

# **The Influence Of Transformational Leadership Style And The Work Environment On Employee Performance With Work Motivation As A Mediating Variable At The Population And Civil Registration Office Of Dairi Regency**

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## **Abstract**

Employee performance is influenced by various factors, including transformational leadership style and work environment provided by the organization. An effective transformational leadership style and the right work environment can increase Motivation, which further contributes to improved performance. This study aims to identify the influence of transformational leadership style and work environment on employee performance by considering the role of Motivation as a mediating variable in the Population and Civil Registration Office of Dairi Regency. Data was obtained through a survey of employees with a quantitative approach and analyzed using the Partial Least Squares (PLS) method. The results of the analysis showed that transformational leadership style and work environment had a positive and significant influence on motivation, with T-Statistic values of 4.718 and 4.838, respectively, and P-Value of 0.000. Motivation is proven to have a positive and significant influence on Employee Performance with a T-Statistic value of 9.799 and a P-Value of 0.000, emphasizing the importance of Motivation as a performance driving factor. Indirect influence analysis shows that transformational leadership style and work environment significantly affect Employee Performance through Motivation, with an influence coefficient of 0.384. These findings indicate that improving transformational leadership style and work environment will be more effective in encouraging Employee Performance when facilitated by high motivation. Advice is provided to institutions to improve access to technology and training, as well as evaluate transformational leadership style strategies and existing work environments. Researchers are further encouraged to explore other mediating variables, such as organizational culture and psychological capital, in the context of performance improvement.

## **Keywords :**

Transformational leadership style; Work environment, Motivation; Employee Performance

## 1. INTRODUCTION

Transformation in government organizations is greatly influenced by the leadership style and work environment applied (Sisbintari, 2013). Transformational leadership, which emphasizes change and innovation, has an important role in improving employee performance (Founda & Siwalankerto, 2016). This leadership not only focuses on achieving short-term goals, but also on developing individuals and teams to achieve long-term success (Djaja & Zainurrafiqi, 2021), (Djuraidi & Laily, 2020). Therefore, understanding the influence of transformational leadership style on employee performance at the Dairi Regency Population and Civil Registration Office is important to research.

Transformational leadership in principle motivates subordinates to do better than what they are used to, in other words it can increase the trust or self-confidence of subordinates which will affect performance improvement (Koerniawan & Kurniawan, 2022).

In this study, transformational leadership style is defined as a leadership approach that causes changes in individuals and social systems. In its ideal form, it creates valuable and positive changes in followers with the ultimate goal of developing followers into leaders (Djuraidi & Laily, 2020).

In this study, the indicators of transformational leadership refer to opinions (Robbins, Stephen P. & Mary Coulter, 2018),

1. Kharisma.

Charisma is considered a combination of charm and personal charisma that contributes to the incredible ability to make other people support the vision and also promote it passionately. A charismatic leader is a leader who embodies the atmosphere of the work environment on the basis of commitment and emotional identity to their vision, philosophy, and style in their subordinates.

2. Inspirational work environment.

An inspirational work environment describes leaders who are passionate about communicating the future of an idealistic organization. Leaders communicate the idealistic future of the organization aimed at spurring the morale of their subordinates. Leaders in the subordinate work environment will have the same importance of vision and mission. This shared vision spurs subordinates to work together to achieve long-term goals with



optimism. So that leaders not only arouse individual spirit but also team spirit.

3. Intellectual Stimulation.

Intellectual stimulation describes leaders being able to encourage employees to solve old problems in new ways. Leaders try to encourage the attention and awareness of subordinates about the problems they face. Leaders then try to develop the ability of subordinates to solve problems with new approaches or perspectives.

4. Individual Attention.

Individual attention describes that leaders always pay attention to their employees, treat employees individually, train and advise. Leaders invite employees to be observant to see the abilities of others. Leaders focus on employees to develop personal strengths.

