The Role of Transformational Leadership and Organizational Values in Enhancing Commitment to Service: An Empirical Study of Credit Unions in West Kalimantan

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ABSTRACT: This study examines the impact of Transformational Leadership and Organizational Value on Commitment to Service within the service industry context. Using a quantitative causal research design, data were collected from employees of Credit Unions in West Kalimantan through structured questionnaires and analyzed using Partial Least Squares-Structural Equation Modeling (PLS-SEM). The findings reveal that Transformational Leadership positively influences Commitment to Service, with leaders' inspirational motivation and individualized consideration fostering employees' dedication to quality service. However, the effect is relatively minor compared to Organizational Value.

Organizational Value demonstrates a more substantial influence, where the alignment between organizational and individual values significantly enhances employees' sense of responsibility and commitment to providing excellent service. This research underscores the dominant role of Organizational Value over leadership styles in shaping Commitment to Service.

These findings contribute to the theoretical understanding of leadership and organizational behavior while offering practical insights for organizations to prioritize strengthening organizational values as a strategic approach to improving service quality. The results emphasize the need for integrated strategies that combine leadership development and value-driven management to optimize employee engagement and performance in service delivery.

KEYWORDS: Transformational Leadership, Organizational Value, Commitment to Service, Organizational Behavior

I. INTRODUCTION

Commitment to Service has garnered significant attention in research aimed at enhancing organizational performance, particularly in the service sector. Two critical factors that substantially influence this commitment are Transformational Leadership and Organizational Value. Transformational Leadership is renowned for its ability to inspire, motivate, and empower employees to deliver their best performance through a clear vision and an empowering approach (Bass & Riggio, 2006). On the other hand, Organizational Value reflects the principles and priorities that guide decision-making and actions within an organization, ultimately shaping employee attitudes and behaviors (Hanafi et al., 2022; Vveinhardt & Gulbovaite, 2017).

While Transformational Leadership and Organizational Value have been recognized as key determinants of Commitment to Service, there remains a scarcity of research integrating these variables into a more comprehensive conceptual framework, particularly within the context of organizations in Indonesia. This study aims to address a fundamental question: how can Transformational Leadership and Organizational Value collectively strengthen Commitment to Service in organizations.

By focusing on the interplay between Transformational Leadership, Organizational Value, and Commitment to Service, this research seeks to make a meaningful contribution to management literature while offering practical insights for human resource management. The study builds on theoretical foundations from Bass and Riggio (2006) for Transformational Leadership Vveinhardt and Gulbovaite (2017) for Organizational Value, and Dhar (2015), who underscores the critical role of Commitment to Service in driving organizational performance.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Commitment to Service

Commitment to Service is a critical element in enhancing employee performance, particularly within the service sector. This concept refers to employees' dedication and accountability in providing high-quality service to customers, contributing not only to customer satisfaction but also to strengthening the organization's overall reputation (Dhar, 2015; Pahi et al., 2022; Pahi et al., 2020). Such dedication reflects how employees prioritize customer needs as an integral part of their job responsibilities.

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Several studies highlight that Commitment to Service is influenced by internal organizational factors, such as Transformational Leadership and Organizational Value. Transformational Leadership, through its inspirational and empowering approach, can significantly enhance employees' commitment to delivering exceptional service (Pahi et al., 2020). Leaders who provide individualized attention and foster a strong vision are capable of motivating employees to achieve superior performance in customer service. Similarly, robust Organizational Values, which reflect the harmony between individual and organizational principles, play a pivotal role in reinforcing employees' commitment to service (Sihombing et al., 2018). Research indicates that when organizational values align with employees' personal values, higher job satisfaction is achieved, ultimately leading to improved service quality (Vveinhardt & Gulbovaite, 2017).

Furthermore, Commitment to Service not only impacts individual performance but also serves as a crucial mediator in the relationship between Transformational Leadership, Organizational Value, and employee performance (Volkov et al., 2023). This commitment explains how leadership and organizational values translate into service-oriented work behaviors. Despite its established significance, studies exploring the mediating role of Commitment to Service within specific cultural contexts, such as Indonesia, remain limited.

