



The Influence of Transformational Leadership on Work Engagement with Psychological Ownership as a Mediator: A Study at Rajawali Citra General Hospital Yogyakarta

Nur Cahyana Eko Saputra

Magister Manajemen, Fakultas Ekonomika dan Bisnis, Universitas Gadjah Mada, Yogyakarta, Indonesia

*Email: nur.cahyana.eko.saputra@mail.ugm.ac.id

Abstract: The Indonesian Ministry of Health (Kemenkes) has implemented a transformation framework within the healthcare sector since 2022, aiming for completion by 2024. Hospitals are integral to this transformation, making employee work engagement a critical factor. Preliminary findings indicate significant challenges related to work engagement among certain employees at Rajawali Citra General Hospital. It has been established that positive leadership styles, particularly transformational leadership, coupled with psychological ownership among employees, can enhance work engagement and improve performance in daily responsibilities. This quantitative study objects to investigate the influence of transformational leadership on work engagement, with psychological ownership serving as a mediating variable. Data were collected through purposive sampling, targeting employees with a minimum tenure of one year who have engaged with the hospital director. An online questionnaire was administered to 129 eligible respondents. Hypothesis testing was conducted utilizing SmartPLS version 3.0 for statistical analysis. The findings reveal that transformational leadership exerts a significant influence on employee work engagement at Rajawali Citra General Hospital, both directly and indirectly, with psychological ownership partially mediating this relationship.

Keywords: Psychological Ownership; Rajawali Citra General Hospital; Transformational Leadership; Work Engagement

Introduction

The health sector remains a topic of continuous discussion. Alongside overseeing the shift back to normalcy following the COVID-19 pandemic, the health sector simultaneously faces the challenge of addressing communicable diseases, non-communicable diseases, and other health issues. The Indonesian Ministry of Health (Kemenkes) has launched an extensive framework for transforming the country's health sector, aiming for its full realization by 2024 (Sehat Negeriku, 2022). This transformation initiative encompasses six critical areas: 1) Primary Care Transformation; 2) Referral Service Transformation; 3) Health Financing System Transformation; 4) Health Security System Transformation; 5) Health Technology Transformation; and 6) Health Human Resources Transformation (Kemenkes, 2020). Each of these areas is designed to strengthen the healthcare system and improve the accessibility, quality, and efficiency of health services across Indonesia.

Hospitals play a pivotal role in the managed execution of this health sector transformation. According to Badan Pusat Statistik (2020), Java Island houses the largest number of hospitals in Indonesia, with 1,164 facilities, whereas the Special Region of Yogyakarta only has 60 hospitals. Despite having the fewest general hospitals (RSU) in Java, the Province of D.I. Yogyakarta has achieved remarkable success in the implementation of health transformation initiatives. Notably, the province was awarded first place in the 2023 Provincial Health Accounts (PHA). This recognition is part of the broader health transformation framework, particularly in the Health Financing System (BKPK, 2022). PHA process involves recording and classifying expenditure data related to the management of the health system at the provincial level (Dinas Kesehatan DIY, 2016).

It is important to emphasize that DIY's success in achieving this recognition does not imply that the province is free from the challenges of communicable and non-communicable diseases. Further data from the Central Bureau of Statistics of DIY Province

(BPS Prov. DIY, 2019) highlights that Bantul Regency reported the highest incidence of four of the ten most prevalent infectious and non-communicable diseases. This finding underscores the critical need for high-quality, accountable healthcare services in the region's public hospitals to effectively implement the comprehensive health transformation framework (Kemenkes, 2020).

As of 2022, according to data from the Health Office of Bantul Regency (2023), Bantul Regency had 11 officially recognized hospitals, both government-owned and privately run, with various classifications and accreditation levels. Among these, Rajawali Citra General Hospital is notable as the only private hospital in the regency that is still in the process of obtaining full accreditation status. This makes Rajawali Citra General Hospital an important subject of study, as it provides a unique opportunity to explore the hospital's efforts to improve its accreditation standing and implement aspects of the national health transformation framework.

In line with this research, interviews conducted with Dr. Asri Priyani M, MPH, the Director of Rajawali Citra General Hospital, identified three major initiatives the hospital is undertaking to improve its accreditation status and contribute to the broader health sector transformation: 1) Referral Service Transformation, 2) Health Financing System Transformation, and 3) Digital Technology Transformation. These initiatives are part of the hospital's strategy to align itself with the Ministry of Health's goals and improve service delivery.