A conducive work environment is also a key factor in supporting employee performance. A good work environment can improve the work environment and work motivation, which will ultimately have a positive impact on productivity and work quality (Triono & Aditya, 2024), (Irma & Yusuf, 2020). Factors such as employee relationships, work facilities, and organizational culture play a crucial role in creating a supportive work environment. In the context of the Dairi Regency Population and Civil Registration Office, it is important to evaluate the extent to which the current work environment supports employee performance.

Work motivation as a mediating variable can strengthen the relationship between transformational leadership style and work environment and employee performance. A high work environment can encourage employees to work harder and achieve the targets that have been set (Firwish, 2020). Work motivation can come from intrinsic factors, such as personal satisfaction and a sense of responsibility, as well as extrinsic factors, such as appreciation and recognition from superiors (Pramana & Widiastini, 2020).

(Robbin & Judge, 2015) defines work motivation as a process that describes the intensity, direction and perseverance of an individual to achieve his goals. To measure the work environment in this study, refer to the indicators set by (Robbin & Judge, 2015) as follows:

- 1) Awards,
- 2) Social Relations,
- 3) Living Needs,
- 4) Success at Work.



The performance of employees at the Dairi Regency Population and Civil Registration Office still faces various challenges. Although there have been efforts to implement transformational leadership styles and create a conducive work environment, the results achieved have not been completely satisfactory. Several performance indicators still show a gap between targets and realization. For example, services to the community are not fully optimal and there are still complaints related to work efficiency and effectiveness.

Employee performance is the result of quality and quantity of work achieved by an employee in carrying out his duties in accordance with the responsibilities given to him (Mangkunegara. A.A. P, 2020). Meanwhile, (Robbin & Judge, 2015) states that employee performance is the result achieved by employees that are evaluated based on certain standards or criteria, which include the effectiveness, efficiency, and contribution of employees to organizational goals.

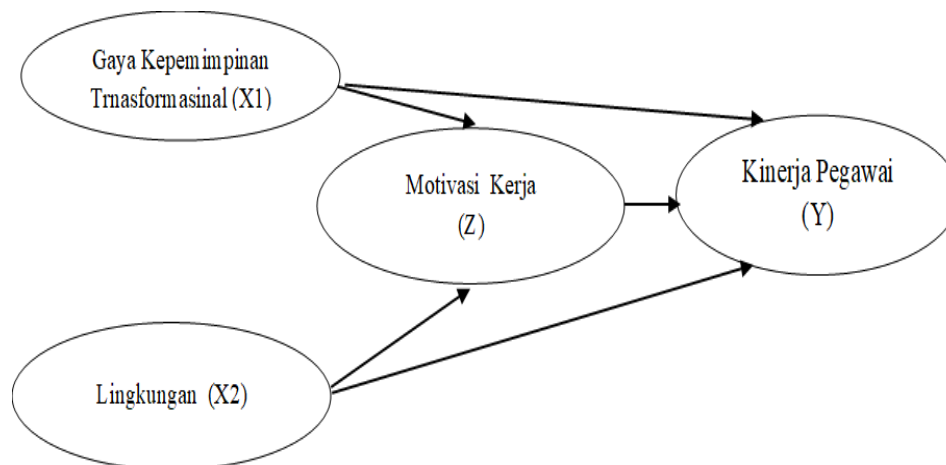
To measure employee performance, this research refers to the theory (Mangkunegara. A.A. P, 2020) is as follows:

1. Quality of Work.  
The quality of the work achieved by employees, which includes accuracy, accuracy, and conformity with predetermined standards.
2. Work Quantity.  
The volume or number of work that can be completed by employees in a certain period of time.
3. Timeliness.  
The ability of employees to complete work according to the specified time limit.
4. Effectiveness.  
The extent to which the employee's work results are in accordance with the goals to be achieved and have a positive impact on the organization.
5. Efficiency.  
The optimal level of resource use in completing the work, which includes time, cost, and effort.
6. Discipline.  
The level of employee compliance with the rules and procedures that have been set by the organization.
7. Creativeness.  
The ability of employees to generate new and innovative ideas that can improve performance and productivity.

