International Journal of Accounting and Economics Studies, 13 (2) (2026) 433-440

International Journal of Accounting and Economics Studies

Website: www.sciencepubco.com/index.php/IJAES
https://doi.org/10.14419/gr0b1n52
Research paper

The Effect of Transformational Leadership and Organizational Climate on Organizational Performance Mediated by Organizational Commitment in The Government Of Banyuwangi District

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Received: January 18, 2026, Accepted: February 21, 2026, Published: March 8, 2026

Abstract

This study aims to test the influence of transformational leadership and organizational climate on organizational performance mediated by organizational commitment. The population in the study were 237 officials of the Regional Apparatus Organization of Banyuwangi Regency, thus representing organizational performance. Based on the results of the Slovin calculation, the number of samples taken was 149 OPD officials. The data analysis technique used SEM-PLS. The analysis shows that transformational leadership and organizational climate influence organizational performance. This means that the better the implementation of transformational leadership and the more conducive the organizational climate, the higher the organizational performance achieved. This demonstrates the importance of leaders in inspiring and motivating employees and creating a work environment that supports the achievement of organizational goals. Transformational leadership and organizational climate influence organizational commitment. Employees will feel more emotionally attached to the organization. Organizational commitment influences organizational performance, meaning that the higher the level of employee commitment to the organization, the better the performance will be. Highly committed employees tend to be more dedicated, work optimally, and contribute to the organization's success. Organizational commitment mediates the effect of transformational leadership and organizational climate on organizational performance.

Keywords: *Transformational Leadership; Organizational Climate; Organizational Commitment; Organizational Performance.*

1. Introduction

The performance of the Banyuwangi Regency government plays a central role in achieving progress and public welfare. As a public service institution, efficient and effective performance is key to providing quality services to citizens. Appropriate and efficient resource management by the regency government not only supports the development of strategic projects and infrastructure but also drives local economic growth and job creation. Banyuwangi Regency's performance achievements from 2021 to 2023 are presented in Table 1.

Table 1: Banyuwangi Regency Performance Achievements for 2021-2024

Number	Indicator	2021	2022	2023	2024
1	Economic growth (%)	4.08	4.43	5.03	4.68
2	Human Development Index (HDI)	72.62	73.15	73.79	74.30
3	Poor Population (%)	8.07	7.51	7.34	6.54
4	Per Capita Income (thousand rupiah)	49,896	53,822	58,086	62.09
5	Investment Amount (trillions of rupiah)	1.73	3.73	4.88	4.53
6	Foreign Tourist Visits	3,854	29,020	69,639	122,904
7	Domestic Tourist Visits	1,862,553	2,948,543	3,112,443	3,282,241

Source: Banyuwangi Regency Government (2025).

Banyuwangi Regency's performance from 2021 to 2024 shows consistent improvement in various economic and social aspects. This reflects the effectiveness of local government policies in encouraging economic growth, improving public welfare, and creating a conducive environment for investment and sustainable development. However, these achievements do not fully reflect the optimal achievement of the Banyuwangi Regency Government's vision and mission for the future. Although several development targets have

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been achieved, significant challenges remain, particularly in human resources (HR). The primary challenge is how to improve HR performance within the government to meet new challenges and maintain existing achievements.

The Banyuwangi Regency Government is one of the regencies in East Java Province with significant potential for development. This is supported by several factors, such as its strategic geographic location, quality human resources, and abundant natural resources. To achieve sustainable development goals, the Banyuwangi Regency Government needs to achieve optimal performance. Optimal organizational performance can be achieved through various factors, including leadership and organizational climate. Leadership plays a crucial role in shaping a productive work culture and encouraging sustainable change. One leadership approach considered effective in improving organizational performance is transformational leadership. Transformational leadership is a leadership style that focuses on the personal development of subordinates and organizational change. Bass & Avolio (2011) explains transformational leadership, namely a leadership model that aims to improve human resources through effective relationships between leaders and subordinates. A transformational leadership style can encourage subordinates to achieve higher quality performance.

