CONCEPTUAL FRAMEWORK ON TRANSFORMATIONAL LEADERSHIP STYLE TOWARDS EMPLOYEE ENGAGEMENT

Priyadharesheni Asogan[1]
Mohd Fitri Mansor[1]
Zulkiflee bin Daud[2]

[1]*Universiti Malaysia Perlis (UniMAP), School of Business Innovation and Technopreneurship,*
[2]*College of Business, Universiti Utara Malaysia (UUM),*
Corresponding addresses
priyaasogan@gmail.com, fitrimansor@unimap.edu.my, zulkiflee@uum.edu.my

ABSTRACT

Over the past two decades, several issues have been raised on employee engagement with regards to contemporary human resource that describes employee engagement as a positive, fulfilling, work-related state of mind. Employee engagement can be further characterized into vigour, dedication and absorption at workplace. However, some of the problems that decline due to high turnover and related issues arise in organization such as low loyalty, hopping to another organization and high absenteeism. Thus in this research work, it is proposed to investigate the factors that influence employee engagement at Westport Malaysia Sdn Bhd. This correlational study was carried out based on the structured questionnaire circulated to employees who work in various departments. The questionnaires represent the employee engagement as dependent variable and transformational style as independent variable. Initially, a pilot study has been conducted through reliability test and obtained excellent result. Hence, in the further analysis, methodology through statistical analysis is proposed to evaluate the obtained variables.

Keywords: *Idealized Influence, Inspirational Motivation, Intellectual Stimulation, Individual Consideration, Vigour, Dedication, Absorption, Transformational Leadership, Employee Engagement*

INTRODUCTION

In an organization, employer plays an important responsibility to hire suitable employees who fit with the job and help to achieve the organization objectives. Therefore, employees are also seen as key essential asset of an organization because without them the organization cannot produce goods and services. The word employee means an individual who is hired by the management to manifest their skills, expertise, talent and knowledge according to their job description to achieve organization objectives. Therefore, employees who have positive thinking, high level of energy and dedicated

with their job is the most engaged employee. The concept of engagement has gained popularity from the HRM field evolved from past research as involvement of an employee, being proud and happy with their job and loyal towards their organization. Over the past 20 years many topic has been raised on employee engagement from many contemporary human resource which has describe employee engagement as an intellectual involvement and positive work-related state of emotional that motivates them to do their best work. (Wayne, Chin, Xingquan and Alyssa, 2017). Generally, engagement is represent by three dimension namely vigour, dedication and absorption. Vigour refers as high level of energy and mental resilience while working and endure difficulties, dedication refers as courteous and being dedicated to one's job includes positive thinking and also taking initiatives to solve a problem at work and absorption refers as feeling of being happy, fully concentrated on the job and being immense in one's work (Schaufeli, 2002; Hubpages, 2009; Lockwood, 2007).

Employee engagement is important to study because when an employee engaged with their job, it will boost the profitability and productivity of an organization by increase performance. Therefore, employees will stay loyal and does not have the intention to leave their organization as agreed by Omar, Anuar, Majid & Johari (2012) that the more employee commit with their job they will less likely to leave for another job. However, nowadays to engage an employee is critical for a manager because different employee have different behavior towards their job such passive, absenteeism and unhappy. When an employee feel unhappy with their job and always absent, they will spread the disengagement towards their job. Disengagement of employee occur because lack of enthusiasm and less likely focus with their job thus this lead downturn of organization's productivity as reported by The Gallup Organization estimated that there are USD $22 million actively disengaged employees cost the economy as much as $350 billion dollars per year in lost productivity including absenteeism and low morale issues (Fink, 2014). This phenomena will trigger managers to retrench those disengaged employee or either employee personally intent to leave the organization in this situation. Therefore, management have to bear all the typical turnover cost when an employee quit such as training cost, advertising cost, time consuming, and loss of future key talent (Berry & Morris, 2008).