The current gap can be caused by various factors, including the lack of consistent implementation of transformational leadership styles, the lack of adequate work facilities, and the low level of employee motivation (Ambalele & Tellu, 2023).

Identifying this problem is important to formulate the right strategy in improving employee performance at the Dairi Regency Population and Civil Registration Office. For this reason, this study aims to identify and analyze the influence of transformational leadership style and work environment on employee performance, with work motivation as a mediating variable. This research is expected to provide useful recommendations for management in improving employee performance and public services.

Literature studies show that transformational leadership and a good work environment can significantly improve employee performance (Iqbal, 2021). However, this condition must be supported by high work motivation so that the effect can be more optimal. Thus, this research will add new knowledge in the context of government organizations and provide practical solutions to overcome existing problems. The concept of this research is as illustrated in the following conceptual framework drawing:



**Figure 1. Conceptual Framework**

## 2. RESEARCH METHODS



This type of research is a casual associative quantitative research. This research was carried out at the Dairi Regency Population and Civil Registration Office. The time of this research was carried out from August to November 2024.

According to (Sugiyono, 2018) population is a generalization area consisting of objects/subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then drawn conclusions. The population in this study is the total number of employees in the Population and Civil Registration Office of Dairi Regency with a total of 68 employees with the following numbers:

**Table 1. Details of the Population of the Population Office and  
Civil Registration of Dairi Regency**

No.	Status	Number (Person)
1.	ASN	36
2.	Honorary	32
<b>Sum</b>		<b>68</b>

**Source : Dairi Regency Population and Civil Registration Office**

The sampling technique used in this study is a saturated sample. According to (Sugiyono, 2019) Saturated sampling is a sample selection technique when all members of the population are sampled where all populations in this study are sampled, which is a total of 68 employees.

The data that will be used from this study is the data from the results of the questionnaire distributed to respondents consisting of all employees in all fields. The data analysis technique used in this study is a quantitative data analysis method using Structural Equation Modeling (SEM) based on Partial Least Square (PLS) using SmartPLS 3.0 software.

Meanwhile, the feasibility test that will be used in this study is the outer model test in order to obtain an outer loading value that meets the requirements of validity and reliability. Testing the structural model (Inner model) which includes a determination coefficient test ( $R^2$ ) to measure how far the model is able to explain the variation of the bound variables. the value of the determination coefficient /  $R^2$  is in the range of zero (0) and one (1) (Hair, J.F., et. al, 2022).



The Goodness fit test is used to determine the extent to which the observed data corresponds to the theoretical distribution assumed by the model or hypothesis (Ghozali & Latan, 2015) and the hypothesis test (T-Statistic Test) which consists of a path coefficients test to test how the direct influence of each independent variable individually on its bound variable as well as the indirect influence of the mediating variable in influencing its independent variable on its bound variable.

This test is used to determine the direction of the relationship between variables (positive/negative). If the value is 0 to 1, then the direction of the relationship between the variables is declared positive. Meanwhile, if the value is 0 to -1, then the direction of the relationship between the variables is declared negative. A hypothesis is said to be accepted if the statistical t value is greater than the t of the table. According to (Ghozali & Latan, 2015) the t-value criterion of the table is 1.96 with a significance level of 5%.

### 3. RESULTS AND DISCUSSION

#### 3.1. Research Results

##### Outer Model Analysis

The outer model test in this study uses algorithm analysis in SmartPLS software version 3.0, in order to obtain outer loading values that meet the validity and reliability requirements.

##### 1) Convergent Validity Test Results

The convergent validity of the measurement model with reflexive indicators can be seen from the correlation between the score of the item/indicator and the construction score. Based on the results for outer loading, it shows that there is an indicator that has a loading below 0.60 and is not significant. The following is presented as the results of the outer loading value in the following table.

