# MIX: Jurnal Ilmiah Manajemen

***Management Scientific Journal***
**ISSN (Online): 2460-5328, ISSN (Print): 2088-1231**
***https://publikasi.mercubuana.ac.id/index.php/jurnal_Mix***


## The Impact of Transformational Leadership on Organizational Performance in the Digital Government Era


**Ferry Siswadhi[1*]; Gampo Haryono[2]; Anggia Ayu Lestari[3]; Yelnim[4]**

*[1] fsiswadhi@gmail.com, Sekolah Tinggi Ilmu Ekonomi Sakti Alam Kerinci, Indonesia*
*[2] gampo.haryono1@gmail.com, Sekolah Tinggi Ilmu Ekonomi Sakti Alam Kerinci, Indonesia*
*[3] anggialestari66@gmail.com, Sekolah Tinggi Ilmu Ekonomi Sakti Alam Kerinci, Indonesia*
*[4] animstiesak@gmail.com, Sekolah Tinggi Ilmu Ekonomi Sakti Alam Kerinci, Indonesia*
**) Corresponding author*



***ABSTRACT***

***Objectives :*** *This study explores the impact of transformational leadership on organizational performance in the digital government era using a qualitative research approach. The rapid advancement of digital government has reshaped organizational structures, decision-making processes, and leadership dynamics.*
***Methodology :*** *Through in-depth interviews with government officials, policy analysts, and digital transformation experts, this research examines how transformational leadership traits such as vision, motivation, intellectual stimulation, and individualized consideration enhance performance, innovation, and adaptability in public institutions. This study using a qualitative research approach.*
***Finding :*** *Findings indicate that transformational leaders play a crucial role in fostering a culture of digital innovation, encouraging employee engagement, and driving effective change management. Leaders who exhibit proactive strategies and inspire a shared vision significantly contribute to improved public service delivery, cross-sector collaboration, and institutional resilience in navigating digital transformation challenges. Additionally, this study highlights the barriers to leadership effectiveness, including bureaucratic inertia, resistance to change, and skill gaps in digital competencies. The analysis underscores the importance of continuous leadership development programs and a supportive digital infrastructure to maximize the benefits of transformational leadership in the public sector.*
***Conclusion :*** *This study contributes to the discourse on public administration modernization by providing insights into leadership strategies that enhance government efficiency, agility, and citizen-centric service delivery. Future research should explore quantitative models to measure the correlation between transformational leadership and key performance indicators in digital governance.*



***Keywords:*** *Transformational Leadership; Digital Government; Organizational Performance; Public Sector Innovation; Leadership in Digital Transformation.*

Submitted: 14-03-2025 Revised: 04-11-2025 Accepted: 06-11-2025

**Article Doi:**
http://dx.doi.org/10.22441/jurnal_mix.2025.v15i3.010

p-ISSN: 2088-1231
e-ISSN: 2460-5328

## INTRODUCTION

The rapid expansion of digital government has reshaped how public institutions operate, emphasizing efficiency, transparency, and citizen-centric innovation *(Zainuri & Huda, 2023)*. While technological infrastructure underpins this transformation, leadership ultimately determines how effectively government agencies adopt, sustain, and scale digital initiatives. Transformational leadership has gained attention in this context for its capacity to inspire innovation, foster adaptability, and build organizational commitment to change (Rehman et al., 2024). By promoting shared vision, motivating employees to embrace technology, and cultivating continuous learning, transformational leaders help public institutions strengthen digital capability and improve service quality *(Alsharari & Aljohani, 2024)*.

However, many government agencies still face challenges implementing transformational leadership principles due to hierarchical bureaucratic structures, limited digital literacy, and resistance to innovation (Mohd Fadhil et al., 2025; Sarfraz et al., 2024). Although transformational leadership is widely studied in corporate digitalization, evidence within the public sector remains limited and fragmented, especially regarding how leaders navigate policy constraints, resource limitations, cybersecurity demands, and cultural resistance during digital transformation (Almutairi et al., 2025; Cahyadi et al., 2024).

In Indonesia, leadership studies in the public sector have expanded, yet most remain survey-based, offering little insight into the qualitative mechanisms that translate leadership into improved digital practices, inter-unit collaboration, and service outcomes (Makatita et al., 2024; Nuryadin et al., 2023; Siswadhi et al., 2024). Recent qualitative research on GovTech (Government Technology), local government digital reforms, and e-government adoption highlights the need to examine everyday leadership behaviors and coordination routines that shape digital transformation (Ariawan et al., 2025; Fadrial et al., 2024; Setiorini, 2025). A deeper understanding of these mechanisms is crucial given Indonesia's ongoing efforts to modernize public services, improve bureaucratic agility, and reduce administrative friction through technology.

To address this gap, this study employs an in-depth qualitative approach to explore how transformational leadership influences organizational performance in digital government environments. By engaging government officials, policy analysts, and digital transformation practitioners, the study uncovers leadership strategies, challenges, and practices that underpin successful digital governance (Vaia et al., 2022). This focus is timely, as global trends such as smart-city development, e-governance platforms, and AI-enabled public services increasingly demand agile, capability-building, and citizen-oriented public-sector leadership (Haddad, 2024; Trajkovski, 2024).