However, the successful implementation of these initiatives hinges on the support and engagement of hospital employees. Employee engagement is an essential factor in enhancing organizational performance and productivity, ultimately leading to improved service quality within the hospital (Fontes et al., 2019). In this regard, the researchers' interviews and reviews at Rajawali Citra General Hospital revealed that some staff members have exhibited low levels of work engagement. This issue manifests in difficulties employees face in delivering

optimal performance and completing their daily tasks.

Acknowledging these challenges, Dr. Asri Priyani M, MPH, has implemented efforts to address low employee engagement through a positive leadership design. Specifically, transformational leadership, a leadership style known for its ability to inspire and motivate employees, is being applied to increase work engagement at Rajawali Citra General Hospital (Nurtjahjani et al., 2022). Transformational leaders encourage their subordinates by creating a shared vision, fostering individual development, and promoting a culture of excellence within the organization. This design is expected to enhance both the employees' motivation and their overall performance.

It is significant to note, however, that while transformational leadership plays a pivotal role in enhancing work engagement, it is not the sole contributing factor. Other variables, such as psychological ownership, also have a significant impact on employee engagement. Psychological ownership refers to the feelings of possession and responsibility employees develop towards their work and the organization. Research by Dyne and Pierce (2004) shows that psychological ownership positively influences various organizational outcomes, including job satisfaction, organizational commitment, and self-esteem. This sense of ownership fosters a deep sense of belonging within the organization, which is vital for sustaining employee motivation and engagement.

Psychological ownership is closely linked to the empowering nature of transformational leadership. Transformational leaders empower their employees by giving them autonomy and opportunities to influence organizational outcomes. This empowerment enables employees to recognize their contribution and importance within the organization (Dyne & Pierce, 2004). When employees experience a feeling of ownership toward their tasks and the company, they become more responsible and committed to the organization's success (Kim & Beehr, 2017).

Prior research has shown that psychological ownership acts as a mediator between transformational leadership and work engagement, implying that transformational leadership boosts work engagement by fostering a sense of psychological ownership. In light of this, the present research seeks to address the specific issues of low work engagement at Rajawali Citra General Hospital by examining the role of psychological ownership as a mediator in the relation between transformational leadership and work engagement.

The primary objective of this study is to analyze the extent to which psychological ownership mediates the positive influence of transformational leadership on employee engagement at Rajawali Citra General Hospital Yogyakarta. By exploring these relations, the study aims to offer understandings into how leadership styles and employee attitudes can be leveraged to improve organizational outcomes and contribute to the successful implementation of the Ministry of Health's transformation framework.

Literature Review

Work Engagement

Work engagement is a key idea in the study of how people behave at work. Schaufeli (2015) characterizes job engagement as a positive psychological condition marked by vigor, dedication, and absorption in work activities. This construct goes beyond ordinary job pleasure; it signifies the extent to which people allocate their physical, cognitive, and emotional resources to their work performance.

The conceptual underpinning of job engagement functions through three fundamental aspects. First, vigor refers to how mentally strong and eager individuals are to work hard when they face problems and challenges at work. Second, dedication is the emotional bond, excitement, and sense of importance that workers feel about their jobs. Third, absorption is when you are fully focused on and enjoying your work, and you feel like time is flying by while you're doing it.

Work engagement is very important for how well a company works. Harter, Schmidt, and Hayes (2002) conducted a meta-analysis that revealed significantly positive correlations at the business-unit level between employee engagement and organizational outcomes, indicating that engaged individuals directly enhance organizational performance. Moreover, in the healthcare domain, Fontes et al. (2019) determined that job engagement among health workers is a vital element in stress management and professional efficacy, rendering it especially pertinent for hospital environments like Rajawali Citra General Hospital.

Transformational Leadership

Transformational leadership is a way of leading that is mostly about motivating and developing personnel so that they may reach corporate goals that are higher than what was originally expected. According to Ancok (2012), transformational leadership works through emotional connection and ethical influence. This is different from transactional leadership, which relies mostly on rewards and punishments.

The theoretical foundation of transformational leadership consists of four fundamental behavioral characteristics. The first dimension, idealized influence, talks about how the leader should be a trusted role model who shows moral values and ethical actions. The second factor, inspiring motivation, refers to the leader's ability to clearly communicate the organization's vision and goals and show that they are committed to reaching them. The third factor, intellectual stimulation, is how the leader encourages employees to come up with new ideas by questioning their preconceptions and helping them solve problems in new ways. The fourth factor, customized consideration, shows how much the leader cares about the specific growth requirements and goals of each employee.

Avolio and Bass (1995) defined transformational leadership as operating at multiple levels of organizational analysis, recognizing that the influence of transformational leaders extends throughout

individual, team, and organizational systems. This multi-level perspective is especially important in hospitals because decisions made by leaders affect clinical staff, administrative staff, and, in the end, the quality of care for patients.

