

The Influence of Transformational Leadership and Work Motivation on Employee Performance at Eduardo Ximenes Regional Hospital (Horex) Baucau Timor-Leste

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ABSTRACT

Background: Employee performance is one of the strategic factors that determine the effectiveness and efficiency of an organization's operations, especially in the highly dynamic and complex health care sector. Hospitals as public service institutions are not only required to meet health care quality standards, but must also be able to face external pressures such as increasing numbers of patients, limited resources, and demands for customer satisfaction. **Research Method:** The research method uses a quantitative approach with a descriptive method to analyze the influence of the role of Human Resource Management (HRM) and leadership on improving the quality of health care at the Eduardo Ximenes Baucau Regional Hospital, Timor Leste. This method was chosen to objectively describe the relationship between the variables studied and provide a clear picture of the phenomena in the field. **Research Results:** Based on the SPSS calculation results table, the t-test for the Transformational Leadership variable (X1) was 5.194. Then the t table at a confidence level of 95%, $\alpha = 5\%$, t table $(0.05/2; 89-2-1) = (0.025; 86)$ obtained a t table of 1.987, t count > t table $(5.194 > 1.987)$, then H_0 is rejected and H_a is accepted, meaning there is a positive and significant influence between Transformational Leadership on Employee Performance at the Eduardo Ximenes Baucau Regional Hospital, Timor Leste. Based on the SPSS calculation results table, the t count of the Motivation variable (X2) is 5.829. Then the t table at a confidence level of 95%, $\alpha = 5\%$, t table $(0.05/2; 89-2-1) = (0.025; 86)$ obtained a t table of 1.987. Because t count > t table $(5.829 > 1.987)$, then H_0 is rejected and H_a is accepted, meaning there is a positive and significant influence between Motivation on Employee Performance at Eduardo Ximenes Regional Hospital Baucau Timor Leste. The conclusion is that Motivation has a positive and significant influence on Employee Performance at Eduardo Ximenes Regional Hospital Baucau Timor Leste. **Conclusion:** The conclusion is proven that Transformational Leadership and Motivation have a positive and significant influence on Employee Performance at Eduardo Ximenes Regional Hospital Baucau Timor-Leste.

KEYWORDS: Transformational Leadership, Motivation, Employee Performance

BACKGROUND:

Employee performance is a strategic factor determining the effectiveness and efficiency of an organization's operations, particularly in the highly dynamic and complex healthcare sector. Hospitals, as public service institutions, are not only required to meet healthcare quality standards but also must be able to cope with external pressures such as increasing patient numbers, limited resources, and demands for customer satisfaction. In this context, optimizing human resource performance is an urgent need that cannot be ignored.

Previous studies have shown that employee performance is significantly influenced by internal organizational factors, including leadership style and work motivation. Transformational leadership, as described by Bass and Riggio (2006), is a leadership approach that focuses on inspiring and motivating subordinates through a strong vision, intellectual stimulation, and individualized attention. Transformational leaders act not only as managers but also as change agents capable of creating collective commitment and building an adaptive and productive organizational culture. In the hospital environment, transformational leadership has been shown to contribute to improved team coordination, effective clinical decision-making, and more responsive patient care (WHO, 2022).

On the other hand, work motivation is a crucial determinant that drives individuals to achieve optimal work performance. Herzberg (1959), through his two-factor theory, identified that motivation consists of intrinsic factors such as achievement and recognition, as well as extrinsic factors such as compensation and organizational policies. In the healthcare sector, where workloads are high and job stress is quite prevalent, strong motivation is essential to maintain employee morale, psychological

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resilience, and loyalty. Research by Deci and Ryan (2000) confirmed that high intrinsic motivation is directly proportional to increased service quality and patient satisfaction, even more significantly than other external factors.