This study contributes to digital governance and public leadership literature in three key ways. First, it offers a qualitative explanation of how transformational leadership behaviors translate into digital readiness, innovation culture, and service improvement, extending beyond quantitative survey approaches. Second, it situates transformational leadership within the constraints and complexities of public-sector environments, including bureaucratic inertia, cybersecurity challenges, and digital equity considerations (Cavallari, 2023). Third, it examines how leadership supports digital competency development and employee adaptation, offering practical guidance for leadership development, capacity building, and policy design in government settings. Collectively, these contributions enhance theoretical understanding and provide grounded insights for strengthening public-sector digital transformation.

p-ISSN: 2088-1231
e-ISSN: 2460-5328

## LITERATURE REVIEW

### Transformational Leadership in the Context of Digital Government

Transformational leadership (TL) is widely recognized as a catalyst for organizational change and public-sector innovation in the shift toward digital governance. Prior scholarship shows that transformational leaders articulate a compelling vision for digital transformation, foster collaboration, and encourage experimentation—conditions that nurture agility, adaptability, and proactive problem solving needed to implement e-government at scale. In digital government settings, leaders who enact intellectual stimulation, inspirational motivation, and individualized consideration more effectively navigate public-sector complexity: they challenge legacy bureaucratic routines, empower employees to develop digital competencies, and cultivate a learning climate that accelerates technological adoption. A persistent tension, however, lies in balancing transformational practices with traditional bureaucratic structures that resist rapid change *(Uhl-Bien & Marion, 2009)*.

To clarify our focus, we briefly contrast transformational leadership with transactional and adaptive approaches, see Table 1 for a side-by-side comparison of core logics, typical tools, digitalization fit, and expected effects. In short, whereas transactional leadership centers on compliance and routine reliability, and adaptive leadership mobilizes stakeholders to confront uncertainty, transformational leadership integrates vision framing and capability building that align actors around digital goals, strengthen digital readiness and innovation climate, and translate adoption into service outcomes and organizational performance *(Yukl & Gardner, 2020)*. These relationships are synthesized in Figure 1 (Conceptual Model).

**Table 1** Comparative summary of transactional, adaptive, and transformational leadership in digital-government contexts

| Dimension | Transactional | Adaptive | Transformational (focus) |
|---|---|---|---|
| Core logic | Exchange, compliance, control | Mobilize for complexity & learning | Vision, inspiration, capability building |
| Typical tools | KPIs, rewards, corrective action | Problem framing, iteration, sensemaking | Vision communication, intellectual stimulation, mentoring |
| Fit to digitalization | Stabilizes routines; weak on exploration | Handles uncertainty; weaker on scale/vision alignment | Aligns vision, scales change, enables capability development |
| Expected effects | Short-term efficiency, rule adherence | Issue diagnosis, experimentation | Digital readiness, innovation climate, engagement → adoption & performance |

Source: *Yukl & Gardner (2020)*

Building on the distinctions summarized in Table 1, we treat transactional and adaptive leadership as contextual complements—useful for ensuring compliance and for mobilizing actors under uncertainty—while positioning transformational leadership as the primary lens to align digital vision, build capabilities, and sustain cross-unit change. This focus reflects the demands of digital government, where performance improvements depend not only on routine reliability or problem diagnosis, but on vision-driven capability building that fosters digital readiness, innovation climate, and employee engagement. Accordingly, the subsequent conceptual framework (Figure 1) specifies how transformational leadership translates into

p-ISSN: 2088-1231
e-ISSN: 2460-5328

digital adoption/integration, cascades to service outcomes (efficiency, transparency, citizen engagement), and ultimately enhances organizational performance

**Organizational Performance in the Digital Government Era**

The evolution toward digital government has redefined performance expectations in the public sector. Today, effectiveness is not only judged by efficiency and compliance but also by digital innovation capacity, user orientation, and evidence-based decision-making. Transformational leadership plays a central role in enabling this shift by fostering strategic alignment, encouraging experimentation, and mobilizing employee commitment to modernization. Empirical evidence shows that agencies led by transformational leaders are better prepared to adopt emerging technologies such as AI, blockchain, and cloud systems, resulting in greater transparency and responsiveness (Nguyen et al., 2023).

Despite these benefits, governments often struggle to translate digital reforms into consistent performance gains. Legacy systems, hierarchical decision structures, and resource fragmentation constrain institutional agility and limit digital adaptation. Literature stresses the importance of measurable performance frameworks and digital KPIs to link leadership actions to service delivery outcomes, including accessibility, reliability, and citizen satisfaction (Zhu et al., 2024). These models clarify how leadership effectiveness is amplified when accompanied by structured capability development and governance support.

Public trust and citizen experience also form a key dimension of digital-era performance. As citizens increasingly compare public services with private digital platforms, expectations for convenience, personalization, and transparency grow. Transformational leaders who promote user-centric digital design and prioritize openness help build legitimacy and sustain public confidence in digital reforms. International policy benchmarks, such as OECD (2024) and United Nations (2024), reinforce the relevance of leadership in aligning digital systems with public value creation.

**Leadership and Digital Innovation in Public Institutions**

Transformational leadership plays a pivotal role in creating organizational environments that support digital innovation. In government settings, innovation is not merely a matter of deploying new technologies but involves rethinking bureaucratic routines, empowering employees, and redesigning core processes. Transformational leaders foster curiosity, promote constructive challenge to legacy systems, and reduce employees' fear of failure by framing experimentation as part of learning. These leadership behaviors are crucial for shifting public administration from rule-driven compliance toward agile and innovation-oriented governance capable of adopting emerging tools such as analytics platforms and citizen-centric digital services (Haug et al., 2024; Nguyen et al., 2023).