Consequently, in boosting employee engagement, leader plays an important role because leader able to influence, share and communicate company's information effectively towards employees. According to Taran, Shuck, Gutierrez and Baralt (2009) mentioned that organizations have to take time to fully develop employee engagement and leaders play an essential role by being supportive to their colleagues. Thus, transformational leadership studies become more evident to have an impact on engagement as mentioned by Saks (2006) by exploring the work of Burns (1978). Burns (1978) coined transformational leadership as the process of pursuing collective goals through the mutual understanding of leaders' and followers' motive bases toward the achievement of the change in the organization. Later, Rafferty and Griffin (2004) re-examine the model developed by Bass (1985) to identify five dimensions of transformational leadership namely vision, inspirational communication, supportive

leadership, intellectual stimulation and personal recognition (Keskes, 2013). Therefore, this present study on employee engagement was carried out at Westports Malaysia Sdn Bhd. It is a logistic company based on service provider which located at Westport, Selangor. Further study is required to investigate employee's engagement towards this company mainly because the number of resignation of employees that occur during 4 years become crucial and this study also assume that leadership styles may influence the employee engagement of the company.

LITERATURE REVIEW

Employee Engagement

The first concept of engagement was introduced by Kahn's (1990) that explain on how individuals are personally engaged and disengaged at work. Kahn coined job engagement as the harnessing of organizational memberselves to their work roles where people express themselves physically, cognitively and emotionally during role performance (Kahn, 1990; Schaufeli, 2013; Kular, Gatenby, Rees, Soane &Truss, 2008). Physically engagement refer as employee apply their physical and mental state into their job, cognitively engagement refer as need for employees to be focus of organizational goal and they aware of optimal return on their work efforts and emotionally engagement refer as employee who feel connected and trust the organization and as well colleagues (Cartwright, 2014). Later on, Kahn (1990) distinguished those characterized into three psychological conditions which are contribute to engagement. These conditions are meaningfulness refers as feeling that one is receiving a return on the efforts that they contribute for their job (Landman, 2012; Shuck &Wollard, 2010), safety refers as a sense of being able to work without fear of negative consequences, and availability refers as a physical, emotional and psychological resources needed to be engage with the job (May, Gilson, & Harter, 2004; Shuck &Wollard, 2010). In contrast, disengagement refers as an individual who feel bored with their task, less enthusiasm, and finally intent to quit from their job (Lee, 2012; Schaufeli& Bakker, 2004). However, Kahn's conceptual theory has a weakness because he did not take into consideration due to lack of literature on employee engagement at that time and he depends on the other psychological constructs such as job involvement and commitment at work (Bakar, 2012). Other than Kahn's study, research on employee engagement has bloomed towards new dimension such as Maslach and Leiter (1997) developed burnout model, and Saks (2006) introduce the multidimensional approach of employee engagement. However, in this study adopts three factor of engagement developed by Schaufeli et al (2002) conceptualized three factors namely vigour, dedication and absorption. In his study specified measures of Uthecht Work Engagement Scale (UWES-17) which been selected as the most appropriate measurement of employee engagement (Ghadi, 2012).

Three factor model of engagement has supported by its popularity, most frequently applied and cited in the literature (Ghadi, 2012; Mcbain, 2006; Chughtai & Buckley, 2008; Simpson, 2009; Wefald, 2011). Next, research on employee engagement is relatively new therefore three factor model of engagement is helpful for differentiate

3

from other related terms such as job satisfaction, involvement and workaholic (Ghadi, 2012; Bakker, 2009; Wefald & Downey, 2009a; Shuck, 2011). Finally, for this study three factor model of engagement adopted to identify the strength and weakness in each dimension especially towards work engagement of logistic staff (Ghadi, 2012).

