

The Influence of Transformational Leadership Style and Work Motivation on Employee Performance at the (BKPSDM) Office of Penajam Paser Utara Regency

Tjatur Ariyanti¹, Muliyadi Hamid², Habib Muhammad Shahib²

¹Program Magister Manajemen Fakultas Pascasarjana Universitas Fajar Makassar

²Universitas Fajar Makassar

*Corresponding Author: Tjatur Ariyanti

Email: kenziedaprisca@gmail.com

Article Info

Article History:

Received September 7, 2025

Revised September 19, 2025

Accepted: October 27, 2025

Keywords:

Transformational Leadership Style, Work Motivation, Employee Performance, BKPSDM.

Abstract

This study aims to analyze and examine the influence of transformational leadership style and work motivation, both partially and simultaneously, on employee performance at the Office of Personnel and Human Resources Development (BKPSDM) of Penajam Paser Utara Regency. The urgency of this research is based on the strategic role of BKPSDM of Penajam Paser Utara as the agency responsible for managing the state apparatus in the buffer zone of the New Capital City of Indonesia (IKN). To address the research objectives, this study adopts a quantitative approach using a survey method. Data were collected through questionnaires distributed to 46 employees as respondents. The data analysis process was conducted using multiple linear regression methods, using SPSS statistical software to process and interpret the findings through validity tests, reliability tests, classical assumption tests, and hypothesis testing (t-test and F-test). The results indicate that, partially, transformational leadership style has a positive and significant effect on employee performance. Similarly, work motivation was found to have a positive and significant effect, emerging as the most dominant variable influencing performance within BKPSDM of Penajam Paser Utara. Simultaneously, both variables were proven to have a significant effect on employee performance with a high F-statistic value. Consequently, enhancing employee performance at BKPSDM of Penajam Paser Utara Regency can be optimized by strengthening inspirational leadership patterns and maintaining sustainable employee work motivation to address the dynamics of future bureaucratic transitions.

Introduction

Employee performance is one of the most critical determinants of organizational effectiveness, particularly within public sector institutions where service quality and accountability are highly demanded by society. In the era of globalization and bureaucratic reform, government organizations are expected to deliver public services that are efficient, transparent, adaptive, and citizen-oriented (Mujahidin & Kusuma, 2025; Zamzani & Kurniati, 2025; Tripathi & Kumar, 2025). However, many local government institutions continue to face problems related to bureaucratic rigidity, low innovation, weak responsiveness, and inconsistent employee productivity. These conditions indicate that improving employee performance is not solely dependent on administrative systems or formal regulations, but also on organizational behavior factors that influence employee attitudes, commitment, and work effectiveness (Gašić et al., 2024; Fardiansyah et al., 2025).

In the public sector, employee performance reflects the ability of government institutions to achieve development targets, provide quality services, utilize public resources effectively, and maintain integrity in carrying out organizational duties (Vyas-Doorgapersad, 2022; Maile &

Vyas, 2022; Ilyas, 2025). Nevertheless, performance measurement within many government agencies often remains administrative and procedural, emphasizing compliance rather than substantive outcomes and innovation. This phenomenon becomes increasingly problematic as local governments are required to respond quickly to changing socio-economic conditions, technological developments, and dynamic public expectations (Sohel et al., 2022; Patyka et al., 2023; Makhaye & Subban, 2024). As a result, government institutions require employees who are not only capable of performing routine administrative tasks, but also adaptive, innovative, and motivated to contribute beyond minimum organizational standards.

Among the various factors influencing employee performance, leadership style has consistently been identified as one of the most significant determinants (Tamimi & Sopiah, 2022; Widodo, 2022; Hajiali et al., 2022). Leadership in public organizations is not merely associated with authority and supervision, but also with the ability to influence, inspire, and direct employees toward achieving organizational goals effectively (Soeari et al., 2023; Alamri, 2023; Liu et al., 2024). Leadership style shapes organizational climate, employee morale, communication patterns, and work culture, all of which ultimately affect employee performance. Consequently, ineffective leadership may lead to low motivation, limited innovation, weak organizational commitment, and reduced productivity among employees.

Previous studies have identified various leadership styles, including autocratic, democratic, transactional, situational, and transformational leadership (Bwalya, 2023; Pabelona, 2025). However, the effectiveness of each leadership style depends heavily on organizational context and environmental challenges. Transactional leadership, for example, emphasizes supervision, rewards, and punishments to ensure task completion and procedural compliance (Swan, 2023; Mpe, 2024; Wuryaningrat et al., 2024). While this approach may be effective in highly structured and routine environments, it often lacks the capacity to encourage innovation, adaptability, and employee empowerment. In contrast, transformational leadership emphasizes inspiration, intellectual stimulation, individualized consideration, and the development of employee potential to achieve organizational goals beyond formal expectations (Muhammad, 2024; Khan et al., 2025; Pitichat & Riggio, 2025).

The increasing complexity of public sector challenges has made transformational leadership particularly relevant in contemporary government institutions. Transformational leaders are capable of motivating employees to internalize organizational values, develop creativity, and actively participate in organizational change processes (Bashori et al., 2022; Sahid et al., 2023; Subramani, 2025). This leadership style is considered more suitable for organizations facing rapid environmental changes because it encourages flexibility, innovation, and emotional commitment among employees. In government institutions undergoing bureaucratic transformation, transformational leadership may strengthen employee readiness to face institutional changes while simultaneously improving organizational performance.

In addition to leadership style, work motivation is another important factor influencing employee performance. Akerele (2023) define work motivation as the internal and external forces that determine the intensity, direction, and persistence of an individual's effort toward achieving organizational objectives. Employees with strong motivation generally demonstrate higher levels of enthusiasm, commitment, discipline, and responsibility in carrying out their duties. Motivation also influences employees' willingness to adapt to organizational changes, improve competencies, and maintain work consistency under pressure.

