organization.

#### **5. Employee Performance**

Sedarmayanti (2017) says that performance is the result or level of success of a person as a whole during a certain period in carrying out tasks compared to various possibilities, such as work result standards, targets or goals or predetermined criteria that have been mutually agreed upon. Performance is basically what employees do or don't do. Harahap et al., (2021) state that performance is the quality and quantity of work achieved by an employee in carrying out his duties in accordance with the responsibilities given to him. Meanwhile, Landra & Rino (2023) performance is the result of work achieved by a person in carrying out the tasks assigned to him based on skills, experience, sincerity and time.

### **3. METHODS**

The type of research used in this study is associative research with a quantitative approach, which is a method of examining the status of a group of people, an object, a condition, a situation, a system of thought (Sugiyono, 2011). The research conducted uses a descriptive approach that uses the survey method. The sampling method in this study was to use the census method (saturated sampling) so that the number of respondents in this study was 108 people. Research data comes from primary data and secondary data with data collection techniques, namely observation, questionnaires, and documentation. The research variables consist of two independent variables, namely transformational leadership style with five indicators and compensation with three indicators, besides that there is one intervening variable, namely Organizational Citizenship Behavior (OCB) with five indicators, while the dependent variable is employee performance with five indicators. The data analysis model uses a Structural Equation Model (SEM) using the WarpPLS 7.0 program.

#### 4. RESULTS

- **Outer Model Evaluation (Measurement Model Testing)**

**Table 1. Research Model Test**

| Description                                            | Value          | Ideal  |
|--------------------------------------------------------|----------------|--------|
| Average path coefficient (APC)                         | 0.308; P<0.001 | <=0.05 |
| Average R-squared (ARS)                                | 0.574; P<0.001 | <=0.05 |
| Average adjusted R-squared (AARS)                      | 0.555; P<0.001 | <=0.05 |
| Average block VIF (AVIF)                               | 1.559          | <= 3.3 |
| Average full collinearity VIF (AFVIF)                  | 2.318          | <= 3.3 |
| Tenenhaus GoF (GoF)                                    | 0.674          | big    |
| Sympson's paradox ratio (SPR)                          | 1              | 1      |
| R-squared contribution ratio (RSCR)                    | 1              | 1      |
| Statistical suppression ratio (SSR)                    | 1              | >= 0.7 |
| Nonlinear bivariate causality direction ratio (NLBCDR) | 1              | >= 0.7 |

Based on table 1, it can be seen that the model has a good fit, where the p-value for Average Path Coefficient (APC), Average R-square and Average Adjusted R-square (AARS) <0.001 with APC value = 0.308 ARS value = 0.574, AARS value = 0.555. Likewise, the resulting Average Full Collinearity (AFVIF) value is < 3.3, which means that there is no multicollinearity problem in the model. The resulting Goodness of Fit (GoF) is 0.674> 0.36 which means that the model fit is very good.

