

The Effect of Transformational Leadership and Employee Placement on Work Engagement of Civil Servants with Job Satisfaction as an Intervening Variable

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Abstract. This study aims to analyze and understand the influence of Transformational Leadership and Employee Placement on the Work Engagement of Millennial Generation Civil Servants, with Job Satisfaction as an Intervening Variable. This study employs survey research techniques along with a descriptive and quantitative verification strategy. The population in this study consisted of 813 Millennial Civil Servants of the Ministry of Finance in Bandung City, and a sample size of 269 persons was used. A questionnaire was employed for primary data collection, and SmartPLS 3.2 software was used to analyze the data using a structural equation model (SEM) based on variance or partial least squares (PLS). According to the study's findings, transformational leadership significantly and favorably impacts job satisfaction. Job happiness is positively and significantly impacted by employee placement. Work engagement is positively and significantly impacted by job satisfaction. Engagement at work is positively and significantly impacted by transformational leadership. Work engagement is significantly and favorably impacted by employee placement. Through job happiness, transformational leadership dramatically and favorably influences work engagement. Through job satisfaction, employee placement has a favorable and considerable impact on work engagement.

Keywords: Employee placement; Job satisfaction; Transformational leadership; Work engagement.

Abstrak. Penelitian ini bertujuan untuk menganalisis dan memahami pengaruh Kepemimpinan Transformasional dan Penempatan Pegawai Terhadap Work Engagement PNS Generasi Milenial, dengan Kepuasan Kerja sebagai Variabel Intervening. Pendekatan penelitian ini menggunakan pendekatan kuantitatif deskriptif dan verifikatif dengan metode penelitian survey. Populasi dalam penelitian ini berjumlah 813 PNS Milenial Kementerian Keuangan Kota Bandung, dan jumlah sampel yang digunakan

adalah 269 orang. Pengumpulan data primer menggunakan kuisioner dan data dianalisis menggunakan *Structural Equation Model (SEM)* berbasis varians atau *Partial Least Square (PLS)* dengan software *SmartPLS 3.2*. Hasil penelitian ini menemukan bahwa kepemimpinan transformasional berpengaruh positif dan signifikan terhadap kepuasan kerja. Penempatan pegawai berpengaruh positif dan signifikan terhadap kepuasan kerja. Kepuasan kerja berpengaruh positif dan signifikan terhadap keterikatan kerja. Kepemimpinan transformasional berpengaruh positif dan signifikan terhadap keterikatan kerja. Penempatan pegawai berpengaruh positif dan signifikan terhadap keterikatan kerja. Kepemimpinan transformasional berpengaruh positif dan signifikan terhadap keterikatan kerja melalui kepuasan kerja, kepuasan kerja mampu memediasi hubungan kepemimpinan transformasional terhadap keterikatan kerja. Penempatan pegawai berpengaruh positif dan signifikan terhadap keterikatan kerja melalui kepuasan kerja, kepuasan kerja mampu memediasi hubungan penempatan pegawai terhadap keterikatan kerja.

Kata kunci: *Kepemimpinan transformasional; Kepuasan kerja; Keterikatan kerja; Penempatan pegawai.*

Article Info:

Received: February 21, 2023 Accepted: December 9, 2023 Available online: December 31, 2023
DOI: <http://dx.doi.org/10.30588/jmp.v13i1.1458>

BACKGROUND

Human resources (HR) is the prime mover of the organization and is an organizational asset with the highest value compared to other assets. Currently, human resources in Indonesia and abroad are dominated by Generation Y. This generation is referred to as millennials, i.e. people born between 1981 and 1999 (R. N. Bolton et al., 2013). According to C. Bolton (2018), the millennial group is people with birth years 1982 to 2000. Based on BPS data (the Indonesian Statistical Catalog, 2022), Indonesian State Civil Servants HR, the millennial generation numbered 1,188,777 people (29.75%) of the total civil servants of 3,995,634 people (data up to December 2021). The state civil servant is the government's spearhead in implementing community services. In the process of realizing good and clean governance, as well as supporting the tasks of government to provide the best service to the community, the role of the HR apparatus from leadership to staff level is very important. Mainly, how they serve the community, so that people are satisfied with the government's performance.

Gallup (2022) revealed that 21% of millennials had changed jobs within the past year. One of the reasons being their low engagement at work. Gallup (2022) found that only 29% of millennials are engaged at work, it means only three in 10 of them are emotionally and behaviorally connected to their jobs and organizations. For leaders, the current challenge is twofold, they must understand how to attract millennial workers who want to leave their current organization, and how to retain the existing millennial employees.

The phenomenon we see lately that has gone viral on social media is the large number of Civil Servants candidates who are busy resigning after passing recruitment and placement. According to Rachmahyanti (2022), here are five reasons why hundreds

of Civil Servant candidates resigned: (1) Low salary, (2) Unsuitable allowances, (3) Job location not as expected, (4) Loss of motivation, (5) Got another chance. Likewise, at the Ministry of Finance, the phenomenon of leaving is also relatively high. However, we know that salary compensation at the Ministry of Finance is quite good compared to civil servants in other Ministries.