In the era of healthcare modernization, human resource performance is a key element in determining the success of a hospital organization. The Eduardo Ximenes Baucau Regional Hospital, as the primary referral institution in eastern Timor-Leste, is faced with the challenge of increasing service volume and public expectations for higher quality. Despite significant growth in the number of healthcare workers and patients over the past five years, patient satisfaction indicators have stagnated, suggesting the need for internal organizational strengthening. The Eduardo Ximenes Baucau Regional Hospital (HoREX), one of the primary referral hospitals in eastern Timor-Leste, reflects this dynamic. Over the past five years, the hospital has experienced a significant increase in the number of healthcare workers, from 80 in 2019 to 120 in 2023. The number of patients has also increased from 4,500 to 7,000 during the same period. However, despite this expansion in service capacity, data shows that patient dissatisfaction has remained stagnant at 5% over the past three years (HoREX Annual Report, 2023). This situation indicates a gap between the increase in the quantity of services and the quality of service experienced by patients. Furthermore, the hospital's internal report identified two key issues requiring attention: first, a leadership style that does not fully encourage employee involvement and initiative; second, low work motivation, reflected in minimal individual initiative, lateness, and a lack of enthusiasm for organizational change. This reinforces the assumption that internal factors such as leadership and work motivation play a crucial role in shaping highly competitive employee performance.

Given the urgency of the issue, this study aims to empirically analyze the influence of transformational leadership and work motivation on employee performance at the Eduardo Ximenes Baucau Regional Hospital in Timor-Leste. This study is expected to provide theoretical contributions to the development of human resource management studies in the public sector, particularly health services, as well as produce practical recommendations for policymakers in improving managerial effectiveness and the quality of health services in Timor-Leste in a sustainable manner.

RESEARCH METHODS

The subjects of this study were employees working at the Eduardo Ximenes Baucau Regional Hospital, who are directly involved in healthcare operational activities. The primary focus of this study was to analyze the influence of transformational leadership and work motivation on employee performance. This hospital was chosen as the research location because it is one of the primary healthcare institutions in the Baucau region, which is currently experiencing a dynamic human resource management environment.

The research method used a quantitative approach with descriptive methods to analyze the influence of Human Resource Management (HRM) and leadership on improving the quality of healthcare services at the Eduardo Ximenes Baucau Regional Hospital, Timor-Leste. This method was chosen to objectively describe the relationships between the variables studied and provide a clear picture of the phenomena in the field.

RESPONDENT CHARACTERISTICS

RESPONDENT CHARACTERISTICS BASED ON GENDER

The characteristics of respondents from this study based on gender can be seen in the table below:

Table 4.1 Respondent Characteristics Based on Gender

Jenis Kelamin	Frequency	Percentage (%)
Male	53	59,55
Female	36	40,45
Amount	89	100,00

Source: Research data (2025)

The table above shows that 53 respondents were male (59.55%), while 36 respondents were female (40.45%). Male respondents outnumbered female respondents, indicating that work at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste, requires a male touch, particularly in patient care.

Respondent Characteristics by Age

The characteristics of respondents from this study, based on age, are shown in the table below:

Table 4.2 Respondent Characteristics by Age

Age (Years)	Frequency	Percentage (%)
18–20 Years	1	1,12
21–30 Years	24	26,97

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31–40 Years	28	31,46
41–50 Years	25	28,09
51–60 Years	11	12,36
Amount	89	100,00

Source: Research data (2025)

From the table above, we can see that the largest age ranges are 21-30, 31-40, and 41-50, accounting for approximately 86% of the total. The smallest age range is 18-20. This indicates that those aged 21-50 are considered to be in the productive age range for professional work, while those aged 18-20 are considered too young and have not yet completed a Diploma 4 or Bachelor's degree.

Respondent Characteristics by Profession/Position

The Characteristics Of Respondents From This Study Based On Education Can Be Seen In The Table Below:

Table 4.3 Respondent Characteristics by Profession/Position

Profession/Position	Frequency	Percentage (%)
Administration	22	24,72
Doctor	13	13,48
Pharmacy	4	5,62
Laboran	11	12,36
Nurse	31	34,83
Radiographer	2	2,25
General Staff	6	6,74
Amount	89	100,00

Source: Research data (2025)

The table above shows that the most common profession for respondents was nursing, with 31 respondents (34.83%). This indicates that work at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste, is a medical service profession that requires operational nursing skills.

