

WORK ENGAGEMENT AS MEDIATOR IN THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP AND JOB SATISFACTION

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Abstract

Transformational leaders have specific characteristics that inspire followers to feel a sense of meaning in work, which causes improved employee performance (Bass, 1985). These leaders care for every employee and support their individual needs, resulting in greater job satisfaction. Job satisfaction refers to one's assessment of workplace and is determined by working conditions. Certain features of these conditions are related to both job satisfaction and work engagement, the most important of which is leadership style. This study aimed to investigate the mediating role of work engagement in the relationship between transformational leadership and job satisfaction. The study data was collected using MLQ (Bass & Avolio, 1995), MSQ (Weiss et al., 1967) and UWES (Schaufeli & Bakker, 2003). Structural equation modeling was used as a quantitative research method. The data was analyzed using LISREL. Results demonstrated that the effect of transformational leadership on job satisfaction was fully mediated by work engagement.

Keywords: *transformational leadership, work engagement, job satisfaction*

1. INTRODUCTION

Successful and operative organizations generally have the advantage of engaged employees concentrating on their job psychologically, physically and intellectually (Strom et al., 2003). Therefore, competitive organizations should try to provide a supportive, positive and motivating working environment in order to foster work engagement. In this sense, an effective leadership style can provide the desired results for employee engagement as leadership has great influence on employee attitudes.

In this context, transformational leadership is argued to promote employee engagement (Zhu et al., 2009). Transformational leaders motivate and stimulate their followers, offer them a challenging environment and inspire them to adapt creative methods of problem solving (Burns, 1978; Bass, 1985). Such leaders keep an open communication line with their followers, and this results in employee satisfaction, devotion and greater performance (Viator, 2001).

Therefore, this study aims to investigate the effect of transformational leadership on job satisfaction through work engagement.

2. LITERATURE REVIEW

2.1. Transformational Leadership

Transformational leadership was first introduced by Burns (1978) and later developed by Bass (1985). This kind of leader articulates a clear vision, provides support and motivation, encourages followers to go beyond expectations and regards their individual needs (Lowe et al., 1996).

Transformational leadership establishes an inspiring relationship between leader and followers. Such relationship, in turn, causes followers to review the traditional ways and challenge the status quo, leading to innovative methods of problem solving (Krishnan, 2012).

Previous studies reported that employees working with a transformational leader have greater satisfaction, feel more identification with both their leader and job, and have strong motivation to exhibit greater performance (Bass & Bass, 2008). Recent studies have shown that high challenges are likely to promote work engagement when positively perceived by employees (Crawford et al., 2010;

Van den Broeck et al., 2010). There is also empirical evidence supporting the positive relationship between transformational leadership and work engagement (Tims et al., 2011; Zhu et al., 2009). Additionally, some empirical studies report a correlation between work engagement and job outcomes such as job performance, commitment, well-being and job satisfaction (Hakenen et al., 2006; Saks, 2006; Schaufeli et al., 2008).

2.2. Job Satisfaction

Job satisfaction is a significant component of success in organizations (Amburgey, 2005). Locke (1976) describes job satisfaction as “a pleasurable or positive emotional state resulting from the appraisal of one’s job and job experience” (p. 1304). In other words, job satisfaction is one’s assessment of job on whether it meets his/her significant job values based on his/her needs (Hackman & Oldham, 1975; Boon et al., 2006).

The primary factors affecting job satisfaction are the working and organizational conditions such as opportunities for individual development, involvement in decision-making processes, support of supervisor and leadership (Herzberg, 1966; Chang & Lee, 2007).

Previous studies provide solid evidence on the positive relationship between leadership and job satisfaction (Lowe et al., 1996; Dumdum et al., 2002; Judge & Piccolo, 2004). In this sense, transformational leadership is expected to have positive effects on job satisfaction since such leaders cause employees to feel a sense of meaning in work, inspire them to exhibit greater performance than expected (Burns, 1978; Bass, 1985), provide support and show genuine concern; all of which lead to improved job satisfaction.

There are several studies demonstrating this effect of transformational leadership on job satisfaction (Podsakoff et al., 1990; Podsakoff et al., 1996; Bono & Judge, 2003). For instance, Hater & Bass (1988) found that transformational leadership was positively related with job satisfaction, and reported that transformational leadership factors were strongly correlated with the satisfaction and efficiency rated by employees. According to Ozaralli (2003), employees of an organization with a transformational leader report greater satisfaction and work harder.

