



The Effect of Transformational Leadership on Employee Engagement with Perceived Organizational Support as a Mediating Variable

Aditia Jaya Saputra¹, RR. Erlina², Zainnur M. Rusdi³

^{1,2,3} Magister Management, University of Lampung, Indonesia

ABSTRACT

Published Online: December 09, 2024

Employee engagement is a key factor in the success of an organization. One of the government agencies in Bandar Lampung (UPTD) Bandar Lampung has set targets as an integral part of the organization's program plan, which includes achieving targets. However, the realization of these targets from 2018 to 2022 has fluctuated. This is suspected to be due to insufficient employee engagement in the organization. In this study, employee engagement is influenced by transformational leadership both directly and indirectly through perceived organizational support as a mediating variable. The aim of this study is to examine the impact of transformational leadership on employee engagement, the impact of transformational leadership on perceived organizational support, the impact of perceived organizational support on employee engagement, and whether perceived organizational support mediates the effect of transformational leadership on employee engagement. The sample size for this study is 120 respondents, using a simple random sampling method. The analysis tool used is SEM-AMOS.

Purpose: The aim of this research is to know the effect of transformational leadership on employee engagement with perceived organizational support as a mediating variable.

Patients and methods: Data has been obtained from the answer of questionnaire testing on 120 respondents who were used as samples in research using techniques simple random sampling.

Results: The results of the study show transformational leadership has a positive and significant effect on employee engagement, transformational leadership has a positive and significant effect on perceived organizational support, perceived organizational support has a positive and significant effect on employee engagement, and transformational leadership has a positive and significant effect on employee engagement through perceived organizational support.

Conclusion: Companies can advised to implement a more effective and structured communication strategy. One important step is to hold regular meetings at all levels of the organization, where leaders actively convey the company's vision, mission, and goals. Additionally, the organization can conduct anonymous employee surveys, open discussion forums, and suggestion boxes. Management needs to actively listen, respond, and take concrete actions based on employee feedback to build trust and increase engagement. The organization should also create a collaborative and supportive work culture, encourage teamwork by integrating teamwork assessments into performance evaluations, and provide training on leadership and interpersonal skills to enhance employees' ability to work together.

KEYWORDS:

Transformational Leadership, Perceived Organizational Support, Employee Engagement, SEM-AMOS.

Corresponding Author: Aditia Jaya Saputra

**Cite this Article: Aditia Jaya Saputra, RR. Erlina, Zainnur M. Rusdi (2024). The Effect of Transformational Leadership on Employee Engagement with Perceived Organizational Support as a Mediating Variable. International Journal of Social Science and Education Research Studies, 4(12), 1291-1295*

1. INTRODUCTION

Leadership is one of the factors that shapes and helps others to work and enthusiastically achieve planned goals in relation to organizational success (Winardi, 2012). Effective leadership should provide direction to all employees' efforts in achieving organizational goals. Without leadership, the alignment between individual goals and organizational goals may become misaligned (Supardi et al., 2022). Terry (1960) in John (2012) states that leadership is the activity of

Aditia Jaya Saputra et al, The Effect of Transformational Leadership on Employee Engagement with Perceived Organizational Support as a Mediating Variable

influencing people so they are directed toward achieving organizational goals. According to George (2021), transformational leadership is defined as a leadership approach that brings about change in individuals and social systems. Ideally, this approach creates valuable and positive change in followers with the ultimate goal of developing them into leaders. Based on its authentic form, transformational leadership enhances followers' motivation, morale, and performance through various mechanisms. Transformational leadership is closely related to the level of employee engagement within an organization

Employee engagement can be enhanced through the company, management, and leadership (Margaretha, 2009). In fact, Schaufeli (2009) states that the relationship between an individual and their direct supervisor is a factor that plays a role in increasing the level of employee engagement. In addition to being used as a measure to predict employee engagement, leadership also has an indirect influence on other factors that may affect engagement levels, such as strong communication, trust and integrity, and job empowerment (Werther, 2019). Thus, employee engagement within a company is inseparable from the role of a leader.