- **Validity Test**

**Table 2. Variable Validity Test (Combined Loading and Cross Loading)**

| Idk.  | Transformational Leadership Style | Compensation | Organizational citizenship behavior (OCB) | Employee Performance | Type (a defined) | SE    | P value |
|-------|-----------------------------------|--------------|-------------------------------------------|----------------------|------------------|-------|---------|
| GKT.1 | <b>0.659</b>                      | -0.123       | -0.453                                    | -0.214               | Reflect          | 0.066 | <0.001  |
| GKT.2 | <b>0.875</b>                      | -0.016       | 0.047                                     | -0.005               | Reflect          | 0.067 | <0.001  |
| GKT.3 | <b>0.853</b>                      | 0.093        | 0.143                                     | 0.087                | Reflect          | 0.066 | <0.001  |
| GKT.4 | <b>0.834</b>                      | 0.066        | 0.097                                     | -0.177               | Reflect          | 0.065 | <0.001  |
| GKT.5 | <b>0.720</b>                      | -0.054       | 0.075                                     | 0.304                | Reflect          | 0.066 | <0.001  |
| KP.1  | -0.058                            | <b>0.891</b> | -0.120                                    | 0.019                | Reflect          | 0.066 | <0.001  |
| KP.2  | -0.277                            | <b>0.886</b> | -0.137                                    | 0.098                | Reflect          | 0.066 | <0.001  |
| KP.3  | 0.380                             | <b>0.782</b> | 0.293                                     | -0.133               | Reflect          | 0.065 | <0.001  |
| KP.4  | 0.066                             | 0.097        | <b>0.853</b>                              | -0.177               | Reflect          | 0.066 | <0.001  |
| KP.5  | -0.054                            | 0.075        | <b>0.753</b>                              | 0.304                | Reflect          | 0.065 | <0.001  |
| OCB.1 | -0.455                            | 0.227        | <b>0.724</b>                              | -0.239               | Reflect          | 0.066 | <0.001  |
| OCB.2 | 0.051                             | -0.261       | <b>0.860</b>                              | -0.053               | Reflect          | 0.066 | <0.001  |
| OCB.3 | 0.287                             | -0.052       | <b>0.825</b>                              | -0.093               | Reflect          | 0.066 | <0.001  |

| Idk.  | Transformational Leadership Style | Compensation | Organizational citizenship behavior (OCB) | Employee Performance | Type (a defined) | SE    | P value |
|-------|-----------------------------------|--------------|-------------------------------------------|----------------------|------------------|-------|---------|
| OCB.4 | -0.149                            | -0.038       | <b>0.811</b>                              | 0.067                | Reflect          | 0.066 | <0.001  |
| OCB.5 | 0.211                             | 0.166        | <b>0.805</b>                              | 0.299                | Reflect          | 0.067 | <0.001  |
| KP.1  | 0.127                             | 0.074        | -0.183                                    | <b>0.877</b>         | Reflect          | 0.066 | <0.001  |
| KP.2  | -0.043                            | -0.080       | -0.187                                    | <b>0.906</b>         | Reflect          | 0.065 | <0.001  |
| KP.3  | -0.088                            | -0.249       | 0.086                                     | <b>0.873</b>         | Reflect          | 0.066 | <0.001  |
| KP.4  | -0.207                            | 0.109        | 0.102                                     | <b>0.858</b>         | Reflect          | 0.065 | <0.001  |
| KP.5  | 0.121                             | 0.174        | 0.222                                     | <b>0.753</b>         | Reflect          | 0.065 | <0.001  |

The results of the WarpPLS 7.0 calculation in table 2 show that each value on the cross loading factor has reached a value above 0.7 with a p-value below 0.001 so that it has met the criteria for convergent validity.

**Table 3. Comparison of Root of AVE with Correlation Between Variables**

| Variable               | Transformational Leadership Style | Compensation | Organizational citizenship behavior (OCB) | Employee Performance |
|------------------------|-----------------------------------|--------------|-------------------------------------------|----------------------|
| Organizational Culture | <b>0.793</b>                      | 0.582        | 0.573                                     | 0.603                |
| <i>Work Balance</i>    | 0.582                             | <b>0.855</b> | 0.708                                     | 0.629                |
| Job Satisfaction       | 0.573                             | 0.708        | <b>0.806</b>                              | 0.573                |
| Employee Performance   | 0.603                             | 0.629        | 0.753                                     | <b>0.855</b>         |

Based on table 3, it is obtained information that the square root value of AVE for each construct (which is located on the diagonal line) is greater than the correlation between constructs so that it shows good discriminant validity.

#### • Reliability Test

Reliability testing is carried out with the aim of ensuring that the research instrument used can present concept measurements consistently with a sign of bias. The results of WarpPLS 7.0 data processing are as follows:

**Table 4. Reliability Test**

| No | Variabel                                  | Composite reliability |
|----|-------------------------------------------|-----------------------|
| 1  | Transformational Leadership Style         | 0.893                 |
| 2  | Compensation                              | 0.885                 |
| 3  | Organizational Citizenship Behavior (OCB) | 0.902                 |
| 4  | Employee Performance                      | 0.931                 |

Based on table 4, it is obtained that the composite reliability value for each construct is greater than 0.7 so that it meets the internal consistency reliability.

