

TRANSACTIONAL LEADERSHIP IN MODERATING INFLUENCE OF PSYCHOLOGICAL EMPOWERMENT AND WORKFORCE AGILITY ON EMPLOYEE PERFORMANCE

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Abstract: This study aims to investigate the role of transactional leadership in moderating the influence of psychological empowerment and workforce agility on employee performance at the Transportation Agency of Indragiri Hulu Regency. A sample of 108 employees was selected using a saturated sampling method. Data were analyzed using SmartPLS. The results of the study show that psychological empowerment and workforce agility influence employee performance. Furthermore, transactional leadership moderate the influence of psychological empowerment and workforce agility on employee performance. These results suggest that improving employee performance can achieve through the application of transactional leadership practices. The results of the study strengthen the dynamic capabilities theory where organizations can develop competencies to face a changing environment.

Keywords: Employee Performance, Transactional Leadership, Psychological Empowerment, Workforce Agility