However, digital innovation in public organizations is often constrained by systemic barriers, including rigid regulations, budget limitations, and multi-layered approval processes. Bureaucratic rules intended to ensure accountability can slow experimentation and impede rapid deployment of digital tools. Contemporary public-sector research emphasizes the importance of adaptive regulatory frameworks, cross-sector partnerships, and mission-oriented governance to accelerate digital innovation (Mazzucato, 2024). Transformational leaders mitigate these challenges by advocating flexible procedures, forming collaborations with technology actors, and prioritizing digital-skills development to ensure that innovation initiatives are both feasible and sustainable.

p-ISSN: 2088-1231
e-ISSN: 2460-5328

Additionally, leadership in digital innovation increasingly requires integrating capability building with cultural transformation. Transformational leaders work not only to introduce digital solutions but also to ensure that civil servants possess the competencies, confidence, and shared purpose to utilize them effectively. Evidence from public-administration studies indicates that leadership shapes digital readiness through mentorship, talent development, and strategic resource allocation. Such leaders champion digital literacy programs, encourage collaborative learning, and align organizational values with digital-era imperatives, thereby strengthening public institutions' adaptive capacity and innovation potential (Firmansyah et al., 2024; OECD, 2024).

Recent empirical articles reinforce the leadership–digital performance nexus. Mixed and quantitative studies show that transformational leadership strengthens innovation and employee engagement, thereby improving organizational outcomes (Kawiana et al., 2020; Syaechurodji et al., 2024). Complementary work highlights the enabling role of digital literacy and digital transformation capabilities for competitiveness and service improvement (Firmansyah et al., 2024). Related evidence on digital onboarding demonstrates how aligned HR practices accelerate adaptation and value alignment during digitization (Kurniawanto, 2025). Together, these studies support our focus on transformational leadership and capability building as levers for performance in digitally transforming public organizations.

Looking forward, recent global governance frameworks underscore that innovation in government must extend beyond technology adoption to encompass equity, transparency, and public value creation. International benchmarks emphasize that strong leadership is critical for linking digital programs to inclusion, service accessibility, and trust in government (OECD, 2024; United Nations, 2024). This reinforces that transformational leadership is most effective when paired with institutional design, capability building, and participatory change management, positioning it as a strategic driver of sustainable innovation in digital-era public administration.

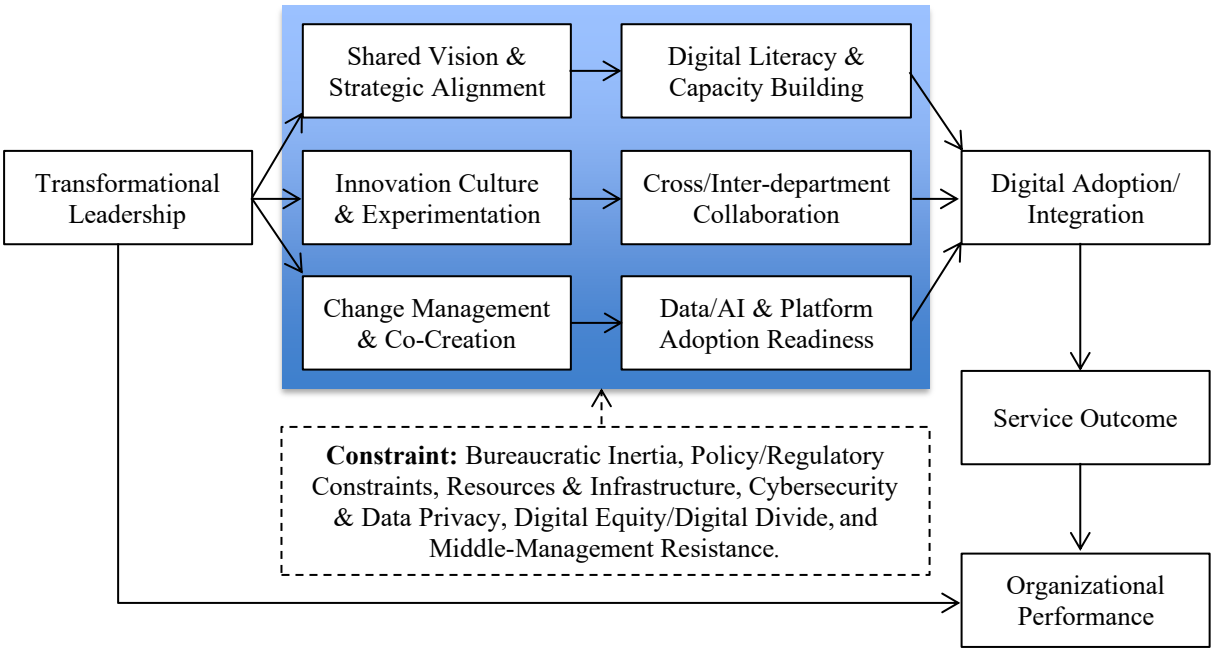
## CONCEPTUAL FRAMEWORK

To synthesize the foregoing argument, we articulate a conceptual framework linking transformational leadership to digital-government performance. The model specifies the process mechanisms (vision/alignment, innovation culture, and change management), the capability mediators (digital literacy, collaboration, and data/AI readiness), and the institutional constraints that condition these effects. Figure 1 summarizes these relationships and guides the subsequent analysis.

Building on public-sector digital transformation literature, the framework positions transformational leadership as a catalyst that activates organizational readiness and innovation climate, enabling civil servants to adopt and integrate digital technologies into daily routines. Through inspirational vision, intellectual stimulation, and individualized support, transformational leaders foster shared purpose, reduce resistance to change, and promote capability development across administrative levels. These leadership effects operate in interaction with contextual conditions—including regulatory structures, resource availability, and workforce skills—thereby determining whether digital initiatives translate into tangible service improvements and citizen-centric outcomes.

p-ISSN: 2088-1231
e-ISSN: 2460-5328

**Figure 1** Conceptual Model




## METHOD

### Type of Research

This study employs a qualitative research approach with an exploratory and descriptive design to analyze the impact of transformational leadership on organizational performance in the digital government era. The qualitative method was chosen to gain in-depth insights into leadership behaviors, decision-making processes, and their effects on digital transformation within public sector organizations. Given the complexity of digital government adaptation, a qualitative approach allows for a comprehensive exploration of how transformational leadership facilitates change, fosters innovation, and enhances public sector efficiency.