Hypothesis 1. Transformational leadership has a positive effect on job satisfaction.

2.3. Work Engagement

Mercer (2007) describes work engagement as one’s psychological state causing one to feel involved in the organizational success and feel motivated to exhibit a greater performance than required by one’s job description. According to Jones & Harter (2005), work engagement refers to “the individual’s involvement and satisfaction with, as well as enthusiasm for their work” (p. 80).

In essence, work engagement is about the relationship of employees with their work. Engaged employees have a positive attitude to their job physically, mentally and cognitively, and they are willing to invest themselves fully in their tasks (Kahn, 1990; Maslach & Leiter, 1997). Non-engaged employees, on the other hand, do not want to commit themselves to their job physically and feel psychologically disconnected with their workmates (Kahn, 1990).

Previous research suggests that employees have greater work engagement when their leader and organization especially respond to their basic and higher order needs (Harter et al., 2002). In this regard, transformational leadership aims to enhance the potential of their followers since they meet their higher order needs (Burns, 1978; Bass, 1985). Followers also tend to feel involvement and satisfaction when their leader provides support, motivation and effective coaching, which are the characteristics of transformational leadership and result in greater work engagement. Therefore, this style of leadership is expected to promote work engagement.

Hypothesis 2. Work engagement mediates the relationship between transformational leadership and job satisfaction.

3. METHODOLOGY

3.1. Research Goal

This study aims to determine the mediating effect of work engagement on the relationship between transformational leadership and job satisfaction. Hypotheses were tested using questionnaires.

3.2. Sample and Data Collection

A convenience sampling method was used in the present study. The participants were 101 academic staff (65 males, 36 females) from a private non-profit university in Istanbul, Turkey. The mean age was 36.67 with a standard deviation of 9.70.

3.3. Instruments

Multifactor Leadership Questionnaire (MLQ) Form-5X Short (Bass & Avolio, 1995) was used to measure transformational leadership. This questionnaire consists of 36 items rated on a five-point scale ranging from 1 (“strongly disagree”) to 5 (“strongly agree”). There are twenty questions corresponding to four dimensions of transformational leadership: (1) idealized influence (attributed) (e.g., “Goes beyond self-interest for the good of the group”), and idealized influence (behavior) (e.g., “Specified the importance of having a strong sense of purpose”); inspirational motivation (e.g., “Articulates a compelling vision of the future”); intellectual stimulation (e.g., “Gets others look at problems from many different angles”); and individualized consideration (e.g., “Treats others as individuals with different needs, abilities and aspirations from others”). The Cronbach’s alpha for these items was .96 revealing sufficient reliability (alphas > .70).

Minnesota Job Satisfaction Questionnaire (Weiss et al., 1967) was used to measure job satisfaction. This questionnaire consists of twenty questions rated on a five-point scale with 1 (“not satisfied”), 2 (“somewhat satisfied”), 3 (“satisfied”), 4 (“very satisfied”) and 5 (“extremely satisfied”). This scale measures a general job satisfaction with intrinsic (e.g. “Being able to keep busy all the time”) and extrinsic satisfaction (“The way my boss handles his/her workers”). The Cronbach’s alpha of the scale was 0.91.

Utrecht Work Engagement Scale (UWES) (Schaufeli & Bakker, 2003) was used to measure work engagement. This scale consists of seventeen items for three dimensions of work engagement: (1) vigor (six items) (e.g., “At my work, I feel bursting with energy”), (2) dedication (five items) (e.g., “I am enthusiastic about my job” and (3) absorption (six items) (e.g., “Time flies when I’m working”). The items were rated on a five-point scale ranging from 1 (“strongly agree”) to 5 (“strongly disagree”). Cronbach's alpha of the scale for three dimensions was equal to or exceed 0.70.

3.4. Analyses and Results

In order to find a support for the proposed model, a structural equation model was tested using LISREL. Given that a measurement model should be tested before a structural model, three latent variables were created using composite scores of sub-factors or parcels. Since MLQ has four sub-scales, e.g., idealized influence, inspirational motivation, intellectual stimulation, and individual consideration, the composite scores of these sub-factors were used as indicators or observer variables for transformational leadership latent variable. Similarly, work engagement latent variable was created using composite scores of three sub-factors of UEWS, namely vigor, dedication, and absorption. Finally, we also used sum scores of two factors of the Minnesota Job Satisfaction Questionnaire as indicators for job satisfaction latent variable. The correlations among these observed variables are shown in Table 1.