Consequently, Commitment to Service is a concept that warrants further exploration, particularly in contexts that consider the cultural and organizational dynamics. This study builds on the findings of Dhar (2015), Pahi and Abhamid (2015), Sihombing et al. (2018), and Volkov et al. (2023), emphasizing the importance of managing Commitment to Service as a strategic tool to enhance overall organizational performance.

Transformational Leadership

Transformational Leadership has long been recognized as an effective leadership style that motivates and inspires employees to exceed expectations by emphasizing vision, empowerment, and individualized attention. According to Bass and Riggio (2006), Transformational Leadership comprises four key dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Transformational leaders not only serve as strong role models but also encourage innovation and creativity among their team members.

Numerous studies support the positive relationship between Transformational Leadership and employee performance. Buil et al. (2019) found that Transformational Leadership significantly enhances employee engagement and performance, particularly through strengthening organizational identification. Additionally, Khuzwayo et al. (2023) highlighted that Transformational Leadership fosters a commitment to service, which indirectly improves employees' quality of work. However, the effects of Transformational Leadership may vary depending on organizational and cultural contexts. Research by Kwan (2020) and Supriyanto et al. (2018) suggests that cultural contexts and follower characteristics can modify the influence of this leadership style on performance.

Despite extensive evidence of its positive impact, some studies report differing outcomes. For instance, Elgelala and Noermijatib (2014) found that Transformational Leadership does not have a significant direct effect on employee performance in certain contexts, although it enhances motivation and job satisfaction. These findings underscore the need for further exploration of the moderating or mediating factors in the relationship between Transformational Leadership and employee performance.

In this study, Transformational Leadership is positioned as a key factor that influences employee performance both directly and through mediating mechanisms such as Commitment to Service. This research builds on the findings of Bass and Riggio (2006), Buil et al. (2019), Khuzwayo et al. (2023), and Elgelala and Noermijatib (2014) while contributing new insights by examining its role within the local cultural context of Indonesia.

Organizational Value

Organizational Value represents the principles and priorities that form the foundation of organizational behavior and decision-making, reflecting its identity and culture. These values influence not only how organizations operate but also shape employees' attitudes and behaviors, including job satisfaction, organizational commitment, and performance (Vveinhardt & Gulbovaite, 2017). In the workplace, the alignment between organizational values and individual employee values (value congruence) has been shown to positively correlate with various aspects of job performance, such as job satisfaction and productivity (Eppler-Hattab et al., 2023; Ryu, 2015; Sihombing et al., 2018).

Previous studies indicate that strong Organizational Values foster a positive work culture and promote collaboration among employees. Sihombing et al. (2018) emphasized that when an organization's core values align with employees' perceptions, it not only enhances their commitment but also improves the quality of services delivered. Additionally, Organizational Values can act as moral guidelines in everyday decision-making, strengthen social connections, and create an inclusive work environment (Malbašić et al., 2015; Vveinhardt & Gulbovaite, 2017).

Despite extensive research on the role of Organizational Values in shaping employee performance, there remains a gap in understanding the psychological mechanisms underlying their impact on performance (Zhang et al., 2022). In the context of service organizations, such as Credit Unions, well-internalized organizational values can significantly enhance employees'

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Commitment to Service (Dhar, 2015). This suggests that Organizational Values are not only crucial for individual performance but also integral to the organization's overall strategy.

This study builds upon the findings of Vveinhardt and Gulbovaite (2017), Sihombing et al. (2018), and Ryu (2015), exploring how Organizational Values contribute to Commitment to Service. By focusing on organizational values applied within the local cultural context, the research aims to provide new insights into the organizational management and human resource management literature.

Transformational Leadership and Commitment to Service

Transformational Leadership has been recognized as one of the most effective leadership styles for enhancing employees' commitment to organizations, particularly in the service sector. This leadership style encourages employees to transcend personal interests and focus on organizational goals through idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass & Riggio, 2006; Hussain et al., 2019). In service organizations, Transformational Leadership plays a critical role in fostering employee dedication to delivering high-quality service to customers.