Through innovative policies, service digitization, and improved bureaucratic performance, the Banyuwangi Regency Government demonstrates how transformational leadership focuses not only on organizational change but also on increasing employee participation and commitment in achieving shared goals. This success is also driven by the leader's ability to provide clear direction, inspire change, and empower human resources to contribute to regional progress. Research results Birasnav (2014), Anwar et al. (2018), Alrowwad et al. (2020), Makena (2017), Nguyen et al. (2023) found that transformational leadership influences organizational performance.

Organizational climate is the work environment created by an organization. The organizational climate in the Banyuwangi Regency Government plays a crucial role in optimizing the performance and effectiveness of government institutions. A positive organizational climate also plays a role in creating a collaborative and harmonious atmosphere among government team members. Effective collaboration can strengthen coordination between units and promote joint problem-solving to achieve public service goals. Through strong cooperation, the regency government can provide better services to the public. Research results Shahin et al. (2014) and Berberoglu (2018) found that organizational climate influences organizational performance.

Organizational commitment in the Banyuwangi Regency Government plays a crucial role in maintaining the stability, performance, and effectiveness of government institutions. Employees with strong commitment tend to be more focused and dedicated to achieving organizational goals and targets, which in turn supports the effectiveness of government institutions. The level of organizational commitment influences the quality of public services provided by the regency government. Employees with a high commitment to the organization tend to provide better service because they feel connected to the organization's goals and values (Denhardt & Denhardt, 2000). Organizational commitment also plays a role in maintaining employee stability (Robbins & Judge, 2016). Employees who feel an emotional and normative bond with the organization are more likely to stay and not look for jobs elsewhere. Organizational commitment creates an environment that supports innovation and positive change. Highly committed employees tend to be more open to change and more likely to contribute innovative ideas that can improve operational efficiency and effectiveness (Scott & Bruce, 1994). Organizational commitment is an important foundation for long-term success and the fulfillment of government organizational goals. Research results Zincirkiran et al. (2015), and Silitonga et al. (2017) found that organizational commitment influences organizational performance.

The novelty of this research is the presence of organizational commitment in mediating the influence of transformational leadership and organizational climate on organizational performance. This differs from previous research, where organizational commitment was used as an independent variable to explain the influence of organizational performance, as was done by Pinho et al. (2014), Zincirkiran et al. (2015), Silitonga et al. (2017), or as a dependent variable influenced by leadership and organizational climate as has been studied by Joo et al. (2012), Han et al. (2016) Ausat et al. (2022), Darmawan (2017), Berberoglu (2018), and Kalhor et al. (2018) Furthermore, the Banyuwangi Regency Government is known for its proactive approach to bureaucratic reform and public service innovation. Implementing innovative programs requires the full support of employees with a strong commitment to the organization to ensure innovative, efficient, and community-focused public services.

Several previous studies served as the basis for this study. Birasnav (2014) demonstrated that the implementation of transformational leadership in Bahraini service companies significantly improved organizational performance. Anwar et al. (2018) also demonstrated the positive influence of transformational leadership on performance within the military environment of Hubdam VII/Wirabuana Makassar. Similar results were presented by Alrowwad et al. (2020) in the context of the manufacturing industry in Jordan. Meanwhile, Makena (2017) found that transformational leadership at Prama Sanur Beach Hotel Bali contributed to improved organizational performance.

On the other hand, research conducted by Nguyen et al. (2023) in the manufacturing sector in Vietnam showed that transformational leadership has an impact on organizational performance. Several studies have also examined the relationship between transformational leadership and organizational commitment. Joo et al. (2012), who studied organizations in South Korea, found that transformational leadership can increase levels of organizational commitment. Similar findings were presented by Han et al. (2016) through research in the United States, which demonstrated a positive influence of transformational leadership on organizational commitment. Furthermore, Ausat et al. (2022) through their research on small and medium enterprises in the food and beverage sector in Indonesia, also demonstrated that transformational leadership can strengthen organizational commitment. Furthermore, various other studies examining the relationship between organizational commitment and organizational performance have also made important contributions to the development of this study. Zincirkiran et al. (2015) studied public and private hospitals in Diyarbakir, Turkey and found that organizational commitment influences organizational performance. Silitonga et al. (2017) studied the Bekasi City Government, Indonesia, and found that organizational commitment influences organizational performance. This contrasts with the results study of Pinho et al. (2014), who conducted research on non-profit organizations in Portugal, found that organizational commitment did not affect organizational performance.