**Table 2. Outer Loading**

Indicators	Outer Loading	Information
<b>Transformational Leadership Style (X1)</b>		
GPT1	0.832	Valid
GPT2	0.895	Valid



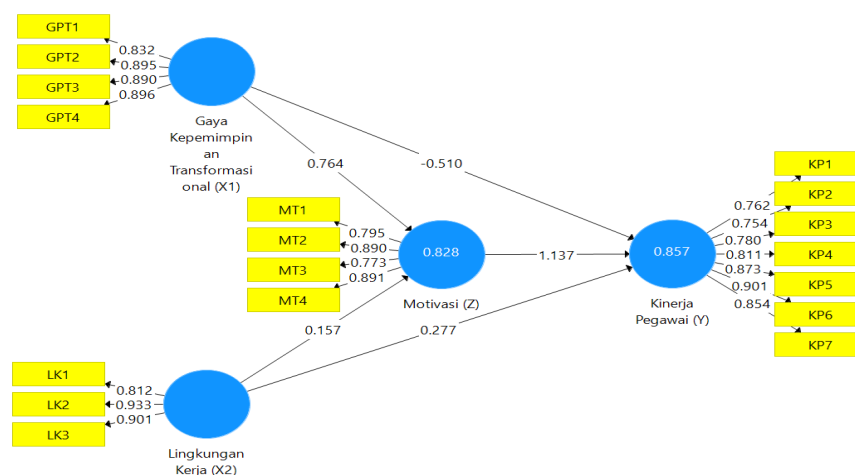
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Indicators	Outer Loading	Information
GPT3	0.890	Valid
GPT4	0.896	Valid
<b>Work Environment (x2)</b>		
LK1	0.812	Valid
LK2	0.933	Valid
LK3	0.901	Valid
<b>Work Environment (Z)</b>		
MT1	0.795	Valid
MT2	0.890	Valid
MT3	0.773	Valid
MT4	0.891	Valid
<b>Employee Performance (Y)</b>		
KP1	0.762	Valid
KP2	0.754	Valid
KP3	0.780	Valid
KP4	0.811	Valid
KP5	0.873	Valid
KP6	0.901	Valid
KP7	0.854	Valid

**Source : Output Smart PLS, 2024**

Based on Table 2, it can be seen that all indicators have a loading factor value of  $> 0.60$ . According to (Ghozali, Imam & Latan, 2015) states that the indicator is declared valid if it has a loading factor value of  $> 0.60$ . Thus, it can be stated that all indicators in this study are declared valid and can be carried out further research. The following is shown in the form of a structural model as shown in the following image:



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**Figure 2. Outer Model Test Results**

## 2) Discriminate Validity Test Results

The next test is to test the validity of discrimination, this test aims to determine whether a reflective indicator is a good measurement for its construction based on the principle that the indicator is highly correlated with its construction. The following are the results of cross loading from the discrimination validity test as shown in the following table:

**Table 3. Discriminant Validity**

Indicator s	Transformationa l Leadership Style (X1)	Employ ee Perform ance (Y)	Ling Work Circle (X2)	Ling Workin g Curve (Z)
GPT1	<b>0.832</b>	0.705	0.887	0.808
GPT2	<b>0.895</b>	0.707	0.794	0.849
GPT3	<b>0.890</b>	0.669	0.789	0.751
GPT4	<b>0.896</b>	0.631	0.724	0.773
KP1	0.832	<b>0.762</b>	0.901	0.749
KP2	0.538	<b>0.754</b>	0.500	0.690
KP3	0.452	<b>0.780</b>	0.470	0.653
KP4	0.533	<b>0.811</b>	0.591	0.633
KP5	0.676	<b>0.873</b>	0.663	0.836
KP6	0.741	<b>0.901</b>	0.705	0.830
KP7	0.645	<b>0.854</b>	0.648	0.805
LK1	0.646	0.554	<b>0.812</b>	0.619
LK2	0.909	0.736	<b>0.933</b>	0.869
LK3	0.832	0.762	<b>0.901</b>	0.749
MT1	0.772	0.630	0.796	<b>0.795</b>
MT2	0.700	0.889	0.681	<b>0.890</b>
MT3	0.896	0.631	0.724	<b>0.773</b>
MT4	0.684	0.885	0.673	<b>0.891</b>