The relationship between transformational leadership and work motivation has been widely discussed in organizational behavior studies. Transformational leaders are believed to create positive psychological conditions that increase employee motivation through recognition,

support, empowerment, and inspirational communication (Vu et al., 2025; Nguyen et al., 2022). Employees who feel valued and supported by their leaders are more likely to demonstrate stronger commitment and higher performance. Conversely, weak leadership practices may reduce employee morale and create dissatisfaction, particularly in bureaucratic organizations characterized by rigid hierarchies and limited career flexibility. Despite extensive research examining transformational leadership, work motivation, and employee performance, several important gaps remain within the existing literature. First, many previous studies tend to examine transformational leadership and work motivation separately, resulting in limited understanding regarding their simultaneous interaction in influencing employee performance. Second, prior research has predominantly focused on private organizations or general public institutions, while studies specifically examining strategic human resource management agencies remain limited. Third, previous studies often emphasize the positive influence of transformational leadership without critically explaining why this leadership style becomes particularly important in bureaucratic institutions experiencing organizational transition and environmental uncertainty.

These gaps are particularly relevant in the context of the Regional Civil Service and Human Resource Development Agency (BKPSDM) of Penajam Paser Utara Regency. Penajam Paser Utara Regency occupies a strategic position due to its proximity to the development of the Indonesian Capital City (IKN) in East Kalimantan. The establishment of the IKN has significantly increased the complexity of public administration, inter-agency coordination, and demands for bureaucratic professionalism within surrounding regions. As the institution responsible for managing civil service and human resource development, BKPSDM plays a crucial role in ensuring the readiness and quality of regional government personnel in responding to these strategic changes.

The organizational transformation associated with the IKN development requires government employees who are adaptive, innovative, and capable of maintaining high performance under increasing institutional pressures. Under such conditions, leadership approaches based solely on administrative supervision may no longer be sufficient. Transformational leadership becomes increasingly important because it encourages employees to move beyond procedural compliance and actively contribute to organizational development through innovation, collaboration, and commitment. The same time, maintaining employee motivation is equally important because organizational changes often create uncertainty, increased workloads, and psychological pressure among employees.

Initial observations at BKPSDM Penajam Paser Utara Regency indicate several organizational challenges related to employee performance. Some employees perceive that leadership practices still emphasize routine administrative control rather than individualized support and employee empowerment. In addition, recognition and reward systems are not always perceived as fair and proportional, potentially reducing employee motivation and organizational commitment. These conditions suggest that employee performance problems within BKPSDM may be closely associated with leadership effectiveness and employee motivation dynamics.

This study contributes to the existing literature by integrating transformational leadership and work motivation into a single analytical framework within the context of a strategic government institution experiencing bureaucratic transformation due to the development of the Indonesian Capital City (IKN). Unlike previous studies that primarily focus on general organizational settings, this research specifically examines how transformational leadership and work motivation influence employee performance in a public sector institution facing increasing administrative complexity and institutional transition. Therefore, this study is

expected to provide both theoretical and practical contributions to public sector human resource management, particularly in strengthening leadership effectiveness and employee motivation to improve bureaucratic performance in strategic governmental institutions.

Method

Research Design

This study employed a quantitative approach with a causal research design to examine the influence of transformational leadership style and work motivation on employee performance at the Regional Civil Service and Human Resource Development Agency (BKPSDM) of Penajam Paser Utara Regency. A quantitative approach was considered appropriate because the study aimed to test causal relationships among variables objectively using numerical data and statistical analysis. In this study, transformational leadership style and work motivation functioned as independent variables, while employee performance served as the dependent variable. The causal design enabled the researcher to analyze the extent to which changes in the independent variables influenced employee performance within the organizational setting. The selection of this design was also based on the need to generate empirical evidence regarding organizational behavior in public sector institutions, particularly within strategic governmental agencies experiencing bureaucratic transformation. Statistical testing was conducted to identify both partial and simultaneous relationships among variables and to evaluate the explanatory power of the proposed model. Although quantitative findings allow for systematic analysis, the interpretation of results remains limited to the organizational context examined in this study and should not be generalized broadly to all public institutions without considering institutional differences and contextual characteristics.

Research Location and Time

This research was conducted at the Regional Civil Service and Human Resource Development Agency (BKPSDM) of Penajam Paser Utara Regency, East Kalimantan, Indonesia. The institution was selected because of its strategic role in managing regional human resources and civil servant development within a region directly affected by the establishment of the Indonesian Capital City (IKN). As a government institution responsible for personnel management, BKPSDM plays a significant role in ensuring bureaucratic professionalism and organizational readiness amid administrative transformation and increasing public service demands. The research was carried out over a three-month period, from September to November 2025. The implementation stages included instrument preparation, questionnaire distribution, data collection, data verification, statistical analysis, and interpretation of findings. Conducting the study during this period enabled the researcher to obtain data reflecting the organizational conditions and employee perceptions within the ongoing institutional transition associated with the development of the IKN area.

Population and Sample

The population of this study consisted of all Civil Servants (ASN) employed at BKPSDM Penajam Paser Utara Regency, totaling 46 employees based on the latest personnel records available during the research period. Considering the relatively small population size, this study adopted a saturated sampling technique or census approach, in which all members of the population were included as research respondents. The census approach was selected to maximize data representation and minimize sampling error, thereby allowing the findings to reflect the actual conditions of the institution comprehensively. The use of a census approach is considered appropriate because the number of employees within the institution is manageable and accessible for complete participation. However, despite the advantage of full

population coverage, this study acknowledges the limitation of generalizability due to its institution-specific sample. Since the respondents were drawn exclusively from BKPSDM Penajam Paser Utara Regency, the findings may primarily represent the organizational culture, leadership practices, and motivational conditions specific to this institution. Therefore, caution should be exercised in extending the results to other public sector organizations with different structural, cultural, or administrative characteristics.