2. Research Method

2.1. Operational definition of variables

Organizational performance is a measure of the extent to which an organization is able to achieve its strategic goals effectively and efficiently. This variable is measured through: financial perspective, customer perspective, internal business process perspective, and learning and growth perspective.

Transformational Leadership is leadership that motivates subordinates to do more than expected in an effort to achieve high performance in the Banyuwangi Regency Government. The indicators used in this study consist of: Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration.
Organizational climate is the ongoing internal environmental conditions of an organization, perceived by employees, and impacting their behavior. Indicators for measuring this variable include: Clarity, Standards, Responsibility, Flexibility, and Reward.
Organizational Commitment is the loyalty that employees have to remain in the Banyuwangi Regency Government, despite good times and bad. The indicators used consist of: Affective Commitment, Continuing Commitment, and Normative Commitment.

2.2. Population and sample

The research population was 237 officials of the Regional Apparatus Organization (OPD) of Banyuwangi Regency. The sample size was based on the perspective of Hair et al. (2019) which explains that the appropriate sample size in SEM analysis ranges from 100-200 respondents. To obtain the minimum sample size from the existing population, namely by referring to the Slovin formula, the research sample size was obtained at 149 OPD officials, and this was sufficient for using SEM analysis.
The sampling technique used proportional random sampling. This method involves dividing the population into several groups or strata, then determining the sample size for each group according to the proportion of the group's size to the total population. This ensures that each group has an equal opportunity to be represented. The primary goal of proportional random sampling is to ensure that the sample obtained accurately reflects the population's condition proportionally, resulting in more accurate and representative research results.

2.3. Data analysis techniques

Data analysis was carried out using multivariate statistical methods, namely Structural Equation Modeling (SEM) using SmartPLS software, supported by descriptive analysis to describe the characteristics of the research data.

3. Research Results and Discussion

3.1. Respondent profile

Respondents in this study involved 149 employees, the characteristics of employees based on age and length of time as Civil Servants are presented in Table 2.

Table 2: Employee Characteristics

Number	Demography	Amount (employees)	Percentage (%)
	Gender		
1	Male	129	86.6
2	Female	20	13.4
	Age (Years)		
1	31 – 39	10	6.7
2	40 – 48	38	25.5
3	49 – 57	101	67.8
	Education		
1	High School	2	1.3
2	Diploma	4	2.7
3	Bachelor's Degree	35	23.5
4	Master's Degree	104	69.8
5	Doctoral Degree	4	2.7
	Position		
1	Head of Agency	9	6.0
2	Head of Office	3	2.0
3	Head of Civil Service Police Unit	1	0.7
4	Inspector Secretary	1	0.7
5	Agency Secretary	10	6.7
6	Office Secretary	3	2.0
7	Civil Service Police Unit Secretary	1	0.7
8	Head of Division	6	4.0
9	Head of Department	47	31.5
10	Sub-district Head	16	10.7
11	Sub-district Secretary	16	10.7
12	Village Head	18	12.1
13	Village Secretary	18	12.1
	Length of Service (Years)		
1	1 – 13	11	7.4
2	14 – 26	60	40.3
3	27 – 39	78	52.3

Source: Data processed, 2025.

3.2. PLS SEM analysis

This study uses SEM-PLS analysis to test causal relationships between latent variables. The Partial Least Squares method was chosen because it can efficiently process complex data. The analysis was conducted in two stages: an outer model to test the validity and reliability of indicators, and an inner model to assess the strength and significance of the relationships between latent variables.