**Source: Output Smart PLS, 2024**

Based on table 4, it can be seen that the cross loading value in each indicator and variable is greater than other variables and indicators, variable cross loading Transformational leadership style and work environment show that the cross loading of the variable indicator is greater than the cross loading of other latent variables, the cross

loading of the motivation variable indicator shows that the value of the cross loading indicator is greater than other latent variables, Cross loading of employee performance variables also shows a greater cross loading value of the indicator than the cross loading of the latent variable. Based on this data, it can be stated discriminatively that the cross loading results are considered valid.

### 3) Composite Reliability Test Results

The test further determines the reliable value with the composite reliability of the indicator block that measures the construction. A construction value that is said to be reliable if the indigo composite reliability is above 0.60. In addition to looking at the composite reliability value, the reliable value can be seen in the variable construct value with the alpha cronbachs of the indicator block that measures the construct. A construct is declared reliable if the cronbachs alpha value is above 0.7. The following is a table of loading values for the construct of the research variables resulting from running the Smart PLS program in the following table.

**Table 4. Construct Reliability and Validity**

Indicators	Cronb ach's Alpha	Relia Reliabilit y Composi te	Average Extracted Variance (AVE)
Transformational Leadership Style (X1)	0.901	0.931	0.772
Employee Performance (Y)	0.919	0.935	0.674
Work Environment (x2)	0.859	0.914	0.781
Motivation (Z)	0.858	0.904	0.704

**Source: Output Smart PLS, 2024**

Based on Table 4, it can be explained that the AVE value in each variable tested has a value of  $> 0.5$ , which shows that all variables in this study meet the criteria for discriminant validity. To determine the reliability in this study, the composite reliability value is used. The accepted value for the reliability level is  $> 0.7$ . Based on these criteria, it can be seen that all variables in this study have a  $>$  value of 0.70 so that

it can be stated that all variables tested meet the reliability of the construct.

### Structural Model Evaluation (Inner Model)

Evaluation of the structural model (inner model) is carried out to ensure that the structural model built is robust and accurate. The stages of analysis carried out in the evaluation of the structural model are seen from several indicators, namely:

#### 1) Determination Coefficient Test Results (R2)

The determination coefficient (R2) test is used to see the influence of certain independent latent variables on the dependent latent variable whether it has a substantive influence. Based on the data processing that has been carried out using the SmartPLS 3.0 program, the R Square value is obtained as shown in the following table.

Table 5. R Square Results		
Variable	R Square	Adjusted R Square
Employee Performance (Y)	0.857	0.850
Motivation (Z)	0.828	0.823

Source: Output Smart PLS, 2024

Based on table 5, it is known that the R square Adjusted value of the Motivation variable is 0.823 or 82.30%, which means that the influence of transformational leadership style and work environment on Motivation is in the high category, meaning that the more transformational leadership style and work environment increase, the more Motivation will increase. Meanwhile, the R Square value on the Motivation variable is 0.828 or 82.80%, which means that the influence of transformational leadership style and work environment on Motivation is 82.80% and the remaining 17.20% is influenced by other variables that have not been studied. Meanwhile, the R Square Adjusted value of the Employee Performance variable is 0.850 or 85.00%, which means that the transformational leadership style and work environment affect employee performance by 85.00% or in the very high category, meaning that the transformational leadership style and work environment can significantly improve employee performance. Furthermore, the R square value of the Employee

Performance variable is 0.857 or 85.70%, which means that transformational leadership style and work environment affect employee performance by 85.70%, while the remaining 14.30% is influenced by other variables that have not been studied.