- **Calculation of Direct Effect Path Coefficient**

**Tabel 5. Direct Effect Path Coefficient Value**

| No. | Independent Variable              | Dependent Variable   | <i>Path coefficient</i> | <i>p-value</i> | Descriptio<br>n |
|-----|-----------------------------------|----------------------|-------------------------|----------------|-----------------|
| 1.  | Transformational Leadership Style | Employee Performance | 0.352                   | < 0,001        | Significant     |
| 2.  | Compensation                      | Employee Performance | 0.319                   | < 0,001        | Significant     |
| 3.  | Transformational Leadership Style | OCB                  | 0.151                   | < 0,001        | Significant     |
| 4.  | Compensation                      | OCB                  | 0.675                   | < 0,001        | Significant     |
| 5.  | OCB                               | Employee Performance | 0.175                   | < 0,001        | Significant     |

- Based on table 5, it can be seen that for testing the Transformational Leadership Style variable on Employee Performance, the Path coefficient value is 0.352 with a p-value <0.001. Because the p-value < 0.001 is smaller than  $\alpha$  (0.001 < 0.05),  $H_0$  is rejected, thus there is a positive and significant effect of Transformational Leadership Style on Employee Performance.
- Based on table 5, it can be seen that for testing the Compensation variable on Employee Performance, the Path coefficient value is 0.319 with a p-value of 0.002. Because the p-value of 0.002 is more than  $\alpha$  (0.001 < 0.05),  $H_0$  is rejected, thus there is a positive and significant effect of Compensation on Employee Performance.
- Based on table 5, it can be seen that for testing the Transformational Leadership Style variable on OCB, the Path coefficient value is 0.151 with a p-value of 0.022. Because the p-value of 0.022 is less than  $\alpha$  (0.001 < 0.05),  $H_0$  is rejected, thus there is a positive and significant effect of Transformational Leadership Style on OCB.
- Based on table 5, it can be seen that for testing the Worklife Balance variable on employee performance, the Path coefficient value is 0.675 with a p-value <0.001. Because the p-value <0.001 is smaller than  $\alpha$  (0.001 < 0.05),  $H_0$  is rejected, thus there is a positive and significant effect of Compensation on OCB.
- Based on table 5, it can be seen that for testing the OCB variable on Employee Performance, the Path coefficient value is 0.175 with a p-value <0.001. Because the p-value <0.001 is smaller than  $\alpha$  (0.001 < 0.05),  $H_0$  is rejected, thus there is a positive and significant effect of OCB on Employee Performance.

- **Calculation of Indirect Influence Path Coefficient**

**Tabel 6. Indirect Influence Path Coefficient**

| Variabel bebas                    | Variabel mediasi | Variabel terikat     | Path coefficient | p-value | Keterangan  |
|-----------------------------------|------------------|----------------------|------------------|---------|-------------|
| Transformational Leadership Style | OCB              | Employee Performance | 0,176            | < 0,001 | Significant |
| Transformational Leadership Style | OCB              | Employee Performance | 0,178            | < 0,001 | Significant |

The indirect effect of Transformational Leadership Style on Employee Performance through OCB is 0.176, which is smaller than the direct effect of Transformational Leadership Style variables on Employee Performance, which is 0.352. In addition, the indirect effect of the Compensation variable on Employee Performance through the OCB variable is 0.178, which is smaller than the direct effect of the Compensation variable on Employee Performance, which is 0.319. Thus it can be stated that the Transformational Leadership Style variable affects Employee Performance through Job Satisfaction less than its direct effect, as well as the Compensation variable affects Employee Performance through OCB less than its direct effect.