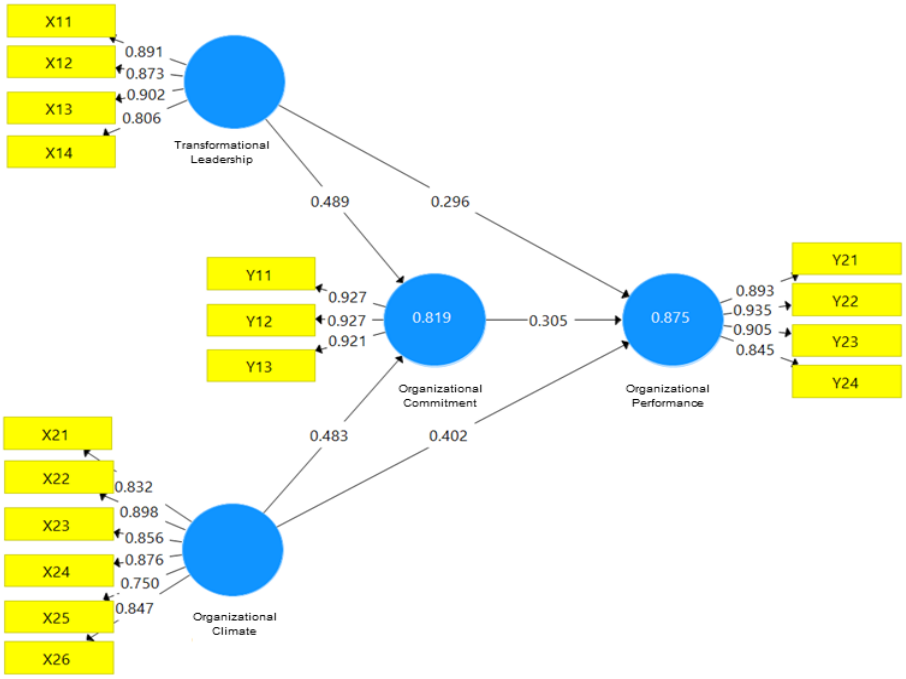


Fig. 1: Valid Outer Loading Values of Research Items.

Based on Figure 1, the results of the convergent validity test through outer loading value analysis, all indicators in the research variables showed values above the minimum limit of 0.70. Thus, all indicators in this research variable are declared valid because they have met the convergent validity criteria, which means these indicators are able to accurately represent their latent constructs.

3.3. Hypothesis testing results

Hypothesis testing in this study uses the p-value as the primary reference. A p-value less than or equal to 0.05 indicates a significant effect between one variable and another. A p-value below 0.05 indicates statistical significance, thus accepting the proposed hypothesis. The analysis results for the first hypothesis test can be seen in Table 3.

Table 3: Hypothesis Testing

Hypothesis	Variables	Path coefficient	t- statistics	p-values	Results
H1	Transformational Leadership → Organizational Performance	0.296	4.317	0.000	Accept
	Organizational Climate → Organizational Performance	0.402	4.512	0.000	
H2	Transformational Leadership → Organizational Commitment	0.489	8.102	0.000	Accept
	Organizational Climate → Organizational Commitment	0.483	8.002	0.000	
H3	Organizational Commitment → Organizational Performance	0.305	3.068	0.002	Accept
H4	Transformational Leadership → Organizational Commitment → Organizational Performance	0.149	2.845	0.005	Accept
H5	Organizational Climate → Organizational Commitment → Organizational Performance	0.147	2.879	0.004	Accept

Source : Data processed.

The test results in Table 3 show that all hypotheses are accepted because they have a p-value below 0.05.

3.4. Discussion

1) The Effect of Transformational Leadership and Organizational Climate on Organizational Performance

Transformational leadership plays a crucial role in driving improved organizational performance within the Banyuwangi Regency Government. The implementation of this leadership style brings about significant changes in bureaucratic work patterns, from a rigid and administrative approach to a more adaptive, innovative, and service-oriented approach. Through transformational leadership, officials are encouraged to have a clear vision, work with a spirit of togetherness, and continually seek new ways to provide more effective and responsive services to community needs. This aligns with the theory of Bass & Avolio (2011) which explains that transformational leadership can increase organizational effectiveness through the transformation of the values, attitudes, and behavior of organizational members. The influence of transformational leadership on organizational performance in the Banyuwangi Regency Government is reflected in the leader's ability to create an inspiring vision and communicate it to all levels of employees. "The Sunrise of Java" promoted by the Banyuwangi Regency leadership has succeeded in inspiring employees to contribute maximally in realizing regional transformation. Transformational leaders in Banyuwangi have also succeeded in motivating employees through inspiration by demonstrating tangible achievements such as various national and international awards won by Banyuwangi Regency.

