The effects of Transformational Leadership on In-role Performance: The Mediating Role of Meaningfulness at Work

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ملخص البحث:

يقوم القادة التحويليون (Transformational leaders) بتحفيز مرؤوسيهم لتحقيق مستويات أداء تتجاوز التوقعات. وعلى الرغم من أن الأبحاث السابقة قد وجدت أن القيادة التحويلية لها تأثير إيجابي على أداء الموظفين، إلا أن الآلية التي تأثر بها لم يتم التحقق منها بالشكل الكافي. ونتيجة لذلك، تهدف الدراسة الحالية إلى البحث في إمكانية كون المغزى الوظيفي (Meaningfulness) متغير وسيط وذلك من أجل فهم طبيعة العلاقة بين القيادة التحويلية (Transformational leadership) وأداء الدور الوظيفي (In-role performance) من أجل فهم طبيعة العلاقة بين القيادة التحويلية (Transformational leadership) وأداء الدور الوظيفي (In-role performance).

تم جمع البيانات من عينة قوامها 204 موظف يعملون في قطاع الرعاية الصحية في منطقة مكة المكرمة بالمملكة العربية السعودية. بالإضافة إلى ذلك، فقد تم تحليل البيانات المجمعة باستخدام (Partial Least Square) للوصول لنتائج الدراسة. وجدت الدراسة الحالية أن القيادة التحويلية لها تأثير إيجابي كبير على أداء الدور بالنسبة للموظفين. بالإضافة إلى ذلك، تم إثبات أن المغزى الوظيفي يعمل كمثبط وسريع في العلاقة بين القيادة التحويلية وأداء الدور الوظيفي للموظفين. وبناءً على ذلك فإن أحد الأدوار الرئيسية للقيادة في المنظمات هو تعزيز المغزى الوظيفي للموظفين وذلك من أجل تعزيز أداء أوكارهم الوظيفية. كما تضمنت الدراسة مناقشة النتائج والآثار المترتبة عليها بالإضافة إلى حدود الدراسة وبعض التوصيات من أجل الأبحاث المستقبلية.

الكلمات المفتاحية: القيادة التحويلية، أداء الدور الوظيفي، المغزى الوظيفي.
Abstract

Transformational leaders motivate their followers to perform above and beyond expectations. Although previous research has found that transformational leadership has a positive impact on employees' performance, the mechanism by which transformational leadership influences in-role performance has yet to be fully investigated. As a result, the current research will look at the function of one such mediator (meaningfulness at work) in understanding the link between transformational leadership and in-role performance. The data were collected from a sample of 204 employees working in the healthcare sector in Makkah Province, Saudi Arabia. In addition, the collected data were analyzed using the partial least squares technique to achieve the study findings. The current study found that transformational leadership has a considerable favorable impact on followers' in-role performance. In addition, meaningfulness at work was shown to mediate the association between transformational leadership and in-role performance in this study. The implications of the findings, limitations of the study, and its scope for future research are also discussed.

Keywords: transformational leadership, in-role performance, meaningfulness at work.

Introduction

In recent decades, both academics and management practitioners have paid close attention to transformational leadership. The prevalence of this style of leadership can be shown in the fact that it has been included in more than half of leadership studies over the last two decades (Bryman, 1992). Transformational leadership differs from all previous leadership theories in that it engages followers in a meaningful way that secures both organizational goals and personal progress. Both the leader and the
follower achieve a better degree of motivation and morality in this relationship (Bass, 1985). Burns (1978) stated that the ability to persuade followers to seek goals beyond their self-interests is what distinguishes transformational leadership from all other types of leadership.

Individual and organizational outcomes have been demonstrated to be favorably correlated with transformational leadership (Kirkpatrick & Locke, 1996). There have been numerous studies over the past 30 years that show a strong correlation between transformational leadership and positive organizational outcomes such as perceived organizational justice (Pillai et al., 1999), employee job satisfaction (Hater & Bass, 1988; Ross & Offermann, 1997), employee commitment (Gathungu et al., 2015), organizational citizenship behavior (Podsakoff et al., 1990), and employee performance (Lai et al., 2020).

By integrating their followers' self-identity with the organizational identity, transformational leadership halts their followers' commitment to the organization's goals. This newly discovered identity motivates individual followers to remain faithful to both the leader and the organization. In other words, the follower, the leader, and the organization form a deep and meaningful bond (Bass & Riggio, 2006). This bond creates an emotional attachment in the employee to both the leader and the organization. A substantial association between transformational leadership and performance has also been documented in previous research (Lai et al., 2020).