The results of the WarpPLS 7.0 analysis for the indirect effect of Transformational Leadership Style on Employee Performance through OCB are as follows:

$$VAF = \frac{0,151 \times 0,178}{0,151 \times 0,178 + 0,352} \times 100\%$$

$$VAF = 0,3788$$

The results of the WarpPLS 7.0 analysis for the indirect effect of Compensation on Employee Performance through OCB are as follows:

$$VAF = \frac{0,675 \times 0,178}{0,675 \times 0,178 + 0,319} \times 100\%$$

$$VAF = 0,2735$$

So the magnitude of the indirect effect for Compensation on Employee Performance through OCB is 27.35% (there is partial mediation).



- **Calculation of Total Effect Path Coefficient**

**Tabel 7. Total Effect**

| No. | Variabel bebas                    | Variabel terikat     | <i>Direct</i> | <i>Indirect</i> | <i>Total effect</i> |
|-----|-----------------------------------|----------------------|---------------|-----------------|---------------------|
| 1.  | Transformational Leadership Style | Employee Performance | 0.352         | 0,176           | 0.357               |
| 2.  | Compensation                      | Employee Performance | 0.319         | 0,178           | 0.347               |
| 3.  | Transformational Leadership Style | OCB                  | 0.151         | -               | 0.163               |
| 4.  | Compensation                      | OCB                  | 0.675         | -               | 0.659               |
| 5.  | OCB                               | Employee Performance | 0.178         | -               | 0.130               |

Based on the results of the path coefficient calculation, it appears that:

- The total effect of Transformational Leadership Style on Employee Performance is 0.357 with details of the direct effect of 0.352 and the indirect effect of 0.176.
- The total effect of Compensation on Employee Performance is 0.347 with details of the direct effect of 0.319 and an indirect effect of 0.178.

Based on the above calculations, the independent variable that has the strongest influence on the OCB variable is the Compensation variable of 0.659. While the Transformational Leadership Style and Compensation variables that have the strongest influence on the Employee Performance variable are the Organizational Culture variable of 0.352 and the compensation variable that has the strongest influence on the employee performance variable through the OCB variable is the Compensation variable of 0.659.

- **Coefficient of Determination ( $R^2$ )**

The coefficient of determination of employee performance is 0.54 This means that the model's contribution to explaining the structural relationship of Transformational Leadership Style and Compensation to employee performance is 54% and the remaining 46% is explained by other variables not involved in the model.

The coefficient of determination of OCB is 0.60 This means that the model's contribution to explaining the structural relationship of the Transformational Leadership Style and Compensation to OCB is 60% and the remaining 40% is explained by other variables not involved in the model.

- **Hypothesis Test**

**Table 8. Summary of Hypothesis Test Results**

| No. | Hypothesis |                                                                                                                                                                     | <i>Path coefficient</i> | <i>p-value</i> | Kesimpulan |
|-----|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|----------------|------------|
| 1.  | H1         | Does transformational leadership style have a direct effect on organizational citizenship behavior (OCB) of BPJS Ketenagakerjaan KC Banyuwangi employees?           | 0.352                   | < 0,001        | Accepted   |
| 2.  | H2         | Does compensation have a direct effect on organizational citizenship behavior (OCB) of BPJS Ketenagakerjaan KC Banyuwangi employees?                                | 0.319                   | < 0,001        | Accepted   |
| 3.  | H3         | Does transformational leadership style have a direct effect on the performance of BPJS Ketenagakerjaan KC Banyuwangi employees?                                     | 0.151                   | < 0,001        | Accepted   |
| 4.  | H4         | Does compensation have a direct effect on the performance of BPJS Ketenagakerjaan KC Banyuwangi employees?                                                          | 0.675                   | < 0,001        | Accepted   |
| 5.  | H5         | Does organizational citizenship behavior (OCB) directly affect the performance of BPJS Ketenagakerjaan KC Banyuwangi employees?                                     | 0.175                   | < 0,001        | Accepted   |
| 6.  | H6         | Does transformational leadership style affect through organizational citizenship behavior (OCB) on the performance of BPJS Ketenagakerjaan KC Banyuwangi employees? | 0,176                   | < 0,001        | Accepted   |
| 7.  | H7         | Does compensation affect through organizational citizenship behavior (OCB) on the performance of BPJS Ketenagakerjaan KC Banyuwangi employees?                      | 0,178                   | < 0,001        | Accepted   |