Schaufeli et al (2001) coined employee engagement as a positive, fulfilling, work-related state of mind that is characterized by vigour, dedication and absorption (Schaufeli, 2013). These three factor of model provide the most precise, valid and comprehensive conceptualization (Schaufeli, 2002). From the figure 1 shows the dimension of employee engagement namely, vigour, dedication and absorption. According to Schaufeli (2002) vigour is characterized by high level of energy and mental resilience while working, the willingness to invest effort in the work and endure difficulties. Vigour also refers as affective constructs and subjective experience of energy and alive at workplace (Sonnentag & Niessen, 2008; Shirom, 2004; Peterson & Seligman, 2004). Another scholar has defined vigour as physical strength, emotional energy and cognitive liveliness (Shirom, 2004; Sonnentag&Niessen, 2008). A person can be differentiated from other energetic experiences such as tension by its positive feeling and happiness by its high level of activation, thus, vigour is important for engaging employee at workplace (Sonnentag&Niessen, 2008; Nix, Ryan, Manly & Deci, 1999). Therefore, skill worker especially truck drivers in logistic field needs physical strength and mentally stable during performing their daily task.

The second dimension of employee engagement is dedication. A person dedicated to their work is engaged and give their best at work, it has purpose in one's work and being enthusiastic, inspired and proud of their work (Menguc, Auh, Fisher & Haddad, 2013). According toTavakoli (2015) dedicated employee more likely engaged with their work which is also important to the long term growth of any organization. Moreover, dedication also refer as being on time while employee at work, they are more likely courteous and being dedicated to one's job includes positive thinking and also taking initiatives to solve a problem at work (Hubpages, 2009). So, many logistic organization demands for technical skilled people especially in warehousing who are really could be dedicated with their job (University Technical College, 2015).

Absorption is the third dimension in employee engagement. This dimension describe the feeling of being happy, fully concentrated on the job and being immense in one's work, (Lockwood, 2007). Absorption also refer as an engaged person in a state which time passes quickly and one has the feel to be attach with the work although they feel tired of whole day on their working hours they also tend to find pleasure in dealing every given task (Bakar, 2012). Therefore, adequate training given by the management for skilled worker especially at the operational sites will be sufficient and effective to absorb with their related job requirement.

In conclusion, this chapter has discussed on the differentiation of scholar and practitioner's thought on employee engagement in various ways. To create a solid basement for the definition of employee engagement has caused many breach and overlaps construct in the research area. Therefore, in this chapter presented and justify

why Schaufeli (2002) conceptualization of employee engagement is the most comprehensive and valid to be adopted for this study. Hence, engaged employee tend to be positive and fulfilling of performing their job, thus, engaged employee must be vigorous, dedicated and absorbed in their daily work life.

Transformational Leadership Style

Transformational leader is a person who is being passion with their work, help colleagues to achieve clear goals and make others feel energetic. The concept of transformational leadership first coined by Burns (1978) as a process that occurs when an individual engage with others in such way that leaders and followers raise one another to higher level of motivation and morality (cited in Taran, Shuck, Gutierrez & Baralt, 2009). Building on this initial conceptualization Bass (1998) extends the concept of transformational leadership by describing a leader always motivates their followers to generate their own ideas for the organization. Therefore, in transformational leadership, followers feel trust, admiration, loyalty and respect for the leader. In this regard, leader tends to provide their followers with an inspiring mission and individual consideration. Transformational leadership is divided into four elements which are idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. Idealized influence refers a person who deals with confidence and trust. Idealized influence refers to behaviors like showing that benefits of the group are more important to leader than benefits of the individual. The leader demonstrates high ethical norms and becomes a role model for the subordinates (Bono and Judge, 2004). Therefore, a leader who has idealized influence will indicate that they have the trust from their follower, faith and respect, dedication, appeal to their hopes and act as their role model (Xiao, Xiao & Jing, 2006).

The second dimension, inspirational motivation, refers as a person who deals with motivating the whole organization. Inspirational motivation is related to idealized influence but held to motivate individuals where else inspirational motivation is about motivating employees within the entire organization. Transformational leaders display inspirational motivation and encouragement of their followers to become part of the overall organizational culture and environment (Stone, Russell & Patterson, 2003).