Perceived Organizational Support reflects employees' perceptions of the extent to which the organization supports and values their contributions and presence. Perceived organizational support includes employees' belief that the organization is willing to provide assistance, attention, and appreciation for their efforts. In the context of the relationship between leadership, employee engagement, and perceived organizational support, the support reflected in perceived organizational support can be a driver of employee engagement. Employees who feel supported are more likely to have high engagement because they feel their value is recognized and their contributions are appreciated. Research conducted by Bernarto et al. (2020) states that transformational leadership has a positive effect on perceived organizational support. Similar research by Kao et al. (2023) found that transformational leadership has a positive cross-level effect on perceived organizational support.

Perceived organizational support can act as a mediator in the influence of transformational leadership on employee engagement within an organizational context. Effective transformational leadership can create a supportive work environment and strengthen employees' perceptions of organizational support for them. In this context, transformational leaders who are able to inspire, provide clear direction, and attend to employees' needs and expectations will foster a positive perception of organizational support. This perception includes emotional support, instructional support, and support related to organizational resources, such as training and career development.

The discrepancy between target achievement and the realization by UPTD Region I Bandar Lampung during the 2018-2022 period is suspected to be due to low employee engagement at the office. One factor that can influence employee engagement is unsupportive and non-transformational leadership. A lack of communication and transparency from leaders can make employees feel unheard or insufficiently informed about decisions and changes occurring within the organization. Additionally, uncertainty in the direction and purpose of work can reduce employee engagement, as employees may lose a clear sense of orientation and goals in their work. Furthermore, a lack of career development and professional growth opportunities can also affect employee engagement. These factors can negatively impact perceived organizational support (POS) at UPTD Region I Bandar Lampung.

II. METHOD

This research is a descriptive quantitative study, where data obtained from the research sample is analyzed according to the statistical methods used and then interpreted. Primary data were obtained from respondents at the research site, which comprised the employees of UPTD Region I Bandar Lampung. Field research was conducted by distributing questionnaires to the employees of UPTD Region I Bandar Lampung to be answered. The population in this study consists of all employees working at UPTD Region I Bandar Lampung, totaling 183 employees. The sample size calculation in this study followed the sample size guidelines proposed by Hair et al. (2016), resulting in 120 respondents. This study used a Probability Sampling technique, with the sampling method being Sample Random Sampling. This study uses SEM-AMOS analysis tools and the Sobel test to measure the effect of transformational leadership on employee engagement with perceived organizational support as a mediating variable.

III. RESULTS

Structural Equation Modeling (SEM) is a statistical technique used for analyzing complex relationships between variables. Structural Equation Modeling (SEM) is a second-generation multivariate analysis technique that allows researchers to examine complex relationships between variables, both recursive and non-recursive, to obtain a comprehensive picture of the overall model. SEM is conducted with the assistance of the AMOS program. The Goodness of Fit test is used to evaluate the model employed in the research. The model fit test is conducted after the Structural Equation Modeling analysis has been performed. This test aims to determine how well the observed frequencies align with the expected frequencies. SEM analysis techniques use several statistical tests to test the hypotheses of the developed model. These statistical tests are used to measure the model's fit in the research after the assumptions in SEM are met. The results

Aditia Jaya Saputra et al, The Effect of Transformational Leadership on Employee Engagement with Perceived Organizational Support as a Mediating Variable

of the SEM measurement model analysis can be seen in the following table:

Table 1 Goodness of Fit

Goodness of Fit Indices	Result	Cut Off Value	
Chi Square Probability	122,438 0,000	≥ 0,05	NotFit
GFI	0,852	≥ 0,90	Marginal Fit
AGFI	0,774	≥ 0,90	Not Fit
TLI	0,938	≥ 0,90	Good Fit
CFI	0,919	≥ 0,90	Good Fit
RMSEA	0,108	≤ 0,08	Not Fit
RMR	0,026	≤ 0,05	Good Fit

