The Relationship between Leadership Styles and Job Performance: The Role of Work Engagement as a Mediator: Review Article

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Abstract
Job performance of managers is affected by so many factors in business organizations. Job performance stands on different factors; few of them are personal or individual traits and opportunities or system factors. This all is related to the work, which have significant
The job performance is considered as one of the key indicators to measure the performance of an organization as seen in many studies (Wall et al., 2004). The performance is gauged usually in financial terms but sometimes other factors are also taken into consideration like task related aspects and expected behaviors, which affect performance (Motowidlo, 2003). The performance of the organization is based on absolute or relative judgement, which is considered as the true reflector of overall performance (Gomez-Mejia, Balkin, & Cardy, 2007; Wall et al., 2004). In addition to that job analysis can also be used in setting the standards for performance for each employee (Heneman & Judge, 2005). In order to improve employee job performance there is need to identify whether current organizational structure is supportive or not and also refine job characteristics so that the employees can be encouraged to perform at their highest possible outcome (Johari & Yahya, 2009).

Transformational leadership is a motivational technique through which a leader inspires followers and practices thinking of motivation (Bass et al., 2003; Dvir et al., 2002). The inspirational motivation and idealized influence are the key constituents of transformational leadership that works as charismatic paradigm and also shows an image of future that is collective. Personalized consideration comprises the leader taking into consideration individual variances. Scholarly motivation outlined as the leaders awareness of ideas and thoughts (Bass & Avolio, 1995). Whereas, the transactional behavior is different with transformational behavior, where cooperation is achieved through rewards (Burns, 1978). Transactional leaders consider conditional return as main part of their leadership style against the services performances given by the employees. There are two types of management active and passive; active focuses on corrective measures to be taken as the problem is determined whereas, passive management suggests management by exemption, this works to take remedial measures on the determining the issue.

An extensive research is conducted on transactional leadership and transformational leadership highlighting the ways managers and employees can achieve

**Keywords:** Transformational Leadership, Transactional Leadership, Work Engagement, Job Performance.

1. **INTRODUCTION**

The job performance is considered as one of the key indicator to measure the performance of organization as seen in many studies (Wall, Michie, Patterson, Wood, Sheehan, Clegg, & West, 2004). The performance is gauged usually in financial terms but sometimes other factors are also taken into consideration like task related aspects and expected behaviors, which affect performance (Motowidlo, 2003). The performance of the organization is based on absolute or relative judgement, which is considered as the true reflector of overall performance (Gomez-Mejia, Balkin, & Cardy, 2007; Wall et al., 2004). In addition to that job analysis can also be used in setting the standards for performance for each employee (Heneman & Judge, 2005). In order to improve employee job performance there is need to identify whether current organizational structure is supportive or not and also refine job characteristics so that the employees can be encouraged to perform at their highest possible outcome (Johari & Yahya, 2009).
targeted performance. Further the empirical research on the leadership styles would develop the understanding regarding the job performance issue. Looking at the past studies it was found that leadership has significant influence on organizational output which is linked with individual and combined team performance in human resource management (Luthans, Avolio, Walumbwa, & Li, 2005; Peterson & Luthans, 2003). Likewise, some other researcher (i.e., Howell & Avolio, 1993) determined that leaders role is very important in increasing the performance of individuals at work place. Keeping in view the significance of leadership role in the organizations it will help to enhance the performance of managers and individuals incorporating work engagement as mediating variable.

Work engagement (WE) is known as affective motivational and work related condition to fulfill in the employees which is described as vigor, dedication and absorption together (Schaufeli,Bakker, & Salanova,2006). The employees who are highly engaged are with high energy, high level of enthusiastic in work and found engrossed fully towards the job and feel the time is flying all the way (Macey & Schneider, 2008; May, Gilson, & Harter, 2004). Feedback and social support are known common antecedents for the work engagement as the characters for job, leadership induce positive effects and consciousness as dispositional characters (Christian et al., 2011).

