

Influence of Transformational Leadership on Work Involvement Mediated by Structural Empowerment at CV. Dian Jaya Abadi

Ni Putu Sintya Dyantari¹, I Wayan Gede Supartha²

Faculty of Economics and Business, Udayana University (Unud), Bali, Indonesia

ABSTRACT : *This study aims to examine the effect of transformational leadership on job involvement mediated by structural empowerment in CV. Dian Jaya Abadi. This research is an associative research and is carried out on all employees at CV. Dian Jaya Abadi with a total of 42 respondents. The sampling technique is saturated sampling. Data collection obtained from the results of distributing questionnaires directly and analyzed with Path Analysis. The results of this study indicate that transformational leadership has a positive and significant effect on job involvement, transformational leadership has a positive and significant effect on structural empowerment, structural empowerment has a positive and significant effect on job involvement, structural empowerment mediates the effect of transformational leadership on job involvement. CV. Dian Jaya Abadi is expected to pay attention to the level of transformational leadership to its employees, it is necessary to maintain the level of structural empowerment of its employees, and to be able to maintain employee work involvement so as not to interfere with the effectiveness and efficiency of the company.*

Keywords -*transformational leadership, job involvement, structural empowerment*

I. INTRODUCTION

In the era of globalization, technological developments will have a major impact, one of which is competition in the trade sector. This competition causes companies to be able to adjust themselves in order to maintain their existence (Hidayati & Roisah, 2017). Job involvement is essential for the company's long-term growth as well as increasing profits in an increasingly competitive industry (Tsarenko et al., 2018). Industrial competition has become increasingly tighter lately, resulting in many companies needing to rearrange strategies to increase their existence. Employees in a company are not only part of carrying out company functions but become valuable assets in the success of the company, to realize the company's success, the company's valuable assets, namely employees need to have full involvement in the company (Lin & Lee, 2017). Companies must also encourage employee involvement in their work so that they can improve company performance. The process of managing employees and in realizing proper organizational performance requires adequate leadership, so that leadership is one of the most dominant factors in shaping value and influencing the organization (Joel, 2017).

Job involvement can be seen from the extent to which the individual identifies themselves with their work, either actively participating in it, or considers the performance they do important for himself (Putra & Riana, 2020). Job involvement is characterized by employees having a high level of concern for work, a feeling of being psychologically attached to the work they are doing and having a strong belief in their ability to complete the job (Anggreyani & Satrya, 2020). Less optimal work involvement at this time is still relatively much shown by employees of CV. Dian Jaya Abadi. The results of the observation show that during working hours there are often employees who are not enthusiastic and less focused at work, namely not immediately working on tasks or delaying completing work but prefer to chat about something that is not related to work, playing on cellphones and employees often do not come to the office without clear reasons so that the completion of the main task is neglected. Based on data compiled 2017-2019 employee absenteeism at CV. Dian Jaya Abadi, it is known that there are still employees who are not present without information during that period. Lack of work involvement at CV. Dian Jaya Abadi reflects a lack of motivation to contribute to the organization.

Social exchange theory provides a theoretical basis for explaining how acceptance of leadership style and structural empowerment can be related to work engagement, this theory explains social exchange as a process of exchange negotiated between parties that require reciprocity (Laksmana & Riana, 2020). When the relationship between leaders and employees is formed, a reciprocity will result, such as psychological meaning, safety or availability when the leader shows a sincere personality or a supportive leadership (Priastana & Mujiati, 2020). Employees may feel compelled to retaliate with a high degree of engagement when the organization

provides a work environment and job resources such as support, information or feedback, although transformational and transactional leadership can contribute to job engagement (Sudewi & Darmayanti, 2019).

Job involvement is a relatively new construct that has been conceptualized by many. Job involvement is evidence that employees are very involved in the work that is being carried out, so that job involvement is considered so important because it relates to how employees are able to perform their duties and responsibilities or not (Alikor & Ajor, 2020). Job involvement can be interpreted as a measure to which individuals psychologically side with their work and consider the level of performance achieved as self-reward. Important indicators in work involvement between work attitudes related to work learning, work resources, work performance, intention, innovation, and service atmosphere can be obtained to reflect the desire for individual dedication to their work (Lin & Lee, 2017). Job involvement is the level of psychological identification of employees with their work, actively participates in their work, and considers performance at work to be important to themselves. Structural empowerment refers to having access to information, support, sufficient resources and opportunities to learn and grow in the workplace (Piartrini & Nugraha, 2020). Empowerment is a process by which a superior or manager shares the power that is owned by the employees' subordinates or staff. Empowerment appears to provide more control over work-related situations and decisions allowing employees to have more flexibility and responsibility with respect to various customer needs (Tsarenko et al., 2018).