Table 1 indicates that the results of the Goodness of Fit Index analysis on the Structural Equation Model of this study is considered good because the Goodness of Fit Index analysis in Table 16 above, the model is considered acceptable if at least one of the model fit tests is met (Haryono, 2016: 66). In this study, there are three model fit tests that are considered good fit, namely TLI, CFI, and RMR, thus the model meets the good goodness of fit criteria. This explains that the model used in this research produces the expected predictive accuracy. Therefore, this model is considered good and suitable for explaining the relationships between variables in the model. Full-model SEM analysis can be conducted after analyzing the unidimensionality level of the indicators forming latent variables, tested with confirmatory factor analysis. The analysis of data processing in the full-model SEM stage is carried out by conducting fit tests and statistical tests. The results of the data analysis for the full SEM model are presented in Figure 1.

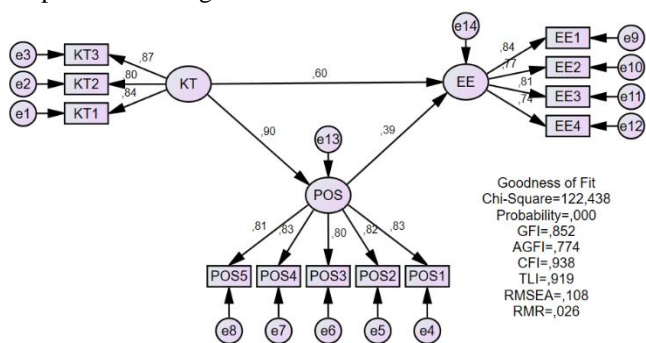


Figure 1. Result of the Structural Equation Model (SEM)

Figure 1 shows the coefficient values of the transformational leadership variable, which is suspected to influence employee engagement through perceived organizational support among employees of UPTD Region I Bandar Lampung. The calculations using the AMOS tool yield values for direct, indirect, and total effects, which will be used to observe and analyze both direct and indirect (mediated) effects. The table

below presents the results of the direct, indirect, and total effects:

Table 2. Direct Effect Result

	KT	POS	EE
POS	,904	,000	,000
EE	,603	,391	,000

Table 3. Indirect Effect Result

	KT	POS	EE
POS	,000	,000	,000
EE	,353	,000	,000

Table 4. Total Effect Result

	KT	POS	EE
POS	,904	,000	,000
EE	,956	,391	,000

The researcher can measure and calculate the influence of transformational leadership on employee engagement through perceived organizational support as a mediating variable by comparing the values of direct and indirect effects. Comparing the direct effect value with the indirect effect values is a way to observe the influence of the independent variable on the dependent variable through the mediating variable (indirect effect). It can be concluded that if the value of the direct effect is smaller than the value of the indirect effect, it means that the variable has an indirect influence through the mediating variable. The direct effect value of the transformational leadership variable is 0.32, which is smaller than the indirect effect value of 0.93. This indicates that transformational leadership can influence employee engagement through perceived organizational support as a mediating variable.

Table 5. Sobel Test

Variabel	t-stat	P-value	Kesimpulan
a	0,861	2,227	Transformational Leadership affects Employee Engagement with Perceived Organizational Support as a mediating variable
b	0,380		
sa	0,089		
sb	0,166		

In Table 5, the results show that the p-value of 0.000 is smaller than the alpha value of 0.05, which means that H0 is rejected and Ha is accepted. This indicates that transformational leadership has a significant effect on employee engagement through perceived organizational support as a mediating variable.

Aditia Jaya Saputra et al, The Effect of Transformational Leadership on Employee Engagement with Perceived Organizational Support as a Mediating Variable

3.1 Hypothesis Testing

Hypotheses regarding the direct effects between independent variables on dependent variables can be explained through the Regression Weight values. Decision-making based on the Regression Weight results involves comparing the p-value with the alpha level. If the p-value is smaller than the alpha value (0.05), then the independent variable significantly affects the dependent variable. The following are the results of the Regression Weight:

Table 6. Regression Weight Result

			Estimate	S.E.	C.R.	P	Label
POS	<- --	KT	,861	,089	9,674	***	
EE	<- --	KT	,559	,163	3,427	***	
EE	<- --	POS	,380	,166	2,294	,022	

Based on Table 6, analyzes the direct effect of transformational leadership on employee engagement. Based on Table 18, it is known that the transformational leadership variable has a p-value of 0.00, which is smaller than the alpha value (0.05), indicating that transformational leadership has a significant effect on employee engagement.