Bass (1985) discussed how transformational leaders motivate their followers to go above and beyond by helping them reach their actual potential. Transformational leadership promotes relationship-based performance, which encompasses ethical behaviors, collaboration, healthy competition, and a goal-oriented strategy (Bass & Riggio, 2006). Previous research has looked at the link between transformational leadership and
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their employees' extra-role behaviors, which, although not required, are highly valued (Podsakoff et al., 1996).

Although several studies have found that transformational leadership has a favorable impact on followers’ job outcomes, little is understood about the mechanism by which transformational leadership works (Conger, 1999; Sivanathan et al., 2004). Many scholars have called for more research into the underlying processes through which transformational leaders impact the work outcomes of their followers (e.g., Shamir et al., 1993; Yukl, 2013). Yukl (2013) acknowledged the ambiguity surrounding the mediating processes through which transformational leaders affect their followers and called for additional empirical research to shed light on the process. One way that transformational leaders affect followers is by assisting them in finding meaning in their work. Transformational leaders inspire their people to reconsider their jobs by raising them from mundane, repetitive, and menial tasks to something more significant. This elevation of their job as something essential and its contribution to the larger organizational goals is what motivates them to go above and beyond in their roles.

As a result, the indirect influence of transformational leadership on followers' in-role performance, as mediated through followers' perceptions of meaningfulness at work, will be examined in this study (see Figure 1).

Literature Review and Hypothesis Development

The Relationship between Transformational Leadership and In-role Performance

The concept of transformational leadership has been first proposed through a comparison with transactional leadership (Burns, 1978). Bass (1985) provided further development on the concept and its definition and dimensions. Since then, transformational leadership theory has been
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studied and used as a useful framework for understanding the effect of leadership (Breevaart & Zacher, 2019; Piccolo & Colquitt, 2006). According to Bass (1985), transformational leadership has four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Transformational leadership is one of the most studied theories in the realm of leadership and related areas over the last three decades (Judge et al., 2004). Followers perceive transformational leadership as a leader's activities supporting the transcendence of their goals and encouraging them to perform above and beyond expectations. Leader behaviors include idealized influence, inspirational motivation, intellectual stimulation, and personalized concern (Grant, 2012; Judge et al., 2004).

Transformational leadership has been linked to a variety of individual and organizational outcomes, including organizational commitment, organizational citizenship behavior, creativity, engagement, innovation, empowerment, embeddedness, performance, and satisfaction (Banks et al., 2016). The performance of the followers is the most important outcome variable among the others. Bass (1985) largely linked transformational leadership to the employee performing above and beyond their expectations. Bass thought that transformational leadership may lead to an excellent performance from followers in the end (Wang et al., 2011). In addition, in-role performance is a common outcome variable in the most study on transformational leadership with other variables (Wang & Howell, 2010). It implies that in-role performance is an important topic in the field of transformational leadership research. Several Meta-analytical studies and empirical research concluded that transformational leadership has a favorable impact on followers' in-role performance (Banks et al., 2016; Dvir et al., 2002; Wang & Howell, 2010). Accordingly, the following hypothesis is proposed.

H1. Transformational leadership is positively related to employees’ in-role performance.
Meaningfulness at Work as a Mediator

This study investigates the relationship between transformational leadership and the in-role performance of followers. Previous research suggests that valid reasons for followers to follow a leader include increasing the amount of effort that followers put in, motivating them to achieve more than the bare minimum, inspiring them to be more innovative, establishing trust with followers, and allowing followers to excel in their careers (Dvir et al., 2002; Wang & Howell, 2010). However, this study postulates that leadership may improve the in-role performance of followers by enhancing the followers' sense of meaningfulness in their work.

Meaningfulness at work is defined as the worth of a work aim or purpose, as measured against an individual's values and standards, it entails the individual's inherent care about the assigned tasks (Thomas & Velthouse, 1990). To put it another way, meaningfulness at work refers to one's belief that he or she may find personal fulfillment at work (Farzaneh et al., 2014; Spreitzer, 1995). Because employees are devoted, engaged, and focused on their job while they are feeling meaningfulness in their work, it is a crucial component of work motivation (Lee, 2015). Employees are disengaged from their work if they do not believe their work is meaningful (Thomas & Velthouse, 1990).