Previous studies have confirmed the influence of Transformational Leadership on Commitment to Service. For instance, Eliyana et al. (2019) found that transformational leaders enhance employees' service commitment by providing inspiration and addressing individual needs. Transformational leaders not only create a supportive work environment but also motivate employees to demonstrate full dedication in serving customers. Similarly, Dhar (2015) highlighted that transformational leadership strengthens employees' dedication to service, ultimately improving their performance in service organizations.

Considering these findings, Transformational Leadership can be regarded as a key factor in driving Commitment to Service, especially in the service sector, where employee-customer interactions are pivotal. Based on the theoretical arguments and empirical evidence presented, this study proposes the following hypothesis:

H1: Transformational Leadership has a positive influence on Commitment to Service.

Organizational Value and Commitment to Service

Organizational Value represents the core principles that guide behavior and decision-making within an organization. These values not only shape the organizational culture but also significantly impact employees' attitudes and behaviors, including their commitment to service. The alignment between organizational values and employees' personal values (value congruence) has been shown to enhance job satisfaction, organizational commitment, and service quality (Sihombing et al., 2018; Vveinhardt & Gulbovaite, 2017).

In the context of service organizations, strong Organizational Values provide moral guidance and foster a supportive work environment, influencing employees' commitment to delivering quality service. Dhar (2015) found that clearly defined organizational values can enhance employees' commitment to providing high-quality service. This is supported by Sihombing et al. (2018), who noted that alignment between organizational and personal values creates a stronger sense of belonging and accountability among employees toward the services they deliver.

Moreover, Organizational Values act as a foundation for strengthening social relationships within the organization, cultivating a positive work culture, and motivating employees to deliver exceptional customer service. Values that are well-understood and internalized by employees encourage proactive behavior and a customer-oriented approach. Thus, Organizational Value can be regarded as a crucial factor in fostering Commitment to Service among employees. Based on these theoretical arguments and empirical evidence, this study proposes the following hypothesis:

H2: Organizational Value has a positive influence on Commitment to Service.

III. METHODOLOGY

3.1 Research Design

This study employs a quantitative research design with a causal approach to examine the relationship between Organizational Value and Commitment to Service. This approach facilitates the analysis of the direct influence of Organizational Value as the independent variable on Commitment to Service as the dependent variable. Organizational Value, which reflects the principles and priorities guiding organizational behavior and shaping employee conduct (Vveinhardt & Gulbovaite, 2017), is anticipated to have a significant impact on employees' dedication to delivering high-quality service (Dhar, 2015).

The research was conducted using a survey method with questionnaires, and the collected data were analyzed using Partial Least Squares-Structural Equation Modeling (PLS-SEM). This method was chosen for its robustness in handling complex models and small to medium sample sizes, making it well-suited for evaluating the hypothesized relationships in this study.

3.2 Location and Time of the Research

The research was conducted within service organizations in West Kalimantan, focusing on Credit Unions (CUs) as the subject of study. This location was selected due to the pivotal role of Credit Unions in empowering local economies and their reliance on

high levels of service commitment from employees. Data collection took place over a three-month period, spanning from January to March 2024.

3.3 Population and Sample

The population of this study consists of all employees working in Credit Unions in West Kalimantan. The sample was selected using the purposive sampling method, targeting respondents based on specific criteria, such as a minimum tenure of one year and roles involving direct interaction with customers. This method ensures the selection of a relevant sample to effectively measure perceptions of Organizational Value and Commitment to Service (Sihombing et al., 2018).

3.4 Research Variables

This study involves two independent variables and one dependent variable, as described below:

Independent Variables:

1. Transformational Leadership (X1):
   This variable reflects a leadership style that motivates, inspires, and empowers employees through idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass & Riggio, 2006).
2. Organizational Value (X2):
   This variable represents the core principles that guide organizational behavior and decision-making. Organizational Value is measured based on indicators of value alignment between the organization and individual employees (Vveinhardt & Gulbovaite, 2017).