Respondent Characteristics Based on Length of Service

The characteristics of respondents from this study based on length of service are shown in the table below:

Table 4.4 Respondent Characteristics Based on Length of Service

Years of service	Frequency	Percentage (%)
1–5 Years	15	16,85
6–10 Years	8	9,00
11–15 Years	14	15,73
16–20 Years	19	21,35
20–25 Years	13	14,60
>26 Years	20	22,47
Amount	89	100,00

Source: Research data (2025)

From the table above, we can see that the highest number of employees were those with a service period of >26 years (20 people) and the lowest number were those with a service period of 6-10 years. This indicates that the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste, has been operating for a relatively long time, even though the transfer of the decree was made in 2017.

DESCRIPTIVE ANALYSIS

VERIFICATION ANALYSIS

Multiple Linear Regression Analysis

The following are the results of multiple linear regression calculations using SPSS to determine the partial and simultaneous effects of Transformational Leadership (X1) and Motivation (X2) on Employee Performance (Y).

Table 4.18 Results of Multiple Linear Regression Analysis

Coefficients^a

	Unstandardized Coefficients	Standardized Coefficients
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Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	-3,612	2,372		-1,523	0,131
X1		0,491	0,095	0,426	5,194	0,000
X2		0,479	0,082	0,479	5,829	0,000

Source: Research data (2025)

Based on the data processing results as listed in the summary of the multiple linear regression analysis results, the following regression line equation can be formed:

$$Y = -3,612 + 0,491X1 + 0,479X2$$

The regression equation above can be explained as follows:

- 1) The constant is -3.612. This means that if Transformational Leadership (X1) and Motivation (X2) are 0, then Employee Performance (Y) is -3.612.
- 2) The regression coefficient for the Transformational Leadership (X1) variable is 0.491. This means that if the other independent variables remain constant and Transformational Leadership (X1) increases by 1%, Employee Performance (Y) will increase by 0.491. A positive coefficient indicates a positive relationship between Transformational Leadership (X1) and Employee Performance (Y). The higher the Transformational Leadership (X1), the higher the Employee Performance (Y).
- 3) The regression coefficient for the Motivation (X2) variable is 0.479. This means that if the other independent variables remain constant and Motivation (X2) increases by 1%, Employee Performance (Y) will increase by 0.479. A positive coefficient indicates a positive relationship between Motivation (X2) and Employee Performance (Y). The higher the Motivation (X2), the higher the Employee Performance (Y).

Partial Test (t-statistic)

The results of the partial test calculation using SPSS are as follows:

Table 4.20 Partial Test (t-statistic)

Coefficients^a

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Beta		
1	(Constan)	-3,612	2,372		-1,523	0,131
X1		0,491	0,095	0,426	5,194	0,000
X2		0,479	0,082	0,479	5,829	0,000

Source: Research data (2025)

This test was conducted to partially examine whether each independent variable has a significant influence on the dependent variable. The partial statistical hypothesis testing for the research is formulated as follows:

Based on the SPSS calculation results, the calculated t-value for the Transformational Leadership variable (X1) is 5.194. Then, at the 95% confidence level, $\alpha = 5\%$, $t\text{-value} (0.05/2; 89-2-1) = (0.025; 86)$, the t-value is 1.987.

Since the calculated t-value is greater than the calculated t-value ($5.194 > 1.987$), H_0 is rejected and α is accepted. This indicates a positive and significant influence between Transformational Leadership and Employee Performance at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste. The conclusion is that Transformational Leadership has a positive and significant influence on Employee Performance at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste.

a. Partial Test of the Motivation Variable

Based on the SPSS calculation results, the calculated t-value for the Motivation variable (X2) was 5.829. Then, using the t-table at the 95% confidence level, $\alpha = 5\%$, $t\text{-table} (0.05/2; 89-2-1) = (0.025; 86)$, the t-table value was 1.987.

Since the calculated t-value is greater than the t-table ($5.829 > 1.987$), H_0 is rejected and $\lambda\alpha$ is accepted. This indicates a positive and significant effect of Motivation on Employee Performance at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste. The conclusion is that Motivation has a positive and significant effect on Employee Performance at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste.

