

THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND TRANSFORMATIONAL AND TRANSACTIONAL LEADERSHIP STYLES:EVIDENCE FROM JORDAN; GREATER AMMAN MUNICIPALITY

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ABSTRACT

Employee Engagement has been at the forefront of focus for human resources researchers and scientists, who believe that Employee Engagement can be a key driver of business

success. The purpose of this analysis is to identify the association between Employee Engagement and Transformational and Transactional Leadership Styles. Data were collected and analyzed from a survey of 273 full-time employees who work in the Greater Amman Municipality at Jordan. The data was analyzed with different statistical tools (Mean, Correlation and Z-values) using SPSS. The findings exposed a significant positive association between both Transformational and Transactional Leadership Styles and Employee Engagement. It also found that Transformational Leadership is a better indicator of Employee Engagement when compared with Transactional Leadership

Keywords: Transformational Leadership, Transactional Leadership, Employee Engagement, Greater Amman Municipality, Jordan

INTRODUCTION

Leadership refers to the process in which leaders lead and guide their followers. A leader usually aims to influence their followers' behaviors Organizational priorities to be achieved. Leadership in terms of personality, duty, role, and actions has been clarified (Limsila & Ogunlana, 2008). For an organization to succeed in achieving its goals and accomplishments,, the burden is on its leaders and their leadership practices and behaviors In other words, leadership must propose new activities that encourage and stimulate employees and identify the roles of each employee and group in order to achieve the goals that have been already set Leadership style refers to the pattern of behavior that characterizes a leader in tackling organizational issues (Almaaitah et al., 2015). There are different types of leadership and each style has its own sets of good and bad sides. (i.e., strengths and weaknesses) (Awan & Mahmood, 2010; Randeree & Chaudhry, 2012). Different work settings shall force the manager to use different leadership styles (Jogulu, 2010; Mujtaba, Afza & Habib, 2011; Rad & Yarmohammadian, 2006).

Mat (2008) suggests that leadership definitions continue to develop, and academics are still attempting to clarify these definitions in order to make them more understandable and realistic during everyday business use, Over many years, many scholars have been concerned with the characteristics of a successful leader and describing who he is. However, to provide one common definition of leadership is very difficult. People are indeed still discussing leadership and its related issues (Almaaitah et al., 2017).

In any organization, leadership is considered very important because it is the behavior of the leaders that are considered responsible for ruining or enhancing the organization.. The

organization's orientations rely on the style adopted by its leaders. Since leadership helps in planning the organization's orientations about the future, its leaders' behaviors and practices are considered to be the thing that drives their followers to achieve the goals. Thus, followers usually follow their leaders' behaviors when performing their duties (Almaaitah et al., 2017).

Many organizations rush to using the term "Employee Engagement" when seeking to enhance quality. However, what does Employee Engagement mean exactly? Employee Engagement is a widely used term. However, Employee Engagement has several definitions. Most of its definitions contain intellectual, physical, and emotional commitment to an organization. Studies have provided several definitions for this term.

This concept was used in the beginning by Kahn in 1990. He defines As such "the harnessing of the self of organizational members to their work roles" (p. 694). It refers to extent to which an employee is attentive and absorbed in the performance of his work tasks. Kahn (1990) It means that when workers are interested in their job duties,, they are not being physically involved only, but they are also alert on the cognitive level and emotionally connected to others at that concerned moment of engagement. However, the work engagement levels vary from one employee to another due to the variation of the amount of dedication and energy they contribute to their job.(Almaaitah, Harada & Sakdan, 2017).

LITERATURE REVIEW

Transformational Leadership

Transformational leadership refers to the relationship between leaders and their followers that aim at raising the followers' value and motivation to higher levels as much as possible. The ones who adopt the transformational leadership believe in their leaders and their organization's mission and vision. In addition, transformational leadership is perceived by employees as being helpful and friendly (Burns, 1978). Gardner & Luthans (2005) believe that the transformational leadership style depends much on having leaders changing their followers' needs, values, and beliefs. Fitzgerald & Schutte (2010) suggest that the leaders who adopt the transformational style shall be able to motivate their employees towards and achieving the organization's vision, understanding employees' needs, and helping employees to reach their potential. All of that shall participate in improving the organization's outcomes. Kreitner & Kinicki (2007) believe that adopting the transformational style shall make leaders change their followers' aspirations, needs, goals, values, and belief. First, having variation in the characteristics of employees and organizations has an influence on the behaviours of transformational leaders. In addition, such leaders' personality tends to be more agreeable, extroverts, and proactive and less neurotic than the leaders who adopt other styles. Employees' experiences play an important role in improving the transformational leadership that is considered.