In addition, leaders play an important role in creating empowering workplace conditions that can produce positive personal and organizational results (Abouraia & Othman, 2017). Engaged employees are more imaginative, productive, and more hardworking, therefore an inherent understanding of the relationship between transformational leadership and structural empowerment is key to increasing job engagement in today's highly competitive business environment (Putri & Wibawa, 2020). Structural empowerment has been associated with firm characteristics, such as a higher degree of employee autonomy, control, and better relationships with managers. Employees who work in an empowering environment, can have adequate support needed to achieve high quality. Structural empowerment also has an influence on employee-oriented behavior. Empowerment depends on having access to information, organizational support and the need for resources to work well (Devyanti & Satrya, 2020).

II. HYPOTHESIS DEVELOPMENT

Transformational leadership has a positive impact on structural empowerment which results in higher job satisfaction and reduces patient adverse outcomes (Boamah et al., 2018). Khan & Griffin (2018) Sierra & Castro (2018) found that leader empowerment behavior affects work engagement (positive influence) and fatigue (negative influence) through structural empowerment. According to Rizwan & Faisal (2018) transformational leadership contributes positively and significantly to structural empowerment. Transformational leadership is significantly related to structural empowerment.

H1: Transformational leadership has an effect on structural empowerment

According to Ansar (2017) Transformational leadership has a significant effect on job involvement. Wu & Lee (2020) in their research suggested that transformational leadership positively affects job involvement. Other research also states that there is a positive relationship between transformational leadership and employee performance or involvement in the education industry (Nurtjahjani et al., 2020). Lai et al. (2020) Qabool & Jalees (2017) found that transformational leadership has a significant positive effect on work engagement.

H2: Transformational leadership influences job involvement.

Structural empowerment has a positive influence on work engagement through five of the six areas of work life (namely control, value congruence, respect, community and justice). According to Amor (2019) structural empowerment is positively related to job involvement. This also in line with Rashid Azar et al. (2018) Puncreobutr & Wattanasan (2016) Kumudhavalli & Karthi (2019) Aggarwal et al. (2018) Hagerman et al. (2017) Alotaibi et al. (2020)

H3: Structural empowerment affects work involvement.

According to Amor (2019) stated that structural empowerment of work involvement has a direct effect on transformational leadership. Managerial transformational leadership positively influences nurse engagement through the mediating effect of structural empowerment (Sierra & Castro, 2018). According to Rizwan & Faisal (2018) transformational leadership contributes positively and significantly to structural empowerment, a study conducted by Boamah et al. (2018) shows that structural empowerment and psychological capital are associated with greater job involvement.

H4: Structural empowerment affects job involvement through transformational leadership.

III. METHODS

This study uses an associative research design, which analyzes the effect of transformational leadership variables on job involvement through structural empowerment as a mediating variable. The sample research method used is saturated sample, where all members of the population are used as samples. The sample in this study were all employees of CV. Dian Jaya Abadi, totaling 42 people. This study used several data collection methods as follows. Interviews and surveys using a questionnaire, data were analyzed by path analysis

Operational Definition of Variables

Transformational Leadership (X)

In transformational leadership style, there are four dimensions. The dimensions in this paper are as follows: Idealized Influence; Inspirational Motivation, Intellectual Stimulation and Individualized Consideration.

Structural Empowerment (M)

Structural empowerment is to free someone from tight control by the existence of instructions, policies, and orders, and to give freedom to take responsibility for ideas given to management for decisions and actions given in the workplace. Dimensions of structural empowerment: Formal Position, Resources, Control of Information, Network Centrality

Job Engagement (Y)

Employees who have job involvement are employees who consider work as part of the most important in their life. There are 6 indicators that can be used in measuring the level of work involvement as follows: Active participation in work; Showing work is the main thing; Seeing work as important to self-esteem; Mental and emotional involvement; Contribution motivation; Responsible

IV. RESULTS AND DISCUSSION

Respondents were dominated by male employees (54.8%), age range from 21 to 30 (47.6%), this shows that the employees of CV. Dian Jaya Abadi is mostly in their productive period; The working period of most respondents is less than 1 year (38.1%), meaning that it is dominated by new employees

Table 1. Substructural Path Analysis 1

Variabel	Unstandardized Coefisients		Standardized Coefisients	t	Sig.
	B	Std. Error	Beta		
(Constant)	4,300	2,806		1,532	0,133
Transformational leadership (X)	0,161	0,037	0,565	4,336	0,000

Source: primary data processed, 2020

$$Z = 0,565X + e_1 \dots \dots \dots (1)$$

The regression coefficient value of the transformational leadership variable has a positive value with a t-test significance of less than 0.05. This shows that the transformational leadership variable has a positive and significant effect on structural empowerment. The magnitude of the influence of the independent variables on the dependent variable can be seen through the total determination value (R-Square) of 0.320 which means that 32.0% of the variation in structural empowerment is influenced by variations in transformational leadership, while the remaining 68.0% is explained by other factors. not included in this research model.