Data Collection Technique

This study utilized primary data collected through an online questionnaire distributed using Google Forms. The questionnaire was designed to measure respondents' perceptions regarding transformational leadership style, work motivation, and employee performance. A five-point Likert scale was employed for all measurement items, ranging from 1 (strongly disagree) to 5 (strongly agree). The Likert scale was selected because it enables respondents to express perceptions, attitudes, and evaluations systematically and quantitatively. Before distributing the questionnaire, respondents were informed about the objectives of the study, the voluntary nature of participation, and the confidentiality of their responses. Respondents were also assured that the collected data would be used solely for academic purposes and would not affect their organizational positions or performance evaluations. To reduce response bias and increase data accuracy, the questionnaire was designed using clear and concise language that was easily understood by respondents. In addition, the researcher provided opportunities for clarification whenever respondents encountered difficulties in understanding questionnaire items.

The questionnaire items were adapted from established instruments used in previous organizational behavior and human resource management studies. Transformational leadership style was measured based on dimensions developed by Bass and Avolio (1994), including idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Work motivation indicators were adapted from Robbins and Judge (2016), focusing on achievement, responsibility, recognition, and commitment dimensions. Meanwhile, employee performance indicators were adapted from public sector performance measurement studies emphasizing work quality, productivity, timeliness, effectiveness, and responsibility. To ensure contextual suitability within the public sector environment, several questionnaire items were modified linguistically without altering the substantive meaning of the original constructs. Prior to the main data collection process, the instrument was reviewed to ensure clarity, readability, and relevance to the organizational context of BKPSDM Penajam Paser Utara Regency.

Measurement of Variables

The variables in this study were operationalized using construct dimensions and indicators derived from previous literature. Transformational leadership style was measured through four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Work motivation was measured through dimensions related to achievement motivation, recognition, responsibility, and organizational commitment. Employee performance was measured through indicators associated with work quality, quantity, punctuality, effectiveness, and responsibility in carrying out organizational duties. The measurement indicators were developed from previous empirical studies and adjusted to the context of public sector organizations. The use of previously validated constructs was intended to strengthen construct validity and ensure conceptual consistency between theoretical definitions and empirical measurement. All indicators were translated and adapted carefully to maintain semantic equivalence and contextual appropriateness for Indonesian public sector employees.

Validity and Reliability Testing

Validity testing was conducted to evaluate whether each questionnaire item accurately measured the intended construct. Item validity was assessed using Pearson Product-Moment correlation analysis by comparing the calculated correlation coefficient with the critical correlation value at a significance level of 0.05. In addition, the Corrected Item-Total Correlation value was used as an additional criterion, where items with values greater than 0.30 were considered valid. Questionnaire items failing to meet validity criteria were excluded from further analysis to maintain measurement accuracy. Reliability testing was conducted using Cronbach's Alpha coefficient to assess the internal consistency of the measurement instrument. A Cronbach's Alpha value above 0.60 indicated acceptable reliability, while higher values reflected stronger internal consistency among measurement items. Reliability testing ensured that all questionnaire items consistently measured the same construct and produced stable results across respondents.

Because employee performance was measured using self-reported perceptions, this study also acknowledges the potential risk of common method bias and response subjectivity. Respondents may have provided socially desirable answers or overly positive self-assessments due to organizational norms and institutional relationships. To minimize these risks, several procedural remedies were implemented, including guaranteeing respondent anonymity, emphasizing that there were no right or wrong answers, and arranging questionnaire items systematically to reduce response pattern tendencies. Furthermore, the researcher informed respondents that their responses would remain confidential and would not influence administrative evaluations within the institution.

Data Analysis Technique

The collected data were analyzed using descriptive and inferential statistical techniques with the assistance of SPSS statistical software. Descriptive statistical analysis was conducted to provide an overview of respondent characteristics and research variable distributions through frequency, percentage, mean, and standard deviation calculations. Cross-tabulation analysis was also performed to describe relationships among demographic variables such as gender, educational background, and years of service. In addition, descriptive analysis of research variables employed the Respondent Achievement Level (TCR) approach to determine respondents' perception levels for each indicator. TCR values were obtained by comparing actual scores with ideal maximum scores and converting them into percentages categorized into interpretive levels. This analysis provided a clearer descriptive understanding of employee perceptions regarding transformational leadership, work motivation, and employee performance.

Inferential statistical analysis was subsequently conducted to test the proposed hypotheses. Prior to regression analysis, classical assumption tests were performed, including normality testing, multicollinearity testing, and heteroscedasticity testing. These tests were necessary to ensure that the regression model satisfied statistical assumptions and produced unbiased estimates. Multiple linear regression analysis was used to examine the partial and simultaneous effects of transformational leadership style and work motivation on employee performance. The t-test was employed to determine the partial influence of each independent variable, while the F-test was used to evaluate the simultaneous influence of all independent variables on employee performance. A significance level of 0.05 was used as the decision criterion for hypothesis testing. Finally, the coefficient of determination (R^2) was used to evaluate the extent to which transformational leadership style and work motivation explained variations in employee performance within the research model.

Result and Discussion

This section presents the findings of the study and discusses their implications in relation to transformational leadership style, work motivation, and employee performance at the Regional Civil Service and Human Resource Development Agency (BKPSDM) of Penajam Paser Utara Regency. The discussion is not limited to explaining statistical results, but also critically interprets the meaning of the findings within the context of public sector management and bureaucratic transformation in the era of the Indonesian Capital City (IKN). Furthermore, the findings relate to previous studies and organizational behavior theories to provide a deeper understanding of how leadership and motivation contribute to improving employee performance in government institutions.

