

## **ABSTRACT**

*This study focuses on identifying the factors causing a decline in performance target achievement in 2022 compared to 2021 and finding solutions to improve employee performance. It aims to evaluate whether factors like motivation, target challenges, and training effectiveness contribute to the decline. By analyzing the performance appraisal system, leadership, and development programs, the study seeks to design strategies for enhancing performance at PT PLN (Persero). The research investigates the impact of training and transformative leadership on employee engagement and performance, analyzing the mediating effect of employee engagement in this dynamic. This study used a causal methodology with purposive sampling, including 69 workers from PT PLN's Main Distribution Unit in Central Java and D.I. Yogyakarta, all of whom have been engaged for a minimum of two years. Data analysis was performed with SEM-PLS, employing questionnaires as the data gathering technique. The results show that both training and transformational leadership positively and significantly impact employee engagement but not significantly impact on performance. Employee engagement also significantly mediates the relationship between training and transformational leadership on performance, highlighting its critical role in enhancing overall performance.*

**Keywords** : *employee engagement, employee performance, training, transformational leadership*