The third dimension, intellectual stimulation, refers as a person who arouse his followers to able to solve the problems occur in the organization (Bono & Judge, 2004). The leaders who willing to listen the ideas of their followers and encourage them to be creative, and thus able to solve old problems in new ways (Barbuto, 2005). Therefore, the leaders able to encourage their followers to propose innovative ideas without fear of intellectual sharing (Stone, Russell & Patterson, 2003). Through intellectual stimulation, the leader challenges assumptions and takes risks to apply followers' ideas (Stone, Russel and Patterson, 2003). Leaders with this style may prompt and urge creativity in their followers lead to higher engagement levels.

Last but not least, individualized consideration refers as a person who are treated individually and differently on the basis of their skills and knowledge (Shin & Zhou, 2003). Therefore, allowing their skills and knowledge to reach higher levels of achievement towards their organization (Chekwa, 2001; Stone, Russell & Patterson, 2003). The leader should acknowledge followers' feelings, their need to grow and develop themselves in their career (Hartog, 1997). Therefore, these four elements enable the leaders being admired by the follower into developing productive individuals.

RESEARCH FRAMEWORK

Independent variables   **Dependent variable**

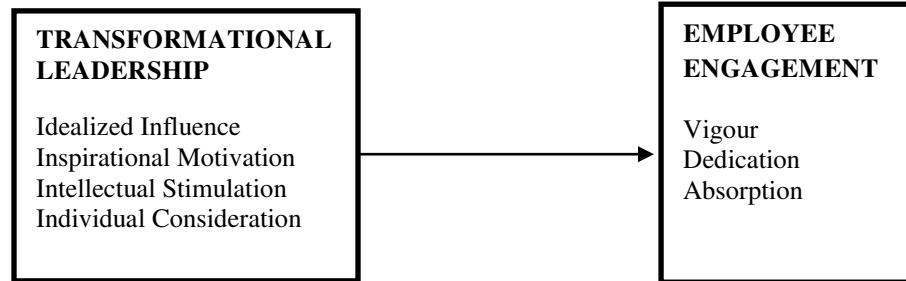| **TRANSFORMATIONAL LEADERSHIP**	**EMPLOYEE ENGAGEMENT**
Idealized Influence Inspirational Motivation Intellectual Stimulation Individual Consideration	Vigour Dedication Absorption

Figure 1
Conceptual framework on Transformational Leadership Style towards Employee Engagement

Figure 3.1 exhibit the relationship between transformational leadership namely idealized influence, inspirational motivation, intellectual stimulation and individual consideration and employee engagement namely vigor, dedication and absorption

Hypothesis Development

According to Bass (1985) transformational leaders are known for their charismatic to inspire their subordinates. Similarly mentioned by Sosik, Godshalk, and Yammarino (2004) that leaders exhibited characteristics of idealized influence when they acted as role models and encouraged their followers to achieve goals who place trust in them (Koppula, 2008). On the other hand, leader provides their subordinate with a vision to achieve the organization goals. Charismatic leader found to have impact towards skill worker who are vigourous, dedicated and absorbed to invest effort in their work and face difficulty at workplace (Schaufeli, 2002). Therefore, Dionne and Yammarino (2003) who believed that transformational leaders engaged employees by sharing their vision, which involved delineating group goals for greater team cohesion, thus increasing the level of collective dedication to the overall mission of the organization. Hence, given the above research finding, it may be hypothesized that:

H_1: There is positive relationship between Idealized Influence and Employee Engagement?

The following is a discussion about inspiring and motivating subordinates to stay energized, dedicated and absorbed towards achieving the organization goals (Hayati, Charkhabi, & Naami, 2014). Similarly, setting clear inspirational motivation reflects encouragement of their followers to become part of the overall organizational and fully engaged with their work (Stone, Russell & Patterson, 2003). In this case, leader who inspire and motivate their subordinates work engagement help employees understand the value of their contribution towards the collective vision of the organization. Hence, for the present study may propose that:

H_2: There is positive relationship between Inspirational Motivation and Employee Engagement?