Table 1. Validity Test Results

| Variable | Item | Correlation | Significance | Remark |
|--|-------|-------------|--------------|--------|
| Transformational Leadership Style (X1) | X1.1 | 0.867 | 0.000 | Valid |
| | X1.2 | 0.917 | 0.000 | Valid |
| | X1.3 | 0.921 | 0.000 | Valid |
| | X1.4 | 0.935 | 0.000 | Valid |
| | X1.5 | 0.913 | 0.000 | Valid |
| | X1.6 | 0.894 | 0.000 | Valid |
| | X1.7 | 0.849 | 0.000 | Valid |
| | X1.8 | 0.847 | 0.000 | Valid |
| Work Motivation (X2) | X2.1 | 0.693 | 0.000 | Valid |
| | X2.2 | 0.799 | 0.000 | Valid |
| | X2.3 | 0.866 | 0.000 | Valid |
| | X2.4 | 0.770 | 0.000 | Valid |
| | X2.5 | 0.767 | 0.000 | Valid |
| | X2.6 | 0.841 | 0.000 | Valid |
| | X2.7 | 0.842 | 0.000 | Valid |
| | X2.8 | 0.863 | 0.000 | Valid |
| | X2.9 | 0.814 | 0.000 | Valid |
| | X2.10 | 0.856 | 0.000 | Valid |
| | X2.11 | 0.702 | 0.000 | Valid |
| | X2.12 | 0.788 | 0.000 | Valid |
| Employee Performance (Y) | Y.1 | 0.906 | 0.000 | Valid |
| | Y.2 | 0.896 | 0.000 | Valid |
| | Y.3 | 0.926 | 0.000 | Valid |
| | Y.4 | 0.916 | 0.000 | Valid |
| | Y.5 | 0.921 | 0.000 | Valid |
| | Y.6 | 0.862 | 0.000 | Valid |

Based on Table 1, the validity test results indicate that all questionnaire items used in this study are statistically valid and suitable for measuring the research variables. This conclusion is supported by the correlation coefficient values of each item, which exceed the minimum validity threshold of 0.30. In addition, all items show significance values of 0.000, which are

lower than the significance level of 0.05. These findings demonstrate that each statement item has a strong relationship with its respective construct and is capable of accurately representing the variables being measured. For the transformational leadership style variable (X1), the correlation coefficients range from 0.847 to 0.935, indicating a very strong level of validity among the eight measurement items. Similarly, the work motivation variable (X2) also demonstrates acceptable validity, with correlation values ranging from 0.693 to 0.866 across twelve statement items. Although some items have lower correlation values compared to others, all remain above the acceptable threshold, confirming that they are still appropriate for inclusion in the analysis. Meanwhile, the employee performance variable (Y) shows particularly high validity levels, with correlation coefficients ranging from 0.862 to 0.926, indicating that the indicators strongly reflect the employee performance construct.

Table 2. Reliability Test Results

| Variable | Number of Items | Cronbach's Alpha | Remark |
|--|-----------------|------------------|----------|
| Transformational Leadership Style (X1) | 8 items | 0.963 | Reliable |
| Work Motivation (X2) | 12 items | 0.946 | Reliable |
| Employee Performance (Y) | 6 items | 0.955 | Reliable |

Based on Table 2, all research variables, along with their validated questionnaire items, have Cronbach's Alpha coefficients exceeding the threshold value of 0.60. This indicates that all variables both independent and dependent are statistically reliable. Furthermore, the high Cronbach's Alpha values reflect a strong level of internal consistency among the measurement items, confirming that the research instrument is stable, consistent, and suitable for use in data collection and subsequent analysis.

Table 3. Descriptive Statistics

| Variable | N | Minimum | Maximum | Mean | Std. Deviation |
|--|----|---------|---------|---------|----------------|
| Transformational Leadership Style (X1) | 46 | 15.00 | 40.00 | 33.8696 | 6.21328 |
| Work Motivation (X2) | 46 | 26.00 | 60.00 | 48.0652 | 8.85539 |
| Employee Performance (Y) | 46 | 7.00 | 30.00 | 25.3913 | 4.36897 |

Based on Table 3, the results of the descriptive statistical analysis provide a comprehensive overview of the perceptions of the 46 respondents regarding the research variables. The mean scores indicate that transformational leadership style, work motivation, and employee performance are generally perceived at relatively high levels. In addition, the standard deviation values suggest a moderate variation in respondents' answers, indicating that while responses tend to cluster around the mean, there is still some diversity in perceptions among respondents. Overall, these findings imply that the conditions of transformational leadership, work motivation, and employee performance within the organization are relatively positive, although slight variations in individual responses remain evident.

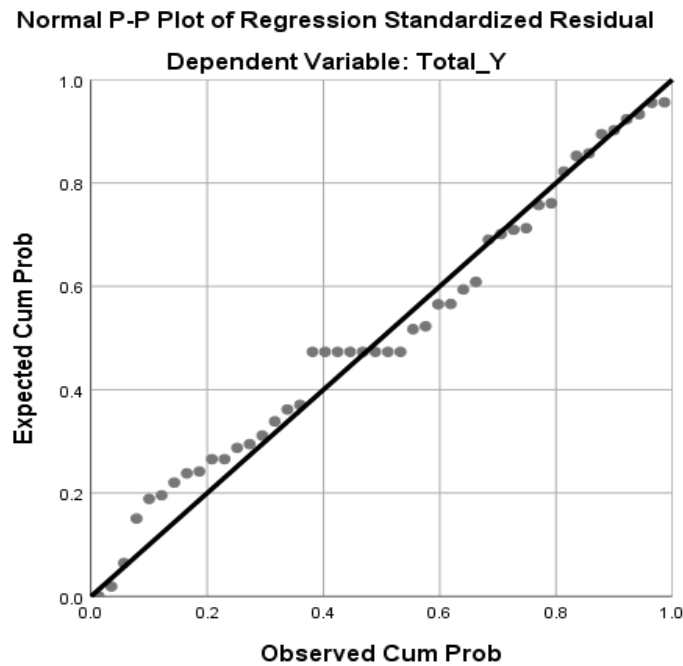


Figure 1. Normality Test Results

Based on the test results, information was obtained that the data was spread around the diagonal and followed the direction of the diagonal line, thus the research model had fulfilled data normality.