Dependent Variable:

Commitment to Service (Y):

This variable reflects employees' dedication to delivering high-quality service to customers. Commitment to Service is measured using indicators such as attention to customer needs, responsibility for service quality, and a strong desire to provide the best service experience (Dhar, 2015).

3.5 Data Collection Technique

Primary data were collected through questionnaires distributed to the respondents. The questionnaire was designed using a five-point Likert scale to measure respondents' perceptions of Organizational Value and Commitment to Service. The research instrument was adapted from previous studies by Dhar (2015) and Vveinhardt and Gulbovaite (2017) to ensure the validity and reliability of the measurements.

3.6 Data Analysis Technique

The collected data were analyzed using Partial Least Squares-Structural Equation Modeling (PLS-SEM). This method was chosen for its flexibility in analyzing causal relationships between variables and its ability to handle data that do not follow a normal distribution.

IV. FINDINGS AND DISCUSSIONS

Based on Table 4.1, the population of this study consists of employees working in Credit Unions in West Kalimantan. From this population, the authors selected 309 respondents. Data collection was conducted between May and September 2024.

Table 4.1. Respondent Characteristics

Number	Characteristics	Amount	Presentation
1	**Gender**		
	Male	231	74,8%
	Female	78	25,2%
2	**Age**		
	21-30 Year	123	38,9%
	31-40 Year	100	32,4%
	41-50 Year	71	23 %
	51-60 Year	9	2,9 %
	> 60 Year	6	1,9 %
3	**Education**		
	SMP – SMA	78	25,2%
	D1 – D3	25	2,1 %
	S1	179	57,9%

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Number	Characteristics	Amount	Presentation
	S2	25	8,1 %
	S3	2	0,6 %
4	**Years of service**		
	1-5	101	32,7 %
	6-10	62	20,1 %
	11-15	70	22,7 %
	16-20	52	16,8 %
	> 20 Year	24	7,8 %
5	**Religion**		
	Catholic	157	84,9 %
	Christian	26	14,1 %
	Islam	2	1,1 %
6	**Place of service**		
	Subdistrict	198	64,1 %
	Regency	47	15,2 %
	City	64	20,7 %

Source: Author Processed Data 2024

This table shows that the respondents who completed the questionnaire consisted of 308 individuals, meeting the planned target of 308 employees from Credit Unions (CUs).

Table 4.2. Characteristics of Respondents Based on Gender

Gender	Number of Respondents	Percentage
Male	230	74,8%
Female	78	25,2%
Total	**308**	

Source: Author Processed Data 2024

Based on the data in Table 4.2, it can be observed that out of the total 308 respondents participating in this study, the majority are male, comprising 230 individuals, or approximately 74.68% of the total respondents. Meanwhile, female respondents account for 78 individuals, or around 25.32% of the total.

The predominance of male employees among respondents reflects the characteristics of the financial sector, particularly Credit Unions in West Kalimantan, which tend to have a higher proportion of male employees compared to female employees. This trend may be influenced by various factors, such as individual preferences in job selection, societal perceptions of gender roles in the financial industry, and organizational policies on recruitment and career development.

Nonetheless, the presence of female employees, making up about a quarter of the total respondents, indicates a significant level of participation by women in the Credit Union industry in West Kalimantan. This could reflect the organizations' efforts to promote gender equality and provide equal opportunities for both male and female employees to contribute and advance in their careers within the financial sector.

Understanding the gender composition of employees can assist organizations in designing policies and programs that are responsive to the diverse needs and aspirations of their workforce. Furthermore, achieving gender balance within an organization is believed to foster innovation, enhance decision-making, and strengthen relationships with members and communities served by the Credit Union.