2. LITERATURE REVIEW

2.1 Job Performance

Job performance is required to meet the targeted outcomes of the organization. Therefore the leader’s performance is an important element in order to measure the organizational performance, especially when this performance is referred into leaders’ attribution terms (Wall et al., 2004). Mostly the performance is seen through numerical figures but it can also be checked through task related factors and expected behaviors (Motowidlo, 2003). There are so many other matters which may be looked in under the umbrella towards individual performance in various organizations. In addition, there are two basic concepts which are consequent for the performance a) efficiency and b) effectiveness; which are based on input output philosophy and on the goal achievement and outcome respectively.

The role of the leader is to take all the key decisions that could help directly in the accomplishment of tasks and attainment of set goals and along with this the leader also knows the effects of his decisions of the departments as a whole (Wolverton, 1990). Actually the concepts of accomplishment and achievement and task completion and execution, all are originated from the word “performance”. Thus, the performance of the leader can be evaluated on the basis of efficiency in his/her functional performance and effectiveness in his/her goals achievement, task completion and also how he/she is proficient in resource allocation in practice. And how the managers and subordinates depicts reassurance in one an other's competencies and integrity; up to what extent conflict happens among employees and in what ways they try to reach mutual objectives and goals; what is the level of discussion that is held in the process of decision making; in what pattern communication is carried out at all levels in the organization; managers right mindfriendliness level is at what level in the organization (Seldin, 1988).
2.2 Leadership Style

According to Barrow (1976) leadership behaviors and flexibility seem causal determinants of job performance. Everett (1987) and Fowler (1991) indicated that managers’ behavior as being constantly associated with job performance and their leadership styles as being the power predictors for organizational effectiveness. Howell and Avolio (1991) indicated that leadership styles are main predictors in organizational effectiveness and performance of the business. Bowman and Kogut (1995) stated that organizational structure had a major impact on human resources performance. Hersey and Blanchard (1982) emphasized the leadership style and the work settings in which the leadership occurs to produce a measure of effectiveness. Hersey, Blanchard and Johnson (1996) identified that the key component is to identify leadership effectiveness as one of the component of maturity. They have referred that the maturity is a capacity to set very high and attainable goals, capabilities, willingness, experience and taking responsibility for both individual and group. According to DuBrin (2001) leader is one who is characterized as leader with a consistent patterns of behavior. Though, lot of research has been done in the domain of leadership and job performance and was found significant but still leadership styles with systematic foundation is unclear and dotted. There are evidences from the last decade research by any scholars who investigated different leadership power and mostly the scholars come across to highlight that transformational and transactional are the leadership styles which are more noticeable and important among other leadership styles (Dvir et al., 2002; Wheststone, 2002; Avolio & Bass, 2004).

Further, Gradner and Stough (2002) have come up with comparison of transactional with transformational leadership and stated that transformational leadership is seems more successful as compare to transactional leadership. The support in favor of this assumption of transformational leadership is more effective in comparison to transactional leadership is also found with strong evidences in many studies (e.g., Divir et al., 202; Bass et al., 2003). But, according to Low et al., (1996) transactional leadership and transformational leadership cannot be considered as opposite to each other. The characteristics of both leadership styles can be used by a single leader at different times or at the same time. In addition to, some other researchers (Glynn, 1996; Argyris & Schon, 1996; Hurly & Hult, 1998; Shah & Hamid, 2015; Shah, Hamid, Memon, & Mirani, 2016) found that leaders with transformational leadership individuals are motivated in order to bring innovation in the process, take up changes positively, and create such a dynamic environment for learning which improves the individual and organizational performance at large. Transactional leadership on the other hand plays an important part in controlling areas of management where decisions are taken, where this leadership style rely on punishment and contingent reward but transformational leadership does not work so at controlling part (Waldman, Bass & Yammarino, 1990). Additionally, the leadership which adopts changes and is based on change management, set up consistent understanding to bring success in business and has a high impact on the behaviors and attitudes of followers in the human resource area. Thus it can be said that transformational leadership can be useful to redirect attention of intellectuals towards the new emerging problems in the real scenario in the organizations.
Although both the leadership styles have concentration on their group of people who are perusing the organizational desired objectives but transactional leadership style is related towards giving the feedback related to their performance and transformational leadership drives the followers to achieve the set objectives (Kelman 1958). This is only the concentration of the leader that makes distinctions between transactional leadership style and transformational leadership style. Besides this transformational leaders support the followers with the recognition and internalizing the process where as transactional leaders use obliging agreement. It is well clear that the transformational behaviors try to get better the effectiveness of the leader in addition one can achieve throughout transactional leadership style. Almost all the studies conducted on transactional leadership styles have found not much about leader behaviors in so far as different in performance and other parameters of standards. Thus mainly the transactional leaders keep providing the performance feedback, while extraordinary leaders play the active part towards transformational leadership conduct as well.