Employees find meaning in their job when they have strong moral convictions and a sense of internalization regarding organizational values (Arnold et al., 2007; Ghadi et al., 2013). Furthermore, Ghadi et al. (2013) and Lysova et al. (2019) found that a creative work environment fostered by transformational leaders' intellectual stimulation behavior increases job meaningfulness. Employees regard their job as more authentic and value-creating when they use a novel strategy to handle performance difficulties. In addition, previous research has found a link between transformational
leadership and meaningfulness (Arnold, 2017; Perko et al., 2014). In light of the aforementioned argument, this study suggests the following hypothesis.

H2. Transformational leadership is positively related to meaningfulness at work.

Employees and organizations benefit from meaningfulness at work in a variety of ways, including improved employee well-being, job satisfaction, and organizational commitment (Arnold et al., 2007; Duffy et al., 2015; Geldenhuys et al., 2014). Employee performance enhancement is a key component of meaningfulness at work. Previous studies showed that there is a positive association between meaningfulness at work and employees' in-role performance. Several theories have been offered to explain the beneficial association. Several studies concluded that employees with a sense of meaning at work are more driven to achieve better levels of performance because it allows them to recognize the value of their job (Li et al., 2015; Spreitzer, 1995). In other words, employees that have a high sense of meaning at work are more dedicated and focused on their work (Lee, 2015). Employees’ meaningfulness at work enhances their in-role performance as previous studies indicate that in-role performance enhances when employees are dedicated to, involved with, and concentrated on their job (Caesar et al., 2017; Cesário & Chambel, 2017). Employees who have a strong sense of meaning in their job are more likely to incorporate different points of view and utilize creativity to address performance issues, which ultimately results in increased performance (Walumbwa et al., 2018). In accordance with this argument, this study proposes the following hypothesis.

H3. Meaningfulness at work is positively related to in-role performance.

Bearing in mind the aforementioned argument, transformational leadership is associated with higher levels of meaningfulness at work (Ghadi et al.,
2013), as well as meaningfulness at work is positively related to in-role performance. Therefore, it is reasonable to assume that the relationship between transformational leadership and in-role performance is mediated by meaningfulness at work (Grant, 2012; Piccolo & Colquitt, 2006). Accordingly, this study proposes the following hypothesis.

H4. Meaningfulness at work mediates the relationship between transformational leadership and employees’ in-role performance.

Figure 1: Conceptual model.

Method

Sample and Procedure

This descriptive cross-sectional study was designed to examine the effect of transformational leadership on employee in-role performance while taking into consideration meaningfulness at work as a mediator. Data were collected from participants from the health care sector in Makkah Province, Saudi Arabia. In total, 250 questionnaires were distributed of which 204 were completed and used for this study. In particular, male respondents had the higher participation rate, accounting for 137 (67.2%), whereas there
were only 67 (32.8%) female respondents. Thus males constituted the majority of respondents. In addition, 157 of the respondents held a bachelor's degree, 118 were between 25-35 years old, and 109 worked for 6 to 10 years which accounts for (76.9%), (57.8%), and (53.4%) respectively.

**Measures**

Multiple items designed and evaluated in prior research were used to measure the variables included in this study. Each measure was evaluated on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). In addition, all scales were back-translated into Arabic according to Brislin's (1980) proposal. Demographic information, transformational leadership, meaningfulness at work, and in-role performance are among the four components of the questionnaire.

Transformational Leadership: The Global Transformational Leadership Scale (GTL) developed by Carless et al. (2000) was utilized to measure transformational leadership. Internal consistency of GTL has been documented in the literature on a regular basis. A sample item is “My supervisor communicates a clear and positive vision of the future”. Cronbach's alpha for transformational leadership was 0.918.

Meaningfulness at Work: Spreitzer’s (1995) three-item measure was used to assess employees’ perceptions of meaningfulness at work. A sample item is “The work I do is very important to me.”. The Cronbach’s α for meaningfulness at work was 0.871.

In-role Performance: The seven-item questionnaire created by Williams & Anderson (1991) was used to assess perceived in-role performance. A sample item is “I adequately complete assigned duties”. Cronbach’s α for this instrument was 0.927.
Data Analysis

This study employed SmartPLS (Ringle et al., 2005) as the major data analysis tool. SmartPLS is a software that uses the Partial Least Squares (PLS) approach to estimate both theoretical model and hypothesized correlations. PLS is a "softer" modeling approach than covariance-based structural equation modeling (CB-SEM) as it has fewer strict prerequisites. For example, PLS analysis does not require multivariate normality or large samples (Henseler et al., 2009; Hair et al., 2011). PLS is better to multiple regression analysis because it allows for the evaluation of both measurement and structural models (Palanski et al., 2011).