Table 4.3. Respondent Characteristics Based on Age

Age	Number of Respondents	Percentage
21-30 year	123	39,8%
31-40 year	99	32,4%
41-50 year	71	23%
51-60 year	9	2.9%
> 60 year	6	1,9%
Total	**308**	

Source: Author Processed Data 2024

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Table 4.3 presents the characteristics of respondents based on age groups. Out of the total 308 respondents, the largest age group is 21-30 years, comprising 123 individuals, or approximately 39.94% of the total. The second-largest group is 31-40 years, with 99 individuals, or about 32.14%. The age group 41-50 years accounts for 71 individuals, or roughly 23.05%. Meanwhile, respondents aged 51-60 years and above 60 years constitute relatively smaller groups, with 9 individuals (2.92%) and 6 individuals (1.95%), respectively.

The predominance of younger age groups (21-40 years) among respondents reflects the dynamic nature of the Credit Union industry in West Kalimantan, which often requires an energetic and adaptable workforce capable of responding to change. Younger employees are generally more open to innovation, technology, and new ideas, driving organizational growth and development.

However, the presence of older employees (41-60 years and above) remains vital to the organization. Senior employees typically bring valuable experience, knowledge, and wisdom, which can be shared with younger colleagues. The combination of energy and creativity from younger employees with the experience and insight of senior employees can foster a positive and complementary dynamic within the organization.

Understanding the age composition of employees can help organizations design human resource management strategies tailored to the needs and characteristics of each age group. For example, training and development programs can be adapted to suit the preferences and learning styles of employees across generations. Additionally, organizations can develop succession planning and knowledge transfer strategies to ensure long-term sustainability.

Table 4.4. Characteristics of Respondents Based on Last Education

Education	Number of Respondents	Percentage
SMP - SMA	77	25,2%
D1-D3	25	8,1%
S1	179	57,9%
S2	25	8,1%
S3	2	0,6%
Total	**308**	

Source: Author Processed Data 2024

Table 4.4 presents the characteristics of respondents based on their highest level of education. Out of the total 308 respondents, the majority hold a bachelor's degree (S1), accounting for 179 individuals or approximately 58.12% of the total. The second-largest group comprises those with junior high school to high school education (SMP-SMA), totaling 77 individuals or around 25%. Respondents with vocational education (D1-D3) and master's degrees (S2) each account for 25 individuals or about 8.12%. Lastly, only 2 respondents have attained a doctoral degree (S3), representing approximately 0.65% of the total.

The predominance of employees with bachelor's degrees indicates that the Credit Union industry in West Kalimantan prefers candidates with higher educational backgrounds. Higher education is typically associated with stronger analytical abilities, better communication skills, and a solid grasp of complex concepts—qualities that align with the needs of the dynamic and intricate financial sector.

However, the significant proportion of employees with junior high to high school education suggests that Credit Unions also provide job opportunities for individuals with diverse educational backgrounds. This reflects their commitment to community empowerment and the development of local human resources.

Employees with vocational education (D1-D3) and master's degrees (S2) also play crucial roles within the organization. Those with vocational education often bring specific technical skills and job readiness, while those with master's degrees can contribute deeper strategic and analytical insights to the organization.

The presence of employees with doctoral degrees, albeit small in number, adds value to the organization by offering expertise and extensive professional networks.

Understanding the educational composition of employees can help Credit Unions design tailored training and development programs to maximize the potential of each educational group. Additionally, the organization can optimize job placements based on employees' educational backgrounds, ensuring operational efficiency and effectiveness.

Table 4.5. Respondent Characteristics Based on Length of Service

Years of service	Number of Respondents	Percentage
1-5 Tahun	101	32,79%
6-10 Tahun	62	20,13%

Years of service	Number of Respondents	Percentage
11-15 Tahun	69	22,40%
16-20 Tahun	52	16,88%
lebih dari 20 Tahun	24	7,79%
Total	**308**	

Source: Author Processed Data 2024

Table 4.5 presents the characteristics of respondents based on their length of service. Out of the total 308 respondents, the largest group consists of those with 1-5 years of service, totaling 101 individuals or approximately 32.79% of the total. The second-largest group includes those with 11-15 years of service, comprising 69 individuals or about 22.40%. Respondents with 6-10 years of service account for 62 individuals or around 20.13%. Meanwhile, the group with 16-20 years of service consists of 52 individuals or approximately 16.88%, and those with more than 20 years of service represent 24 individuals or around 7.79%.