The results of this study support Birasnav (2014) finding that transformational leadership significantly improves organizational performance. A similar finding was also noted by Anwar et al. (2018), who found that the dimensions of transformational leadership positively contribute to improved organizational performance. Alrowwad et al. (2020) added that transformational leaders are able to build a collaborative work environment, which is crucial for organizational success. This finding aligns with the reality in Banyuwangi, where teamwork

between units is a key to success. Makena (2017) and Nguyen et al. (2023) also explain that transformational leadership plays a crucial role in improving organizational performance through innovation in the public sector. In today's dynamic era, public organizations need to be able to adapt to the ever-evolving demands of society. Transformational leaders help organizations stay relevant by encouraging continuous learning and openness to new ideas. With this culture, the Banyuwangi Regency Government can maintain the quality of its services while increasing public trust. This is a crucial factor in the organization's sustainable performance.

Organizational climate plays a crucial role in supporting organizational performance. A conducive work environment encourages employees to work more comfortably, openly, and with a focus on achieving shared goals. Standard indicators, as the largest contributors to the influence of organizational climate on performance, demonstrate the importance of establishing clear and measurable performance standards. High standards encourage employees to consistently strive for excellence in every task they undertake. In the Banyuwangi Regency Government, the establishment of strict public service standards has encouraged employees to continuously improve service quality. Standards for permit completion times, cultural festival quality standards, and service digitalization standards are benchmarks that must be achieved by each work unit. Consistent implementation of standards has created a culture of excellence that is a hallmark of the Banyuwangi government organization. Standards illustrate the extent to which an organization establishes clear work criteria and encourages employees to meet them. Employees who understand work standards will have clear guidance in carrying out their duties. This clarity reduces uncertainty and increases accuracy in work. Ultimately, consistent implementation of standards will positively impact organizational performance.

Newstrom & Davis (2011) view organizational climate as the personality of an organization that distinguishes it from other organizations and influences employee behavior, performance, and job satisfaction. Thus, organizational climate is a unique identity that shapes interactions between employees and work patterns within it. In a healthy environment, relationships between employees are harmonious, communication flows smoothly, and teamwork is enhanced. These factors directly contribute to the achievement of organizational goals. A positive organizational personality also strengthens the institution's image in the public eye.

The results of this study support Shahin et al. (2014), who explained that organizational climate has a significant influence on organizational performance. One of the main reasons is that organizational climate creates a supportive work environment, which motivates employees to perform better. When employees feel valued and supported, they are more motivated to achieve higher targets. Furthermore, support from leaders and colleagues fosters a sense of togetherness and teamwork. Such an environment strengthens synergy between organizational units. Berberoglu (2018) also emphasized the importance of organizational climate, primarily because it directly contributes to organizational performance. A conducive organizational climate strengthens employees' sense of ownership of the organization. This encourages employees to maintain work quality and actively participate in achieving goals.

2) The Influence of Transformational Leadership and Organizational Climate on Organizational Commitment

Transformational leadership plays a crucial role in building organizational commitment. Leaders who are able to set an example, motivate, and provide clear direction make employees feel valued and have a significant role, fostering a sense of commitment and responsibility to contribute maximally to the organization's success. In the Banyuwangi Regency Government, this is reflected in various consistent public service innovations, from digitalizing licensing services to technology-based poverty alleviation programs. The strong commitment of employees in this region is a crucial factor in the success of these programs. Employees not only work according to their respective duties but also demonstrate a willingness to make greater contributions to the success of the regional vision. This indicates that visionary and inspirational leadership can build solid organizational commitment within the regional government.

This view aligns with Muchlas (2005), who stated that transformational leaders can be identified as individuals who provide personal attention, intellectual stimulation, and charisma. In Banyuwangi, the leadership of regional heads who are close to the community and provide creative space for employees reflects this personal attention and intellectual stimulation. Regional leaders often involve employees from across sectors in formulating innovation programs, thus encouraging employees to think critically and innovatively. The charisma of these inspiring leaders fosters trust among their subordinates. This combination of personal attention, intellectual stimulation, and charisma serves as the foundation for strengthening employee commitment to Banyuwangi's vision of a progressive and inclusive society.

In line with this, Bass & Riggio (2006) explain that transformational leadership is a leadership style that inspires and motivates subordinates to transcend personal interests for the benefit of the organization. This is evident in Banyuwangi, where employees willingly work outside of working hours to ensure the success of various international events such as the Banyuwangi Ethno Carnival and the Tour de Ijen. This high work ethic stems from a sense of pride and belonging to their region. Leaders who instill a grand vision and provide motivation encourage employees to contribute maximally. This demonstrates that motivation built through transformational leadership can create a work culture oriented toward shared achievement.