Table 4. Multicollinearity Test Results

| Model | Tolerance | VIF |
|--|-----------|-------|
| (Constant) | – | – |
| Transformational Leadership Style (X1) | 0.367 | 2.722 |
| Work Motivation (X2) | 0.367 | 2.722 |

Based on Table 4, the results of the multicollinearity test show that the tolerance values for both independent variables are 0.367, which are greater than the threshold of 0.10. Additionally, the Variance Inflation Factor (VIF) values for both variables are 2.722, which are below the critical value of 10. These findings indicate that there is no multicollinearity among the independent variables in the regression model. Therefore, it can be concluded that transformational leadership style and work motivation do not exhibit strong linear relationships with each other, and both variables are suitable for inclusion in the multiple linear regression analysis.

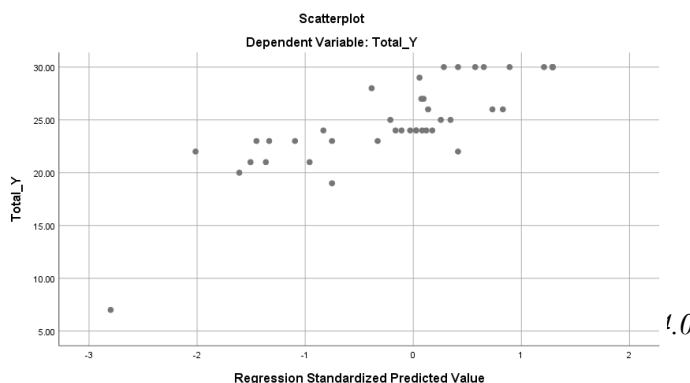


Figure 2. Scatterplot of Regression Standardized Predicted Values and Employee Performance

The test results as in Figure 2, can provide information that the data points are spread above and below or around the number 0, so that the research data is free from heteroscedasticity.

Table 5. t-Test Results

| Model | Unstandardized Coefficients (B) | Std. Error | Standardized Coefficients (Beta) | t | Sig. |
|--|---------------------------------|------------|----------------------------------|-------|-------|
| (Constant) | 4.310 | 2.065 | – | 2.087 | 0.043 |
| Transformational Leadership Style (X1) | 0.205 | 0.094 | 0.291 | 2.176 | 0.035 |
| Work Motivation (X2) | 0.294 | 0.066 | 0.597 | 4.456 | 0.000 |

This value indicates the expected level of employee performance (Y) when all independent variables, namely transformational leadership style (X1) and work motivation (X2), are equal to zero. In such a condition, employee performance is estimated to remain at 4.310. The coefficient of 0.205 implies that for every one-unit increase in transformational leadership style (X1), employee performance (Y) is expected to increase by 0.205 units, if work motivation (X2) remains constant. The significance value ($0.035 < 0.05$) indicates that transformational leadership style has a statistically significant effect on employee performance. The coefficient of 0.294 indicates that for every one-unit increase in work motivation (X2), employee performance (Y) is expected to increase by 0.294 units, if transformational leadership style (X1) remains constant. The significance value ($0.000 < 0.05$) shows that work motivation has a statistically significant effect on employee performance. Overall, both independent variables have positive and significant effects on employee performance, with work motivation demonstrating a stronger influence as indicated by its higher standardized coefficient (Beta = 0.597).

Table 6. F-Test Results

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|------------|----------------|----|-------------|--------|-------|
| Regression | 615.874 | 2 | 307.937 | 54.472 | 0.000 |
| Residual | 243.083 | 43 | 5.653 | – | – |
| Total | 858.957 | 45 | – | – | – |

The third hypothesis (H3) aims to examine whether transformational leadership style (X1) and work motivation (X2) simultaneously have a significant effect on employee performance (Y). Based on the SPSS output presented in Table 4.11, the following results are obtained: First, the calculated F-value (F-statistic) is 54.472. When compared to the F-table value (with $df_1 = 2$ and $df_2 = 43$), which is approximately 3.21, it is evident that F-calculated is greater than F-table ($54.472 > 3.21$). Second, the significance value obtained is 0.000, which is lower than the significance level of 0.05. Therefore, H3 is accepted.

Table 7. Coefficient of Determination (R²) Results

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1 | 0.847 | 0.717 | 0.704 | 2.37762 |

Based on Table 7, the coefficient of determination (R^2) value is 0.717. This value indicates the proportion of variance in the dependent variable that can be explained by the independent variables included in the model. Specifically, it shows that 71.7% of the variation in employee performance (Y) can be explained jointly by transformational leadership style (X1) and work motivation (X2). The remaining 28.3% is influenced by other factors not included in this research model or by random error. The multiple correlation coefficient (R) of 0.847 indicates a very strong and positive relationship between the independent variables (transformational leadership style and work motivation) and the dependent variable (employee performance). This suggests that as the independent variables increase, employee performance also tends to increase in a consistent manner. Furthermore, the Adjusted R Square value of 0.704 represents the adjusted explanatory power of the model, considering the number of independent variables and the sample size. The slight difference between R Square (0.717) and Adjusted R Square (0.704) indicates that the model does not suffer from substantial overfitting and remains robust in explaining the variation in employee performance. Overall, the model demonstrates good explanatory capability and is appropriate for further analysis and interpretation.

Transformational Leadership, Work Motivation, and Employee Performance

The findings of this study reinforce a growing argument in contemporary public management literature that employee performance in government institutions cannot be sustained merely through administrative control, procedural compliance, or rigid bureaucratic supervision. What ultimately differentiates adaptive public institutions from stagnant ones is the capacity of leadership to reshape employee meaning systems regarding work itself. In the context of BKPSDM Penajam Paser Utara Regency, transformational leadership appears to function not simply as a managerial mechanism, but as an institutional force capable of redefining how employees perceive their contribution to organizational objectives during a period of regional transformation associated with the establishment of the Indonesian Capital City (IKN). This distinction is important because bureaucratic institutions traditionally rely on hierarchy and formal authority, whereas transformational leadership mobilizes performance through internalized commitment and shared organizational purpose.