Transformational leaders who welcome employee's creativity and provide them the opportunity to grow and enhance intellectually, it results in work engagement (Bass & Avolio, 1993; Harter, Schmidt & Keyes, 2003). As a result, intellectually stimulating leaders allow followers to solve problems and analyze situations, hence employees would able to be fully concentrated and deeply absorbed in their daily task. Apart from that, intellectual stimulation maybe found to relate to a dimension of a job engagement specifically employee absorption (Podsakoff, MacKenzie & Bommer, 1996). According to Avolio and Bass (2004) mentioned that employees able to take wise decision making in absence of the leader when the followers are creative to solve problems. Similarly agreed by Seltzer and Bass (1990) found that subordinates who were put in jobs with significant autonomy would experience less job burnout. Due to thereotical support it may propose that:

H_3: There is positive relationship between Intellectual Stimulation and Employee Engagement?

Individual consideration leaders have been known to acknowledge and respect their followers' feelings, their need to grow and develop follower in their career (Hartog, 1997). Bycio, Hackett and Allen (1995) believed that leaders who provide individual support also communication clearly, foster relationship of trust and loyalty and were also more likely boost their employee to be dedicated at workplace. Similarly agreed by May, Gilson and Harter (2004) leader who establish individual consideration more likely foster good working environment where employees feel safe to invest in the work they do, as a result employees feel to be energized, dedicate and absorbed with their wok.

H_4: There is positive relationship between Individual Consideration and Employee Engagement?

CONCLUSION

Based on the above discussion, it is concluded that the role of leaders are very important in order to instill the spirit among employees in the organization as well as to maintain employees' loyalty in the organization. Furthermore, by focusing on several element under the transformational leader such as idealized influence, inspirational motivation, intellectual stimulation and individual consideration may enhance and significantly impact the employees' engagement in the organization. Furthermore, the current study also can be tested with data collection in order to verify the actual result on the above proposed framework. The study also may provide the basis for the future study as well as contributing a body of knowledge in the current literatures. In addition, the said study also provides the guideline for the leaders in organization and to the Human Resource Practitioners in formulating their training needs analysis for the training and development program for their organization.

REFERENCES

Bakker, A.B., Demerouti, E., De Boer, E., & Schaufeli, W.B (2003). Job demands and job resources as predictors of absence duration and frequency, *Journal of Vocational Behavior*, Vol. **62**, 341-56.

Bakar (2012). Understanding factors influencing employee engagement: A study of the financial sector in Malaysia.

Bass, B. M (1985). Leadership and Performance beyond Expectations. New York, *The Free Press*, NY.

Bates, S (2004). *'Getting engaged'*, *HR Magazine*, **49**(2), pp.44-51.

Burns, J.M (1978). *Leadership. New York*. Harper & Row.

Cartwright, S (2014). Why employee engagement levels can have significant, direct benefits to an organization's overall performance. *Health Balance*.

Chughtai, A.A., &Buckley, F (2011). Work engagement antecedents, the mediating role of learning goal orientation and job performance. *Career Development International* Vol. **16** No. 7, pp. 684-705.

Fink, N (2014). The high cost of low morale. *Roberts Weleyan College*.

Harter, J. K., Schmidt, F. L. and Hayes, T. L (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: a meta- analysis. *Journal of Applied Psychology*, **87**(2), 268-279.

Hayati, D., Charkhabi, M., & Naami, A (2014). The relationship between transformational leadership and work engagement in governmental hospitals nurses: *A survey study.*

Hubpages (2009). How to become a dedicated employee.Retrived from http://writingwizard.hubpages.com/hub/How-to-Become-a-Dedicated-Employee 24th July 2015.

Kahn, W.A (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal*, **33**, 692-724.

Keskes, I (2013). *"*Relationship between leadership styles and dimensions of employee organizational commitment: A critical review and discussion of future directions.*"* Intangible Capital **10**(1): 26-51.