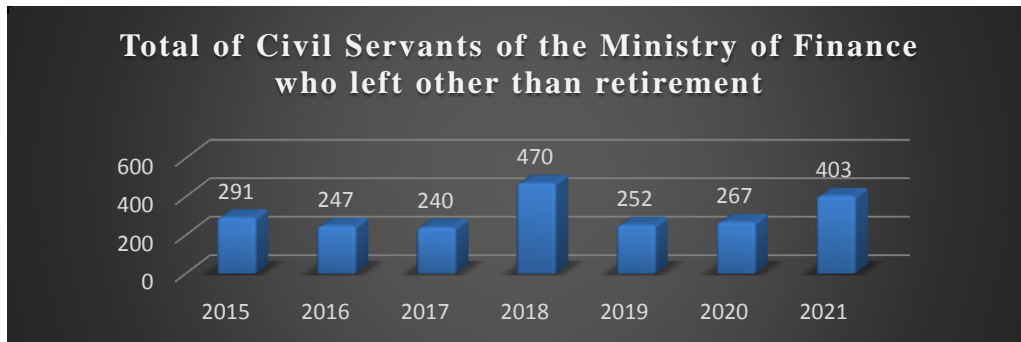


Figure 1. Number of Civil Servants of the Ministry of Finance who left other

We can see accurate data from the previous seven years in Figure 1, becoming a civil servant is the wish of the current millennial generation, especially fresh graduates. However, turnover intention at the Ministry of Finance is common. Based on data from the Ministry of Finance's HR strategic plan (Figure 1), in 2020, it is projected that as many as 398 people will leave the Ministry of Finance apart from retirement; the 2020 realization data are 267 people (67%), in 2021, it is projected 298 people, but the realization is 403 people (135%). Based on the results of the 2021, Ministry of Finance employee engagement and satisfaction survey, with an index of the Ministry of Finance of 3.36 and the results of the 2021 survey are as follows in Table 1.

Table 1. Results of the Employee Engagement Survey Based on Generation-Index of the Ministry of Finance (3.36)

Generation	Employee Engagement Index	Engagement Level
<1961 (Baby Boomers)	3,56	Engaged
1961 – 1980 (Generation X)	3,50	Engaged
1981 – 2000 (Generation Y)	3,30	Below the average of the Ministry of Finance (<3,36)
>2000 (Generation Z)	3,39	Engaged

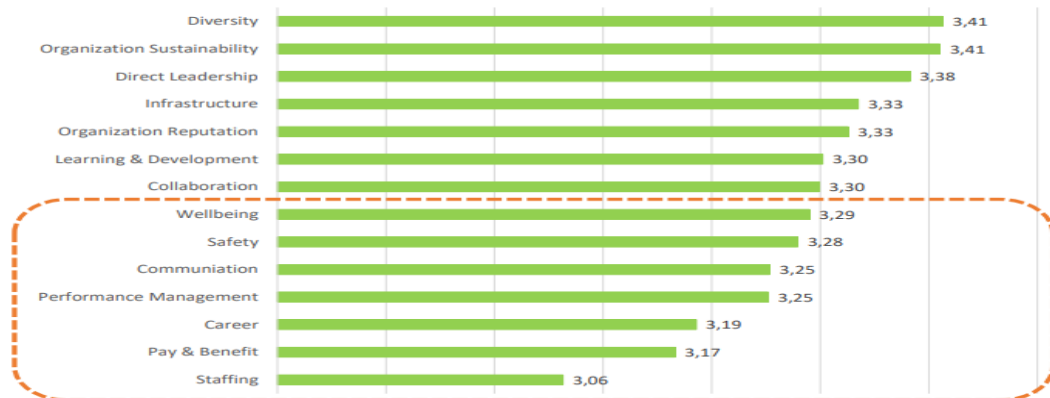
Source: The Ministry of Finance - PPM Consulting (2021).

The engagement level of the Baby Boomers and Gen X is higher than Gen Y and Gen Z. Meanwhile, the Ministry of Finance's employee satisfaction index is 3.30, and the results of the 2021 employee satisfaction survey are as follows in Table 2.

Table 2. Results of the Employee Satisfaction Survey based on the Ministry of Finance's generation-Index (3.30)

Generation	Employee Engagement Index	Satisfaction Level
<1961 (Baby Boomers)	3,49	Satisfied
1961 – 1980 (Generation X)	3,43	Satisfied
1981 – 2000 (Generation Y)	3,24	Below the average of the Ministry of Finance (<3,30)
>2000 (Generation Z)	3,37	Satisfied

Source: The Ministry of Finance - PPM Consulting (2021).



Source: The Ministry of Finance - PPM Consulting (2021).

Figure 2. Satisfaction Survey Results Based on Dimensions with the Ministry of Finance Index (3.30)

The satisfaction level of Gen Y is below the average satisfaction score of all Ministry of Finance employees. The results of employee satisfaction scores based on the dimensions are shown in Figure 2. The dimensions of well-being, safety, communication, performance management, career, pay and benefits, and staffing still need to meet the Ministry of Finance's satisfaction index of 3.30. The organization and leadership dimension group measures employee satisfaction concerning the clarity of directions and policies, leadership, and organizational reputation; when seen from the survey results, this dimension meets the Ministry of Finance's index, meaning that leadership has gone well and is well received by employees.

The article of Bakker and Albrecht (2018) states that recent studies have begun investigating more distant predictors of work engagement - those that can predict work and personal resources and indirectly affect engagement. (Breevaart et al., 2014) states that transformational leadership is positively related to daily work engagement followers after controlling daily reward contingents and active management by exception (MBE) and that daily reward contingents are positively related to work engagement followers after controlling daily transformational leadership and active MBE every day. Studies (Lai et al., 2020) suggest that transformational leaders use a variety of behaviors to provoke organizationally healthy follower behaviors (e.g., better task performance and helping behaviors) by igniting followers' work engagement. Employees who are inspired by transformational leadership are more likely to immerse themselves in work, which, in turn, might result in better task performance and helping

behavior. This work engagement can be influenced by leadership style (Ghadi, 2017; Zufrie et al., 2021; Widjaja et al., 2016).