### Participants and Agencies

Participants and agencies (narrative). This study involved 48 respondents from 12 public agencies across the national, provincial, and municipal levels. The sample comprised 8 senior executives (directors/heads, 16.7%), 14 middle managers (division/section heads, 29.2%), 12 IT/digital-transformation officers (including data/AI and ICT infrastructure roles, 25.0%), and 14 frontline service staff (29.2%). Two institutional clusters were represented: core service agencies (e.g., population and civil registry, one-stop licensing, social security/health, education) and enabling units (digital transformation offices, data/AI centers, ICT, planning/policy). By level, participation included 3 national core service agencies, 3 provincial, and 2 municipal, plus 2 national enabling units, 1 provincial, and 1 municipal—providing a cross-section of administrative tiers, decision rights, technical roles, and citizen-facing processes relevant to public-sector digitalization.

p-ISSN: 2088-1231
e-ISSN: 2460-5328

**Data Sources**

This study utilizes two primary sources of data:

1. Primary Data:
    - Collected through in-depth interviews and focus group discussions (FGDs) with government officials, policy analysts, digital transformation experts, and public sector employees.
    - Participants were selected based on purposive sampling, ensuring diverse representation from different levels of government and sectors involved in digital transformation.
    - Observational data from public institutions implementing digital government initiatives was also gathered to provide contextual understanding.
2. Secondary Data:
    - Obtained from academic journals, government reports, policy documents, and case studies on transformational leadership, digital governance, and organizational performance.
    - Content analysis of strategic government policies, digital transformation frameworks, and leadership training programs was conducted to triangulate findings from primary data sources.

**Data Collection Techniques**

To ensure rich and reliable data, multiple qualitative data collection methods were employed :

1. Semi-Structured Interviews:
    - Conducted with senior government officials, digital transformation leaders, and administrative personnel.
    - Interviews focused on leadership styles, decision-making in digital transformation, employee engagement strategies, and the perceived impact of transformational leadership on organizational performance.
    - Open-ended questions allowed for flexibility and deeper exploration of themes that emerged during discussions.
2. Focus Group Discussions (FGDs):
    - Organized with public sector employees, IT professionals, and policy experts involved in digital governance.
    - The FGDs facilitated collective insights on organizational challenges, leadership responses, and policy implications in digital transformation.
    - Discussions aimed to capture group dynamics, shared experiences, and emerging leadership trends within the digital government framework.
3. Observations:
    - Field observations were conducted in public institutions implementing digital transformation projects, such as e-government services, smart city initiatives, and AI-driven governance systems.
    - Observational data focused on leadership behavior, organizational culture, digital tool adoption, and interactions between leaders and employees.
4. Document Analysis:
    - Government policies, leadership training materials, and official reports on digital governance and leadership development were reviewed.
    - The analysis aimed to identify patterns in leadership strategies, regulatory challenges, and best practices in digital government adaptation.

p-ISSN: 2088-1231
e-ISSN: 2460-5328

**Data Analysis Methods**

Data collected from interviews, FGDs, observations, and document reviews was analyzed using a thematic analysis approach, ensuring a structured and systematic examination of key themes. The following steps were undertaken:

1. Data Organization and Transcription:
    - All interview and FGD recordings were transcribed verbatim.
    - Field notes from observations were documented systematically.
2. Coding and Thematic Analysis:
    - Initial coding was performed to identify recurring themes related to leadership behaviors, digital transformation challenges, and organizational performance outcomes.
    - Codes were grouped into broader themes, such as leadership adaptability, employee engagement, technology adoption barriers, and digital governance success factors.
3. Triangulation of Data Sources:
    - To enhance credibility and reliability, findings from interviews, FGDs, and document analysis were cross-referenced.
    - Patterns were compared across different data sources to ensure consistency and validity in interpretations.
4. Interpretation and Contextualization:
    - Findings were interpreted within the framework of transformational leadership theory and digital governance models.
    - The discussion incorporated real-world implications, policy recommendations, and strategic insights for leadership development in the digital government era.

**Trustworthiness**

To strengthen the validity and reliability of interpretation, we used two procedures. First, member checking was conducted in two waves with a purposive subsample of 12 participants (≈25% of the 48 respondents). We returned 2–3 Page summaries of preliminary themes and exemplar quotations, invited corrections/clarifications, and incorporated disconfirming evidence where participants flagged overgeneralization; this led to wording refinements in subthemes on digital readiness and innovation climate, and the addition of a boundary-condition note regarding resource constraints.

Second, we held peer debriefings with two qualitative scholars unaffiliated with the project across three 60–90-minute sessions (after open coding, after axial/thematic consolidation, and prior to results write-up). Debriefers challenged coding decisions, requested rival explanations and negative-case searches, and reviewed the chain of evidence from raw data to claims. We maintained an audit trail (coded transcripts, dated codebooks, analytic memos, decision logs) and a brief reflexive journal documenting researcher assumptions and role interactions. Triangulation across interviews, FGDs, and internal documents further enhanced credibility, while thick description supports transferability.