Jeong et al. (2016) showed that transformational leadership behaviors directly affect the link between professionalism and openness to change, with work engagement being a critical mediating mechanism. This research corroborates the theoretical proposition that transformative leadership fosters organizational conditions that promote increased employee engagement. Balyer (2012) also revealed that teacher perceptions of transformational leadership behaviors in school principals strongly correspond with good organizational results, indicating the cross-sector applicability of this leadership paradigm.

Psychological Ownership

Psychological ownership is a psychological phenomenon in which workers feel possessive about organizational things, actions, and outcomes, showing that they are deeply invested in the firm even if they don't own anything legally. Van Dyne and Pierce (2004) define psychological ownership as the condition when individuals perceive the organization or its components as "theirs," expressed via ideas, beliefs, and awareness that transcend contractual employment agreements.

The theoretical basis of psychological ownership is founded on three principal mechanisms. First, the efficacy and effectance mechanism explains how workers have a basic psychological urge to be in charge and see how their activities affect the results of the firm. Second, self-identity and self-definition processes function when workers use organizational objects and roles to articulate and formulate their professional identities inside the organizational framework. Third, the idea of having a place or home shows how employees feel comfortable and like they belong in the workplace.

The connection between psychological ownership and organizational behavior is well-known in the literature. Van Dyne and Pierce (2004) showed through three field studies that psychological ownership forecasts employee attitudes and organizational citizenship behavior, encompassing enhanced work satisfaction, organizational commitment, and discretionary performance. These findings indicate that when employees regard organizational resources and objectives as their own, they exhibit increased dedication to the success of the business.

The function of empowerment is very important for understanding how psychological ownership relates to leadership. Kim and Beehr (2017) showed that empowering leadership actions create psychological ownership, which then affects both positive employee behaviors and organizational results. This mediation process indicates that psychological ownership serves as a psychological mechanism via which leadership influence results in behavioral change.

Theoretical Integration: Conceptual Relationships Among Variables

The combination of these three ideas makes a clear theoretical framework that shows how leadership affects employee job results through psychological mechanisms. Nurtjahjani et al. (2022) proposed that transformational leadership affects job engagement both directly and indirectly via psychological ownership as a mediating variable.

The theoretical rationale linking these variables is founded on various known concepts. First, transformational leaders establish an environment in the workplace that encourages psychological ownership by focusing on customized consideration and empowering actions. When leaders show that they care about their workers' growth and give them freedom to make decisions, employees see the organization's goals as their own.

Second, psychological ownership serves as a psychological enhancer of task engagement. Van Dyne and Pierce (2004) suggested that

when employees see organizational goals as personally significant—mirroring their identity and providing a sense of belonging—they inherently allocate increased emotional and cognitive resources to work-related activities. This investment shows itself in the three areas of engagement: vigor, dedication, and absorption.

Third, Schaufeli (2015) underscores that engaged leadership cultivates job demands-resources environments in which employees perceive psychological meaningfulness. Transformational leadership helps create this environment by making goals clear, showing commitment, encouraging intellectual growth, and showing that you care about others. These leadership characteristics are in line with the things that help people feel like they own something.

The connection between empowerment and psychological ownership has to be stressed. Kim and Beehr (2017) established that empowering leadership—a fundamental aspect of transformational leadership—directly affects the cultivation of psychological ownership. When employees are given the power to make decisions and feel in charge of their job, they feel more like they own the results of their labor.

Additionally, Mubarak et al. (2021) showed in their study on proactive personality effects that the connection between individual characteristics and innovative work behavior is substantially influenced by job engagement, with transformational leadership serving as a moderating factor. This research emphasizes the theoretical notion that work engagement serves as a vital mechanism for converting leadership influence into behavioral results, despite concentrating on many antecedents.

Moolenaar and Slegers (2015) argued that networked principal leadership, which prioritizes relationship building and shared goal formulation, fosters an environment that enhances employee psychological ownership and engagement. Their concept posits that leaders who operate as relational nodes instead of hierarchical authority foster enhanced

sentiments of organizational belonging and personal involvement.

Hypothesis Development

To foster employee work engagement, intentional and targeted efforts are required. One of the key ways to achieve this is through effective leadership, as leaders have a direct influence on how engaged employees feel in their roles (Harter et al., 2002). Leaders who exhibit a positive leadership style, which involves not only inspiring and motivating their employees but also building strong interpersonal relations, can significantly boost employee work engagement (Schaufeli, 2015). This type of leadership is closely aligned with the principles of transformational leadership. Transformational leadership is specifically designed to enhance employees' capacity, strengthen their commitment, and foster higher levels of engagement (Balyer, 2012).