The relatively balanced distribution among employees with 1-5 years, 6-10 years, and 11-15 years of service suggests that Credit Unions in West Kalimantan maintain a well-rounded workforce comprising both relatively new employees and those with more extended experience. Employees with shorter tenure often bring enthusiasm, fresh ideas, and high adaptability, while those with longer tenure offer valuable knowledge, skills, and deep insights into the organization and industry.

The presence of employees with 16-20 years and more than 20 years of service, though smaller in number, indicates good levels of loyalty and employee retention within Credit Unions. Long-serving employees typically exhibit strong commitment to the organization and can act as mentors for junior staff.

However, the organization should be mindful of potential challenges associated with varying lengths of service among employees. For instance, employees with longer tenure may require tailored training and development programs to maintain motivation and update their skills in line with industry advancements. Conversely, the organization should ensure effective knowledge transfer from senior employees to junior ones to sustain organizational continuity.

Understanding the composition of employees' length of service can help Credit Unions design effective strategies for retention, career development, and succession planning. By optimizing the potential of employees across different tenure groups, Credit Unions can foster a dynamic, innovative, and sustainable work environment.

Table 4.6. Characteristics of Respondents Based on Place of Service

Place of Service	Number of Respondents	Percentage
Regency	47	15,2%
Subdistrict	197	64,1%
City	64	20,7%
Total	**308**	

Source: Author Processed Data 2024

Based on the data in Table 4.6, the majority of respondents in this study work at the sub-district level, totaling 197 individuals or 63.96% of the total respondents. This indicates that most employees of Credit Unions included in the sample are stationed in branch offices or service units at the sub-district level.

Furthermore, 64 respondents, or 20.78%, work in urban areas, suggesting that a significant number of Credit Union employees are based in headquarters or main branches typically located in urban centers.

Meanwhile, 47 respondents, or 15.26%, work at the district level. Although the smallest group, this data demonstrates that Credit Unions also operate service units at the district level to reach members in more extensive areas.

The distribution of respondents based on service locations reflects the operational structure of Credit Unions, which have service networks extending to the sub-district level. This aligns with the mission of Credit Unions to provide broader access to financial services for communities, including those in areas relatively distant from urban centers (Mering, 2017).

Table 4.7. Respondent Characteristics Based on Religion

Religion	Number of Respondents	Percentage
Islam	2	1,1%
Catholic	280	84,9%
Christian	26	14,1%
Grand Total	**308**	

Source: Author Processed Data 2024

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Based on Table 4.7, the majority of respondents in this study identify as Catholic, comprising 280 individuals, or 90.91% of the total respondents. This dominance reflects the historical background of Credit Unions in West Kalimantan, which were typically established and developed by Catholic communities (Mering, 2017).

Additionally, 26 respondents, or 8.44%, identify as Christian. Although fewer than Catholic respondents, the presence of Christian employees highlights the religious diversity within the Credit Union organization.

Meanwhile, only 2 respondents, or 0.65%, identify as Muslim. This minimal number may be attributed to demographic and cultural factors in the operational regions of the Credit Unions under study.

The distribution of respondents by religion reflects the distinctive characteristics of Credit Unions in West Kalimantan, which have strong roots in Catholic communities. However, the presence of employees from other religions, even in smaller numbers, indicates that Credit Unions are becoming more inclusive. This aligns with the principle of inclusivity in the credit union movement, which emphasizes open membership regardless of religious background (Milliman et al., 2001).

The predominance of Catholic employees may also influence the organizational culture and values upheld by Credit Unions. It is essential to consider how these religious values can be integrated with the universal values of Credit Unions and local wisdom, such as "Dayak's Greeting," in shaping the work ethic and employees' commitment to service.