The way for leaders to influence their followers is in such a way that their followers want to carry out the direction of the leadership to achieve organizational goals even though personally this may not be liked (Lhutans, 2011). Transformational leadership goes beyond just exchanging or rewarding the performance displayed by followers but is based more on trust and commitment (Bass & Bass, 2012). The Organization & Leadership dimension cannot directly affect employee engagement with work or with the organization and fulfill the Ministry of Finance's employee satisfaction index; another dimension is needed to fulfill the Ministry of Finance's employee satisfaction index. Furthermore, the Human Resources (HR) System dimension group measures employee satisfaction with the HR management system implemented by the organization; these four dimensions (staffing, performance management, career, pay, and benefits) do not meet the Ministry of Finance's index of 3.30.

Job satisfaction is another factor that encourages an employee's attachment to his work and to the organization. Positive feelings about work indicate job satisfaction, whereas negative feelings about work indicate dissatisfaction (Paripurna et al., 2017). Employee engagement is influenced by job satisfaction (Chen et al., 2022; Zufrie et al., 2021; Widjaja et al., 2016; Praborini et al., 2021). In general, job satisfaction is colored by feelings toward the work environment and reflects an employee's satisfaction with conditions related to the implementation of work (Robbins & Coulter, 2007). Employee dissatisfaction can occur if the work done differs from what is obtained from the company, which can be detrimental to the company concerned. Therefore employee job satisfaction must always be considered to positively impact the company, which is reflected in the achievement of company goals. Other effects of job dissatisfaction show responses to neglect, such as increased absenteeism, delays, or failures, whereas job satisfaction, in contrast, indicates attachment to work. Engaged employees are motivated to work and willing to accept meaningful work challenges (Sari et al., 2020). Employees who are satisfied and engaged with their work will influence their desire to continue working at the company.

The staffing dimension is the lowest dimension among all dimensions for measuring employee satisfaction, namely 3.06. Research (Fabiolatesly et al., 2021) shows that employee placement influences employee job satisfaction; employee placement has a positive but not significant effect on employee performance. This shows that the employee placement process only contributes slightly to increasing job satisfaction; job satisfaction significantly contributes to employee performance.

According to Bakker and Leiter (2010), work engagement is a motivational concept in which engaged employees are enthusiastic about striving to complete work challenges. The human resources that the company expects are those who can and are willing to be attached to their work (work engagement); engaged employees tend to work correctly and care about their work (Praborini et al., 2021). The researcher also conducted interviews with several millennial CIVIL SERVANTS of the Ministry of Finance in December 2022 with four informants; they said that they were pretty satisfied with salary compensation at the Ministry of Finance, the work atmosphere was also supportive,, but they were dissatisfied with the placement of employees or the pattern of mutations that moved between from one area to another so they cannot settle

down in one place. A study is needed to answer these problems, namely the relationship between transformational leadership variables and employee placement to increase employee satisfaction and employee engagement. Furthermore, what is the role of the leader in managing millennial HR, so that they have a high level of engagement with work and the organization? Based on the problem indications, this research aims to analyze, study, and understand the influence of transformational leadership, employee placement, and job satisfaction on the work engagement of millennial civil servants at the Ministry of Finance, Bandung City.

LITERATURE REVIEW

Transformational leadership

James W. Downton, the first introduced transformational leadership, then developed by James MacGregor Burns (1978). Burns (1978) defines transformational leadership as a process by which leaders and followers elevate one another to higher levels of morality and motivation. Bass (1990) in Ohemeng et al. (2018) sees transformational leadership as leaders who broaden and elevate the interests of their employees, generate awareness and acceptance of group goals and missions and move their employees to look beyond their self-interests for the good of the group. Transformational leaders see the needs of their followers, be it through self-development and helping solve problems in new ways, providing inspiration, or arousing enthusiasm so that followers can make extra efforts to achieve group goals (Robbins & Judge, 2019). According to Robbins and Judge (2019), the dimensions and indicators of transformational leadership are:

1. Idealized influence: providing vision and mission, instilling pride, and earning respect and trust with measurement indicators: (1) Trust (ability to instill a sense of trust), (2) Respect (ability to instill respect), and (3) Integrity (consistency in decision making and ability to be a good figure).
2. Inspirational motivation: communicating high expectations, using symbols to focus efforts, and expressing essential goals with measurement indicators include: (1) Communication (ability to communicate organizational targets to be achieved), (2) Enthusiasm (ability to generate enthusiasm), and (3) Optimism (ability to generate optimism).
3. Intellectual stimulation: increase intelligence, rationality, and careful problem-solving with measurement indicators include (1) Rationality (ability to explain organizational activity programs), (2) Problem-Solving (ability to solve problems and the level of decision-making ability).
4. Individualized consideration: providing personal attention, treating each employee individually, coaching, and advice with measurement indicators include: (1) Personal Attention (attention to employees and ability to pay attention to work facilities), (2) Mentoring (ability to provide input), and (3) Listening (ability to listen to complaints).

Employee Placement

According to Mathis et al. (2013), placement is placing someone's position in the correct job position; the suitability of an employee's work position will affect the quantity and quality of performance; the placement of an employee must be based on

the knowledge, and skills and work abilities of each. Mismanagement of Human Resources in placing employees will have an impact on various things such as job satisfaction, organizational commitment, and intensity of leaving. In this case, good employee performance will create job satisfaction and increase performance. The dimensions and indicators of employee placement are (Yuniarsih & Suwatno, 2013):

1. Education: (1) primary education required in a job/position, and (2) alternative education (training, particular expertise) required in a job/position.
2. Work knowledge: (1) knowledge underlying skills, (2) work equipment, (3) work procedures, and (4) work process methods.
3. Work Skills: (1) mental skills (e.g., analyzing data, making decisions), (2) physical skills (e.g., physical endurance, being able to work long hours), (3) social skills (e.g., socialization or counseling).
4. Work Experience: (1) work to be done, and (2) length of time working in a division/field/location.