Jung, Yammarino & Lee (2009) assume that transformational leadership is aligned with a subordinate's personal opinions.. Such consistency enables employees to pursue the achievement of work targets that are considered meaningful and important to the employees and the organization. The motivational process of employees working under transformational leadership is governed by personal respect and appreciation for the leader, intrinsic motivations, and personal obstacles, rather than contractual obligations. Employees today are interested in getting leaders who can pay attention to the needs of employees to attain completion and develop. By playing the role of a human, such attention can be seen (Limsila & Ogunlana, 2008).

Bass and Avolio (1994) have identified four dimensions of transformational leadership: (1) *the ideal effect*, which means the admiration, respect, and appreciation of their subordinates. For them, he is a good example, and he presents the needs of his subordinates over his personal needs; (2) *inspirational motivation*, this means the leader's role as a catalyst for employees by inculcating meanings and provoking a love of challenge, clarifying their future expectations, adhering to organisational goals, and stimulating team spirit through enthusiasm and idealism; (3) *intellectual stimulation*, this is in reference to the leader's quest to find good ideas, encourage

his staff to solve problems creatively, and support creative applications for doing business; and (4) *individualised consideration*, whereby the utmost attention is paid to the workers, meeting their needs, recognising their aspirations and accomplishments, which enables them to acquire appreciation and caring for their physical, spiritual, emotional and mental needs, and always listening to subordinates, and providing them with support, advice and training.

Transactional Leadership

Burns (1978) It argues that transactional leadership practice is based on an exchange in which the leader offers reward and/or punishment based on the efforts and performance of his employee. Bass (1985) Indicates that a transaction, or an exchange, requires transactional management which is considered as a necessary component for having Interaction of the leader with the follower. The leader usually depends on contingent rewards and on managements by exception. Brown & Dodd (1999) believe that transactional leadership is often described as having a quid-pro-quo nature, which emanates from leaders' Capacities for managing access to organizational rewards and create a consistency between the efforts exerted by the followers to achieve the organization's goals and the rewards they receive.

In addition, Kreitner & Kinicki (2007) believes that transactional leadership focuses on identifying the roles and tasks of employees and provide them with positive and negative rewards (*i.e.*, rewards or punishments) based on their performance. In addition, transactional leadership includes fundamental managerial activities related to setting goals and monitoring progress to achieve the organization's goals. Thus, employees shall be rewarded and punished for their goal accomplishment level. That is based on the application of extrinsic motivation to increase employees' levels of productivity. Furthermore, Caldwell & Spinks (1992) suggests that transactional leadership includes several behaviours, such as monitoring performance, offering employees personal rewards, and giving them contingent material rewards when achieving the assignments on schedule.

In addition, Luthans (2005) believes that the transactional leader clarifies the role and task that are assigned to followers and provide them with negative and positive rewards based on successful performance. It is determined by three factors. The first factor includes contingent reward in which the leader identifies a way for drawing a connection between goal achievement and reward, offers commendations for successful performance, exchanges promises, and resources for support, clarifies expectations, arranges mutually satisfying agreements, negotiates for resources, and exchanges effort assistance. The second factor refers to management by exception (active). Through this factor, the leader shall monitor the followers' performance, take corrective action if there was any deviation from the standard, and enforce rules for mistake prevention. As for the third factor, it refers to management by exception (passive). Through it, the leader shall only intervene in case there was any serious problem, but he/she may delay the process of taking any action till he/she is alerted about the errors detected.

Employee Engagement

Employees vary widely within any company in terms of their levels of engagement at work and the amount of commitment and focus they bring into their employment. Employee Engagement as a system is a relatively recent idea that has come into play over the past two decades (Rafferty, Maben, West & Robinson, 2005). Employee Engagement has a significant positive effect on the performance of organizations. The Gallup Organization has determined empirically that Employee Engagement is a significant indicator of optimal organizational performance, such as retention, productivity and profitability (Luthans & Peterson, 2003). It also results in up to 87 per cent reduction of intentions for employee turnover (Corporate Leadership Council, 2004). According to Markos & Sridevi (2010), employers have become aware of the significance of Employee Engagement, because it can promote efficiency and productivity at the

workforce. Engagement plays a significant role in promoting employee retention and loyalty (Almaaitah et al., 2020).

