

ABSTRACT

Investment is one sustainable economic growth source. The government has passed a law on investment. This policy basically aims to further encourage local governments to develop their regions maximally and efficiently. Employee performance is the main factor that helps the company in achieving their goals. There are several factors that affect employee engagement improvement, including employee engagement and transformational leadership.

The study was conducted with the aim of knowing and analyzing the impact of employee engagement (X1) and transformational leadership (X2) on employee's performance (Y) partially and simultaneously at the One Stop Investment Services Agency of West Sumatra Province.

This type of research is descriptive quantitative. The method used are descriptive analysis technique and classical assumption test in the form of normality test, multicollinearity test, heteroscedasticity test, and autocorrelation test. And using multiple regression quantitative analysis, multiple correlation, F test, T test and coefficient of determination using SPSS software version 2.1.

Study results showed the impact of employee engagement on employee performance is $(6,795 > 2,001)$; Transformational leadership on employee performance is $(4,891 > 2,001)$; And employee engagement and transformational leadership simultaneously on employee performance is $(364,941 > 3,156)$.

The conclusion of this study showed that employee engagement had quite significant positive impact on employee performance. Transformational leadership also showed a significant positive impact on employee performance. And using both of employee engagement and transformational leadership together showed a drastic improvement of significant positive impact on employee performance.

Keywords: employee engagement, transformational leadership, employee performance.