Similarly, Robbins (2015) stated that transformational leadership can inspire and motivate subordinates to transcend personal interests for the sake of the organization. In the Banyuwangi context, transformational leadership is evident in the regional head's strategy in mobilizing employees to realize the digital transformation of public services. Despite facing challenges such as limited technologically literate human resources, employees continue to strive to learn and adapt for the program's success. The leader acts as both a facilitator and a motivator, ensuring that each employee understands the strategic significance of the change. This situation demonstrates that morale and a clear vision can overcome technical obstacles in the field.

This study confirms the findings of the study by Joo et al. (2012), where transformational leadership was shown to have a significant impact on the level of commitment within an organization. In Banyuwangi, it was shown that leaders who provide emotional support and recognition for employee performance can motivate them to stay and contribute. For example, giving annual awards to high-achieving employees makes them feel appreciated and motivated to perform better. This kind of recognition not only boosts individual morale but also creates a competitive and harmonious work climate. Support and appreciation from leaders are key drivers of long-term employee commitment to the organization.

The results of this study align with those of Han et al. (2016), who emphasized that transformational leadership encourages emotional engagement and long-term commitment from organizational members. The consistent influence of transformational leadership was also demonstrated by Ausat et al. (2022), who found that transformational leadership styles influence organizational performance. Transformational leadership not only influences the achievement of organizational targets but also strengthens relationships between employees and leaders and subordinates. In Banyuwangi, the regional head frequently engages in open dialogue with employees to discuss new ideas and evaluate programs. This approach fosters mutual trust, openness, and a sense of belonging to the organization. When employees feel their opinions are valued, they are more motivated to perform optimally. Commitment born of this emotional engagement is far stronger than commitment driven solely by formal obligations. Therefore, transformational leadership is a strategic factor in building organizational commitment. Visionary, charismatic, and caring leaders are able to motivate employees to transcend personal interests for the common good. This commitment will be a crucial asset for facing future regional development challenges.

Organizational climate plays a role in improving organizational performance. A healthy organizational climate encourages employees to share ideas, collaborate, and maintain a strong work ethic in carrying out their duties. When a positive organizational climate is created, employees not only fulfill their formal obligations but also demonstrate a commitment to providing the best service to the public. Organizational climate is the shared perception of employees regarding the atmosphere, rules, values, and practices prevailing in the work environment. In the Banyuwangi Regency Government, organizational climate is reflected in the way leaders interact with subordinates, the communication mechanisms in place, and the policies implemented to support their work. This is consistent with Newstrom & Davis (2011) who describe organizational climate as the personality of an organization that distinguishes it from other organizations. This personality is formed not only by formal rules but also by habits and patterns of daily interaction. In the public sector, such as the Banyuwangi Regency Government, an organizational personality that is adaptive to change enables employees to innovate in public services.

The performance of a government organization is measured not only by how quickly administrative tasks are completed, but also by how effectively public services are provided to the community. In this regard, an organizational climate that supports collaboration, openness, and recognition of achievement will strengthen employees' sense of responsibility. Employees who feel valued and supported will be more motivated to exceed targets. In Banyuwangi Regency, creating a positive organizational climate is a strategic factor in maintaining innovative and responsive public service quality. This is in line with Lussier's (2005) opinion, which states that employee perceptions of the quality of the internal environment will influence their future work behavior. If the majority of employees feel supported and have clear roles, they are more likely to behave productively.

The results of this study support Berberoglu (2018), who found that a positive organizational climate can increase organizational commitment. This commitment makes employees willing to work beyond set targets. These research results are also in line withKalhor et al. (2018) which explains how organizational climate influences organizational commitment. This is particularly relevant in situations where organizations face the challenges of system change or new technology. A healthy organizational climate is the result of the synergy of culture, structure, social relations, leadership, communication, and reward systems. Vidal (2004) emphasized that all these components form a work context that influences individual behavior. Therefore, building and maintaining a positive climate should be a strategic management priority to create a sustainable organization.