These two variables are summarized into a summary of the Partial Hypothesis Testing Results as follows:

Table 4.21 Summary of Partial Hypothesis Testing Results

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X ₁ – Y	The Influence of Transformational Leadership on Employee Performance	5,194	1,987	H ₀ is rejected and H ₀ is accepted (+)
X ₂ – Y	The Influence of Motivation on Employee Performance	5,829	1,987	H ₀ is rejected and H ₀ is accepted (+)

Source: Research data (2025)

DISCUSSION OF RESEARCH RESULTS

Based on the data analysis conducted in the previous sub-chapter, the following is a discussion of the influence of transformational leadership and work motivation on employee performance at the Eduardo Ximenes Baucau Regional Hospital, Timor-Leste. This discussion will link the research findings to the theories outlined in Chapter II and the results of previous research.

The Influence of Transformational Leadership on Employee Performance

Based on the results of the partial t-test, transformational leadership has a positive and significant effect on employee performance at the Eduardo Ximenes Baucau Regional Hospital. This is indicated by the calculated t-value [fill in the t-test result], which is greater than the t-table [fill in the t-table value] at a significance level of 0.05, with a significance value [fill in the sig.] < 0.05.

The positive regression coefficient [fill in the coefficient value] indicates that each one-unit increase in transformational leadership will increase employee performance by [fill in the coefficient value] units, assuming other variables remain constant. These findings align with the transformational leadership theory proposed by Al-Husseini and Elbeltagi (2018), which states that transformational leadership has four main dimensions that can improve employee performance: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Effective transformational leaders are able to serve as role models for their subordinates, provide a clear vision and inspiration, encourage creativity and innovation, and provide personalized attention to each employee's development needs.

These results are also consistent with the findings of several previous studies listed in Table 2.1. Novitasari et al. (2020), in their study of 267 hospital nurses, found that transformational leadership had a positive and significant effect on performance with a beta value of 0.512 (p<0.001). Similar findings were also presented by Al-Husseini and Elbeltagi (2021), who found a significant effect of transformational leadership on employee performance in an Iraqi healthcare organization with a beta coefficient of 0.452 (p<0.01). Similarly, Suryani and Miftahuddin (2023) in their research at a regional hospital found that transformational leadership had a significant effect on employee performance with a t-value of 4.523 (p<0.01).

In the context of the Eduardo Ximenes Baucau Regional Hospital, the positive influence of transformational leadership on employee performance can be explained through several mechanisms. First, transformational leaders in the hospital are able to create a clear vision of quality healthcare services, which inspires employees to perform better. Second, leaders who set an example through professional behavior and high dedication encourage employees to follow suit. Third, the intellectual stimulation provided by leaders encourages employees to think creatively in solving problems and improving service quality. Fourth, the individual attention leaders provide to employee development needs increases employee competence and confidence in carrying out their duties.

Based on the descriptive analysis results in Sub-Chapter 4.2.1, it was found that respondents' perceptions of transformational leadership at the Eduardo Ximenes Baucau Regional Hospital fell into the [fill in the descriptive analysis result category] category. This indicates [interpretation of results]. However, there is still room for improvement in the implementation of transformational leadership, particularly in [list dimensions with low scores based on the data], which can be a focus for improvement to further enhance employee performance in the future.

The practical implication of these findings is that the management of the Eduardo Ximenes Baucau Regional Hospital needs to continue developing transformational leadership competencies at all managerial levels. This can be achieved through leadership training programs, coaching and mentoring, and the creation of an organizational culture that supports transformational leadership values. Investment in transformational leadership development will have a significant positive impact on improving employee performance and ultimately improving the quality of healthcare services to the community.

THE INFLUENCE OF MOTIVATION ON EMPLOYEE PERFORMANCE

The results of the partial t-test (t-test) indicate that work motivation has a positive and significant effect on employee performance at the Eduardo Ximenes Baucau Regional Hospital. This is evidenced by the calculated t-value [fill in the t-test result], which is greater than the calculated t-value [fill in the t-table value] at the 0.05 level of significance, with a significance value [fill in the sig.] < 0.05. A positive regression coefficient [fill in the coefficient value] indicates that each one-unit increase in work motivation will increase employee performance by [fill in the coefficient value] units, assuming other variables remain constant.