This methodological framework ensures a comprehensive, in-depth analysis of how transformational leadership enhances organizational performance in the digital government era, capturing the perspectives of key stakeholders and contextual realities of public sector digital transformation.

p-ISSN: 2088-1231
e-ISSN: 2460-5328

## RESULTS AND DISCUSSION

### Vision Alignment and the Move Toward Purpose-Driven Bureaucracy

The findings show that transformational leaders initiate digital reform by articulating a shared and practical vision, breaking it into concrete milestones and clear role responsibilities. Rather than delivering vision as a one-time declaration, leaders sustain communication through regular briefings, progress messages, and feedback loops. This continual reinforcement reduces ambiguity and aligns departmental actions without prolonged negotiation, enabling staff to anticipate change and coordinate more efficiently. As one agency director emphasized, *"We don't talk about digital transformation as slogans; we talk about what will change this quarter and who does what."*

This visioning process also reshapes bureaucratic culture by reframing compliance as a means to enhance public value rather than preserve routine. Employees reported a gradual mental shift from rule-strictness toward purpose-oriented practice, emphasizing citizen experience, speed, and transparency. Leaders used language that linked procedures to service outcomes, legitimizing collaborative decision-making and cross-unit cooperation. A policy participant explained, *"We didn't abandon rules; we repurposed them. The question became: how do these rules help citizens get faster service?"*

Early, visible achievements anchored confidence in change, such as converting popular services to digital forms and reducing steps in verification. These small successes reduced resistance and demonstrated feasibility, motivating staff to support subsequent digital initiatives. Participants frequently described these initial wins as morale boosters and trust-builders. As a frontline staff member shared, *"When the first online form worked and the queue dropped, people believed the rest could work too—suddenly the vision felt real."*

### Intellectual Stimulation and the Institutionalization of Experimentation

Transformational leaders encouraged critical reflection on outdated workflows, inviting staff to identify pain points and propose improvements. Rather than punishing mistakes, leaders framed experimentation as learning, lowering psychological risk and encouraging trial of new digital tools. Short pilot cycles and simple success indicators—processing time, error rates, user complaints—created momentum and visible results. One IT specialist noted, *"Before, no one wanted to try new things. Now, learning from failure is expected—we measure, adjust, and try again."*

This experimentation model fostered cross-functional problem solving, as policy, operations, and IT teams collaborated to troubleshoot challenges and align data structures. Over time, experimentation matured into routine practice, transitioning innovation from ad-hoc initiatives to continuous improvement processes. Participants observed that this collaborative model broadened perspectives beyond tools toward governance innovation. A senior analyst reflected, *"Once people got used to testing systems, they started asking bigger questions—like why our processes were designed this way in the first place."*

As experimentation normalized, staff confidence grew and conversations shifted from incremental fixes to broader institutional redesign. Leaders empowered middle managers to convene improvement workshops and support localized piloting. The resulting iterative environment accelerated knowledge sharing and built internal champions. One operations manager stated, *"We used to wait for orders. Now we bring ideas, test them together, and report back—it's become our habit."*

p-ISSN: 2088-1231
e-ISSN: 2460-5328

**Individualized Support as a Driver of Digital Capability**

When digital transitions stalled, leaders addressed competency gaps through targeted capacity building tailored to specific organizational roles. Executives received training on data-driven leadership and cybersecurity awareness, while frontline staff practiced system use in sandbox simulations to reduce anxiety. The availability of on-demand assistance prevented frustrations from turning into resistance and discouraged fallback to manual methods. As one training officer shared, *"We sit with people at their desks, not just in classrooms—right when they struggle, we support them."*

This personalized support built confidence and established trust in digital tools, reducing fear of error and discouraging reliance on informal workarounds. Participants expressed comfort knowing that mistakes would not be penalized during transition periods. Staff described feeling safer experimenting with more advanced system functions beyond basic data entry. In the words of a clerk, *"At first I only entered data because I feared breaking something. Now I track cases and check logs—because someone taught me step by step and stayed available."*

As competence deepened, digital readiness evolved into organizational capability anchored in practical experience, governance awareness, and new routine standards. Leaders reinforced learning through recognition, coaching cycles, and internal digital mentors. This dynamic readiness helped prevent regression to old practices, creating a culture of capability rather than compliance. A technical adviser summarized, *"Digital readiness here isn't just training—it's confidence, habits, and knowing the system has our back."*

**From Adoption to Integration and Measurable Outcomes**

Performance improvements emerged when digital tools were embedded into institutional rules, SOPs, and KPIs. Employees adopted digital processes not simply because systems existed but because incentives, compliance mechanisms, and performance indicators aligned with digital workflows. Agencies that synchronized technology rollout with procedural changes reported faster processing times, improved transparency, and enhanced citizen access. As one service supervisor put it, *"We follow the system because the rules follow it too."*

Where readiness unevenness persisted, digitalization was partial, resulting in fragmented progress. For example, digital submissions coexisted with manual back-office checks, creating bottlenecks instead of efficiency gains. Leaders who conducted end-to-end workflow reviews and amended SOPs identified such gaps and adjusted processes accordingly. A participant noted, *"Digital front, manual back—citizens don't see progress unless both sides change, so we mapped the entire chain."*

Integrated digital practices fostered trust in systems and normalized data-driven work routines. Employees reported improved case tracking, fewer redundant steps, and greater consistency in service delivery. The combination of clear expectations, procedural alignment, and training produced durable adoption. As one official remarked, *"We don't run two systems anymore. The digital system is the system."*