Based upon the theoretical foundations established above, the following hypotheses emerge:

H1: Transformational leadership positively affects work engagement.

In addition to leadership, psychological ownership plays a significant role in improving positive work outcomes, including higher levels of work engagement, increased employee motivation, stronger commitment to staying with the organization, and improved overall organizational performance (Olckers & Zyl, 2017). Within the workplace, the presence of psychological ownership fosters a deeper sense of belonging among employees. This sense of belonging is often associated with leadership behaviors that empower employees, providing them with the support, resources, and autonomy needed to succeed (Dyne & Pierce, 2004). Leaders who adopt an empowering leadership style, which includes giving employees access to vital information, opportunities, support, and sufficient resources, enhance employee optimism and motivation to perform well. This design not only facilitates favorable outcomes for the organization but also helps reduce undesirable behaviors such as disengagement or deviant actions (Kim & Beehr, 2017).

Transformational leaders, through their empowering design, help employees recognize their autonomy and the influence they have within the organization. This sense of empowerment encourages employees to feel a greater connection and responsibility toward their tasks and the organization as a whole (Dyne & Pierce, 2004). When employees view their work as personally meaningful, they tend to develop a stronger sense of accountability and dedication to achieving the organization's goals. This heightened sense of responsibility fosters higher work engagement and dedication (Kim & Beehr, 2017).

This direct connection between psychological ownership and job engagement shows a crucial organizational dynamic that is different from the effect of leadership. Psychological ownership denotes an individual's internalized belief of their personal affiliation with the business, whereas job engagement signifies the behavioral expression of this psychological commitment. The strength of the ownership-engagement link shows that how emotionally attached employees are to the company is a strong predictor of how well they do their jobs, how motivated they are, and how committed they are.

Therefore, the following hypothesis is proposed:

H2: Psychological ownership positively influences work engagement.

Along with their direct impacts of both transformational leadership and psychological ownership on work engagement, these variables interact through a mediation process. Psychological ownership functions as a psychological process through which transformational leadership affects work engagement. Transformational leaders foster psychological ownership among workers by empowering them and emphasizing customized consideration. When leaders show that they really care about their workers' growth, give them freedom to make decisions, and provide a strong vision for the business that employees can make their own, employees

feel more connected to and possessive of the organization.

The empowering processes inherent in transformational leadership are especially pertinent to the development of psychological ownership. Leaders that use an empowering leadership style, which means giving employees access to important information, opportunities, support, and enough resources, make them more optimistic and inspired to achieve well (Kim & Beehr, 2017). This empowerment makes employees feel like they have more control and authority over the company, which are two of the most important parts of psychological ownership. When workers feel like they have power over their work environment and the way the company works, they naturally become more attached to these parts of the business.

Furthermore, transformational leaders also assist employees in understanding their autonomy and the influence that they have in the company by giving each one of them special attention and challenging their minds (Van Dyne & Pierce, 2004). This acknowledgment cultivates psychological ownership by informing workers of their ability to influence corporate results. When workers feel like they own their job and their business, they become more engaged at work. The feeling of having a personal interest in the success of the business provides intrinsic drive that is stronger than what transformative leadership can create on its own.

This mediation route has significant ramifications for comprehending organizational behavior. It shows that transformational leaders may immediately increase job engagement by inspiring and motivating colleagues. However, they can make this effect much stronger by helping employees feel like they control their work. Employees who encounter transformational leadership and cultivate psychological ownership will demonstrate greater levels of job engagement compared to those who experience simply transformational leadership without the development of psychological ownership.

Therefore, the following hypothesis is proposed:

H3: Psychological ownership mediates the positive effect of transformational leadership on work engagement.

Retrieved from the proposed hypothesis, the resulting research model is as follows:

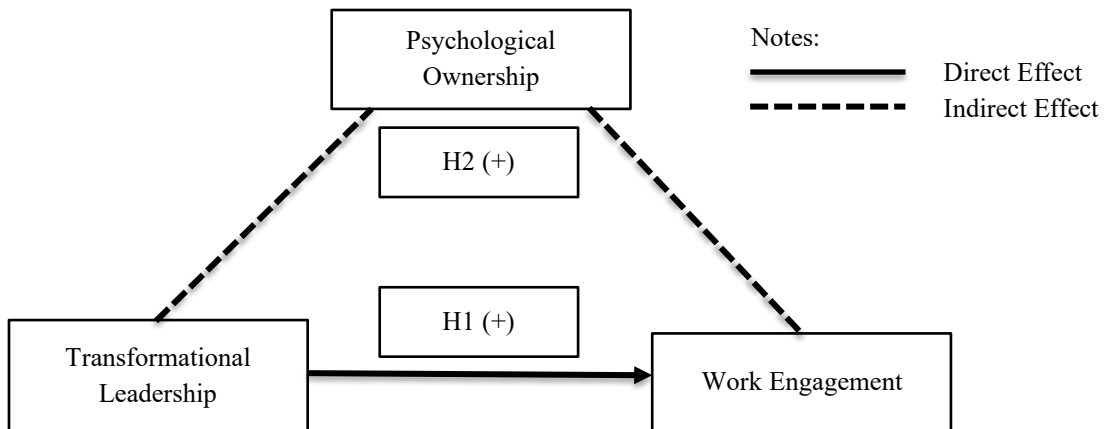


Figure 1. Research Framework

This model captures both the direct influence of transformational leadership on work engagement (H1), the direct influence of psychological ownership on work engagement (H2), and the indirect pathway through which transformational leadership influences work engagement via psychological ownership (H3).

Methods

This study employs a quantitative design, focusing on evaluating particular theories. Data was gathered using a purposive sampling technique, wherein participants were designated based on predefined criteria. Specifically, the respondents were employees of Rajawali Citra General Hospital who had been with the organization for at least one year and had direct interactions with the director or experienced the policies implemented by the director for a minimum of one year.

For data analysis, the study applied the Structural Equation Model (SEM) approach, specifically utilizing the Partial Least Squares Structural Equation Modeling (PLS-SEM) method. This analysis process includes several steps: it begins with the evaluation of the

measurement model, also acknowledged as the outer model, which assesses the reliability and validity of the instruments used to measure each variable. This is followed by the analysis of the structural model, or inner model, to observe the relations among variables. The final step involves hypothesis testing, as outlined by Hair et al. (2022). The entire study was conducted using SmartPLS software,

version 3.0.

The variable for work engagement was measured utilizing a questionnaire adapted from Kristiana et al. (2018). The survey instrument is adapted from the Indonesian adaptation of the Utrecht Work Engagement Scale-9 (UWES-9), originally created by Schaufeli, Bakker, and Salanova (2006). It contains nine items, with responses evaluated on a five-point Likert scale ranging from "1 = Never" to "5 = Very Often."

To measure transformational leadership, the study used a questionnaire adapted from Ancok (2012). This instrument is based on the Multifactor Leadership Questionnaire (MLQ) developed by Avolio and Bass (1995). It comprises 20 items, with participants' responses measured on a five-point Likert scale from "1=Never" to "5=Very Often".

Lastly, the psychological ownership variable was measured using a questionnaire adapted from Dyne and Pierce's (2004). The instrument consists of seven items, with responses measured on a five-point Likert scale, ranging from "1=Strongly Disagree" to "5=Strongly Agree." This approach enabled a thorough evaluation of each variable within the study's research framework.

Result and Discussion

Result

This research included a total of 129 respondents, with several key characteristics that offer a clearer profile of the participants. First, the sample was predominantly female, comprising 113 women, which represents 87.6% of the respondents. In terms of age distribution, the largest group was between 31 and 35 years old, with 47 individuals (36.4%). Educational background also shows a trend, with the majority of respondents (71 individuals, or 55%) holding a diploma.

Regarding tenure, 89 respondents (69%) had been employed at Rajawali Citra General Hospital for more than five years, indicating strong employee retention. Furthermore, 60.5% of respondents had interacted with the director for over five years. The data also revealed that a vast majority, 121 respondents (93.8%), were permanent employees, which may contribute to a stable work environment and a stronger sense of psychological ownership. Notably, 62 respondents (48.1%) were engaged in medical support professions, highlighting the vital role of this group in the hospital's operations.

Descriptive statistics were utilized in this research to offer a detailed summary of the respondents' characteristics, allowing for a deeper understanding of how these aspects may influence work engagement. The descriptive statistics are shown in the Table 1:

Table 1. Descriptive Statistics

Item	Mean	Mean Variance
WE1	3,89	
WE2	3,72	
WE3	3,86	
WE4	3,83	
WE5	3,69	3,77
WE6	3,84	(high)
WE7	3,90	
WE8	3,61	
WE9	3,64	
TL1	3,67	
TL2	3,72	3,76
TL3	3,68	(high)