Table 2. Substructural Path Analysis 2

Variable	Unstandardized Coefisients		Standardized Coefisients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1,018	3,367		0,302	0,764
Transformational Leadership (X)	0,178	0,053	0,422	3,382	0,002
Structural Empowerment (M)	0,657	0,184	0,445	3,566	0,001

Source: primary data processed, 2020

$$Y = 0,422X + 0,445M + e_2 \dots \dots \dots (2)$$

The significance value of each independent variable is less than 0.05. This shows that all independent variables have a significant effect on the dependent variable. The magnitude of the influence of the independent variables on the dependent variable can be seen through the total determination value (R-Square) of 0.588 which means that 58.8% of the variation in work involvement is influenced by variations in transformational leadership and structural empowerment, while the remaining 41.2% is explained by other factors not included in this research model. The total determination value is 0.723 which means that 72.3% of the variation in the work involvement of the employees of CV. Dian Jaya Abadi is influenced by variations in transformational leadership and structural empowerment, while the remaining 27.7% is explained by other factors that are not included in the research model

The direct effect of the transformational leadership variable on structural empowerment is 0.565. The direct effect of structural empowerment on work involvement is 0.445 and the direct effect of transformational leadership on job involvement is 0.422. This means that the job involvement variable is more influenced by the structural empowerment variable than the transformational leadership variable. Meanwhile, the indirect effect of the transformational leadership variable on work involvement through structural empowerment as a mediating variable is 0.251 so that the total effect of the transformational leadership variable on work involvement through structural empowerment as a mediating variable is 0.673.

The effect of transformational leadership on structural empowerment of employees of CV. Dian Jaya Abadi obtained a positive beta coefficient of 0.565 with a significance value of $0.000 < 0.05$, which means that transformational leadership has a positive and significant effect on the empowerment of employees of CV. Dian Jaya Abadi, (**H1 accepted**) this in other words can explain that when employees feel the presence of transformational leadership, employees will be structurally empowered

The effect of structural empowerment on the work involvement of employees of CV. Dian Jaya Abadi obtained a positive beta coefficient of 0.422 with a significance value of $0.000 < 0.05$, which means that structural empowerment has a positive and significant effect on the work involvement of employees of CV. Dian Jaya Abadi (**H2 accepted**), this in other words can explain that when employees are empowered structurally, employees will be more involved in work or in other words, employee work involvement will increase

The effect of transformational leadership on the work involvement of employees of CV. Dian Jaya Abadi obtained a positive beta coefficient of 0.422 with a significance value of $0.000 < 0.05$, which means that transformational leadership has a positive and significant effect on the work involvement of employees of CV. Dian Jaya Abadi (**H3 accepted**), this in other words can explain that when employees are provided with transformational leadership properly, employee involvement will be good too.

The role of structural empowerment in mediating the effect of transformational leadership on employee work involvement based on the results of the single test results that the Z count is $3.97 > 1.96$, it can be concluded that structural empowerment is a variable that can mediate the influence of transformational leadership on work involvement (**H4 accepted**). This explains that when employees are given good transformational leadership and good structural empowerment, these employees will increase their work involvement.

This study clarifies that the theory of social exchange theory has been confirmed in this study because this study reveals that social exchange in the context of the relationship between employees and their superiors or in this case is transformational leadership, which means that the better the superior provides stimulation to the employees, the employees tend to react to stimuli. Therefore, the social exchange theory has been confirmed in this study. Companies need to pay attention to how good leadership will be able to influence employees to engage optimally with their work so as to increase effectiveness and efficiency. Companies need structural empowerment of their employees because the better the employees' structural empowerment will increase the employee's work involvement. Companies need to pay attention to the work involvement of employees at CV. Dian Jaya Abadi because it will affect the effectiveness and efficiency of the company

Based on the research that has been done, there are several limitations that need to be described as follows: This research was conducted only in the scope of CV. Dian Jaya Abadi so that these results cannot be used in different companies in similar or non-similar business fields; and the factors that influence employee work involvement in this study are transformational leadership and structural empowerment, while there are many other factors that can influence based on the available literature.

V. CONCLUSION

Transformational leadership has a positive and significant effect on the work involvement of employees of CV Dian Jaya Abadi. These findings explain that when the level of transformational leadership is high, the

work involvement of CV Dian Jaya Abadi employees will be even higher. Transformational leadership has a positive and significant effect on the structural empowerment of employees of CV Dian Jaya Abadi. These findings explain that the higher the transformational leadership level of CV Dian Jaya Abadi employees, the higher the employee's structural empowerment at CV Dian Jaya Abadi. Structural empowerment has a positive and significant effect on the work involvement of employees of CV Dian Jaya Abadi. This finding clarifies that the better the employee's structural differentiation, the higher the employee's work involvement in CV Dian Jaya Abadi. Structural empowerment mediates the effect of transformational leadership on the work involvement of employees of CV Dian Jaya Abadi. This finding means that structural empowerment is able to mediate the effect of transformational leadership on employee work engagement of CV Dian Jaya Abadi.

CV Dian Jaya is expected to pay attention to the level of transformational leadership to its employees by providing relationships and attention on an ongoing basis; maintaining the level of structural empowerment of its employees by means of training or development programs to increase employee productivity; and able to maintain employee work involvement so as not to interfere with the effectiveness and efficiency of the company by paying attention to transformational leadership levels through good relationships and involving employees structurally.

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