Table 4.8 demonstrates the reliability and validity of the constructs used in this study. All variables exhibit excellent reliability, as evidenced by Cronbach's Alpha values above 0.7, indicating high internal consistency among the measurement items. Additionally, the rho_A and Composite Reliability values for all variables are well above the threshold of 0.7, confirming the robustness of the measurement constructs. The Average Variance Extracted (AVE) values also exceed the minimum requirement of 0.5 for each variable, suggesting strong convergent validity. These results indicate that the constructs— Transformational Leadership (TL), Organizational Value (OV), and Commitment to Service (CS)—are well-suited for accurately capturing the intended dimensions of the study. Overall, the high reliability and validity values underscore the soundness of the research instruments used in this analysis.

Table 4.8. Construct Reliability and Validity

Variable	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Transformasional Leadership (TL)	0.911	0.928	0.938	0.790
Organization Value (OV)	0.949	0.950	0.963	0.868
Commitment to Service (CS)	0.963	0.963	0.970	0.843

Source: Author Processed Data 2024

The significance test results indicate that both analyzed relationships have a positive and significant influence on Commitment to Service (CS). Hypothesis H1, which states that Transformational Leadership (TL) positively influences Commitment to Service (CS), has a coefficient value of 0.132, T-statistics of 1.776, and a P-value of 0.038. With a P-value smaller than the significance threshold of 0.05, this hypothesis is supported, although the effect size is relatively small. This finding is consistent with Pahi et al. (2020), who stated that Transformational Leadership can enhance employees' commitment to service by providing inspiration and addressing individual needs. Transformational leaders, through idealized influence and inspirational motivation, create a supportive work environment that fosters employees' dedication to delivering high-quality service. Despite its relatively small influence compared to other variables, this result underscores the importance of Transformational Leadership as a key factor in building Commitment to Service in service organizations.

Meanwhile, Hypothesis H2, which states that Organizational Value (OV) positively influences Commitment to Service (CS), shows stronger results. With a coefficient value of 0.377, T-statistics of 4.764, and a P-value of 0.000, this hypothesis is also supported. The larger coefficient value indicates that Organizational Value has a more significant influence than Transformational Leadership in driving Commitment to Service. These findings are in line with Dhar (2015), Vveinhardt and Foktas (2024), Eppler-Hattab et al. (2023) and Sihombing et al. (2018), who emphasized that strong Organizational Values can create a conducive work environment for employees to deliver high-quality service. Organizational values aligned with employees' personal values can foster a greater sense of responsibility and dedication to meeting customer needs.

With a stronger influence than Transformational Leadership, these results highlight that strengthening Organizational Values is an effective strategy for enhancing Commitment to Service, particularly in the service sector.

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Table 4.9. Significance Test (Hypothesis Testing)

Variable	Hipotesis	Coeficient	T Statistics	P Values	Information
Transformasional Leadership (TL) -> Commitment to Service (CS)	H2	0.132	1.776	0.038	Supported
Organization Value (OV) -> Commitment to Service (CS)	H6	0.377	4.764	0.000	Supported

Source: Author Processed Data 2024

V. CONCLUSIONS

This study demonstrates that Transformational Leadership and Organizational Value significantly influence Commitment to Service within the context of service organizations. The analysis reveals that Transformational Leadership, through idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration, positively contributes to enhancing employees' commitment to service. However, the impact of Transformational Leadership is relatively smaller, suggesting that this leadership style needs to be combined with other factors to create a stronger effect.

Conversely, Organizational Value shows a more dominant influence on Commitment to Service. Organizational values aligned with employees' personal values effectively enhance their sense of responsibility, dedication, and job satisfaction, ultimately driving the quality of service delivered. These findings underscore that strengthening organizational values is a more effective strategy than relying solely on specific leadership styles.

Overall, this study highlights the importance of integrating transformational leadership and organizational values in fostering employees' commitment to service. The findings contribute to the theoretical literature on human resource management and offer practical implications for service organizations, particularly in formulating policies that emphasize strengthening organizational values as a strategic step to improve service quality.

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