**Contextual Constraints and Leadership Workarounds**

Digital transformation operated within structural constraints, including hierarchical decision chains and statutory compliance obligations. Leaders navigated these limitations by negotiating sandbox arrangements, temporary exemptions, or phased pilots with oversight bodies. This approach allowed experimentation without violating regulatory frameworks. A

p-ISSN: 2088-1231
e-ISSN: 2460-5328

regulation officer explained, *"We created controlled zones to test changes—safe enough to innovate, compliant enough to proceed."*

Resource limitations reinforced these challenges. Legacy hardware, uneven connectivity, and fragmented information systems slowed adoption and required creative prioritization. Leaders paired technology rollout with infrastructure upgrades where possible and leveraged inter-agency shared resources. Staff emphasized that training helped close competency gaps but could not substitute infrastructure needs. As one IT coordinator phrased it, *"We can train people, but we also need stable systems—digital champions cannot fix bandwidth."*

Cybersecurity readiness and privacy concerns introduced additional layers of procedural caution. Leaders integrated data governance early in deployment cycles to avoid late-stage reversals. Staff noted heightened awareness of cyber risks and increased adherence to security protocols. As a digital transformation strategist commented, *"Innovation is exciting, but we do it responsibly—security by design, not as an afterthought."*

**Participatory Change Management and Sustainability**

Transformation persisted where employees were incorporated as active contributors rather than passive recipients. Leaders facilitated co-design workshops, feedback sessions, and change-review meetings to involve staff directly in shaping new workflows. Transparent timelines and regular updates reduced anxiety and reinforced shared ownership. A civil servant stated, *"When we help design it, we protect it—it's not someone else's program."*

Open forums and iterative feedback cycles supported rapid issue resolution and encouraged employees to voice concerns without fear. Changes based on frontline input visibly increased trust, demonstrating leadership responsiveness. Internal digital champions served as peer mentors and accelerators, bridging communication between strategy and practice. One champion shared, *"We're not just promoting systems—we troubleshoot, listen, and translate between teams."*

These participatory approaches turned digital transformation into a collective effort rather than a top-down mandate. Staff reported stronger motivation and pride in modernization, and leaders observed sustained use of digital platforms even after launch phases. The cultural shift toward shared responsibility helped prevent regression to manual routines. As a long-serving administrator remarked, *"Now it's our transformation—not someone's project."*

**Integrative Interpretation**

Taken together, the findings demonstrate that transformational leadership shapes digital government performance through a sequential and mutually reinforcing process. Leaders first create a shared purpose and clarity of direction, then reduce the risks associated with experimentation by normalizing learning and iteration, and finally provide personalized support to convert motivation into capability. These practices generate digital readiness and an innovation-oriented climate, enabling technology to integrate into daily routines and improving service speed, transparency, and citizen responsiveness. As one senior official summarized, "*We didn't just launch systems—we prepared people, adjusted rules, and learned along the way*." The overall strength of this pathway depends on institutional context, including bureaucratic structure, regulatory flexibility, resource sufficiency, workforce skills, and cybersecurity maturity, while participatory change practices help counter these constraints and sustain momentum.

p-ISSN: 2088-1231
e-ISSN: 2460-5328

**Practical Implications**

For public institutions, digital transformation requires ongoing leadership engagement rather than episodic directives. Leaders should communicate vision consistently, embed short pilot cycles with simple performance indicators, and openly share lessons from both failures and successful experiments to cultivate trust and learning. Tailored training, onsite mentoring, and distributed digital champions accelerate capability development and reduce fears associated with new systems. Governance frameworks, SOPs, and KPIs must evolve alongside technology to stop staff from reverting to manual routines and to institutionalize digital workflows. As a program manager noted, "*The system sticks when the rules and rewards follow it.*" Empowering middle managers—who often act as the bridge between strategy and execution—is especially critical in ensuring digital reforms scale across units.

**Credibility and Limitation**

Research credibility was strengthened through member checking, peer debriefing with qualitative experts, and triangulation of interviews, FGDs, and internal documents, supported by an audit trail of coding decisions and analytic memos. These strategies reduced interpretive bias and enhanced confidence in theme development and analytical rigor. Participants reviewed emerging findings to verify accuracy and nuance, and external reviewers challenged alternative interpretations to ensure robustness.

Nonetheless, several limitations should be considered. The study's scope is limited to selected Indonesian government agencies, which may constrain transferability to jurisdictions with distinct institutional cultures or digital maturity levels. Interview insights may reflect personal perceptions or social desirability despite mitigation efforts, as one participant admitted, *"Of course we want to show progress, but challenges still exist beneath the surface."* In addition, secondary documentation, while useful for corroboration, cannot fully capture long-term transformation trajectories or informal decision dynamics. Future studies could address these limitations by expanding to comparative settings and incorporating longitudinal performance data.

## CONCLUSION

This study demonstrates that transformational leadership is a critical enabler of effective digital transformation in public-sector institutions. Successful digital governance is not achieved through technology deployment alone, but through leaders who articulate a clear shared vision, promote experimentation and learning, and provide targeted support to build employee capability. These leadership behaviors cultivate organizational readiness, strengthen digital mindsets, and embed digital practices into routine service delivery. As a result, institutions become more agile, transparent, and responsive, enabling them to meet rising citizen expectations in the digital era.

The findings also show that transformational leadership operates within institutional and structural boundaries. Its impact is moderated by bureaucratic norms, regulatory frameworks, resource availability, cybersecurity requirements, and uneven digital literacy. Agencies that complement transformational leadership with participatory change strategies—such as co-creation, transparent implementation planning, iterative improvement cycles, and distributed change champions—are better positioned to overcome these constraints and sustain reform momentum. Digital transformation, therefore, must be viewed as a collective organizational

p-ISSN: 2088-1231
e-ISSN: 2460-5328

journey requiring cultural adaptation, capability building, and consistent leadership reinforcement.