Indicators	IDINF	INSMOT	INSTI	INDCON	VIG	DEDIC	ABSOR	IMOT1	EMOT
IDINF	?	.90**	.91**	.89**	.36**	.17	.21*	.60**	.58**
INSMOT		?	.92**	.87**	.40**	.23*	.22*	.61**	.59**
INSTI			?	.91**	.43**	.26**	.28**	.57**	.55**
INDCON				?	.35**	.17	.26**	.62**	.62**
VIG					?	.65**	.78**	.62**	.58**
DEDIC						?	.83**	.56**	.44**
ABSOR							?	.56**	.51**
IMOT								?	.86**
EMOT									?
<i>M</i>	26.23	14.18	14.85	14.27	22.52	20.96	23.21	40.26	32.05
<i>SD</i>	7.17	3.94	4.01	3.94	4.87	3.61	4.78	7.71	6.25

Table 1. Means, Standard Deviations, and Intercorrelations of Observed Variables

Notes: IDINF = Idealized influence, INSMOT = Inspirational motivation, INSTI = Intellectual stimulation, INDCON = Individual consideration, VIG = Vigor, DEDIC = Dedication, ABSOR = Absorption, IMOT = Intrinsic motivation, EMOT = Extrinsic motivation.

**p<.01

* p<.05

The measurement model created by the abovementioned observed variables was tested and resulted in acceptable goodness of fit statistics: Chi-square = 83.97, Df = 24, Goodness of Fit Index = 0.93, Standardized Root Mean Square Residual = 0.032, Comparative Fit Index = 0.98, Incremental Fit Index = 0.98. The standardized factor loadings for this measurement model are presented in Figure 1.

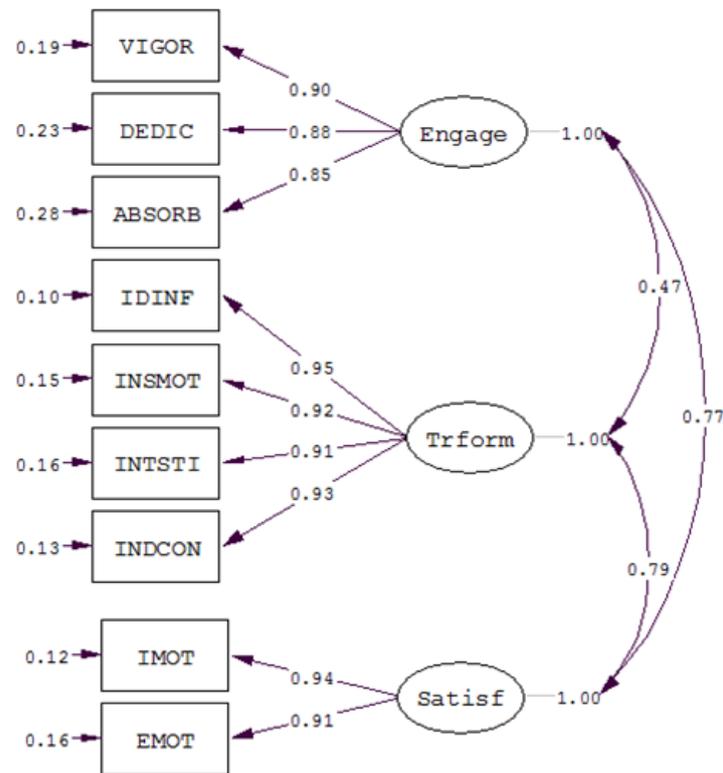


Figure 1. Standardized Factor Loadings for the Measurement Model

Note: All factor loadings are significant at $p = .01$.

It is clear from Figure 1, all of the factor loadings of the measured variables on the latent constructs were large and statistically significant, indicating the reliability of the indicators.