The significance of transformational leadership in this study should not be interpreted narrowly as evidence that charismatic leadership alone improves performance. Such a conclusion would oversimplify the managerial realities of public organizations. Rather, the findings indicate that transformational leadership becomes effective because it creates psychological alignment between organizational expectations and employee aspirations. Dinc et al. (2022) argued that transformational leaders elevate employee motivation by linking individual identity to organizational mission. The present findings extend this logic into the public sector context, where institutional legitimacy and service obligations require employees to maintain high performance despite bureaucratic constraints. Employees at BKPSDM are not operating in a stable administrative environment; they are positioned within a strategic region experiencing institutional pressure, increasing policy complexity, and rising expectations associated with the IKN transition. Under such conditions, leadership that merely emphasizes compliance would likely produce procedural obedience without genuine organizational engagement.

This explains why intellectual stimulation and individualized consideration appear particularly relevant within the organizational context examined in this study. Public institutions facing environmental uncertainty require employees who are capable of adaptive thinking rather than mechanical task execution. Cheng et al. (2023) emphasized that transformational leadership

strengthens intrinsic motivation by encouraging employees to view challenges as opportunities for contribution rather than burdens imposed by organizational change. The implication for management practice is substantial. Public sector organizations can no longer treat innovation as an optional managerial value. Innovation capacity increasingly depends on whether leaders are willing to create psychological safety for employees to propose alternative approaches, challenge inefficient procedures, and participate in institutional learning processes. The findings therefore support broader public management debates arguing that bureaucratic modernization is fundamentally a human resource issue rather than solely a regulatory or technological issue. What is particularly noteworthy is that transformational leadership in this study did not function independently from organizational context. The effectiveness of leadership was strongly connected to employee demographic characteristics and institutional conditions. A workforce dominated by productive-age employees with relatively strong educational backgrounds creates an environment in which transformational leadership can operate effectively because employees possess sufficient cognitive readiness to respond to visionary leadership approaches. This observation aligns with the work of Michaud et al. (2025), who found that transformational leadership tends to produce stronger performance outcomes in environments where employees possess higher professional competence and readiness for autonomy. Consequently, leadership effectiveness should not be treated as universally transferable across all bureaucratic settings. Leadership strategies that succeed in one institutional environment may fail in another where employee readiness, organizational culture, or structural flexibility differ significantly.

The findings reveal that work motivation exerted a stronger influence on employee performance than transformational leadership itself. This result carries important theoretical and managerial implications because it challenges overly leader-centric explanations of organizational performance. Much leadership research implicitly assumes that organizational outcomes are primarily determined by leadership behavior. However, the present findings suggest that employees ultimately sustain performance through internal motivational structures rather than external managerial influence alone. Osei & Bjorklund (2024) self-determination theory becomes highly relevant in interpreting this dynamic. Employees who experience recognition, competence development, and meaningful responsibility are more likely to maintain long-term performance consistency because their motivation becomes internally regulated rather than externally imposed.

This pattern is especially visible within public sector organizations where employees often operate under relatively standardized compensation systems and rigid bureaucratic structures. In such environments, performance sustainability depends heavily on whether employees perceive psychological value in their work. Senior employees at BKPSDM appear to derive motivation not merely from financial incentives, but from organizational belonging, career certainty, and professional recognition. This finding is consistent with Herzberg's motivation-hygiene theory, which distinguishes between factors preventing dissatisfaction and factors genuinely creating motivation. The managerial implication is clear: government institutions frequently overestimate the motivational impact of formal supervision while underestimating the strategic importance of recognition systems, developmental opportunities, and organizational trust.

The stronger role of work motivation also suggests that public sector reform cannot succeed solely through leadership replacement or structural restructuring. Bureaucratic reform initiatives often fail because they focus excessively on institutional design while neglecting employee psychological engagement. As Ritz et al. (2023) argued in their public service motivation framework, public employees are not motivated exclusively by economic rewards

but also by commitment to service, contribution to society, and institutional purpose. The findings of this study support this perspective by demonstrating that employee motivation within BKPSDM is deeply connected to perceptions of organizational significance during the IKN transition process. Employees who perceive themselves as contributing to a nationally strategic transformation are more likely to sustain higher performance levels despite increasing administrative demands. The simultaneous influence of transformational leadership and work motivation further demonstrates that organizational performance emerges through interactional mechanisms rather than isolated variables. Leadership provides direction, legitimacy, and symbolic meaning, while motivation determines the intensity and persistence of employee effort. Neither factor can function optimally in isolation. This supports contemporary strategic human resource management perspectives emphasizing the integration of leadership processes and motivational systems as mutually reinforcing organizational resources (Milhem et al., 2024). The findings therefore move beyond simplistic causal explanations by illustrating that employee performance is produced through organizational ecosystems where managerial behavior and employee psychological states continuously shape one another.

Importantly, the study also reveals the limitations of purely transactional governance approaches within strategic public institutions. Bureaucratic organizations operating in rapidly changing environments require employees capable of discretionary effort, collaborative adaptation, and proactive problem solving. Transactional management may ensure procedural compliance, but it rarely generates organizational commitment strong enough to sustain adaptive performance under institutional pressure. The BKPSDM case illustrates that transformational leadership and employee motivation together create conditions in which employees are willing to exceed minimum bureaucratic standards. This is precisely the form of organizational behavior increasingly required in public institutions confronting complex governance challenges.