Job Satisfaction

Locke provides a comprehensive definition of job satisfaction involving cognitive, affective, and evaluative reactions or attitudes. Job satisfaction is "a pleasant or positive emotional state resulting from the appraisal of one's work or work experience. Job satisfaction results from employees' perceptions of how their work provides things that are seen as necessary (Lhutans, 2011). According to Robbins and Judge (2019), job satisfaction is an individual's positive feelings about their performance, which is an assessment of the characteristics of their work. A person with high job satisfaction has positive feelings about the job, whereas people with low job satisfaction have negative feelings. The dimensions and indicators of Job Satisfaction are explained below.

In research of Yang (2016); Garg et al. (2018); Aziz (2020); and Curado and Santos (2022), job satisfaction is measured using the Minnesota Satisfaction Questionnaire (MSQ). The MSQ is a method to be able to assess job satisfaction using a rating scale that an overview of the extent to which employees' experience satisfaction with various aspects of their work. This MSQ was compiled by Weiss, Davis, England, and Lofquist from the University of Minnesota in 1967 (Weiss et al., 1967). Initially, the MSQ consisted of 100 items, but in its development, it was summarized into 20 items of job satisfaction with the three scales or dimensions proposed by (Schriesheim et al., 1993), i.e.:

1. Dimensions of intrinsic satisfaction: How do people feel about the nature of the work tasks, consisting of 12 indicators: activity, variety, independence, social status, moral values, authority, security, social service, responsibility, creativity, ability utilization, and achievement.
2. Dimensions of extrinsic satisfaction: How do people feel about aspects of the work situation that are outside of work or job duties, consisting of six indicators: relationship with superiors, superior technical abilities, company policy, compensation, advancement, and recognition.
3. Dimensions of general satisfaction: What are the working conditions and co-worker relations, consisting of two indicators: co-workers and working conditions

Work Engagement

According to Schaufeli (2012), work engagement is positive emotions, motivation, and favorable psychological states related to work that are defined by passion, dedication, and appreciation. High energy levels and strong identification with one's job are characteristics of the feelings of well-being or satisfaction associated with work, known as work engagement. Work engagement is defined by Bakker and Leiter (2010) as a motivational concept that makes motivated employees feel compelled to face work challenges. Employees are dedicated to meeting goals and putting all their passion into their work. The dimensions and indicators of Work Engagement are explained below.

Schaufeli et al. (2006) measured engagement using the Utrecht Work Engagement Scale (UWES) 17. The UWES has been developed, which includes the three dimensions that make up work engagement, i.e.: passion, dedication, and appreciation. Initially, the UWES included 24 items, but after psychometric evaluation, seven unhealthy items were removed, leaving three scales, with a total of 17 items Vigor scale (6 items), Dedication scale (5 items), and Experience scale (6 items), which are:

1. Vigor: (1) High enthusiasm when working, (2) High energy when working, (3) High perseverance when working, (4) High resilience when working for a long time, (5) Endurance high mentality at work, (6) high stamina endurance at work.
2. Dedication: (1) Significance of work, (2) Enthusiasm with work, (3) Work inspires self, (4) Pride in work, (5) Challenges in work.
3. Appreciation (Absorption): (1) Full concentration on work, (2) Seriousness in work. (3) Intensity at work, (4) Enjoyment at work, (5) Enthusiasm at work, (6) Intensive at work.

Research Paradigm and Hypothesis

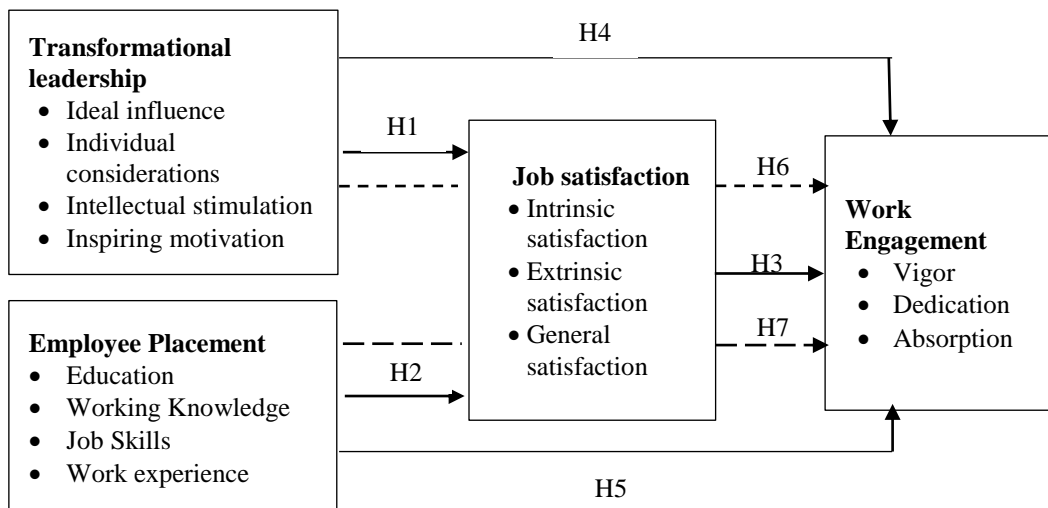


Figure 3. Research Model

Hypotheses Development

Transformational leadership is described as a leader who inspires his members. Transformational leaders can influence employee job satisfaction. Research results of

Chen et al. (2022); Ghadi (2017); Curado and Santos (2022); Praborini et al. (2021); and Widjaja et al. (2016) state that transformational leadership has a positive and significant effect on job satisfaction. According to the previous research, H1 is formulated:

H1: Transformational leadership affects job satisfaction significantly.