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This finding supports the two-factor theory proposed by Herzberg (1959), which distinguishes between motivating (intrinsic) and hygiene (extrinsic) factors. Motivating factors such as achievement, recognition, responsibility, and career development have a strong impact on improving employee performance. Hygiene factors such as compensation, working conditions, and organizational policies play a role in preventing job dissatisfaction. The results of this study also align with Deci and Ryan's (2000) Self-Determination Theory (SDT), which states that intrinsic motivation, derived from internal job satisfaction, has a more sustained impact on performance than extrinsic motivation.

These results are consistent with several previous studies in Table 2.1. Widodo et al. (2022) found that work motivation significantly impacted employee performance with a beta value of 0.423 ($p < 0.05$), even greater than the influence of transformational leadership in the same study. Pawirosumarto et al. (2021) also found a positive and significant impact of work motivation on employee performance in a general hospital with a beta coefficient of 0.389 ($p < 0.01$). Similarly, Suryani and Miftahuddin (2016) found that work motivation significantly impacted employee performance in a regional hospital with a t-value of 3.876 ($p < 0.01$).

In the context of the Eduardo Ximenes Baucau Regional Hospital, the influence of work motivation on employee performance can be explained through several aspects. First, highly motivated employees tend to be more enthusiastic and passionate in carrying out their duties, resulting in better work quality. Second, high motivation encourages employees to continuously improve their competencies and skills through learning and self-development. Third, motivated employees have a higher initiative in solving problems and finding new ways to improve work efficiency. Fourth, high work motivation increases employee discipline and responsibility in carrying out tasks according to established standards.

Based on the descriptive analysis results in Sub-Chapter 4.2.2, it was found that the level of employee work motivation at the Eduardo Ximenes Baucau Regional Hospital was in the [insert descriptive analysis result category] category. This indicates that [interpretation of results]. However, the analysis per dimension showed that [mention key findings from the descriptive analysis of motivation], indicating the need for special attention from management to address these aspects.

The practical implication of these findings is that hospital management needs to design and implement a human resource management system capable of sustainably improving employee work motivation. Possible efforts include: (1) providing recognition and appreciation for employee achievements; (2) providing clear and structured career development opportunities; (3) creating a supportive and conducive work environment; (4) providing fair and competitive compensation; (5) involving employees in decision-making related to their work; and (6) providing regular constructive feedback. By increasing employee work motivation, it is expected that employee performance will improve, which ultimately has a positive impact on the quality of healthcare services.

The Influence of Transformational Leadership and Motivation on Employee Performance

The results of the simultaneous test (F-test) indicate that transformational leadership and work motivation jointly have a positive and significant effect on employee performance at the Eduardo Ximenes Baucau Regional Hospital. This is evidenced by the calculated F-value [fill in the F-test result], which is greater than the F-table [fill in the F-table value] at the 0.05 significance level, with a significance value [fill in the sig.] < 0.05 .

Based on the results of the coefficient of determination (R^2) test, the R^2 value was [fill in the R^2 value] or [fill in the percentage]. This means that [fill in the percentage] of the variation in employee performance at the Eduardo Ximenes Baucau Regional Hospital can be explained by transformational leadership and work motivation variables together, while the remaining [100% - R^2] is explained by other factors not examined in this study, such as organizational culture, work environment, compensation, employee competency, and other factors.

This finding aligns with the Path-Goal theory proposed by House (1971), which states that effective leaders are those who are able to identify employee needs and create conditions that encourage motivation to achieve organizational goals. In the context of transformational leadership, leaders act as facilitators who not only provide direction but also inspire, empower, and motivate employees to perform optimally. Thus, transformational leadership acts as a catalyst that strengthens work motivation, ultimately improving employee performance.

Robbins and Judge (2017) emphasized that employee performance is a function of ability, motivation, and opportunity. Based on this framework, transformational leadership plays a role in creating opportunities and a supportive environment through a clear vision, intellectual stimulation, and individual attention. Meanwhile, work motivation serves as an internal driver that drives employees to optimally utilize these opportunities. Thus, these two variables play complementary, mutually reinforcing roles in improving employee performance.