Item	Mean	Mean Variance
TL4	3,95	
TL5	3,81	
TL6	3,91	
TL7	3,94	
TL8	3,65	
TL9	3,65	
TL10	3,33	
TL11	3,76	
TL12	3,81	
TL13	3,85	
TL14	3,89	
TL15	3,62	
TL16	3,64	
TL17	3,69	
TL18	3,78	
TL19	3,89	
TL20	3,88	
PO1	3,63	
PO2	3,91	
PO3	3,71	
PO4	3,57	3,73
PO5	3,84	(high)
PO6	3,74	
PO7	3,69	

Source: Primary data, processed (2023)

Note: WE = Work Engagement; TL = Transformational Leadership; PO = Psychological Ownership)

The work engagement variable shows the lowest mean score for question item 8, which falls under the absorption dimension, with a value of 3.61. The highest mean score is observed for question item 7, categorized under the dedication dimension, with a value of 3.90. Overall, the mean score for the variance in the work engagement variable is classified as high, with a value of 3.77.

The transformational leadership variable exhibits the lowest mean score for question item 10, which pertains to the individualized consideration dimension, with a value of 3.33. In contrast, the highest mean score is for question item 4, which belongs to the inspirational motivation dimension, with a value of 3.95. Overall, the average variance for the transformational leadership variable is categorized as high, with a value of 3.76.

The psychological ownership variable records its lowest mean score for question item 4, which is part of the "having a place/home" dimension, with a value of 3.57. The highest mean score is for question item 2, also within the "having a place/home" dimension, with an average value of 3.91. Overall, the average variance for the psychological ownership variable is classified as high, with a value of 3.73.

Abdillah et al. (2019) explained that the outer model analysis serves to examine the validity and reliability of research instruments. The outcomes from the outer model analysis are outlined in Table 2:

Table 2. Convergent Validity

Item	Factor Loading	AVE	Information
TL 1	0,838		
TL 2	0,806		
TL 3	0,821		
TL 4	0,728		
TL 5	0,847		
TL 6	0,729		
TL 7	0,831		
TL 8	0,837		
TL 9	0,845		
TL 10	0,712	0,661	Valid
TL 11	0,843		
TL 12	0,818		
TL 13	0,694		
TL 14	0,868		
TL 15	0,825		
TL 16	0,781		
TL 17	0,837		
TL 18	0,875		
TL 19	0,857		
TL 20	0,836		
PO 1	0,820		
PO 2	0,822		
PO 3	0,814		
PO 4	0,846		
PO 5	0,818	0,664	Valid
PO 6	0,842		
PO 7	0,739		
WE 1	0,891		
WE 2	0,869		
WE 3	0,881		
WE 4	0,884		
WE 5	0,872	0,742	Valid

Item	Factor Loading	AVE	Information
WE 6	0,862		
WE 7	0,881		
WE 8	0,736		
WE 9	0,865		

Source: Primary data, processed (2023).

Note: WE= Work Engagement; TL= Transformational Leadership; PO= Psychological Ownership

Table 3. Fornell-Larcker

Variable	PO	TL	WE
Psychological Ownership (PO)	0,815		
Transformational Leadership (TL)	0,548	0,813	
Work Engagement (WE)	0,730	0,560	0,861

Source: Primary data, processed (2023).

Table 4. Reliability

Variable	Cronbach's Alpha	Composite Reliability
Psychological Ownership (PO)	0,973	0,975
Transformational Leadership (TL)	0,915	0,933
Work Engagement (WE)	0,956	0,963

Source: Primary data, processed (2023).

The results from Table 2, Convergent Validity, reveal that all items in the study have outer loading values and Average Variance Extracted (AVE) scores of 0.5 or higher. This meets the benchmark for convergent validity, which indicates that the items effectively measure the constructs they seek to assess. In other words, the research items are considered valid, as they adequately reflect the underlying theoretical concepts.

Moving on to Table 3, Fornell-Larcker, it is shown that each variable possesses the highest AVE root value when compared to its correlations with other latent variables. This observation supports the discriminant validity of the variables, meaning that the constructs are sufficiently distinct from one another and

measure different concepts. When the AVE root value for a variable exceeds the correlations with other variables, it confirms that the variable is unique in its measurement.

Additionally, Table 4, Reliability, highlights that Cronbach's Alpha and Composite Reliability values for each variable surpass the 0.70 threshold. This implies that the measurement model is consistent and reliable. Higher values of Cronbach's Alpha and Composite Reliability reflect internal consistency, ensuring that the items measuring each variable are aligned and provide dependable results. Therefore, based on these findings, the variables employed in this research can be considered both valid and reliable, meeting the necessary criteria for structural equation modeling.