## 5. DISCUSSION

### 1. Transformational Leadership Style

The results of data analysis show that directly transformational leadership style has a positive and significant effect on the performance of employees of the BPJS Employment Office Banyuwangi Branch. In the Vision indicator, these results indicate that leadership in the organization has a very strong vision and is well received by employees. Leaders succeed in communicating future directions clearly and effectively. However, to improve overall understanding, organizations can still conduct communication sessions or discussions to ensure that all team members truly understand and are inspired by the vision.

On the Inspirational Communication indicator, this result shows that the leadership in the organization has very inspirational and effective communication in building team motivation. Although the results are already very good, leaders can still strengthen communication with more interaction sessions, storytelling, or a more personalized approach so that all team members feel more involved and motivated.

On the Intellectual Stimulation indicator, this result shows that leaders have a very good ability to stimulate employees' intellectual thinking, encouraging them to think creatively, innovatively, and be more active in finding solutions. Although the results are already very good, leaders can continue to improve this approach by providing more opportunities for training, brainstorming, strategic discussions, or idea sharing sessions to further develop creativity and innovation.

On the Supportive Leadership indicator, this result shows that leaders are very effective in providing support to employees, both in the form of guidance, motivation, and attention to their needs. With such a supportive work environment, employees tend to be more loyal, productive, and motivated to perform better. To maintain this positive trend, leaders can continue to strengthen support with a more personalized approach, for example through mentoring, constructive feedback, and more flexible policies according to employee needs.

On the Personal Recognition indicator, this result shows that there are still some employees who feel recognized, but there may be room for improvement in the way leaders give awards. Leaders can be more specific in giving appreciation, for example with performance-based awards or more personalized thanks.

## **2. Compensation**

The results of data analysis show that compensation directly has a positive and significant effect on the performance of employees of the Banyuwangi Branch Employment BPJS office. In the Salary indicator, these results show that employees are generally satisfied and appreciate the salary they receive. The salary given is considered appropriate and able to meet their expectations. To maintain this satisfaction, companies can continue to ensure that the payroll system remains competitive, transparent, and fair, and consider performance-based or work experience-based increases.

On the Incentives indicator, these results show that the incentives provided by the company are highly valued by employees and are an important factor in increasing job satisfaction and motivation. To further increase satisfaction, companies can ensure that this incentive program remains fair, transparent, and relevant to employee performance and

company conditions. In addition, companies can conduct periodic evaluations to adjust incentives to employee needs.

On the Guarantee indicator, these results show that employees are generally satisfied with the incentives they receive which indicates that the guarantee program has been well socialized and has a positive impact on employee welfare.

### **3. Organizational Citizenship Behavior (OCB)**

The results of data analysis show that directly Organizational Citizenship Behavior (OCB) has a positive and significant effect on the performance of employees of the Banyuwangi Branch Employment BPJS office. In the Altruism indicator, this result shows that caring and helping each other among employees in the work environment is good enough, but it can still be improved. To encourage higher altruism values, companies can improve the culture of cooperation through mentoring programs or social activities. Encourage more collaborative teamwork through training and company policies. Give appreciation to employees who show altruism as a positive example for others.

On the Conscientiousness indicator, these results show that employees generally have a good level of conscientiousness, where they are responsible, disciplined and committed to their work. However, to improve this result further, companies can encourage a culture of discipline and responsibility through rewards and recognition of employees who demonstrate a high work ethic. Provide training or coaching to raise awareness of the importance of conscientiousness in achieving team and company goals. Ensure that work rules and expectations are clear so that employees are more encouraged to demonstrate a responsible and disciplined attitude.

