## **ABSTRACT**

Bank Rakyat Indonesia (Persero) Tbk is a conventional bank that has a good image in the eyes of its customers, it is proved by the increasing number of customers from year to year. Bank widely known people with small and medium enterprises credit is recorded as the bank with the second largest amount of assets as of December 2013. The growth of these assets can not be separated from the support of the leader and the employee's performance in it. Bank Rakyat Indonesia (BRI) in particular branches of Ngawi in East Java showed an increase in the movement behind the performance, this is because leaders who can handle the whole affair employees both long term and short term.

This study aimed to determine the level of performance and style of leadership at Bank Rakyat Indonesia (BRI) Branch Ngawi in East Java as well as how the link between the two, whether the high level of performance in this company is the result of a leadership approach that the head of the branch did or not. Dependent variable in this study is the dimension of transformational leadership and Independen variable is the employee's performance.

This study uses quantitative methods causal. The population in this study as many as 71 people while sampling technique used is saturated sampling technique in which the number of samples that are same with a population of as many as 71 samples. Data obtained through written documents and questionnaires. Processing of the data in this study using path analysis helped with SPSS 22.0 for Windows.

Based on analysis of the path that has been done, simultaneously transformational leadership has a positive and significant influence on employee performance amounted to 51.2%. Of the four sub-variables are related, there are two variables were not significant, which idealized influence and intellectual stimulation, so that the regulatory path analysis was performed trimming method. Method of trimming is done the results obtained are inspirational motivation directly or indirectly affect the performance of 31.5%, while the individualized consideration, directly or indirectly affect employees at 19.5%.

From analysis of transformational leadership has a positive and significant influence on employee performance except idealized influence. From the results of this study are expected to be leaders can communicate important values to employees and the company are in the period when employees need a figure of a leader. Companies are expected to pay more attention to the context of idealized influence so that the concept of transformational leadership can be applied in the company more be better.

*Keywords : Transformational leadership, performance employee.*