Kular, S., Gatenby, M., Rees, C., Soane, E., & Truss, K (2008). Employee Engagement: A Literature Review*,* Kingston University.

Landman, E.P (2012).. The relationship between transformational leadership, employee engagement, job characteristics and intention to quit. Department of Industrial Psychology

Lee, J (2012). Antedents and Consequences of Employee Engagement: Empirical Study of Hotel Employees and Managers Hospitality Management and Dietetics: College of Human Ecology Manhattan, Kansas State University.

Leslie, J. B (2009). *What you need, and don't have, when it comes to leadership talent*. Center for Creative Leadership.

Lewis, B, M., Bryman, A.E., & Futing, T.L (2003).. *The SAGE Encyclopedia of Social Science Research Methods*, SAGE Publications .

Lockwood, N. R (2007). *Leveraging employee engagement for competitive advantage: HR's strategic role*. 2007 SHRM Research Quarterly. Retrieved March 30, 2007, from www.shrm.org

Maslach, C. & Jackson, S. E (1981)... *"The measurement of experienced burnout."* Occupational Behaviour 2: 99-113

Maslach, C. and Leiter, M (1997). *The truth about burnout.Jossey*-Bass Publ

Maslach, C, Schaufeli, WB & Leiter, MP (2001), *'Job burnout'*. Annual Review of Psychology,vol **52**, pp. 397-422.

Maslach, C. and Leiter, M. P (2008). Early predictors of job burnout and engagement. Journal of Applied Psychology, **93**(3), 498-512.

May, D. R., Gilson, R. L. and Harter, L. M.. 2004.The psychological conditions of meaningfulness, safety and availability and the engagement of the human spiritat work, *Journal of Occupational and Organizational Psychology*, 77, 11-37.

Omar, K., Anuar, M.M., Majid, A.H.A., & Johari, H (2012).. Organizational commitment and intention to leave among nurses in Malaysian public hospitals, **3**(16).

Rafferty, A. E., & Griffin, M. A (2004). *"*Dimensions of transformational leadership: Conceptual   and empirical extensions.*" The Leadership Quarterly 15*: 329–354.

Saks, A. M (2006). "Antecedents and Consequences of Employee Engagement.*" Journal of Managerial Psychology* **21**(7): 600-619.

Schaufeli, W. B (2013). *"What is Engagement?"* Employee Engagement in Theory and Practice.

Schaufeli, W. B., & Bakker, A. B (2004). Job demands, job resources, and their relationship   with burnout and engagement: A multi-sample study. *Journal of Organizational Behavior***, 25**, 293-315

Schaufeli, W. B. and Bakker, A. B (2001)..Work and well-being: towards a positive approach in occupational health psychology. Gedrag&Organisatie, **14**, 229- 253

Schaufeli, W. B., Salanova, M., Gonzalez-Romá, V., & Bakker, A. B (2002).. The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. *Journal of Happiness Studies*, **3** ,71 92 .doi :10 .1023 /A: 101 5630930326

Seltzer, J., & Bass, B. M (1990). Transformational leadership: Beyond initiation and consideration. *Journal of Management*, **16**(4), 693-703.

Sonnentag, S., &Niessen, C (2008). Staying vigourous until work is over: The role of trait vigour, day-   specific work experiences and recovery. *Journal of Occupational and Organizational Psychology*, **81**, 435-458.

Sosik, J. J., & Godshalk, V. M., & Yammarino, F. J (2004). Transformational leadership, learning goal orientation, and expectations for career success in mentor-protégé relationships: A multiple levels of analysis perspective. *The Leadership Quarterly*, **75**,241-261.

Truss, C., Soane, E., Edwards, C., Wisdom, K., Croll, A. and Burnett, J (2006). *Working Life: Employee Attitudes and Engagement*. London, CIPD.

Wayne N. B., Chin Y. C., Xingquan L., and Alyssa B. S., (2017). The Association of Employee Engagement at Work With Health Risks and Presenteeism. *American College of Occupational and Environmental Medicine.*