From a practical management perspective, the findings imply that leadership development within public institutions should move beyond administrative competency training toward relational and transformational capability building. Government leaders must be trained not only to manage procedures, but also to communicate institutional vision, build psychological trust, and facilitate employee development. Simultaneously, employee motivation systems must be redesigned to emphasize recognition, career progression, competency development, and organizational participation. Public organizations often rely excessively on formal hierarchy while neglecting the emotional and psychological dimensions of employee engagement. The present findings indicate that such neglect may undermine long-term organizational performance capacity.

This study contributes to management scholarship by contextualizing transformational leadership and work motivation within a public institution experiencing structural transition linked to national strategic development. Much leadership research remains concentrated in private sector contexts characterized by competitive market pressures. The current findings demonstrate that leadership and motivation operate differently within bureaucratic institutions where organizational legitimacy, public accountability, and policy implementation responsibilities shape employee behavior. Consequently, public management scholars must avoid uncritical transfer of private-sector leadership assumptions into government settings. Effective leadership in public institutions is not simply about maximizing efficiency; it is fundamentally about sustaining institutional adaptability, employee commitment, and organizational resilience amidst complex governance transformation.

Conclusion

Transformational leadership has been shown to have a positive and significant impact on employee performance. The results of this study indicate that the role of leaders at the Penajam Paser Utara Regency Human Resources Development Agency (BKPSDM) in providing inspiration, role models, and intellectual stimulation can encourage employees to deliver work results that exceed routine standards. Adaptive leadership and attention to individual potential are key to directing the agency's human resources to effectively achieve organizational targets. Work motivation has been shown to have a positive and significant impact on employee performance. High work enthusiasm, a desire to achieve, and a sense of responsibility among employees are key drivers in increasing work productivity. Employees who feel valued and have clear career expectations tend to demonstrate loyalty and better work quality in carrying out administrative duties. Transformational leadership and work motivation simultaneously have a significant impact on employee performance. These findings confirm that superior performance at the Penajam Paser Utara Regency Human Resources Development Agency (BKPSDM) is the result of a synergy between external factors, such as supportive leadership styles, and internal factors, such as strong work motivation within employees. The combination of clear leadership direction and maintained employee motivation creates a professional and high-integrity work ecosystem.

References

- Akerele, O. O. (2023). The link between motivation and organizational performance: An exploration of factors influencing employee motivation and its impact on organizational success. *International Journal of Business Ethics and Governance*, 6(1).
- Alamri, M. (2023). Transformational leadership and work engagement in public organizations: promotion focus and public service motivation, how and when the effect occurs. *Leadership & Organization Development Journal*, 44(1), 137-155. <https://doi.org/10.1108/LODJ-12-2021-0544>
- Bashori, B., Yusup, M., & Khan, R. (2022). From vision to reality: A holistic examination of transformational leadership as a catalyst for cultivating organizational culture in Pesantren. *Development: Studies in Educational Management and Leadership*, 1(2), 133-152. <https://doi.org/10.47766/development.v1i1.486>
- Bwalya, A. (2023). Leadership styles. *Global Scientific Journal*, 11(8).
- Cheng, J., Li, K., & Cao, T. (2023). How transformational leaders promote employees' feedback-seeking behaviors: the role of intrinsic motivation and its boundary conditions. *Sustainability*, 15(22), 15713. <https://doi.org/10.3390/su152215713>
- Dinc, M. S., Zaim, H., Hassanin, M., & Alzoubi, Y. I. (2022). The effects of transformational leadership on perceived organizational support and organizational identity. *Human Systems Management*, 41(6), 699-716. <https://doi.org/10.3233/HSM-211563>
- Fardiansyah, I. E., Jumady, E., & Djaharuddin, D. (2025). Leadership and organizational commitment in improving employee performance: The role of job satisfaction as a mediator. *Golden Ratio of Human Resource Management*, 5(1), 221-231. <https://doi.org/10.52970/grhrm.v5i1.862>
- Gašić, D., Berber, N., Slavić, A., Strugar Jelača, M., Marić, S., Bjekić, R., & Aleksić, M. (2024). The key role of employee commitment in the relationship between flexible

- work arrangements and employee behavior. *Sustainability*, 16(22), 10067. <https://doi.org/10.3390/su162210067>
- Hajjiali, I., Kessi, A. M. F., Budiandriani, B., Prihatin, E., & Sufri, M. M. (2022). Determination of work motivation, leadership style, employee competence on job satisfaction and employee performance. *Golden Ratio of Human Resource Management*, 2(1), 57-69. <https://doi.org/10.52970/grhrm.v2i1.160>
- Hemsworth, D., Muterera, J., Khorakian, A., & Garcia-Rivera, B. R. (2026). Exploring the theory of employee planned behavior: job satisfaction as a key to organizational performance. *Psychological Reports*, 129(2), 1584-1615. <https://doi.org/10.1177/00332941241252784>
- Ilyas-Umoru, O. (2025). THE RELATIONSHIP BETWEEN INSTITUTIONAL INTEGRITY AND PUBLIC TRUST AMONG UNIVERSITIES' ACADEMIC STAFF IN DELTA STATE, NIGERIA. *BSU Journal of Education*, 25(2), 11-19. <https://doi.org/10.60787/bsuje.vol25no2.29>
- Khan, I. U., Amin, R. U., & Saif, N. (2025). Individualized consideration and idealized influence of transformational leadership: Mediating role of inspirational motivation and intellectual stimulation. *International Journal of Leadership in Education*, 28(6), 1322-1332. <https://doi.org/10.1080/13603124.2022.2076286>
- Liu, C., Ahmad, N., Jiang, M., & Arshad, M. Z. (2024). Steering the path to safer food: The role of transformational leadership in food services to combat against foodborne illness. *Journal of Retailing and Consumer Services*, 81, 103958. <https://doi.org/10.1016/j.jretconser.2024.103958>
- Maile, K. V., & Vyas-Doorgapersad, S. (2022). Organisational ethics management to promote good governance in the South African public service.
- Makhaye, A., & Subban, M. (2024). Leading Local Economic Development in the 'New'Normal: Urban and Rural Challenges in the Case of a District Municipality in KwaZulu-Natal, South Africa. *African Journal of Governance and Development*, 13(1), 110-134. <https://doi.org/10.1007/s43545-022-00516-3>
- Michaud, K., Barbeau-Julien, K., & Slinger, M. (2025). Transformational leadership, well-being, morale, and readiness: The mediating role of empowerment. *Military Psychology*, 37(2), 117-126. <https://doi.org/10.1080/08995605.2024.2319522>
- Milhem, M., Ateeq, A., Alaghbari, M. A., Alzoraiki, M., & Beshr, B. A. H. (2024, January). Strategic leadership: driving human resource performance in the modern workplace. In *2024 ASU International Conference in Emerging Technologies for Sustainability and Intelligent Systems (ICETSIS)* (pp. 1958-1962). IEEE.
- Mpe, S. (2024). *An evaluation of the impact of transactional leadership style in motivating employees at a construction site in Cape Town* (Doctoral dissertation, Cape Peninsula University of Technology).
- Muhammad Sharif, A. N. (2024). Refining Individualized Consideration: Distinguishing Developmental Leadership and Supportive Leadership.
- Mujahidin, M., & Kusuma, F. K. (2025). Redesigning Bureaucracy as a Governmental Strategy for Enhancing Public Service Effectiveness. *Society*, 13(1), 803-817. <https://doi.org/10.33019/society.v13i1.766>