Abdillah et al. (2019) stated that the inner model serves to assess the causal relations among latent variables. The outcomes of the structural model analysis are outlined in the following tables:

Table 5. Adjusted R2

Model	Adjusted R ²
Psychological Ownership (PO)	0,295
Work Engagement (WE)	0,562

Source: Primary data, processed (2023).

Table 6. Model Fit

	Saturated Model	Estimated Model
SRMR	0,056	0,056
NFI	0,792	0,792

Source: Primary data, processed (2023).

Table 5, Adjusted R2, presents key findings related to the relations among the variables in the research. It indicates that the psychological ownership variable is influenced by transformational leadership, with transformational leadership explaining 29.5% of the variance in psychological ownership. This suggests that leaders who practice transformational leadership have a notable, though not overwhelming, impact on the psychological ownership experienced by employees or followers.

Furthermore, work engagement is influenced by both transformational leadership and psychological ownership. The combination of these two variables accounts for 56.2% of the variance in work engagement, indicating a strong relation. This means that over half of the changes in work engagement can be attributed to how much employees experience transformational leadership and feel psychological ownership within the organization.

As shown in Table 6, Model Fit, the model's fit is evaluated utilizing two primary indices: the Standardized Root Mean Square Residual (SRMR) and the Normed Fit Index (NFI). The SRMR value falls below the 0.10 threshold, indicating that the discrepancy between the observed and predicted values is minimal, which suggests a good model fit. Furthermore, the NFI value of 0.792, or 79.2%, demonstrates that the model has a satisfactory level of fit relative to a baseline model. Although an NFI value closer to 1.0 would indicate an ideal fit, a value of 0.792 still represents a reasonably good fit for the proposed research model, reinforcing the validity of the relationships among the variables in this study.

Hypothesis testing was performed using the bootstrapping technique, with the decision to accept or reject the hypothesis based on the significance of the p-value and t-value. The outcomes of the hypothesis testing are shown in table 7, Hypothesis Testing.

As illustrated in Table 7. Hypothesis Testing: The results of the direct effect test provide significant support for the proposed relation. Specifically, the observed score (OS) of 0.229, coupled with a t-value greater than 1.96 and a p-value below 0.05, indicates that the direct effect is statistically significant. This supports Hypothesis 1 (H1), which posits that "transformational leadership has a positive effect on work engagement." In other words, leaders who exhibit transformational leadership behaviors tend to enhance the level of engagement that employees feel towards their duty.

Table 7. Hypothesis Testing

Direct Effect				
Hypothesis	Original Sample	t-statistics	p-value	Decision
Transformational Leadership → Work Engagement	0,229	3,049	0,002	Accepted
Psychological Ownership → Work Engagement	0,604	7,396	0,000	Accepted
Indirect Effect				
Transformational Leadership → Psychological Ownership → Work Engagement	0,331	5,654	0,000	Accepted

Source: Primary data, processed (2023).

Furthermore, the outcomes of the indirect effect test also demonstrate statistical significance, with an observed score (OS) of 0.331, a t-value greater than 1.96, and a p-value less than 0.05. This finding supports Hypothesis 2 (H2), which asserts that "Psychological ownership mediates the positive effect of transformational leadership on work engagement." This suggests that the sense of ownership employees feel toward their roles and responsibilities plays a key role in reinforcing the positive impact of transformational leadership on their work engagement.

Discussion

The outcomes of this study underscore the pivotal role of transformational leadership in enhancing work engagement at Rajawali Citra General Hospital, with psychological ownership serving as a mediating factor. These outcomes provide valuable understandings into the ways leadership styles shape employee attitudes and behaviors in the healthcare context, shedding light on how leaders can effectively motivate and engage their teams.

The first hypothesis, which proposed that transformational leadership effectively affects work engagement, was supported by the data. This suggests that as the director of Rajawali Citra General Hospital more frequently applies transformational leadership practices, the work engagement of employees increases. These outcomes are consistent with the study of Mubarak et al. (2021), who demonstrated a positive correlation between transformational leadership and work engagement. In other

words, leaders that use transformational leadership behaviors, such as motivating staff, giving them direction, and creating a culture of trust and teamwork, are more likely to get their workers to be more engaged. The director's efforts at Rajawali Citra General Hospital, such as making sure that students have access to important resources, giving them chances to improve professionally, and giving them constructive comments, have been very important in getting this result. These leadership styles create a workplace culture that is supportive and grateful, which makes workers more committed to their jobs and the company as a whole.