Placement of employees, if guided by the principle of placing the right employees in the correct positions in an organization, of course, each job or position will be filled by human resources according to their expertise and skills so that enthusiasm and work performance is maximized, more creative and able to innovate for organizational development (Garg et al., 2018). According to the previous research, H2 is formulated:

H2: Employee placement affects job satisfaction significantly.

Job satisfaction is another factor that can drive job engagement. A person's satisfaction is not the same as one another; satisfaction will increase if what is felt is by expectations. Research results by Widjaja et al. (2016); Praborini et al. (2021); and Nurlitasari et al. (2022) state that job satisfaction has a positive and significant effect on work engagement. According to the previous research, H3 is formulated:

H3: Job satisfaction affects work engagement significantly.

Engaged employees are committed and face job challenges with high motivation. Research results by Widjaja et al. (2016); Garg et al. (2018); Praborini et al. (2021); and Nurlitasari et al. (2022) state that job satisfaction has a positive and significant effect on work engagement. According to the previous research, H4 is formulated:

H4: Transformational leadership influences work engagement significantly.

Research findings indicate that context satisfaction is essential for building a positive environment to reduce employee turnover intention in addition to enriched work (Ghosh et al., 2015). This highlights the need for a positive and supportive work context to maximize the benefits of jobs with positive characteristics. According to the previous research, H5 is formulated:

H5: Employee placement affects work engagement significantly.

Organizations need good leaders who can inspire their team members to work hard but they also need workers who perform effectively on the job. Research results by Ghadi (2017); Zufrie et al. (2021); and Nurlitasari et al. (2022) state that job satisfaction mediates the effect of transformational leadership on work engagement. According to the previous research, H6 is formulated:

H6: Transformational leadership influences work engagement through job satisfaction.

Improper placement of employees will have an impact on decreasing employee job satisfaction, as well as decreasing employee performance. The results of research by Ghosh et al. (2015) show that context satisfaction is essential for building a positive environment to reduce employee turnover intentions in addition to enriched work. According to the previous research, H7 is formulated:

H7: Employee placement influences work engagement through job satisfaction.

RESEARCH METHOD

This research uses a descriptive and quantitative verification approach with survey research methods. The millennial generation in this study is the generation with birth years 1981–2000 (R. N. Bolton et al., 2013; C. Bolton, 2018). According to the data from the HR Bureau of the Ministry of Finance (2022), the population of the Ministry of Finance's millennial Civil Servant in Bandung City is 813 people. This study uses a sampling method with the Proportionate Stratified Random Sampling technique with a margin of error set at 5%, then the minimum sample to be studied, with the formula [1].

$$S = \frac{\lambda^2 \cdot N \cdot P \cdot Q}{d^2(N-1) + \lambda^2 \cdot P \cdot Q} \quad \text{-----[1]}$$

$$S = \frac{(3,841) \times (813) \times (0,5) \times (0,5)}{(0,05)^2 \times (813-1) + (3,841) \times (0,5) \times (0,5)}$$

$$S = \frac{760,68}{2,99} = 261,08$$

Descriptions:

S= sample size

N= total population

λ^2 = Chi-squared

d= absolute level or margin of error

P=Q= the proportion of the population as the basis of the assumption (0.5).

The number of samples based on the Isaac and Michael formula is 261.08, and when rounded up, the minimum sample size of 813 populations at a 5% margin of error is 261 [1]. Furthermore, samples from each work unit/observation unit will be taken randomly and proportionally. Thus, there will be representation from each work unit/observation unit, so the proportional number is 269 people.

The characteristics of the millennial civil servants of the Ministry of Finance in Bandung City show that the millennial civil servants are dominated by male civil servants (60.6%) aged 22-25 years (32.3%), education D4/S1 (40.9%), working period >5 years (62.8%), income 6-10 million (47.6%), DGCE Regional Office Work Unit (21.2%), Homebase Location is outside Bandung City (80%), and married (65.1%). The primary data collection used a questionnaire via a google form. All respondents filled in the questionnaire and all data could be processed 100%. The data was analyzed using Structural Equation Model (SEM) based on variance SEM-Partial Least Square (PLS) using SmartPLS 3.2 software.

Evaluation of Measurement Model (Outer Model)

Convergent validity test (loading factor value and AVE value) and discriminant validity test (cross-loading value and Fornell-Larcker value) have met the validity requirements. The Cronbach's alpha and composite reliability values have met the reliability requirements. The results of the evaluation of the outer model have fulfilled the validity and reliability requirements, then an evaluation of the inner model is carried out.