3.2 The Effect of Transformational Leadership on Employee Engagement

The first hypothesis examines whether transformational leadership has a positive and significant impact on employee engagement. The This study has results that show a value of 0.559 and a CR value greater than 1.96, which is 3.427, and a p-value less than 0.05, which is 0.00. Therefore, the first hypothesis (H1) is supported, indicating acceptance of this hypothesis.

3.3 The Effect of Transformational Leadership on Perceived Organizational Support

The second hypothesis examines whether transformational leadership has a positive and significant impact on perceived organizational support. This study has results that show a value of 0.861, CR value greater than 1.96, which is 9,674, and a p-value less than 0.05, which is 0.00. Therefore, the second hypothesis (H2) is supported, indicating acceptance of this hypothesis.

3.4 The Effect of Perceived Organizational Support on Employee Engagement

The third hypothesis tests whether perceived organizational support has a positive and significant impact on employee engagement. This study has results that shows a value of 0.38, CR value greater than 1.96, which is 2,294, and a p-value less than 0.05, which is 0.02. Therefore, the the third hypothesis (H3) is supported, indicating acceptance of this hypothesis.

3.5 The Effect of Transformational Leadership on Employee Engagement Through Perceived Organizational Support

Based on the Sobel Test, the results show that the probability value of 0.025 is smaller than the alpha value of 0.05, which means that Ho is not supported, while Ha is supported. This indicates that transformational leadership affects employee engagement through perceived organizational support. (H4) is supported, indicating acceptance of this hypothesis.

IV. DISCUSSION

The Effect of Transformational Leadership on Employee Engagement

The results of data analysis show that transformational leadership has a positive and significant effect on employee engagement, so H1 is accepted. These results are in line with the hypothesis stating that there is a positive and significant effects between transformational leadership and employee engagement. This research is also supported by studies conducted by previous research investigating the impact of transformational leadership and employee engagement (Li et al., 2019). The research states that transformational leadership has a positive and significant effect on employee engagement. Transformational leadership can be described through various indicators, such as the leader's ability to communicate the mission to employees, the leader's ability to enhance employee enthusiasm, and the maximization of employee intelligence.

The Effect of Transformational Leadership on Perceived Organizational Support

The results of data analysis show that transformational leadership has a positive and significant effect on perceived organizational support, so H2 is accepted. These results are in line with the hypothesis stating that there is a positive and significant effects between transformational leadership and perceived organizational support. This research is also supported by studies conducted by Asgari et al. (2020) on college students, which proposed that transformational leadership has a positive effect on employee perceived organizational support. This study is further supported by another study conducted by Hermawati et al. (2021) on perceived organizational support, which showed that transformational leadership has a positive influence on perceived organizational support. Perceived organizational support can be described through various indicators, such as participation and involvement, employee well-being, consideration of goals and values, support and availability of assistance, and tolerance for mistakes.

The Effect of Perceived Organizational Support on Employee Engagement

The results of data analysis show that perceived organizational support has a positive and significant effect on employee engagement, so H3 is accepted. These results are in

Aditia Jaya Saputra et al, The Effect of Transformational Leadership on Employee Engagement with Perceived Organizational Support as a Mediating Variable

line with the hypothesis stating that there is a positive and significant effects between perceived organizational support and employee engagement. This research is also supported by studies conducted by (Murthy, 2017) found that employee engagement is supported by perceived organizational support. Another study by Dai & Qin (2016) showed that perceived organizational support has a positive and significant effect on employee engagement. Employee engagement can be described through various indicators, such as involvement, fulfillment of responsibilities, assisting with tasks, and completing work.