Kahn (1990) is the first one who applied the engagement theory on the workplace (Harter, Schmidt & Hayes, 2002; Rich, Lepine & Crawford, 2010). Macey & Schneider (2008) believe that the factors generating engagement are different from the ones generating traditional employee outcomes. The latter factors may include organizational commitment and job satisfaction. An engaged employee refers to a person who is fully involved in doing his/her work and feels enthusiastic about it (Falcone, 2006). An engaged employee works with colleagues in the aim of improving his/her performance for the benefit of his/her organization. Gallup as cited by Dernovsek (2008) suggests that Employee Engagement is positively correlated with the employee's positive feelings of commitment and emotional attachment.

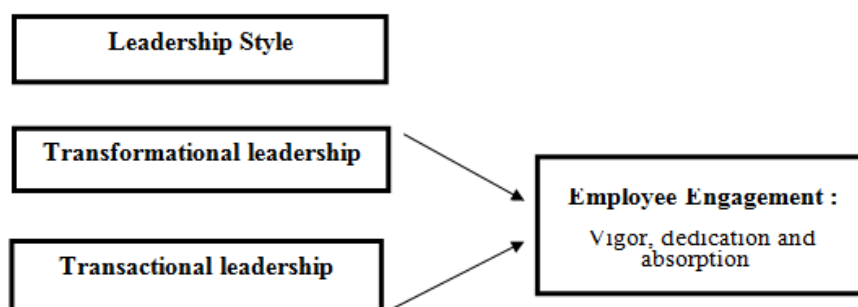
Gibbons (2006) Employee Engagement is assumed to be 'a heightened emotional and intellectual link that an employee has with his or her organization, director, or coworkers which in turn influences him/her to make significant discretionary efforts to his/her job..' Moreover, it has also been defined, according to Schaufeli, Salanova González-Romá & Bakker (2002), as a "positive, fulfilling, work-related state of mind characterized by strength, commitment and absorption"

The definition adopted by Schaufeli, Salanova et al., (2002) indicates that engagement is identified by three dimensions: vigor, engagement and absorption, which will be the main concept used for the purposes of this study.

Vigor, as a dimension, is exemplified by someone who shows high levels of energy and mental resilience. While at work. Dedication refers to a positive identification with one's job and includes feelings of excitement, motivation, challenge and pride. And absorption is defined by being completely concentrated on one's work and happily enthralled, with time passing rapidly, and having trouble separating oneself from the work (Schaufeli et al., 2002).

Transformational Leadership, Transactional Leadership and Employee Engagement

Transformational leaders are those who are "Outstanding" inside a business context. They are individuals who are able to catch the interest of their employees, mentally inspire them and strategically align them with the organization's vision and purpose. Directly opposed to this, Transactional Leadership, is actually an Exchange partnership between the leaders and the employees in which the leader shares benefits and performance incentives. Both leadership styles play an important role in engaging workers within the company, although a variety of literature indicates that transformational leader has a greater effect on employee engagement (Schaufeli & Bakker, 2004).



**FIGURE 1
RESEARCH MODEL**

Thus, this study hypothesizes:

H1: Transformational leadership has a positive association with Employee Engagement

H2: Transactional leadership has a positive association with Employee Engagement

RESEARCH DESIGN

A quantitative research design was applied in this study. The quantitative design of the study will enable the researcher to evaluate the relationship between the research variables (Bhatti, Hee & Sundram, 2012). It will also enable the researcher to unvaryingly determine if one concept or idea is better than the others (Sekaran & Bougie, 2013). It can also answer questions about relationships between measured variables in order to elucidate, envisage, and control phenomena (Sekaran & Bougie, 2010). The quantitative analysis design is therefore an effective method for this study as it enables the relationship between variables to be evaluated using statistical approaches (Sekaran & Bougie, 2013). This is in line with the main objective of this study that focuses on examining the relationship between leadership style, and Employee Engagement (Taamneh et al., 2020).

MATERIALS AND METHODS

Instrument Development

This study's instrument adopted the Bass & Avolio (1994) measurement of leadership styles, which consisted of 10 items. It also adopted the Luthans (2005) measurement for Transactional leadership which consisted of 5 items, and the Shaufeli, et al., (2002) measurement for Employee Engagement consisting of 9 items. The instrument used a likert scale (7 point), starting from 1=never, 2=rarely (about 10% probability), 3=occasionally (about 30% probability), 4=sometimes (about 50% probability), 5=frequently (about 70% probability), 6=usually (about 90% probability) and finally 7=every time.

Data Collection and Analysis

Data was distributed to workers who, as the ones immediately impacted by their leader's actions, were expected to provide a better assessment of the leadership styles of their boss. As well as providing data on engagement from their perspective. The data collected from the survey was analyzed using the SPSS (version 22) tool. The data was analyzed for data entry precision, Scale Reliabilities, and multiple regression prior to primary analysis.