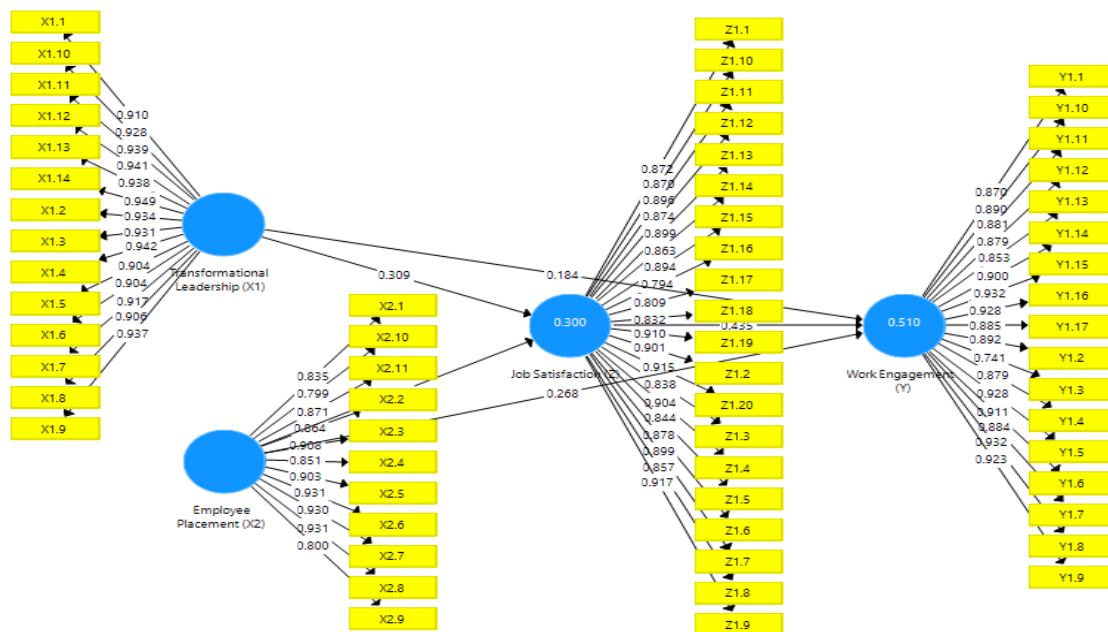


Figure 4. Outer Model

Model Structural Evaluation (Inner Model)

The R-square value of Job Satisfaction (Z) is 0.300, which means that Transformational Leadership (X1) and Employee Placement (X2) can explain Job Satisfaction (Z) by 30% in the moderate category. While the R-square value of Work Engagement (Y) is 0.510, which means that Transformational Leadership (X1), Employee Placement (X2), and Job Satisfaction (Z) can explain Work Engagement (Y) by 51% in the moderate category.

The Q-square value for Work Engagement (Y) is 0.394. Because $Q\text{-square} = 0.394 > 0$, it can be concluded that Transformational Leadership (X1), Employee Placement (X2), and Job Satisfaction (Z) have predictive relevance for Work Engagement (Y). The Q-square value for Job Satisfaction (Z) is 0.227. Because $Q\text{-square} = 0.227 > 0$, it can be concluded that Transformational Leadership (X1) and Employee Placement (X2) have predictive relevance for Job Satisfaction (Z).

RESULTS AND DISCUSSIONS

Transformational Leadership

Transformational leadership consists of four dimensions, i.e. ideal influence, individual consideration, intellectual stimulation, and inspiring motivation, with 14 indicators represented by 14 statement items; all items are in an outstanding category. Item statement with the highest average of 4.39 (outstanding category) is x1.14 (motivation that inspires - optimism - the level of ability to generate optimism); this proves that transformational leaders can motivate millennial civil servants to work optimistically; they believe it will support the leadership in achieving organizational goals and perfor-

mance targets. Item statement with the lowest average of 4.24 (excellent category) is x1.6 (individual consideration - personal attention - level of ability to pay attention to work facilities);. However, it is still in the excellent category, proving that millennial civil servants need exceptional attention individuals, and they expect more attention from the leadership. An overview of transformational leadership variables from 14 indicators represented by 14 statements with an average result of 4,300 categorized as very good. Descriptive hypothesis 1 accepted, transformational leadership is in an outstanding category.

Employee Placement

Employee Placement consists of four dimensions, i.e. education, work knowledge, work skills, and work experience, with 11 indicators represented by 11 statement items. The statement item with the highest average of 4.46 with the very appropriate category is x2.5 (work knowledge - suitability of work procedures to be carried out); this proves that millennial civil servants work according to work procedures and ensure that the organization/work unit has provided standard operating procedures that must be carried out in completing the work. Item statement with the lowest average of 4.00 with the appropriate category is x2.10 (experience - suitability of work to be done). This proves that the suitability of work experience to work to be done still needs attention. Employees who work according to experience nor their ability to feel more positive emotions. This feeling expresses intrinsic satisfaction related to the task or work itself. An overview of the job placement variables of the 11 indicators represented by 11 statements with an average result of 4.23 is categorized as very appropriate. Descriptive hypothesis 2 is accepted, employee placement is in the very appropriate category.

Job Satisfaction

Job satisfaction consists of three dimensions, i.e. intrinsic, extrinsic, and general, with 20 indicators represented by 20 statement items. The statement item with the highest average of 4.48 (very satisfied category) is Z1.1 (Intrinsic Satisfaction – Activity - there are always tasks/work to do every day); this proves that millennial civil servants are very active in their work, always their tasks that are carried out every day, they work according to work procedures. The statement item with the lowest average of 4.08 with the satisfied category is z1.17 (extrinsic satisfaction - advancement - feeling satisfied with the promotion system provided). This proves that millennial civil servants have had equal career opportunities only limited by requirements and job quotas. The general description of the Job Satisfaction variable consists of 20 indicators represented by 11 statements with an average result of 4.27, categorized as very satisfied. Descriptive hypothesis 3 is accepted, job satisfaction is in the very satisfied category.

Work Engagement

Work engagement consists of three dimensions, i.e. enthusiasm, dedication, and appreciation, with 17 indicators represented by 17 statement items, with the highest average of 4.45 (very high category) being Y1.7 (Devotion - Meaningful level of work); this proves that Millennial civil servants are proud to work for the Ministry of Finance, they interpret their work with pride, giving the best service to the organization. Statement items with the lowest average of 3.87 with a high category is y1.3 (enthusiasm - high level of diligence at work); this proves that millennial civil servants work diligently according to work procedures, they want to finish work faster than the target, which is determined. The general description of the Work Engagement variable

consists of 17 indicators represented by 17 statement items with an average result of 4.27, which is categorized as very high. Descriptive hypothesis 4 is accepted, work engagement is in the very high category.