The subsequent hypothesis, suggesting that psychological ownership mediates the relation between transformational leadership and work engagement, was also supported. These outcomes are consistent with the study by Nurtjahjani et al. (2022), which identified a significant partial mediation effect of psychological ownership in the relation between transformational leadership and work engagement. This indicates that transformational leadership not only directly enhances work engagement but also indirectly boosts it by fostering a sense of psychological ownership among employees.

At Rajawali Citra General Hospital, the director's focus on employee development, combined with efforts to instill a sense of ownership and responsibility for the hospital's success, has been crucial in fostering psychological ownership. When employees feel that they have a personal stake in the success of the hospital, their motivation to perform well

and their commitment to the organization increase. This sense of ownership strengthens the influence of transformational leadership on work engagement, as employees who feel a strong connection to their organization are more likely to be engaged in their roles.

Overall, the findings highlight the importance of leadership styles that not only inspire and motivate employees but also foster a sense of personal investment and ownership in the organization. For healthcare organizations like Rajawali Citra General Hospital, where employee engagement is critical to delivering high-quality care, transformational leadership combined with efforts to promote psychological ownership can significantly enhance organizational outcomes. These results suggest that healthcare leaders should focus on both leadership development and strategies to cultivate psychological ownership to optimize employee engagement and performance.

Conclusion and Suggestion

Conclusion

This study concludes that psychological ownership acts as a partial mediator in the relation between transformational leadership and work engagement at Rajawali Citra General Hospital. The findings suggest that the director's transformational leadership style, which emphasizes inspiring, motivating, and empowering employees, coupled with a growing sense of psychological ownership between employees, significantly enhances their level of engagement at work. When employees feel a sense of ownership and accountability toward the organization, they become more committed and engaged in their roles, thus contributing to the hospital's overall performance and service quality.

One of the key managerial takeaways from this research is the importance of continuing to strengthen and refine human resource practices to boost employee engagement. The research highlights that while transformational leadership positively influences engagement, there is room for improvement in addressing individual employee needs. Currently, the director's design tends to focus on engaging

employees as a collective group, which may not fully foster the sense of personal belonging and individual responsibility that is crucial for high engagement levels. This group-oriented strategy may inadvertently contribute to lower engagement among some employees who may feel overlooked or underappreciated on an individual level.

To mitigate this issue, the director could adopt more personalized strategies to enhance individual engagement. Implementing regular two-way dialogues with employees who exhibit lower levels of engagement would allow the leadership to better understand their challenges and collaboratively explore solutions. By creating a more personalized design, employees may feel a stronger sense of individual ownership within the organization, thereby increasing their work engagement and overall commitment to the hospital's goals. This shift from a collective to a more individualized focus could help maximize the potential of each employee, leading to a more engaged and productive workforce.

Suggestion

As this study was cross-sectional in nature and conducted within a limited time frame, future research should consider adopting a longitudinal design. A longitudinal study design could provide deeper understandings into the sustained impact of transformational leadership and psychological ownership on work engagement over time. It would allow researchers to track changes in employee attitudes and behaviors over time, offering deeper understandings into the dynamics among leadership styles, psychological ownership, and engagement.

Additionally, future studies could consider incorporating other mediating variables to further enhance the understanding of the relationships being examined, such as organizational culture, job satisfaction, or emotional intelligence, to enrich the understanding of how transformational leadership influences work engagement. These additional factors may provide more nuanced insights into the complex relation between leadership and employee engagement.

Moreover, extending this research beyond the hospital context would be beneficial in determining whether the findings are applicable to other industries and organizational settings. Conducting similar studies in sectors such as education, manufacturing, or technology could offer valuable insights into how transformational leadership and psychological ownership influence work engagement across different work environments. Broader generalization of the results would allow for a more comprehensive understanding of leadership's impact on employee engagement across diverse organizational contexts.

Limitation

This study has a number of limitations that need to be taken into account when analyzing the results. First, the cross-sectional design limits the capacity to create causal relations regarding transformational leadership, psychological ownership, and work engagement. Future research could employ a longitudinal design to track changes in these variables over time, which might provide deeper insights into their relations. Second, the sample was drawn from a single hospital, Rajawali Citra General Hospital, which limits the generalizability of the results to other hospitals or organizations. Future studies should include a more diverse range of healthcare institutions or even explore other industries to improve the external validity of the findings.

Moreover, the research depended on self-reported data from employees, which could lead to bias stemming from social desirability or the participants' subjective viewpoints. Integrating alternative data collection approaches, such as interviews or observational methods, might help validate the findings and minimize potential bias. Furthermore, the research concentrated exclusively on psychological ownership as the mediating factor. Subsequent studies could examine additional mediators or moderators, such as organizational culture or employee well-being, to gain deeper understandings into the relation between transformational leadership and work engagement.

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