Similar to Hair et al. (2011), this study used a two-step analytical technique. The measurement model was evaluated in the first step to ensure its validity and reliability. The structural model was examined in the second stage to corroborate the hypothesized model's direct and indirect interaction linkages.

Results

Common Method Variance

When comparable scales with the same number of answer possibilities are employed, common method bias can occur, and misleading correlations between variables can be generated by similar sources. According to Podsakoff & Organ (1986), common method bias is an issue when a single component accounts for the bulk of explained variance. The results of the common method variance test showed that the general factor explained only 24.73% of the overall variance, therefore, common method variance is not a problem in the current study.

Measurement Model

The measurement model examines the relationships between indicators and constructs. It examines the scales' reliability and validity. The reliability of a measure reflects its lack of bias (error-free) measurement throughout time and across items in the instrument (Sekaran, 2003). It shows the instrument's consistency. The reliability of this study was assessed using
factor loading, Cronbach's alpha, and composite reliability (CR). According to Hair et al. (2017), loading should be greater than 0.70, and items with very low loadings (below 0.40) should be removed. Furthermore, items with loadings between 0.40 and 0.70 should only be removed if they cause an increase in the CR or the AVE above the recommended threshold value. In this study, item loading ranged from 0.755 to 0.913 which is above the recommended cutoff value. The values of Cronbach’s alpha for the three latent variables ranged from 0.871 to 0.927. On the other hand, the CR values for the eight latent variables ranged from 0.921 to 0.941. Therefore, the three latent variables satisfied Cronbach’s alpha value guidance of at least 0.6 and CR value guidance of at least 0.7 laid out by (Hair et al., 2017). Table 1 summarizes the result of the reliability tests.

On the other hand, validity indicates how well an instrument measures what it is supposed to measure. It measures how accurately a score expresses concepts. Validity is measured by convergent, and discriminant validity. Convergent validity requires that concepts should be related are indeed related (Zikmund et al., 2009), and is assessed by calculating the Average Variance Extracted (AVE; Fornell & Larcker, 1981). Discriminant validity concerns the degree to which two variables are predicted to be uncorrelated and the empirical scores are found to be so (Sekaran, 2003). The Heterotrait-Monotrait ratio (HTMT) and the Fornell-Larcker method are used to assess discriminant validity in this study. The AVE in this study ranged from 0.672 to 0.795. According to Fornell & Larcker (1981), a score of 0.50 demonstrates acceptability for AVE. In addition, the results show that all values of HTMT were less than 0.85, which has been suggested as the highest acceptable value (Henseler et al., 2015). Furthermore, the Fornell-Larcker test shows that the square root of the AVE for each latent variable is greater than the respective correlation values.

Table 1 Factor loadings, average variance extracted, composite reliability, and Cronbach's alpha of items in this study.
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Variables & Measures | Factor Loading | Cronbach's Alpha | Composite Reliability | AVE
--- | --- | --- | --- | ---
Transformational Leadership | 0.918 | 0.935 | 0.672 |
TL1 | 0.769 |
TL2 | 0.783 |
TL3 | 0.884 |
TL4 | 0.863 |
TL5 | 0.753 |
TL6 | 0.816 |
TL7 | 0.861 |
Meaningfulness at Work | 0.871 | 0.921 | 0.795 |
MW1 | 0.882 |
MW2 | 0.898 |
MW3 | 0.894 |
In-role Performance | 0.927 | 0.941 | 0.698 |
RP1 | 0.773 |
RP2 | 0.814 |
RP3 | 0.897 |
RP4 | 0.844 |
RP5 | 0.755 |
RP6 | 0.838 |
RP7 | 0.913 |