Test of the structural model was then performed using Maximum Likelihood estimation method. Although an initial estimation of the model was produced acceptable goodness of fit statistics, it was evident that the path from Transformational Leadership to Work Engagement ($\beta = .17$) was non-significant ($t = 1.47, p > .05$). Indeed, deleting the path from the model resulted in a non-significant chi-square difference test result (2.09, 1: $p > .05$). The results for the model after model trimming was resulted in the following goodness of fit statistics: Chi-square = 52.10, Df = 24, Goodness of Fit Index = 0.90, Standardized Root Mean Square Residual = 0.07, Comparative Fit Index = 0.97, Incremental Fit Index = 0.97. Standardized estimates for the paths in the proposed model were shown in Figure 2.

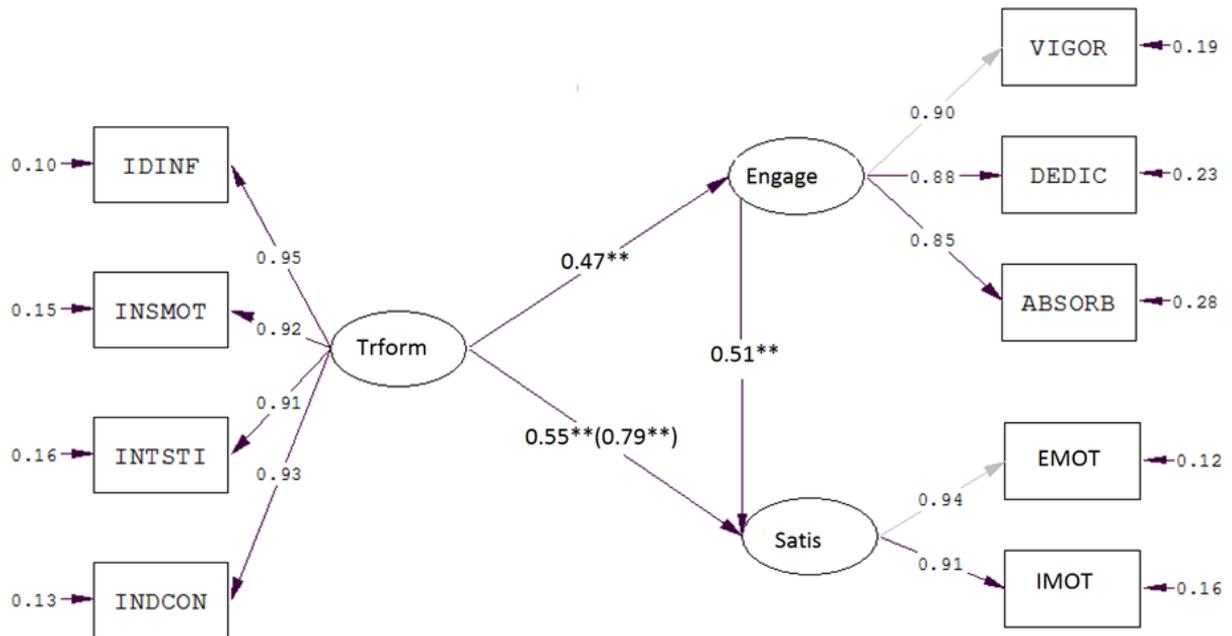


Figure 2. Standardized path coefficients for the structural model.

Notes: Numbers in parentheses refer to coefficients for the measurement model. ** $p < .01$.

The results indicated a partial-mediation model in which the effect of transformational leadership on work engagement was partially mediated by job engagement. The results also indicated that 22% of the variance in work engagement was accounted for by transformational leadership while 82% of the variance in job satisfaction by transformational leadership and work engagement.

4. CONCLUSION

This study evaluated the mediating effect of work engagement on the relationship between transformational leadership and job satisfaction. The internal consistency of the above-mentioned scales was reviewed as a preliminary analysis and all scales were determined to have an adequate level of reliability. The analyses were performed using structural equation modeling and revealed moderate relationships for the respective variables. Additionally, the mediation analyses showed that work engagement had a full mediating effect on the relationship between transformational leadership and job satisfaction.

The results of this study show that work engagement is an important personal resource, which enhances the effect of transformational leadership on job satisfaction. In this sense, it would be beneficial for organizations to consider creating a proper environment for supervisors to exhibit transformational leadership behaviors. Supervisors, in turn, should enhance their leadership capacity by improving such behaviors defined as idealized influence, individualized consideration, inspirational motivation and intellectual stimulation.

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