## 2) Goodness of Fit Test Results

The Goodness of Fit test is a statistical method used to evaluate how well the tested model or statistical distribution matches the observed data. The Goodness of Fit test aims to determine the extent to which the observed data corresponds to the theoretical distribution assumed by the model or hypothesis. The goodness of fit model test can be seen from looking at the NFI value on the program. If the NFI value is  $> \text{SRMR}$  and the closer it is to 1, then the better the model (good fit). Based on the data processing that has been carried out using the SmartPLS 3.0 program, the Fit Model values are obtained as follows.

**Table 6. Model Fit**

	<b>Saturated Model</b>	<b>Estimated Model</b>
SRMR	0.123	0.123
d_ULS	2.607	2.607
d_G	2.264	2.264
Chi-Square	439.517	439.517
NFI	0.704	0,704

Source: Output Smart PLS, 2024

Based on table 6, it can be seen that the NFI value is  $0.704 > 0.123$  so that it can be stated that the model in this study has sufficient goodness of fit and is suitable to be used to test the research hypothesis.

## Hypothesis Test Results

After conducting an inner model analysis, the next thing is to evaluate the relationship between latent constructs in order to answer the hypothesis in this study. The hypothesis test in this study was carried out by looking at T-Statistics and P-Values. The hypothesis is declared accepted if the T-Statistics value  $> 1.96$  and the P-Values  $< 0.05$ . The following are the results of Path Coefficients of direct influence between variables as shown in the following table.

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**Table 7. Path Coefficients**

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values	Result
Transformational Leadership Style (X1) -> Employee Performance (Y)	0.510	0.498	0.209	2.440	0.017	Accepted
Transformational Leadership Style (X1) -> Motivation (Z)	0.764	0.790	0.125	6.130	0.000	Accepted
Work Environment (X2) -> Employee Performance (Y)	0.277	0.287	0.170	1.629	0.108	Rejected
Work Environment (X2) -> Motivation (Z)	0.157	0.137	0.138	1.136	0.260	Rejected
Motivation (Z) -> Employee Performance (Y)	1.137	1.122	0.148	7.690	0.000	Accepted

**Source: Smart PLS Output, 2023**

Based on the data in Table 7, it can be stated that Transformational Leadership Style has a positive and significant effect on Employee Performance with the T-Statistic value obtained is  $2.440 > 1.96$  with a P-Value of  $0.017 < 0.05$ , which shows that the influence of Transformational Leadership Style on Employee Performance is statistically significant. This means, if the Transformational Leadership Style is improved, Employee Performance will experience a significant improvement. Thus, the hypothesis that the Transformational Leadership Style has a positive and significant effect on Employee Performance is accepted.

On the influence of Transformational Leadership Style on Motivation, a T-Statistic value of  $6.130 > 1.96$  and a P-Value of  $0.000 < 0.05$  showed that Transformational Leadership Style had a positive and significant influence on Motivation. This means that the improvement in



the Transformational Leadership Style will have a significant impact on increasing employee motivation. The hypothesis that Transformational Leadership Style has a positive effect on Motivation is accepted.

The influence of the work environment on Employee Performance obtained a T-Statistic value of  $1.629 < 1.96$  and a P-Value of  $0.108 > 0.05$ , indicating that the influence of the Work Environment on Employee Performance was not significant. This means that improvements in the Work Environment do not have a significant impact on Employee Performance. Thus, the hypothesis that the Work Environment has a positive and significant effect on Employee Performance is rejected.

The influence of the work environment on motivation was obtained with a T-Statistic value of  $1.136 < 1.96$  and a P-Value of  $0.260 > 0.05$ , indicating that the work environment did not have a significant influence on motivation. This shows that changes in the Work Environment do not significantly increase Motivation. Therefore, the hypothesis that the Work Environment has a positive and significant effect on Motivation is rejected.