Hypotheses-test Results

Based on the Table 3, the teswt results can be interpreted as follows:

H1: Transformational leadership has a significant effect on job satisfaction.

Path coefficient value = 0.309, t-statistics value = 3.109 \geq 1.96 with p-values = 0.002 <0.05, then H1 is accepted (Hypothesis 1 Accepted).

H2: Employee placement has a significant effect on job satisfaction.

Path coefficient value = 0.353, t-statistics value = 3.593 \geq 1.96 with p-values = 0.000 <0.05, then H2 is accepted (Hypothesis 2 is accepted).

H3: Job satisfaction has a significant effect on work engagement.

Path coefficient value = 0.435, t-statistics value = 4.024 \geq 1.96, with p-values = 0.000 <0.05, then H3 is accepted (Hypothesis 3 is accepted).

H4: Transformational leadership has a significant effect on work engagement.

Path coefficient value = 0.184, t-statistics value = 2.157 \geq 1.96 with p-values = 0.031 <0.05, then H4 is accepted (Hypothesis 4 Accepted).

H5: Employee placement has a significant effect on work engagement.

Path coefficient value = 0.268, t-statistics value = 2.738 \geq 1.96, with p-values = 0.006 <0.05, then H5 is accepted (Hypothesis 5 is accepted).

Table 3. Direct Effects

	Original Sample	Sample Mean	Standard Deviation	t-statistics	p-values
Transformational Leadership (X1) → Job Satisfaction (Z)	0.309	0.303	0.099	3.109	0.002
Employee Placement (X2) → Job Satisfaction (Z)	0.353	0.360	0.098	3.593	0.000
Job Satisfaction (Z) → Work Engagement (Y)	0.435	0.432	0.108	4.024	0.000
Transformational Leadership (X1) → Work Engagement (Y)	0.184	0.175	0.085	2.157	0.031
Employee Placement (X2) → Work Engagement (Y)	0.268	0.271	0.098	2.738	0.006

Source: Output of SmartPLS (2023).

Based on the Table 4, it can be interpreted as follows:

H6: Transformational leadership has a significant effect on work engagement through job satisfaction.

p-values = 0.032 <0.05, then H6 is accepted (Hypothesis 6 - Accepted Mediation).

The effect of partial mediation can also be calculated using the VAF (Variance Accounted For) method (Preacher & Hayes, 2008):

$$\text{VAF} = \text{Indirect Influence} / \text{Total Influence}$$

$$\text{VAF} = 0.421 = 42\% = \text{Partial Mediation}$$

Table 4. Indirect Effects (Intervening)

	Original Sample	Sample Mean	Standard Deviation	t-statistics	p-values
Transformational Leadership (X1) → Job Satisfaction (Z) → Work Engagement (Y)	0.134	0.135	0.062	2.147	0.032
Employee Placement (X2) → Job Satisfaction (Z) → Work Engagement (Y)	0.153	0.158	0.064	2.389	0.017

Source: Output Smart PLS, 2023

H7: Effect of employee placement on work engagement through job satisfaction.

p-values = 0.017 < 0.05, then H7 is accepted (Hypothesis 7 - Mediation Accepted).

$$\text{VAF} = \text{Indirect Influence} / \text{Total Influence}$$

$$\text{VAF} = 0.363 = 36\% = \text{Partial Mediation}$$

Transformational Leadership on Job Satisfaction

The effect of transformational leadership on job satisfaction is positive and significant; the better the transformational leadership, the higher the level of job satisfaction felt by the Ministry of Finance's millennial civil servants. An example of the Ministry of Finance's millennial civil servants' satisfaction with the promotion system provided proves that millennial civil servants have received equal opportunities in their careers. The facts show that the importance of an organization being led by a transformational leader positively influences the work satisfaction of the millennial Civil Servant of the Ministry of Finance. This finding is supported by research results (Chen et al., 2022; Ghadi, 2017; Curado & Santos, 2022; Praborini et al., 2021; and Widjaja et al., 2016) states that transformational leadership has a positive and significant effect on job satisfaction.

Millennial Civil Servants of the Ministry of Finance who are satisfied with transformational leadership will be motivated to do work with optimism and even try to exceed the targets that have been communicated; this is following the theory of transformational leadership presented by Yulk and Gardner (2020), leaders change and motivate followers by making them more aware of the importance of task outcomes, encouraging them to go beyond their own self-interest for the sake of the organization or team. The Ministry of Finance's millennial civil servant makes the leader a good figure; through transformational leadership (Robbins & Judge, 2019), leaders and followers respect and trust each other.

Employee Placement on Job Satisfaction

The effect of job placement on job satisfaction is positive and significant; the more appropriate the job placement of employees, the higher the level of job satisfaction felt by the Ministry of Finance's millennial civil servants. For example, work placement

in the Ministry of Finance is according to work procedures, where millennial civil servants work according to work procedures, and it is ensured that the work unit has provided standard operating procedures that must be carried out to complete the work. The facts show that the importance of placing millennial employees by education, work knowledge, work skills, and work experience has a positive influence on the job satisfaction of millennial civil servants of the Ministry of Finance; this is by the concept of employee placement put forward by Mathis et al. (2013) that the placement of an employee must be based on the knowledge, skills, and abilities of each. Mismanagement of human resources in placing employees will have an impact on various things, such as job satisfaction, organizational commitment, and intensity of leaving.

This finding is similar to the research by Sudiardhita et al. (2019) stating that placement has a direct, positive, and significant effect on employee job satisfaction. Likewise, the research by Fabiolatesly et al. (2021) states that work placement significantly affects job satisfaction. The research of Pramuditha (2020) states that employee placement and characteristics positively and significantly affect job satisfaction partially and simultaneously.