The results of this study are consistent with the findings of previous studies in Table 2.1. Suryani and Miftahuddin (2016) found that transformational leadership and work motivation simultaneously had a significant effect on employee performance in a regional hospital with an R^2 of 0.583, or 58.3%. Simbolon and Nugroho (2021) also found a significant simultaneous effect with an F-value of 45.231 ($p < 0.01$) and an R^2 of 0.612, or 61.2%. Widodo et al. (2022) found that both variables together had a significant effect on employee performance with job satisfaction as an intervening variable.

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Even more interesting is the finding of Kim and Park (2023), who found a synergistic effect between transformational leadership and intrinsic motivation on healthcare worker performance. The study showed that the combination of these two variables can improve performance by up to 32% compared to the effect of each variable alone. This indicates a positive interaction effect between transformational leadership and work motivation, where the combined effect of these two variables is greater than the sum of their individual effects.

In the context of the Eduardo Ximenes Baucau Regional Hospital, these findings demonstrate that optimizing employee performance requires a focus on only one aspect, either leadership or motivation. A holistic and integrated approach is needed that combines the development of transformational leadership with efforts to increase employee work motivation. Strong transformational leadership will create an environment conducive to the development of employee work motivation, and conversely, high work motivation will facilitate transformational leaders in directing employees toward achieving organizational goals. The mechanism of the combined influence of transformational leadership and work motivation on employee performance can be explained through several pathways. First, transformational leaders who provide a clear and inspiring vision will increase employees' intrinsic motivation to contribute to achieving that vision. Second, the individual attention leaders provide to employee development needs will increase employee motivation to continue learning and improve competencies. Third, the intellectual stimulation leaders provide will encourage motivated employees to seek innovative solutions to improve their performance. Fourth, the recognition and appreciation provided by transformational leaders will strengthen employee motivation to maintain and improve their performance.

The practical implications of these findings are that the management of Eduardo Ximenes Baucau Regional Hospital needs to develop an integrated strategy that combines: (1) a transformational leadership development program for all managerial levels; (2) a human resource management system that enhances work motivation through intrinsic factors (recognition, career development, empowerment, meaningful work challenges) and extrinsic factors (fair compensation, good working conditions, supportive policies); (3) the creation of an organizational culture that supports transformational leadership values and achievement motivation; (4) an objective and constructive performance evaluation system that provides feedback for employee development; and (5) an open communication mechanism between leaders and employees to ensure that employee development needs are met. By consistently and sustainably implementing this integrated approach, it is hoped that employee performance at Eduardo Ximenes Baucau Regional Hospital will significantly improve, ultimately contributing to the improvement of the quality of healthcare services provided to the Baucau community and the surrounding area. Improved employee performance will also positively impact patient satisfaction, hospital operational efficiency, and the hospital's reputation as a professional and high-quality healthcare institution in Timor-Leste.

CONCLUSIONS AND SUGGESTIONS

CONCLUSION

Based on the data and analysis results of the research conducted in accordance with the problem formulation and research objectives regarding the Influence of Transformational Leadership and Work Motivation on Employee Performance at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste, the following conclusions can be drawn:

1. Descriptive Analysis Results

a. Transformational leadership at the Eduardo Ximenes Regional Hospital in Baucau, based on the average questionnaire score, is generally considered good. However, the average score for questionnaire indicator number 3, "My leader encourages creativity at work," with an average score of 2.98, is among the lowest compared to the other indicators. This means that the leader's encouragement of creativity at work is considered good, but there is still room for improvement.

b. Employee work motivation at the Eduardo Ximenes Regional Hospital in Baucau is generally considered quite good. However, the average score for questionnaire indicator number 11, "Employees have the opportunity to develop their skills," with an average score of 2.92, is the lowest compared to the other indicators. This indicates that the opportunities for developing skills provided to employees are still considered quite good and need to be further improved.

c. Employee performance at the Eduardo Ximenes Baucau Regional Hospital was generally perceived as quite good by respondents. However, questionnaire indicator number 18, "Employees help coworkers when needed," received an average score of 2.12, the lowest compared to the other indicators. This indicates that teamwork and support among coworkers are considered quite good but still need to be improved to achieve optimal performance.

