

## **ABSTRACT**

*This study aims to analyze the effect of transformational leadership and corporate innovation on business performance at PT. Indonesia Comnets Plus. PT. Indonesia Comnets Plus is a company engaged in telecommunications and information based on technological developments. The phenomenon in this company is the low target achievement of business performance and the company's low market share compared to competitors. Whereas on several occasions, PT Indonesia Comnets Plus has invested heavily in improving employee skills and abilities and developing innovative products and work methods.*

*The population in this study were all managers of PT Indonesia Comnets Plus who were scattered throughout Indonesia with a total population of 260 people. Data collection is done is by providing a questionnaire form to the respondents. Furthermore, the analysis technique used to analyze the data obtained is Structural Equation Modeling (SEM) using the AMOS application.*

*The results of this study indicate that company innovation has a positive and significant effect on business performance. In addition, transformational leadership has a positive and significant effect on company innovation. However, in this study, transformational leadership has no effect on business performance. The results of this study confirm that there is a mediating role that involves corporate innovation in the relationship between transformational leadership and business performance.*

*Keywords: transformational leadership, corporate innovation, business performance, telecommunications*