In the Sportsmanship indicator, this result shows that the sportsmanship attitude of employees is quite good, but it can still be further improved. To improve sportsmanship in the work environment, companies can encourage a more supportive and respectful work culture among employees. Provide training or motivational sessions to build a positive mindset in facing work challenges. Appreciate and provide real examples of the importance of sportsmanship through exemplary leadership.

On the Courtesy indicator, these results show that most employees already have a respectful and polite attitude towards superiors, but it can still be further improved. To improve courtesy towards superiors, companies can: Educate the importance of communication ethics through training or workshops related to professionalism in the workplace. Encourage openness and better relationships between employees and superiors so that respect comes naturally, not just a formality. Create a more inclusive work environment, where communication between superiors and subordinates is positive, comfortable and respectful.

On the Civic Virtue indicator, these results indicate that employees have a good level of civic virtue, but there are still opportunities to increase their participation and concern for the organization. To improve civic virtue in the work environment, companies can Increase employee involvement in decision making and company activities through discussion forums or participatory programs. Appreciate and reward employees who are active in supporting the organization's values and contribute more than just their primary duties. Create a work culture that encourages active involvement in organizational improvement and innovation, so that employees feel they have more of a role in the company's development.

#### **4. Employee Performance**

The results of data analysis show that the employee performance variable is seen from 5 indicators, namely Quantity, Quality, Timeliness, Attendance and Ability to Cooperate. In the quantity indicator, these results indicate that the quality of employee work is generally good, but can still be further improved. To improve the overall quality of work, companies can provide training or guidance to improve work efficiency. Provide more effective work systems or tools to support increased productivity. Create evaluation and feedback mechanisms so that employees can continue to develop themselves and improve their performance.

On the quality indicator, the results in this study show that the majority of employees understand the importance of job quality in assessing employee performance, but there is still an opportunity to improve understanding or application of higher quality standards. To strengthen a quality-oriented work culture, companies can Provide clearer work standards so that all employees understand the desired quality expectations. Provide skills enhancement training to ensure that employees have competencies that support work quality. Implement a regular feedback and evaluation system so that the quality of work continues to improve and is adjusted to the needs of the organization.

In the timeliness indicator, the results in this study that timeliness in work is good enough, but can still be further improved. To improve timeliness in job completion, companies can improve time management and work planning so that tasks can be completed more efficiently. Provide sufficient support or resources so that employees do not experience delays due to external factors. Implement a monitoring and evaluation system so that timeliness can be continuously improved without sacrificing the quality of work.

In the attendance indicator, the results in this study that the level of employee attendance is generally good, but can still be further improved. To improve employee attendance, companies can provide a reward or incentive system for employees with good attendance rates. Provide flexible policies such as work-from-home for certain conditions, so that attendance

remains optimal without reducing productivity. Monitor and evaluate attendance patterns to identify obstacles or factors that can be improved.

On the ability to cooperate indicator, the results in this study show that the ability to cooperate with employees is quite good, but there are opportunities to improve more effective and synergistic teamwork. To improve teamwork, companies can improve communication between teams by encouraging transparency and openness in discussions. Organize teamwork training to build stronger coordination. Create a more collaborative work environment by encouraging cross-departmental work and joint projects.

The results of this study are in accordance with previous research conducted by Terressa and Simarmata (2023), Sihombing, et al (2023), Saraswati and Hakim (2019).