Population and Sample

The target population included in this study is directors and department heads from various departments employed in the municipality of Greater Amman. The suggested sample size table by Sekaran and Bougie (2010) acceptable for the current study is 274, based on the total population in this study, which is 602. For the entire research population, this means that 274 workers would be used as a representative sample.

RESULTS

First, the reliability of the data collected was investigated utilizing Cronbach's alpha. The values of all the variables involved are illustrated in Table 1.

Variable	Mean	Alpha	Z-values	
			S	K
Leadership (S)	4.672	0.728	-	-
Transformational	5.220	0.897	-1.541	0.619
Transactional	4.182	0.908	-0.442	1.244

Employee (E)	5.373	0.917	-0.661	1.1956
Vigor	5.457	0.880	-	-
Dedication	5.470	0.895	-	-
Absorption	5.195	0.854	-	-

The internal consistency ratings for the leadership styles (Transformational and Transactional Leadership) were 0.897 and 0.908, respectively. In the meantime, internal consistencies of 0.880, 0.895 and 0.854 were obtained for the three dimensions of Employee Engagement: vigor, dedication, absorption, respectively. Furthermore, both of the leadership styles and the engagement of employees are reliable as the cronbach alpha values were higher than 0.70. And in order to assure the validity of correlation, normality test, skewness, and Kurtosis z-values were performed. As shown for each factor in Table 1, the z-values were in the range of -1.96 to +1.96, which are regarded as normally distributed.

Secondly, In order to test the stated hypothesis, Pearson correlation analysis was performed and the results are presented in Table 2.

Table 2		
PEARSON CORRELATION RESULTS (N=274)		
Variables	Sig.	Employee (E)
Transformational Leadership	r	0.664**
	Sig. (1-tailed)	0
Transactional Leadership	r	0.304*
	Sig. (1-tailed)	0.028
*Sig. (1-tailed) at 95%; ** Sig. (1-tailed) at 99%		

Both of the Pearson correlation coefficients (r) extracted are positive and significant. Which means that both Transformational leadership (0.664, Sig.<0.01) and Transactional Leadership (0.304, Sig.<0.05) were associated positively and significantly with Employee Engagement. Thus H1, H2 received support. Also shown, is that the Transformational Leadership Style has a stronger association with the Employee Engagement (E), in comparison with Transactional leadership, which means that adopting a Transformational Leadership is preferred.

DISCUSSION

This research has investigated the relationship between Employee Engagement and Transformational and Transactional Leadership Styles. It has also examined perceptions of the Employee Engagement, the study revealed that the level transformational leadership and transactional leadership was of a moderate degree and a mean of 5.220, 4.182, in total. As for the dimensions of leadership style, the results of the study revealed that the extent of Employee Engagement in great municipalities came to a high degree with a mean of 5.220. It suggests that the Transformational Leadership style practiced more frequently which is in agreement with (Schaufeli & Bakker, 2004). Also, Shadi & Atan (2018), who analyzed the leadership styles in different Jordanian universities to see the impact of ethical leadership and other styles, concluded that among leaders in Jordan a Transformational Leadership Style is generally preferred. Moreover, both the Transformational and Transactional Leadership Styles fall into "Sometimes" on the scale, which indicates that both types of leaders are, in fact, still widely seen. Also, the Employee Engagement mean is 5.373 which is within the "frequently" range. It is possible to assume that the degree of Employee Engagement in the Greater Amman Municipality is high. So, they have the ability to immerse themselves, emotionally, physically and Cognitively in their work.

Additionally, Transformational Leadership and Transactional Leadership are associated positively and significantly with Employee Engagement. which supports the proposed hypotheses; H1 and H2. Also, Transformational Leadership has stronger associations with the Employee Engagement, and is considered the preferred style in Greater Amman Municipality.

CONCLUSION

Based on the results, leadership style (transformational and transactional leadership), there is an urgent need to pay attention to these practices through conducting training programs, seminars and workshops for employs to consolidate the meanings of transformational leadership and transactional leadership. And, more specifically, both styles of leadership are positively and significantly related to the employees engagement, but still the style of transactional leadership shows a stronger association with the employees engagement. The study also recommends the need for leaders to pay attention to, train and empower employees. The establishment of role models and good morals by mayors provides an opportunity for employees to emulate them. Also, activating the role of oversight in local administration units is an important issue to ensure that the municipality's energies and resources are harnessed for the public interest. Encouraging and promoting high-performing people creates and entrenches a culture of achievement in the Greater Amman Municipality.

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