By revealing the mechanisms through which leadership behaviors translate into operational routines and service outcomes, this study advances understanding of digital-era public management. It moves beyond survey-based analyses to provide contextual insight into how leaders shape digital work practices and institutional change in government settings. These insights are directly relevant for senior officials, agency heads, GovTech units, civil service training bodies, and public-sector reform teams seeking to improve digital service delivery and institutional resilience.

The study also outlines a forward agenda for research. Future studies should employ quantitative designs to examine causal links between transformational leadership and public-service performance indicators such as service cycle time, system uptime, digital adoption rates, complaint resolution, and citizen satisfaction. Comparative work across sectors, levels of government, and policy domains—such as licensing, health, taxation, and social protection—can illuminate contextual differences in leadership effects. Longitudinal approaches would further deepen understanding of how leadership practices sustain transformation, manage resistance, and adapt to emerging technologies including AI-enabled public services and data governance systems.

Although supported by rich qualitative evidence, the generalizability of findings is shaped by the Indonesian governance context and may differ in jurisdictions with different administrative cultures and digital maturity. Nevertheless, the insights offer valuable implications for policymakers, public managers, technology partners, and civil-society collaborators engaged in strengthening digital government ecosystems. The evidence underscores the importance of investing in leadership development, capability enhancement, and inclusive institutional learning as core strategies for building adaptive, citizen-centered public institutions in the digital age.

## ACKNOWLEDGMENT

We would like to express our deepest gratitude to all individuals and institutions that contributed to the completion of this research on The Impact of Transformational Leadership on Organizational Performance in the Digital Government Era. First and foremost, we extend our sincere appreciation to the government officials, policy analysts, and digital transformation experts who participated in our study. Their valuable insights, experiences, and perspectives provided us with a comprehensive understanding of the role of transformational leadership in digital governance. Without their willingness to share their knowledge and expertise, this research would not have been possible.

We are also grateful to our academic advisors and colleagues who provided continuous guidance, constructive feedback, and intellectual support throughout the research process. Their encouragement and critical discussions helped refine our methodologies, deepen our analysis, and strengthen the overall quality of this study. A special acknowledgment goes to the organizations and institutions that facilitated access to relevant data, reports, and case studies, which significantly enriched our findings. We appreciate their openness and willingness to collaborate in advancing knowledge in the field of digital governance and public sector leadership.

Furthermore, we recognize the financial and logistical support provided by our respective institutions, which enabled us to conduct this research effectively. The access to academic resources, research facilities, and administrative support played a crucial role in ensuring the

p-ISSN: 2088-1231
e-ISSN: 2460-5328

smooth execution of this study. Finally, we extend our heartfelt gratitude to our families and friends, whose unwavering support, patience, and encouragement kept us motivated throughout this research journey. Their belief in our work and commitment to academic excellence inspired us to push forward despite the challenges encountered along the way. This research is dedicated to all leaders, scholars, and practitioners committed to advancing digital government and fostering transformational leadership for the betterment of public sector performance and citizen engagement. We hope this study serves as a valuable contribution to ongoing efforts in shaping the future of digital governance.

## REFERENCES

Almutairi, M., Timmins, F., Wise, P. Y., Stokes, D., & Alharbi, T. A. F. (2025). Authentic Leadership—A Concept Analysis. Journal of Advanced Nursing, 81(4), 1775–1793. https://doi.org/10.1111/jan.16496

Alsharari, N. M., & Aljohani, M. S. (2024). The benchmarking implementation and management control process as influenced by interplay of environmental and cultural factors: institutional and contingency perspectives. Benchmarking: An International Journal, 31(9), 3327–3348. https://doi.org/10.1108/BIJ-11-2022-0733

Ariawan, Soemartono, T., Effendy, K., & Sukmana, P. (2025). Digital Leadership and Innovation in Indonesia's Public Administration: Insights from the Govtech INA Digital Reform. International Journal of Social Science and Religion (IJSSR), 305–320. https://doi.org/10.53639/ijssr.v6i2.372

Cahyadi, H., Andrias, D., Masman, R. R., Trisnawati, E., & Wijaya, H. (2024). Investigating the determinants of turnover intention among the big 4 public accounting firms in Indonesia. International Journal of Innovative Research and Scientific Studies, 7(4), 1423–1434. https://doi.org/10.53894/ijirss.v7i4.3441

Cavallari, M. (2023). Organizational Determinants and Compliance Behavior to Shape Information Security Plan. Academic Journal of Interdisciplinary Studies, 12(6), 1. https://doi.org/10.36941/ajis-2023-0151

Fadrial, R., Sujianto, Simanjuntak, H. T. R. F., & Wirman, W. (2024). A Qualitative Study on the Influencing Factors of E-Government Adoption to Improve Public Trust in Local Government: Case Study of Rokan Hulu Municipality. Indonesian Journal of Computer Science, 13(3). https://doi.org/10.33022/ijcs.v13i3.3931

Firmansyah, D., Ahman, E., & Wahdiniwaty, R. (2024). Economic Competitiveness of SMEs: Digital Literacy, The Mediating Role of Digital Transformation and Innovation Capability. MIX: Jurnal Ilmiah Manajemen, 14(2).