## **6. CONCLUSION**

Based on the results of the analysis and discussion that the researcher has explained, it can be concluded as follows:

1. The results showed that Transformational Leadership Style affects OCB BPJS Employment KC Banyuwangi in Banyuwangi Regency. Transformational Leadership Style has a positive and significant influence on Organizational Citizenship Behavior (OCB) of employees at BPJS Employment Banyuwangi Branch. With indicators of Vision, Inspirational Communication, Intellectual Stimulation, Supportive Leadership, and Personal Recognition getting the majority of positive responses, it can be concluded that leadership that is inspiring, supportive, and able to motivate employees has created a conducive work environment, increased loyalty, and encouraged extra-role work behavior (OCB). These results show that leaders at BPJS Ketenagakerjaan Banyuwangi have succeeded in building trust, effective communication, and an innovative and appreciative work culture, so that employees are more motivated to work with high dedication.
2. The results showed that compensation affects OCB BPJS Employment KC Banyuwangi in Banyuwangi Regency. Compensation has a positive and significant effect on Organizational Citizenship Behavior (OCB) of employees at BPJS Ketenagakerjaan Banyuwangi Branch. With three main indicators of compensation-Salary, Incentives, and Guarantees-the majority of which received positive responses from employees, it is evident that fair, competitive, and performance-based compensation increases employee satisfaction, motivation, and loyalty. Employees who feel valued through decent pay, motivating incentives, and security, tend to exhibit

extra work behaviors (OCB), such as helping co-workers, contributing more than their primary duties, and having high concern for the organization. These results confirm that good compensation not only impacts individual performance, but also improves collective morale and builds a positive work culture in the organization.

3. The results showed that Transformational Leadership Style affects the performance of BPJS Employment KC Banyuwangi employees in Banyuwangi Regency. Transformational Leadership Style has a positive and significant influence on the performance of BPJS Ketenagakerjaan KC Banyuwangi employees. This is reflected in the high level of employee approval of the five main indicators: Vision, Inspirational Communication, Intellectual Stimulation, Supportive Leadership, and Personal Recognition. Leaders are considered capable of conveying a clear vision, inspiring through communication, encouraging innovative thinking, providing strong support, and recognizing employee contributions. With this effective leadership, employees feel more motivated, valued, and have better performance.
4. The results showed that compensation affects the performance of BPJS Employment KC Banyuwangi employees in Banyuwangi Regency. Compensation has a positive and significant effect on the performance of BPJS Ketenagakerjaan KC Banyuwangi employees. This can be seen from the high level of employee satisfaction with the salary, incentives, and guarantees provided. The majority of employees feel that the salary received is competitive, incentives are able to increase work motivation, and the guarantees provided provide a sense of security and protection. With a fair and expected compensation system, employees become more motivated, loyal, and productive at work.
5. The results showed that OCB affects the performance of BPJS Employment KC Banyuwangi employees in Banyuwangi Regency. Organizational Citizenship Behavior (OCB) has a positive and significant effect on the performance of BPJS Ketenagakerjaan KC Banyuwangi employees. This can be seen from the high level of employee concern for others (Altruism), responsibility and good discipline (Conscientiousness), sportsmanship at work (Sportsmanship), respect for superiors (Courtesy), and concern for the company (Civic Virtue). With the increase in OCB behavior, employees become more loyal, collaborative, and productive in supporting the achievement of organizational goals.
6. The results showed that OCB mediates the effect of Transformational Leadership Style on Employee Performance BPJS Employment KC Banyuwangi in Banyuwangi

Regency. That the transformational leadership style encourages a positive and productive work environment. transformational leaders are able to inspire, motivate, and pay attention to employees so that they are more loyal and proactive and employees are proven to develop OCB behavior that can improve performance individually and the organization as a whole.

7. The results showed that OCB mediates the effect of Compensation on Employee Performance BPJS Employment KC Banyuwangi in Banyuwangi Regency. able to inspire, motivate, and pay attention to employees so that they are more loyal and proactive. Good compensation does not directly improve employee performance, but through increasing OCB first. In other words, when employees feel compensated fairly and appropriately, they will be more motivated to exhibit extra-role behavior (OCB), such as helping co-workers, being loyal to the organization, and working more than expected. Ultimately, these OCB behaviors will improve employee performance.

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