The influence of motivation on Employee Performance obtained a T-Statistic value of  $7.690 > 1.96$  and a P-Value of  $0.000 < 0.05$ , indicating that Motivation has a positive and significant influence on Employee Performance. This means that an increase in Motivation will significantly improve Employee Performance. The hypothesis that Motivation has a positive and significant effect on Employee Performance is accepted.

Overall, the results of these findings show that Transformational Leadership Style plays an important role in improving Employee Motivation and Performance directly, while the Work Environment does not show a significant influence on Performance or Motivation. These findings support that Motivation is an important factor in improving Employee Performance at the Dairi Regency Population and Civil Registration Office. To answer the sixth and seventh hypotheses, it can be seen in the indirect influence between variables as shown in the following table.

**Table 8. Indirect Effect**

Variable	Original Sample Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/ST DEV )	P Values	Result
Transformational Leadership Style -> Motivation -> Employee Performance	0.869	0.888	0.196	4.425	0.000	Accepted
Work Environment -> Motivation -> Employee Performance	0.179	0.151	0.157	1.137	0.260	Rejected

**Source: Output Smart PLS, 2024**

Based on the data in Table 8, the results of the indirect influence test show that Transformational Leadership Style has a significant influence on Employee Performance through Motivation. This is evidenced by the T-Statistic value of  $4.425 > 1.96$ , and the P-Value of  $0.000 < 0.05$ . With an indirect influence coefficient of 0.869, it can be concluded that the improvement of Transformational Leadership Style has a positive impact on employee motivation, which then contributes to the improvement of Employee Performance. These findings suggest that Motivation plays a significant role as a mediator in the relationship between Transformational Leadership Style and Employee Performance, thus supporting the hypothesis proposed in this study.

On the other hand, the indirect influence of the Work Environment on Employee Performance through Motivation has not been proven to be significant. The T-Statistic value of  $1.137 < 1.96$ , and the P-Value of  $0.260 > 0.05$ , indicate that the relationship is not significant. While the Work Environment has the potential to influence Motivation, this influence is not strong enough to improve Employee Performance through the pathway. The indirect influence coefficient of only 0.179 indicates that the improvement of the Work Environment does not contribute significantly to the improvement of Employee Performance through Motivation. Thus, the hypothesis that there is an indirect influence of the Work Environment on Employee Performance through



Motivation is not supported by the data of this study. Overall, these results emphasize that Motivation only plays a significant mediator role between Transformational Leadership Style and Employee Performance, but not on the relationship between the Work Environment and Employee Performance.

### **3.2. Discussion Results**

The findings in this study show that Transformational Leadership Style has a positive and significant influence on Employee Performance both directly and through Motivation as a mediator. This is in line with the research of Pires et al., (2023) and Khan et al., (2020) which found that transformational leadership plays an important role in improving employee motivation and performance. These findings emphasize the importance of transformational leadership development to improve organizational performance through employee empowerment and increased motivation.

On the contrary, the results of this study found that the Work Environment did not have a significant influence on Employee Performance or Motivation. These findings are in line with the results of the research by Ginting et al., (2021) which showed that although the work environment plays an important role in providing comfort, these factors are not always the dominant variable that affects employee performance. Internal motivation, workload, and other factors such as competence and work stress tend to be more significant. This shows that employee performance is more influenced by intrinsic factors or managerial approaches than physical conditions or external environment alone.

Furthermore, the finding that Motivation has a significant influence on Employee Performance is supported by research by Pramana & Widiastini, (2020) which shows that motivation plays a key role as a driver of employee performance, especially when supported by an innovative work environment and strong psychological capital. This indicates that organizations need to create a work climate that supports the psychological and professional development of employees to maximize their motivation.

In addition, the indirect influence of Transformational Leadership Style on Employee Performance through Motivation has proven to be significant. This result is supported by the findings of



Ibrahim et al., (2022) which states that transformational leadership has a significant influence on motivation, which then has a positive impact on employee performance.