### 2.3 Leadership Styles, Work Engagement and job performance

The literature review has shown that there was a correlation between the three styles of leadership of the full range model transformational, transactional, and laissez-faire and the constructs of job satisfaction and organizational commitment. Additionally, the literature review has shown a correlation relationship between work engagement and its components, and the constructs of job satisfaction and organizational commitment. The two constructs of job satisfaction and organizational commitment serve as mediating constructs between the leadership style and work engagement constructs. An examination of the literature was made to determine if there was evidence of a direct correlation between the three leadership styles and work engagement. Zhu, Avolio, and Walumbwa (2009) conducted a study of supervisors and employees in a wide range of industries in South Africa, regarding transformational leadership and follower work engagement. The results of the study indicated a correlation of .58 (p<.01) between transformational style of supervisors and follower work engagement. Babcock-Roberson and Strickland (2010) conducted a study in a large Western university regarding the mediating effect of work engagement between charismatic leadership and organizational citizenship behaviors. The result of the study indicated a correlation of .40 (p<.01) between charismatic leadership and work engagement.

The effective leadership styles contribute towards better performance in the times when new challenges are faced (McGrath & MacMillan, 2000). In addition, the effects of leadership on performance are considered more important in view of researchers as they think that leaders play an important role in motivating their subordinates in order to increase job performance. Competition in performance lowers returns and results performance competition reduces returns, which ultimately cause creative destruction of current capability (Santora et al., 1999). Therefore it is empirically tested that transformational leadership shows positive relationship with the job performance, perception and attitude of leader (Zhu et al., 2005). According to (Mahdinezhad, Suandi, Silong, Daud, & Omar, 2013) leadership style increases the overall efficiency of higher education institutions; as a result, they take up leadership style which refines skills and abilities of the
academic leaders and assist them to attain the job performance, and it is also asserted that the styles of leadership can support in the improvement of leadership competence of both leaders and develop their performance and commitment. Transformational leaders do create clear picture for future and do affect their followers to implement and form a very clear picture of future and affecting others to put into action and share this picture in spite of restrictive and resistance conditions (Shah et al., 2016). Bass (1985) has mentioned that transformational style of leadership is linked with assumed effectiveness of a unit and is surely influencing other related outcomes of institution. There are four transformational leadership constituents; (i) Customized consideration, is one who takes into account the needs of every individual for development and success acting as coach. (ii) Intellectual stimulationis the one who motivates the subordinates to find out the new ways to meet the challenges and come up with the solutions of new problems.(iii) Inspirational motivationis the one who stimulates the tasks of their subordinates to persuade and encourage them. (iv)Idealized influenceis one who considers trust, admire and respect. The leaders are role models and are followed by the subordinates to correspond expressed ethics, principles and values. Thus, transformational leadership seems positively associated towards leader’s performance.

On the other hand transactional style of leadership recognizes some expectations of the leader and provides returns in compensation of their job performance well done. Bass (1985) identified two factors for transactional leadership constituent; (i) Management by Exception, and (ii) Contingent reward. The transactional leaders pay rewards in the form praise, merit increases, promotions, bonuses and honors (Bass, 1985). The contingent rewards ultimately enhance the job performance of the subordinates. The performance of the leader is found with the evaluation of leader’s behavior and the output contribution towards the stated objectives of the organization, achievements related to the goals identified by the organization and suitable to the followers interpersonal behaviors which are linked with organizational norms. A basic principle of “full range” leadership model is that style of transformational and style of transactional leaderships are not regarded as continuums of opposite split ends (Avolio & Bass, 1991). A leader can show all the behaviors of full range. Howell and Avolio (1993; Shah & Hamid, 2015) discovered links between performance and transformational leadership style. Furthermore, the study suggested that the implications of trainings would also result in growing skills of both the leadership styles; transactional and transformational that ultimately improves the job performance of the leader as well as organizational outcomes and performance.