- Nguyen, T. P. L., Nguyen, T. T., Duong, C. D., & Doan, X. H. (2022). The effects of transformational leadership on employee creativity in Vietnam telecommunications enterprises. *Management decision*, 60(3), 837-857. <https://doi.org/10.1108/MD-07-2020-0882>
- Osei, P. C., & Bjorklund, D. F. (2024). Motivating the learning process: integrating self-determination theory into a dynamical systems framework. *Educational Psychology Review*, 36(3), 89. <https://doi.org/10.1007/s10648-024-09934-6>
- Pabelona, R. B. (2025). Transformational, Transactional, Democratic, and Situational: Leadership Styles of Academic Program Leaders. *Cognizance Journal of Multidisciplinary Studies (CJMS)*.
- Patyka, N., Sokolova, A., Movchaniuk, A., Sysoieva, I., & Khirivskyi, R. (2023). Ukraine's rural areas in the conditions of decentralization and local self-government reform: challenges and prospects. <https://doi.org/10.51599/are.2023.09.03.12>
- Pitichat, T., & Riggio, R. E. (2025). Transformational leadership theory.
- Ritz, A., Schott, C., Nitzl, C., & Alfes, K. (2023). Public service motivation and prosocial motivation: two sides of the same coin?. In *Public Service Motivation* (pp. 26-50). Routledge.
- Sahid, A., Amirullah, I., Khaeriyah, K., Natsir, N., & Syafaruddin, S. (2023). Transformational leadership in organizational change. *International Journal of Economics and Management Research*, 2(2), 172-177. <https://doi.org/10.55606/ijemr.v2i2.110>
- Soeari, E. K., Ilhami, R., & Achmad, W. (2023). The role of leadership in the development of public organizations. *Journal of Governance*, 7(4), 877-884. <http://dx.doi.org/10.31506/jog.v7i4.17903>
- Sohel, M. S., Ehsan, S. M. A., Zaman, N. T., Hossain, B., Shi, G., Sarker, M. N. I., & Ali, H. M. (2022). Understanding rural local government response during COVID-19-induced lockdown: Perspective from Bangladesh. *SN Social Sciences*, 2(10), 216. <https://doi.org/10.1007/s43545-022-00516-3>
- Subramani, N. R. (2025). Transformational leadership and its impact on organizational commitment during change management. *International Journal of Health Technology and Innovation*, 4(01), 90-101. <https://doi.org/10.60142/ijhti.v4i01.13>
- Swan, W. (2023). Transactional leadership. In *Global encyclopedia of public administration, public policy, and governance* (pp. 12834-12837). Cham: Springer International Publishing.
- Tamimi, M., & Sopiah, S. (2022). The The Influence of Leadership Style on Employee Performance: A Systematic Literature Review: A Systematic Literature Review. *International Journal of Entrepreneurship and Business Management*, 1(2), 128-138. <https://doi.org/10.54099/ijebm.v1i2.360>
- Tripathi, R., & Kumar, A. (2025). From Bureaucracy to Agility: Tracing the Changing Paradigms of Good Governance in the 21st Century. *Productivity*, 66(3).
- Vu, G. T. H., Nguyen, T. D., & Le, T. P. (2025). Transformational leadership and innovative work behaviors: The mediating effects of psychological empowerment and work engagement. *Sage Open*, 15(2), 21582440251335464. <https://doi.org/10.1177/21582440251335464>

- Vyas-Doorgapersad, S. (2022). Organisational ethics management to combat corruption in the South African public sector. [https://doi.org/10.21272/bel.6\(3\).14-22.2022](https://doi.org/10.21272/bel.6(3).14-22.2022)
- Widodo, D. S. (2022). Employee Performance Determination: Leadership Style, Individual Characteristics, And Work Culture (A Study Of Human Resource Management Literature). *Dinasti International Journal of Education Management and Social Science*, 3(3), 327-339. <https://doi.org/10.31933/dijemss.v3i3>
- Wuryaningrat, N. F., Hidayat, N., & Kumajas, M. L. (2024). The impact of transformational and transactional leadership on employee performance. *Klabat Journal of Management*, 5(2), 103-113. <https://doi.org/10.60090/kjm.v5i2.1116.103-113>
- Zamzani, R., & Kurniati, R. R. (2025). Bureaucratic transformation in realizing responsive and accountable public services. *Jurnal Inovasi Ilmu Sosial dan Politik (JISoP)*, 7(2), 219-228. <https://doi.org/10.33474/jisop.v7i2.24479>