**Structural Model**

The structural model examines the causal relationships between latent constructs. (Hair et al., 2017) suggested several steps to assess the structural model that includes; assessment of multicollinearity; assessment of the path co-efficient; and assessment of the predictive relevance ($Q^2$). Multicollinearity was investigated using the variance inflation factor (VIF). In this study, the VIF values of the predictor constructs range from 1 to 3.917 which is lower than the offending value of 5 (Hair et al., 2011) which suggests that there were no collinearity issues. Furthermore, the standardized path coefficient $\beta$ was obtained from the PLS algorithm, while the statistical significance of each path was determined by the t-value for a given bivariate relationship based on bootstrapping function with 2000 replications.
iterations (Palanski et al., 2011). As shown in Table 2, the result of the study supports the significant positive effect of transformational leadership on in-role performance ($\beta=0.686, p<0.001$), and meaningfulness at work ($\beta=0.863, p<0.001$), as well as, the positive effect Meaningfulness at work on in-role performance ($\beta=0.304, p<0.001$). Therefore, Hypotheses 1, 2, and 3 are confirmed. Last but not least, the research model’s predictive relevance was assessed using the $Q^2$ test. According to Geisser (1975) and Stone (1974), the result should be greater than 0. The analysis of this study reported that the $Q^2$ results range from 0.581 to 0.638, this implies that the model has predictive relevance for all endogenous constructs.

The bootstrapping method is applied to examine this mediating effect. By dividing the indirect effect ($ab$) by the standard error of the indirect effect, the $t$ values for the indirect effects can be obtained. The standard deviation of the repeated bootstrap estimates of the indirect effect is denoted by the standard error. The result shows that transformational leadership has a significant indirect effect on in-role performance ($\beta=0.262, p<0.001$).

<table>
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<tr>
<th>Path Coefficient and Hypotheses Testing (Direct and indirect Effects)</th>
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<tr>
<td>Path Coefficients</td>
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<td>TL -&gt; RP</td>
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<td>TL -&gt; MW</td>
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<td>MW -&gt; RP</td>
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<td>DS -&gt; OI -&gt; AC</td>
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**Discussion**

*Theoretical and Practical Implications*

As predicted, the direct relationship between transformational leadership and employee in-role performance in H1 was supported. First, the finding
demonstrates that employees who have transformational leaders are more likely to be energetic, dedicated, and exert extra effort in work. The results of this hypothesis among Saudi employees are in line with previous studies (Banks et al., 2016; Gong et al., 2009; Podsakoff et al., 1996; G. Wang et al., 2011). Second, this study identified that transformational leadership creates meaning in work as in H2 and that meaning at work also predicts in-role performance as expected in H3. Last but not least, the H4 findings support the mediation role of meaningfulness at work in the relationship between transformational leadership and in-role performance. This is consistent with House & Dessler’s (1974) arguments that by focusing on the psychological status of subordinates the effect of intermediating variables on less immediate outcomes can be systematically allowed for in the relationship between leadership and its outcomes. This study identified meaningfulness at work as a psychological process by which transformational leadership is translated to employees’ in-role performance.

The findings of this study also lead to several suggestions for practice. First, the positive mediation effect of meaningfulness at work on transformational leadership and employee in-role performance implies that transformational leadership is a trustworthy antecedent of desirable individual performance (Bass & Avolio, 1997). As a result, firms that provide significant development programs of leadership focusing on encouraging employees’ contributions tend to extract the greatest benefit in work environments that need cooperation.

Managers should pay special attention to human factors in order to encourage employees. Subordinates work harder in their professions for a variety of reasons, including transformational leadership. Perceived meaningfulness provides the immediate incentive and capacity to generate greater in-role performance, according to the mediating function of meaningfulness at work found in this study. As a result, organizations may
evaluate work meaning as a key indicator to guarantee that transformational leadership practices have a beneficial impact on in-role performance.

Soft management abilities contribute to a greater feeling of purpose in the workplace. Individual capacity can be promoted in a variety of ways, including personal qualities for jobs (Fernet et al., 2015), linking individuals' job tasks to meaningful results (Lysova et al., 2019), promoting positive dynamic behavior and cooperative culture (Duffy et al., 2015), retaining desirable norms and values, as well as establishing trust in relationships (Grant, 2012).

**Limitation and Direction for Future Research**

This study has several limitations. First, as with all cross-sectional studies causality must be handled with caution. The cross-sectional study technique, as opposed to the longitudinal study strategy, does not allow for a more confident analysis of data collecting. Thus, future research might replicate the study using longitudinal analysis in order to derive more consistent and accurate explanations for the causal effect of the variables, as well as to determine if the hypothesized model changes over time. Second, because this study relied on self-report surveys, there is a risk that the data was biased on the basis of being socially desirable. Fisher (1993) confirms that social desirability in answering social science questions leads to misleading conclusions. Future research might use multiple sources for data collection. Finally, it is recommended that future research strengthen the tested conceptual model by integrating other mediating mechanisms such as trust in managers and work engagement. This might help in the development of a more comprehensive model. As a result, provide managers with crucial data for developing new ways to impact and eventually improve employee in-role performance.
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