3) The Effect of Organizational Commitment on Organizational Performance

Organizational commitment plays a crucial role in supporting organizational performance. Employees' sense of attachment to the organization encourages them to make significant contributions to achieving shared goals. This commitment is evident not only in the length of time an individual remains with the organization, but also in their willingness to actively participate, take initiative, and demonstrate their best performance, even when this is outside the formal demands of their job. Allen & Meyer (1991) define organizational commitment as an individual's emotional attachment, identification, and involvement with an organization, which encourages them to remain a member. Employees with high commitment view organizational success as a personal achievement, encouraging them to continue making maximum contributions. Therefore, organizational commitment is a crucial pillar supporting organizational sustainability and competitiveness.

In this study, the indicators that contributed most to improved performance were affective commitment and continuance commitment. Affective commitment reflects an employee's emotional attachment to the organization where they work, where employees feel proud to be part of the organization and are willing to put in extra effort to achieve shared goals. According to Allen & Meyer (1991), employees with high affective commitment are more motivated to perform well because they feel aligned with the organization's values and vision. On the other hand, continuance commitment also plays a significant role, reflecting an employee's willingness to remain with the organization considering the costs and risks that may arise if they leave. Allen & Meyer (1991) stated that continuance commitment can motivate employees to maintain their performance, especially when the organization provides a stable career path and competitive compensation. Affective commitment and continuance commitment can create a strong synergy. Affective commitment provides an intrinsic drive that comes from the heart and conviction, while continuance commitment provides a rational reason to continue performing well. According to Luthans (2011), this combination of emotional motivation and rational considerations is what can produce high and sustainable performance. This is evident in Banyuwangi Regency, where bureaucratic reform not only relies on employee emotional loyalty, but also builds an incentive system that makes employees feel safe and valued in the long term.

Organizational commitment also reflects the level of employee engagement with the organization's goals and values. When employees feel aligned with the organization's vision and mission, they will work not only to fulfill their obligations but also to realize something they believe in. This triggers a sense of belonging that strengthens intrinsic motivation. Employees who have an emotional bond with the organization will be more resilient in facing challenges, because they see work as part of the journey to achieve a common goal. The results of this study support Silitonga et al. (2017), The results of this study support Silitonga et al. (2017) and Zincirkiran et al. (2015) who explained that organizational commitment influences organizational performance. These findings do not support Pinho et al. (2014) who explained that organizational commitment does not influence organizational performance.

4) The Effect of Transformational Leadership and Organizational Climate on Organizational Performance through Organizational Commitment

Transformational leadership in the local government bureaucratic environment plays a strategic role in shaping employees' attitudes, values, and mindsets toward collective goal achievement. In line with stewardship theory, leaders are not merely supervisors who control performance, but facilitators who cultivate intrinsic motivation and collective orientation among employees. Through the dimensions of Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration, transformational leaders foster trust, empowerment, and shared responsibility. This leadership approach encourages employees to move beyond routine task completion and internalize organizational goals as their own.

From a stewardship perspective, organizational commitment represents the manifestation of employees' orientation as stewards who prioritize organizational interests over personal gain. When employees perceive that leaders value their contributions and support their development, they develop affective attachment and a sense of responsibility toward the organization. This finding aligns with Muchlas (2005), who emphasizes that transformational leaders stimulate intellectual growth and provide individualized attention, thereby strengthening employees' psychological attachment to organizational goals. Thus, organizational commitment in this study is not merely a statistical mediator but reflects the internalization of stewardship values within the bureaucratic context.

Only with strong organizational commitment can organizational performance improve significantly. Employees with high commitment tend to be more motivated, proactive, and willing to make extra efforts beyond formal duties. Employees will be more proactive in finding solutions to problems, collaborating with colleagues, and actively participating in innovation programs initiated by the local government. This attitude reduces absenteeism and increases productivity, which will ultimately be reflected in improved public service quality, program effectiveness, and the achievement of regional development targets. Research results Birasnav (2014), Anwar et al. (2018), Makena (2017), Nguyen et al. (2023) found that transformational leadership influences organizational performance.