The Effect of Transformational Leadership on Employee Engagement Through Perceived Organizational Support

These results align with the hypothesis stating that there is an effect between transformational leadership and employee engagement through perceived organizational support as a mediating variable. H4 is accepted. This research is also supported by studies conducted by Fareed and Su (2022) showed that transformational leadership has a positive cross-level effect on perceived organizational support, with a prior focus on employee engagement. The results of the discussion on the hypothesis regarding perceived organizational support mediating the effect of transformational leadership on employee engagement emphasize that the perceived organizational support plays an important role as a link between leadership style and employee engagement.

REFERENCES

1. Asgari, A., Mezginejad, S., and Taherpour, F. (2020). The role of leadership styles in organizational citizenship behavior through the mediation of perceived organizational support and job satisfaction. *Innovar* 30, 87–98. doi: 10.15446/innovar.v30n75.8325.
2. Bernarto, Innocentius. 2020. Effect of Transformational Leadership, Perceived Organizational Support, Job Satisfaction Toward Life Satisfaction: Evidences from Indonesian Teachers. *International Journal of Advanced Science and Technology* Vol. 29, No. 03, (2020), pp. 5495 – 5503.
3. Dai, K., & Qin, X. (2016). Perceived Organizational Support and Employee Engagement: Based on the Research of Organizational Identification and Organizational Justice. *Open Journal of Social Sciences*, 04(12), 46–57. <https://doi.org/10.4236/jss.2016.412005>
4. Fareed, M. Z., and Su, Q. (2022). Transformational leadership and project success: A mediating role of public service motivation. *Adm. Soc.* 54, 690–713. doi: 10.1177/00953997211040466.
5. George, W. (2021). Transformational Leadership. *Enterprise Transformation: Understanding and Enabling Fundamental Change*, 69–77. <https://doi.org/10.1002/0470007826.ch4>.
6. Hermawati, O., Zalukhu, A., Djap, W., Santoso, E., and Hidayat, D. (2021). The impact of transformational and servant leadership models on perceived organizational support, job satisfaction, and life satisfaction in the Ministry of Clergies of Synod of Gereja Kristus during the COVID
7. John E. Barbuto, Jr. and Gregory T. Gifford. 2012. Motivation and Leader-Member Exchange: Evidence Counter to Similarity Attraction Theory. *International Journal of Leadership Studies*. Vo. 7. Iss. 1. Pp. 18-28.
8. Kao, J. C., Cho, C. C., & Kao, R. H. (2023). Perceived organizational support and organizational citizenship behavior—A study of the moderating effect of volunteer participation motivation, and cross-level effect of transformational leadership and organizational climate. *Frontiers in Psychology*, 14(February), 1–15. <https://doi.org/10.3389/fpsyg.2023.1082130>.
9. Li, H., Sajjad, N., Wang, Q., Ali, A. M., Khaqan, Z., and Amina, S. (2019). Influence of transformational leadership on employees' Innovative work behavior in sustainable organizations: test of mediation and moderation processes. *Sustain* 11:1594. doi: 10.3390/SU11061594.
10. Margaretha, M., & Saragih, S. (2009). Employee Engagement: Upaya Peningkatan Kinerja Organisasi. *Journal Psychology*.
11. Murthy, R.K. Perceived organizational support and work engagement. *Int. J. Appl. Res.* 2017, 3, 738–740.
12. Schaufeli, W. &. (2009). Defining and Measuring Work Engagement: Bringing Clarity to the Concept. *Journal of Organizational Behavior*, 146-154.
13. Supardi, & Aulia Anshari. (2022). Pengaruh Kepemimpinan Transformasional Dan Budaya Organisasi Terhadap Kinerja Karyawan Ptpn Ix Batujamus. *Jurnal Publikasi Manajemen Informatika*, 1(1), 85–95. <https://doi.org/10.55606/jupumi.v1i1.243>.
14. Werther, William B Davis Keth, 2019, *Human Resource and Personal Management*, Fifth Edition. Printed in The United States of America: McGraw Hill, Inc.
15. Winardi, W. (2012). *Manajemen Sumber Daya Manusia*. Jakarta: Prenada Media Group.