This study highlights the importance of motivation as a mediator in the relationship between transformational leadership and performance. As such, organizations should not only develop transformational leadership styles but also strategies to increase employee motivation, such as providing recognition for performance, self-development training, and equitable incentive systems.

However, the indirect influence of the Work Environment on Employee Performance through Motivation has not proven to be significant. One of the relevant studies supporting these findings is the results of a study (Hermawan & Rahadi, 2021) that examines the influence of situational leadership style and work environment on employee performance through motivation.

In the study, it was found that the work environment does not have a significant influence on motivation, and indirectly it is also not significant on employee performance. These results show that a good work environment does not necessarily improve employee performance if it is not supported by persistent motivation. This shows that improving the work environment alone is not enough to improve performance if it is not accompanied by other factors such as effective leadership style and strong motivation.

## 4. CONCLUSIONS AND SUGGESTIONS

### 4.1. Conclusion

1. Transformational Leadership Style has a positive and significant influence on Employee Performance with a T-Statistic value of  $2.440 > 1.96$  and a P-Value of  $0.017 < 0.05$ . Improvement of Transformational Leadership Style has been shown to significantly improve Employee Performance, so the hypothesis is accepted.



2. Transformational Leadership Style also has a positive and significant influence on Motivation with a T-Statistic value of  $6.130 > 1.96$  and a P-Value of  $0.000 < 0.05$ . This shows that the higher the application of the Transformational Leadership Style, the higher the employee's motivation, so the hypothesis is accepted.
3. The Work Environment does not have a significant effect on Employee Performance. The T-Statistic value of  $1.629 < 1.96$  and the P-Value of  $0.108 > 0.05$  indicate that changes in the Work Environment do not have a significant impact on the improvement of Employee Performance. The hypothesis was rejected.
4. The Work Environment also does not have a significant influence on Motivation. This is evidenced by the T-Statistic value of  $1.136 < 1.96$  and the P-Value of  $0.260 > 0.05$ . Thus, the hypothesis that the Work Environment has a positive and significant effect on Motivation is not accepted.
5. Motivation has a positive and significant influence on Employee Performance, with a T-Statistic value of  $7.690 > 1.96$  and a P-Value of  $0.000 < 0.05$ . This shows that the increase in Motivation significantly contributes to the improvement of Employee Performance, so the hypothesis is accepted.
6. Transformational Leadership Style has a significant indirect influence on Employee Performance through Motivation, with a T-Statistic value of  $4.425 > 1.96$  and a P-Value of  $0.000 < 0.05$ . The coefficient of influence of 0.869 shows that Motivation plays a significant mediator between Transformational Leadership Style and Employee Performance.
7. The Work Environment does not have a significant indirect influence on Employee Performance through Motivation. T-Statistic values of  $1.137 < 1.96$  and P-Values of  $0.260 > 0.05$  indicate that Motivation does not mediate the relationship between the Work Environment and Employee Performance significantly. This hypothesis is not supported by research data.

#### 4.2. Suggestion

Based on the findings of this study, there are several important suggestions that can be submitted to various parties such as:



1. For institutions, the Dairi Regency Population and Civil Registration Office is advised to continue to strengthen the implementation of transformational leadership styles by providing periodic training to leaders. This training aims to improve leadership skills that are able to motivate and encourage employees to work more effectively. In addition, institutions need to optimize performance reward programs to support motivation as an important element in improving employee performance.
2. For employees, the results of this study emphasize the importance of the role of motivation in improving performance. Therefore, employees are advised to be proactive in taking advantage of the self-development opportunities provided by the institution, such as training or workshops. In addition, understanding how transformational leadership styles can affect their performance will help employees be more adaptive in supporting organizational goals.
3. For future researchers, it is recommended to conduct a more in-depth study of the role of other mediating variables, such as organizational culture, psychological capital, or the leader's communication style. This research can provide new insights into the relationship between leadership, motivation, and employee performance, so that it can produce more comprehensive findings. Studies in different sectors or other organizational contexts can also expand the generalization of findings.

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