Partially, transformational leadership has been proven to have a positive and significant effect on employee performance at the Eduardo Ximenes Baucau Regional Hospital in Timor-Leste. This is evidenced by the calculated t-value $>$ t-table ($5.194 > 1.987$) at the 5% significance level. Therefore, H_0 is rejected and H_a is accepted. This means there is a positive and significant influence between transformational leadership and employee performance. With a regression coefficient of 0.491, it indicates that every one-unit increase in transformational leadership will increase employee performance by 0.491 units.

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2. Partially, work motivation has a positive and significant effect on employee performance at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste. This is evidenced by the calculated t-value $>$ t-table ($5.829 > 1.987$) at the 5% significance level. Therefore, H_0 is rejected and H_a is accepted. This means there is a positive and significant effect between work motivation and employee performance. With a regression coefficient of 0.479, it indicates that every one-unit increase in work motivation will increase employee performance by 0.479 units.

3. Simultaneously, transformational leadership (X1) and work motivation (X2) have a positive and significant effect on employee performance (Y) at the Eduardo Ximenes Regional Hospital in Baucau, Timor-Leste. This is evidenced by the calculated F-value $>$ F-table ($31.221 > 3.95$) at the 5% significance level. Therefore, H_0 is rejected. This means there is a positive and significant effect between transformational leadership and work motivation simultaneously on employee performance.

4. Based on the results of the determination coefficient analysis (R^2), a value of 0.421 or 42.1% was obtained. This indicates that the contribution of the influence of transformational leadership and work motivation variables together on employee performance is 42.1%, while the remaining 57.9% is influenced or explained by other variables not examined in this study, such as organizational culture, work environment, compensation, employee competence, and other factors. The correlation value (R) of 0.649 indicates that there is a strong relationship between transformational leadership and work motivation on employee performance.

SUGGESTIONS

Based on the conclusions above, the researcher can provide the following suggestions, both practical and for academics:

1. Suggestions Related to Transformational Leadership

a. Based on the findings of the descriptive analysis, which found that the indicator "My leader encourages creativity at work" had the lowest average score (2.98), the researcher recommends that hospital management increase efforts to encourage employee creativity and innovation through several means: (a) creating brainstorming programs and regular discussion forums to share innovative ideas for improving services; (b) providing recognition and appreciation for creative ideas submitted by employees; (c) providing time and space for employees to explore new ways of performing their duties; (d) fostering an organizational culture that does not punish errors that occur in the learning and innovation process; and (e) involving employees in decision-making related to improving work processes.

b. Developing a structured and ongoing transformational leadership training program for all managerial levels in the hospital, encompassing the development of the four dimensions of transformational leadership: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. This program can be implemented through workshops, coaching, mentoring, and leadership case simulations.

c. Applying the leadership principles of Ki Hadjar Dewantara: Ing Ngarsa Sung Tuladha (setting an example from the front), Ing Madya Mangun Karsa (building the will or spirit from the middle), and Tut Wuri Handayani (providing moral encouragement from behind). Leaders at all levels must serve as role models in professionalism, dedication, and ethical behavior, as well as provide support and motivation to employees to develop.

2. Recommendations Regarding Work Motivation

a. Based on the findings of the descriptive analysis, which found that the indicator "Employees have the opportunity to develop their abilities" had the lowest average score (2.92), the researcher recommends that hospital management design and implement a comprehensive HR development program, including: (a) establishing a clear career path for each position in the hospital; (b) providing training and continuing education programs tailored to the competency needs of each position; (c) providing opportunities for employees to attend seminars, conferences, and training both domestically and internationally; (d) allocating an adequate budget for HR development. (e) provide continuing education scholarships for high-achieving employees; and (f) conduct periodic evaluations of training needs to ensure that development programs are in line with organizational and individual needs.

b. Improving employee work motivation through a holistic approach that includes intrinsic and extrinsic factors. For intrinsic factors: (a) providing regular recognition and appreciation for employee achievements and contributions; (b) creating meaningful and challenging work; (c) providing autonomy and authority commensurate with responsibilities; and (d) building an organizational culture that values continuous learning and improvement. For extrinsic factors: (a) ensuring a fair and competitive compensation and incentive system; (b) creating a safe, comfortable, and conducive work environment; (c) providing adequate work facilities; and (d) implementing HR policies that support work-life balance.

c. Develop an objective, transparent, and competency-based performance appraisal system linked to a reward system and career development. Performance appraisal results should serve as the basis for: (a) providing constructive feedback to employees; (b) identifying training and development needs; (c) determining promotions and job rotations; (d) providing incentives and rewards; and (e) developing individual career development plans.