Banyuwangi Regency Government employees with high commitment will demonstrate loyalty, dedication, and a willingness to put in maximum effort to achieve organizational goals. This commitment arises not only from formal obligations but also from a strong psychological bond. Therefore, while a positive organizational climate can directly impact performance, the positive impact will be greater and more sustainable if employees have high commitment. As stated by Luthans & Fred (2015), organizational commitment reflects the attitude of employee loyalty towards the organization and is an ongoing process in which organizational members show concern for the continued success and development of the organization.

A positive organizational climate encourages employees to work not solely for salary or obligations, but also out of a desire to contribute to the organization's success. In the Banyuwangi Regency Government, this is reflected in increased employee participation in public service innovation programs, involvement in regional policy development, and a willingness to exceed performance targets. Committed employees are more likely to accept challenges, adapt to change, and maintain consistent performance despite obstacles. The results of this study support Shahin et al. (2014) who explained that organizational climate significantly influences organizational performance. Similarly, Berberoglu (2018) research also emphasized the importance of organizational climate, which directly contributes to organizational commitment and organizational performance.

While the mediation model of organizational commitment in the relationship between leadership and performance has been examined in many different settings, this study's contribution comes from examining the model in local government where there are specific and different structural and regulatory features. Hence, this study adds to the empirical verification of the mediation model in local governance and bureaucratic reform.

4. Conclusion and Suggestions

4.1. Conclusion

Based on the analysis, it can be concluded that transformational leadership and organizational climate are essential foundations for improving organizational performance in the Banyuwangi Regency Government. Implementing leadership that provides inspiration, role models, and motivation, combined with a conducive work environment, has encouraged employees to work with greater commitment and consistency in serving the community.

Transformational leadership and organizational climate play a crucial role in building organizational commitment. Leaders who can present a clear vision, inspire, and provide individualized attention, supported by a conducive work climate, will create an atmosphere that encourages employees to develop a sense of commitment to the organization.

Organizational commitment is a crucial factor in achieving optimal organizational performance. Employees with strong commitment typically demonstrate a high level of dedication, carry out their duties wholeheartedly, and consistently contribute their best to the organization. This sense of commitment motivates employees not only to complete their tasks but also to contribute to the overall success of the organization.

Organizational commitment is a crucial link between transformational leadership, organizational climate, and organizational performance. Leaders who inspire, serve as role models, and foster motivation will be more successful in improving organizational performance if employees feel strongly attached to the organization. Likewise, a comfortable and supportive work environment will only produce optimal results if accompanied by employee commitment to work wholeheartedly.

4.2. Suggestions

Theoretically, the results of this study contribute to the development of Stewardship Theory as a grand theory underlying research. Stewardship Theory emphasizes that individuals within organizations act as stewards who prioritize organizational interests over personal interests. This study strengthens and expands the understanding of stewardship theory by proving that: Transformational leadership in the context of government reflects stewardship behavior where leaders act as public servants who prioritize the interests of the community. A conducive organizational climate supports the formation of stewardship behavior among government employees. Organizational commitment acts as a mediator that connects stewardship behavior with the performance of public organizations.

At the middle theory level, this study integrates several specific theories, namely Transformational Leadership Theory, Organizational Climate Theory, and Organizational Commitment Theory. This integration produces a new conceptual model that shows how these middle theories work synergistically within the grand theory of stewardship framework to improve the performance of government organizations. The developed conceptual model integrates the grand theory of stewardship with middle theories in the context of government organizations, where transformational leadership is a manifestation of stewardship leadership, organizational climate is a condition that facilitates stewardship behavior, organizational commitment is an outcome of the internalization of stewardship values, and organizational performance is the end result of the implementation of stewardship principles.

Practical Advice, Leaders within the Banyuwangi Regency Government need to continuously improve their personal attention to employees, for example by understanding individual needs, listening to aspirations, and providing constructive feedback. This approach can be done through regular meetings, open two-way communication, and providing special support for employees who face obstacles in their work. The Banyuwangi Regency Government needs to implement a fair and transparent reward system, where each employee receives recognition for the work they have done and rewards commensurate with their contributions. Forms of rewards can be verbal appreciation, certificates, financial incentives, or career development opportunities. The Banyuwangi Regency Government needs to strengthen the ongoing commitment of employees by providing clear career paths, improving welfare, and creating a safe and supportive work environment so that employees feel comfortable and have the desire to remain part of the organization.

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