Job Satisfaction on Work Engagement

The effect of job satisfaction on work engagement is positive and significant; the higher the level of job satisfaction felt by the Ministry of Finance's millennial civil servants, the higher the level of work engagement. For example, based on the results of the questionnaire, the indicator of enthusiasm or a high level of persistence at work is included in the high category; this proves that the Ministry of Finance's millennial civil servants work diligently according to work procedures; they want to finish the job faster than the set target. The facts show that overall the intrinsic, extrinsic, and general job satisfaction indicators have a positive influence on the enthusiasm, dedication, and devotion of millennial civil servants. By the concept of work engagement (Schaufeli, 2012), it is a positive state of mind that a sense of satisfaction and a view of the work situation characterized by passion, dedication, and appreciation. This finding is supported by the results of previous research (Garg et al., 2018; Praborini et al., 2021; and Nurlitasari et al., 2022) states that job satisfaction has a positive and significant effect on work engagement. In contrast to the study results of Widjaja et al. (2016) that employee satisfaction has a positive but not significant effect on employee engagement.

Transformational Leadership on Work Engagement

The effect of transformational leadership on work engagement is positive and significant; the better the transformational leadership, the higher the level of work engagement of millennial civil servants of the Ministry of Finance. The facts show that an organization led by a transformational leader positively influences the engagement of millennial civil servants of the Ministry of Finance. This finding is supported by the results of previous research (Ghadi, 2017; Zufrie et al., 2021; Widjaja et al., 2016; and Marwah & Sadana, 2022) states that transformational leadership has a positive and significant effect on work engagement. In contrast to the research results of Wahyuningtyas and Askafi (2018) state that transformational leadership has no significant effect on employee engagement.

Employee Placement on Work Engagement

The effect of employee placement on work engagement is positive and significant; the more appropriate the placement of employees, the higher the level of work engagement of the Ministry of Finance's millennial civil servants. These findings support the research of Paijan and Rumaharbo (2020) stating that career development positively and significantly affects employee engagement. The suitability of work process methods and work skills makes millennial civil servants able to work comfortably and be engaged with their work in a positive environment. This is inline to findings of Ghosh et al. (2015) on junior-level bank employees in India showing that in addition to enriched work, context satisfaction is paramount to build a positive environment to reduce employee turnover intention. This finding is different from the research of Wahyuningtyas and Askafi (2018) which shows the placement has no significant effect on employee engagement.

Transformational Leadership on Job Engagement through Job Satisfaction

The effect of transformational leadership on work engagement through job satisfaction of the Ministry of Finance's millennial civil servants is positive and significant. Job satisfaction can mediate the relationship between transformational leadership and work engagement; the Ministry of Finance's millennial civil servants will be bound by their work if they have felt satisfaction, both intrinsic, extrinsic, and general satisfaction. These findings support research results of Ghadi (2017); Zufrie et al. (2021); and Nurlitasari et al. (2022) state that job satisfaction mediates the effect of transformational leadership on work engagement. This finding is different from the results of research by Widjaja et al. (2016), which state that employee satisfaction cannot function as an intervening variable in the relationship between transformational leadership and employee engagement.

Employee Placement on Work Engagement through Job Satisfaction

The effect of employee placement on work engagement through job satisfaction is positive and significant. Job satisfaction can mediate the relationship between the placement of employees and work engagement; the more appropriate the placement of employees will have a positive influence on employee job satisfaction which has an impact on increasing the work engagement of millennial civil servants of the Ministry of Finance. Improper placement of employees will have an impact on decreasing employee job satisfaction, as well as decreasing employee performance. Declining employee job satisfaction has an impact on low work engagement. In contrast to the study results by Sudiardhita et al. (2019) that job satisfaction mediates employee placement's effect on their performance.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results and discussion, it can be concluded that transformational leadership and employee placement positively and significantly affect work engagement through job satisfaction. The Ministry of Finance needs to pay attention to transformational leadership and employee placement, which have a positive influence on increasing job satisfaction and millennial civil servant work engagement.

In the transformational leadership variable, the lowest average is on the dimension of individual consideration, indicators of personal attention to millennial civil servants; leaders should give individual attention, such as listening to input and complaints and paying attention to work facilities and approaches that are different for each individual. For leaders who still need to be qualified regarding the technique and implementation of coaching, mentoring, and counseling, training related to CMC (Coaching, Mentoring, and Counseling) can be given. On the job placement variable, the lowest average is on the dimension of work experience, an indicator of the suitability of the work to be done; millennial civil servants should be given jobs that match their passion, millennial civil servants with special skills are placed in fields or sections according to their expertise, to Employees who are inexperienced in a job are given time to study with mentors, both colleagues and superiors.

On the job satisfaction variable, the lowest average is on the dimension of extrinsic satisfaction - Advancement - Feelings of satisfaction with the promotion system provided, socialization regarding career management or talent management should be given, that every civil servant has equal opportunities for a career, motivates employees to meet the requirements -requirements needed for certain positions, carry out self-development for competencies that are still weak. In the work engagement variable, the lowest average is on the vigor dimension, indicating a high degree of persistence at work. Millennial civil servants work diligently according to work procedures; they want to finish the job faster than the set target. Millennial civil servants of the Ministry of Finance who work according to their abilities and expertise will be bound by their work with high enthusiasm to survive, be enthusiastic and provide inspiration in working in comfortable environmental conditions that positively influence concentration, seriousness, intensity, and enjoyment at work.

The subject of this research is limited only to civil servants; further researchers are expected to involve leaders in the organization as respondents so that respondents are not only based on employee perceptions. Future researchers can expand the population by conducting research in a government agency, not only in Bandung.

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