3. Recommendations Regarding Employee Performance

a. Based on the findings of the descriptive analysis, which found that the indicator "Employees help colleagues when needed" had the lowest average score (2.12), the researchers recommend that hospital management strengthen a culture of teamwork and

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collaboration by: (a) developing regular team-building programs to increase togetherness and trust among employees; (b) creating a work system that encourages collaboration between units and departments; (c) setting team performance targets in addition to individual performance targets; (d) providing rewards for teams that demonstrate good cooperation; (e) implementing a 5S culture (greeting, smiling, saying hello, being polite, and being courteous) in employee interactions; and (f) creating a regular communication forum between departments to share experiences and best practices.

b. Maintaining and enhancing existing performance aspects while continuously improving those that still need improvement. This can be done through: (a) regular performance monitoring and evaluation; (b) providing constructive and timely feedback; (c) providing the necessary support and resources to achieve performance targets; (d) implementing a comprehensive performance management system. and (e) benchmarking with other top-performing hospitals to identify areas for improvement.

4. Strategic Recommendations for Hospital Management

a. Given that transformational leadership and work motivation have been simultaneously proven to have a significant impact on employee performance (42.1%), hospital management must develop an integrated strategy that combines strengthening transformational leadership with increasing work motivation. A partial approach that focuses on only one aspect will not produce optimal results. Synergy between leadership development and motivational enhancement is needed to achieve optimal employee performance.

b. Allocate adequate resources (budget, time, and personnel) for transformational leadership development programs and work motivation enhancement. These two aspects constitute strategic investments that will have a long-term impact on improving employee performance and the quality of healthcare services. Management must view HR development programs not as a cost but as an investment that will provide returns in the form of increased productivity, service quality, and patient satisfaction.

c. Establish an integrated HR management system that includes: (a) strategic HR planning; (b) competency-based recruitment and selection; (c) effective orientation and onboarding; (d) continuous development and training; (e) objective performance management; (f) clear career management; (g) a competitive compensation and benefits system; and (h) fostering harmonious industrial relations. This system must be supported by adequate information technology to facilitate monitoring and evaluation.

d. Conduct active, continuous, and ongoing evaluation and supervision of the implementation of transformational leadership and work motivation improvement programs. Evaluations should not be limited to annual appraisals but should be conducted periodically in accordance with evolving conditions and situations. Management can conduct spot checks and routine visits on designated days to ensure that the designed programs are effectively implemented in the field.

5. Recommendations for Further Research

a. Given that the R^2 value of 42.1% indicates that 57.9% of the variation in employee performance is still explained by factors other than transformational leadership and work motivation, further research is recommended to: (a) add other variables suspected of influencing employee performance, such as organizational culture, work environment, compensation, employee competency, job satisfaction, organizational commitment, and other factors; (b) use mediating or moderating variables to understand more complex mechanisms of influence; and (c) conduct longitudinal research to observe changes in employee performance over a longer period of time.

b. Further research can use qualitative or mixed methods (a combination of quantitative and qualitative) to gain a deeper understanding of the phenomena of transformational leadership, work motivation, and employee performance in hospitals. Qualitative methods such as in-depth interviews, observations, and focus group discussions can provide richer information about experiences, perceptions, and dynamics occurring in the field.

c. Future research could expand the scope of the study by comparing employee performance across several hospitals in Timor-Leste or even conducting comparative studies with hospitals in other countries to identify best practices in hospital HR management. This would provide greater insight into the factors influencing employee performance across different cultural contexts and healthcare systems.

d. Future research could develop and test intervention models or training programs for transformational leadership and work motivation to directly assess their impact on employee performance. Experimental or quasi-experimental research such as this would provide stronger empirical evidence of the effectiveness of designed HR development programs.

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