Haddad, E. (2024). Leveraging social media, big data, and smart technologies for intercultural communication and effective leadership: Empirical study at the Ministry of Digital Economy and Entrepreneurship. International Journal of Data and Network Science, 8(2), 857–870. https://doi.org/10.5267/j.ijdns.2023.12.019

Haug, N., Dan, S., & Mergel, I. (2024). Digitally-induced change in the public sector: a systematic review and research agenda. Public Management Review, 26(7), 1963–1987. https://doi.org/10.1080/14719037.2023.2234917

Kawiana, Ig. P., Riana, I. G., Rihayana, I. G., & Adi, I. N. R. (2020). How Transformational Leadership Intensify Employee Performance Mediating by Job Satisfaction. MIX JURNAL ILMIAH MANAJEMEN, 10(3), 454. https://doi.org/10.22441/mix.2020.v10i3.010

**p-ISSN: 2088-1231**
**e-ISSN: 2460-5328**

Kurniawanto, H. (2025). Implementation of Integrated Digital Onboarding Strategy in the Ministry of Transportation for Organizational Alignment and Adaptation. MIX: Jurnal Ilmiah Manajemen, 15(2), 654–665.

Makatita, M., Hendry, Y. I., Soselisa, C., Amin, M., Wattiheluw, S. Y., & Amin, M. (2024). The Influence of Leadership Style, Organizational Culture, Policy Implementation, and Community Participation on Public Service Efficiency and Employee Satisfaction in Indonesian Local Government. West Science Social and Humanities Studies, 2(07), 1221–1236. https://doi.org/10.58812/wsshs.v2i07.1124

Mazzucato, M. (2024). Challenges and opportunities for inclusive and sustainable innovation-led growth in Brazil: A mission-oriented approach to public-private partnerships (IIPP WP 2024-17; 2635-0122). https://doi.org/10.1016/j.jmii.2015.06.010

Mohd Fadhil, N. F., Teoh, S. Y., Young, L. W., & Wickramasinghe, N. (2025). Use of HIS in achieving preventive care performance: a resource orchestration study. Information Technology & People, 38(4), 1799–1842. https://doi.org/10.1108/ITP-07-2022-0558

Nguyen, N. P., Hang, N. T. T., Hiep, N., & Flynn, O. (2023). Does transformational leadership influence organisational culture and organisational performance: Empirical evidence from an emerging country. IIMB Management Review, 35(4), 382–392. https://doi.org/10.1016/j.iimb.2023.10.001

Nuryadin, R., Sobandi, A., & Santoso, B. (2023). Digital Leadership in the Public Sector-Systematic Literature Review. Jurnal Ilmu Administrasi: Media Pengembangan Ilmu Dan Praktek Administrasi, 20(1), 90–106. https://doi.org/10.31113/jia.v20i1.934

OECD. (2024). 2023 OECD Digital Government Index Results and Key Findings.

Rehman, H. M., Adnan, N., & Moffett, S. (2024). Innovation bloom: nurturing sustainability in urban manufacturing transformation amidst Industry 4.0 and aging workforce dynamics. Annals of Operations Research. https://doi.org/10.1007/s10479-024-06421-7

Sarfraz, M., Shah, W. U. H., & Choudhry, T. (2024). Organizational Culture - Cultural Change and Technology (M. Sarfraz & W. Ul Hassan Shah, Eds.; Vol. 16). IntechOpen. https://doi.org/10.5772/intechopen.111316

Setiorini, A. (2025). New Public Management and Leadership in Indonesia: A Case Study of Bojonegoro. Organization and Human Capital Development, 4(1), 88–105. https://doi.org/10.31098/orcadev.v4i1.3146

Siswadhi, F., Widyastuti, T., Sawitri, N. N., & Afrianti, F. (2024). Review of Empirical Research on Transformational Leadership and Organizational Performance of Local Government. Ilomata International Journal of Management, 5(4), 1302–1317. https://doi.org/10.61194/ijjm.v5i4.1315

Syaechurodji, S., Haryadi, D., Kania, D., Darmawan, D., & Sanasa, Y. (2024). Mediation of Organisational Commitment Empirical Study of Transformational Leadership, Job Satisfaction, and Perceived Organisational Support on Turnover Intention. MIX: JURNAL ILMIAH MANAJEMEN, 14(3), 805. https://doi.org/10.22441/jurnal_mix.2024.v14i3.013

Trajkovski, G. (2024). Bridging the public administration-AI divide: A skills perspective. Public Administration and Development, 44(5), 412–426. https://doi.org/10.1002/pad.2061

Uhl-Bien, M., & Marion, R. (2009). Complexity leadership in bureaucratic forms of organizing: A meso model. The Leadership Quarterly, 20(4), 631–650. https://doi.org/10.1016/j.leaqua.2009.04.007

**p-ISSN: 2088-1231**
**e-ISSN: 2460-5328**

United Nations. (2024). United Nations e-Government Survey 2024: Accelerating Digital Transformation for Sustainable Development - with the Addendum on Artificial Intelligence. United Nations Research Institute for Social Development.

Vaia, G., Arkhipova, D., & DeLone, W. (2022). Digital governance mechanisms and principles that enable agile responses in dynamic competitive environments. European Journal of Information Systems, 31(6), 662–680. https://doi.org/10.1080/0960085X.2022.2078743

Yukl, G. A. ., & Gardner, W. L. . (2020). Leadership in Organizations (9th ed.). Pearson Education.

Zainuri, A., & Huda, M. (2023). Empowering Cooperative Teamwork for Community Service Sustainability: Insights from Service Learning. Sustainability, 15(5), 4551. https://doi.org/10.3390/su15054551

Zhu, B., Zhong, R., & Wei, C. (2024). Measuring digital government service performance: Evidence from China. China Economic Review, 83, 102105. https://doi.org/10.1016/j.chieco.2023.102105