Work engagement is proposed as mediator in the paper which is defined by (Schafeli et al., 2002; Bakker & Demerouti, 2008) as a positive, fulfilling, work related state of mind that is characterized by vigor, dedication, and absorption”. Vigor is explained as “high level of energy and mental resilience while working, the willingness to invest efforts in one’s work, and persistence even in the face of difficulties” while dedication refers to “a sense of significance, enthusiasm, inspiration, pride, and change”. Absorption another dimension of work engagement refers to concentrate fully and in depth engaged to one’s work where the time flies so quick and it becomes difficult for the worker to detach from the work. The employees who are engaged have high level of liveliness at the work place and they are
highly dedicated to their work. Moreover, such employees are very much engrossed in the work. It is seen at the availability of job resources such as coworker support, and supervisor support which enhance work engagement. This ultimately turns it into good results and employee outcomes positively Bakker & Demerouti, 2008; Bakker et al., 2004)

3. CONCEPTUAL FRAMEWORK

According to Bass (1985) transformational style of leadership is linked with assumed effectiveness of a unit and is surely influencing other related outcomes of the organization. This is based on four transformational leadership constituents; (i) Customized consideration, signified by the leader who takes into account the needs of every individual for development and success acting as coach. (ii) Intellectual stimulation, offered to the leaders who motivates the subordinates to find out the new ways to meet the challenges and come up with the solutions of new problems. (iii) Inspirational motivation, signified by the leaders who stimulate the tasks of their subordinates to persuade and encourage them. (iv) Idealized influence, considered by the leaders who consider trust, admire and respect. As the leaders are role models and are followed by the subordinates to correspond expressed ethics, principles and values. Thus, transformational leadership seems positively associated towards leader’s performance. Bass (1985) identified two factors for transactional leadership constituent; (i) Management by Exception, and (ii) Contingent reward. The transactional leaders pay rewards in the form praise, merit increases, promotions, bonuses and honor. The contingent rewards ultimately enhance the job performance of the subordinates. The performance of the leader is found with the evaluation of leader’s behavior and the output contribution towards the stated objectives of the organization, achievements related to the goals identified by the organization and suitable to the followers interpersonal behaviors which are linked with organizational norms. Work engagement is used in the context of employees those who exert greater effort to their work and are emotionally connected, fully involved, and enthusiastic about their jobs and their organizations (Bakker & Schaufeli, 2008). Work Engagement is defined according to Schaufeli and Baker (2004) which refers to “a positive, fulfilling, work related state of mind that is characterized by vigor, dedication, and absorption. Therefore based on literature reviewed, conceptual framework is proposed in Figure 1

Figure 1. leadership styles, work engagement and job performance

![Figure 1. leadership styles, work engagement and job performance](http://edupediapublications.org/journals/index.php/IJSS/)
4. CONCLUDING REMARKS AND FUTURE RESEARCH

The leader’s job performance is the key indicator which improves the overall performance and enhances the competitive advantage of the organization. However, performing on average what is prescribed in leadership styles is; Customized consideration, Intellectual stimulation, Inspirational motivation, Idealized influence, contingent rewards and management by exception. This paper examines the linkages in between leadership styles and job performance with mediating role of work engagement. The leadership styles can support in developing leadership capabilities of the leaders and increase the commitment and their performance. In addition to this the earlier researchers has focused on partially on transactional and transformational styles. Though Bass (1985) argued that transformational and visionary leadership seems quite more effective as compare to transactional leadership at most of times, other than that some other scholars claimed only one single leadership style is not effective (Lim & Ployhart, 2004). In addition to that work engagement as mediating variable may be tested in between leadership styles and job performance. Therefore it is proposed that most important for a leader to be more effective is to fit in the style which best suits in prevailing situation, institutional setting and interaction. It also provides adequate prospect leaders to improve their ways goal settings, goals accomplishment, resource allocation and on job self-performance to achieve greater success for their organizations. The future research may focus on incorporating performance appraisal politics as moderating variable between leadership styles and job performance to further validate the empirical results with leader member exchange theory and equity fairness and justice theory.

References


