

American Journal of Humanities and Social Sciences Research (AJHSSR)

e-ISSN :2378-703X

Volume-5, Issue-4, pp-65-71

www.ajhssr.com

Research Paper

Open Access

Affective Commitments Mediating the Effect of Transformational Leadership on Employee Engagement

Harly Kabul Bastian Ginting¹, Ida Bagus Ketut Surya² Anak Agung Sagung Kartika Dewi³

^{1,2,3} Faculty of Economics and Business, Udayana University, Bali, Indonesia

ABSTRACT : Employee engagement is an inner feeling that employees really want to devote time to their work and significant dedication efforts as well as something exciting and something on which the employee is fully concentrated. This study aims to analyze the role of affective commitment to mediate the effect of transformational leadership on the involvement of PT Warisan Eurindo employees with 84 respondents as a sample through simple random sampling. Data collection using interviews and questionnaires were analyzed with path analysis. The results showed that transformational leadership had a positive and significant effect on employee engagement; affective commitment has a positive and significant effect on employee engagement; Transformational leadership has a positive and significant effect on affective commitment.

Keywords: *transformational leadership, affective commitment, employee engagement*

I. INTRODUCTION

The business ecosystem continues to experience rapid development at the same time as the competition is so competitive. Every company wants its business to run smoothly and get maximum profit which is its main goal. All of that is not something that is easily achieved but it takes hard work to get it. In the process of achieving the main goals of the company, human resources in the company need to be considered and involved in maintaining the company's existence. Organizations need to maintain a level of engagement because it is a major determinant in creating high-level work performance (Borah & Barua, 2018). Employee engagement describes how workers perceive their job as stimulating, energetic, and something they really want to devote significant and meaningful time and dedication to as well as something exciting and something on which they are fully concentrated (Gupta et al., 2016). Engaged employees create a positive impact on organizational goals by saying positive things about the organization, staying longer in their organization, giving their best, independently expanding their own knowledge and skills, being persistent, and being adaptable to change (van Gelderen & Bik, 2016). Engaged employees have a sense of an energetic and effective connection with their work activities and they see themselves capable of fully handling the demands of their job. Employees are involved because for them work is fun (Muhammad & Abdullah, 2016)

The leadership style represents the organizational level that influences engagement (Othman et al., 2017). Transformational leadership is one of the most dominant paradigms in contemporary leadership literature. Transformational leadership style has been defined as the process in which leaders and followers help each other to advance to higher levels of morality and motivation. Transformational leadership is a process in which leaders influence others by changing other people's understanding of what is important so as to inspire others to achieve what might be considered extraordinary results. Leaders are expected to have a vision, care, be able to communicate effectively, and can encourage employees to go further. Good leaders who show positive behavior through providing positive feedback, trust, and fair decision-making practices can help employees feel more obliged, committed, and involved in the organization. Especially in Asian cultures where employees usually develop great respect for leaders and follow what their leaders do in the workplace which turns into a rigid hierarchical relationship.

Fernandez-Lores et al. (2016) define affective commitment as a psychological condition that results in the emergence of positive and emotional behaviors to attach themselves to work and organizations. Affective commitment is related to emotional, identification, and employee involvement in an organization. Highly affective employees still join the organization because of the desire to remain a member of the organization. Organizations need to identify important factors that can be a driver to strengthen employee commitment (Peng et al., 2019). A strong commitment from employees to the organization where they work is also needed by the

organization in order to be able to contribute more to maintaining the existence of the organization. The relationship between transformational leadership and employee engagement in the workplace has attracted a lot of scientific attention. Park (2019) found a significant positive result between transformational leadership and employee engagement. Qabool & Jalees (2017) argue that the direct relationship between transformational leadership and engagement has different intensities under different conditions. This study will fill that gap and will examine transformational leadership in developing employee engagement through mediating affective commitment.

HRD of PT Warisan Eurindo said that employee involvement is a problem for PT Warisan Eurindo. Employees are considered to be less enthusiastic in working their duties at work characterized by a lack of desire to work, and less energy to work. Employees are also considered to lack dedication to the company which is marked by a lack of enthusiasm for employees to work and less proud of the work they are currently doing. The results of interviews with several employees explained that leaders did not encourage employees to solve problems in new ways, they felt that they lacked a sense of emotional attachment from within the company.

Chua & Ayoko (2019) suggest that transformational leadership has a positive and significant effect on employee engagement. Apart from being influenced by transformational leadership, employee involvement can also be positively influenced by affective commitment. Afifah (2019) states that affective commitment is positively and significantly influenced by transformational leadership. In addition to having a direct influence on employee engagement, transformational leadership can also indirectly influence employee engagement through the role of affective commitment as a mediating variable.

II. HYPOTHESIS DEVELOPMENT

Good leaders who exhibit positive behavior through providing positive feedback, trust, and fair decision-making practices can help employees feel more obliged, committed, and involved in the organization. Nurtjahjani et al. (2020), Arman et al. (2019), Al-Amin (2018), Eliyana et al. (2019) also found similar results that there was a positive and significant effect of transformational leadership on employee engagement.

H1: Transformational leadership has a positive and significant effect on employee engagement

There are three explanations for the relationship between affective commitment and job involvement. First, when they feel a strong affective commitment, employees feel obliged to the organization, so they work hard to achieve organizational goals and become more involved in organizational activities (Jabri & Ghazzawi, 2019). They are not only involved in behavior in beneficial roles but also in beneficial extrarolic behavior. Second, employees who are effectively committed to the organization tend to develop positive attitudes towards the tasks assigned to them. Because they like to work for, and maintain their role in, the organization (Jena et al., 2017), they value the tasks assigned to them and have a positive outlook on the work they do. Therefore, they become more willing to invest in their jobs, and want to do better and stay with the organization (Rameshkumar, 2020). The desire to maintain their roles encourages them to put more effort into their jobs.

H2: Affective commitment has a positive and significant effect on employee engagement

Regarding the relationship between transformational leadership and affective commitment, Kalsoom et al. (2018) found that transformational leaders are more able to influence employee commitment than transactional leaders. Ennis et al. (2016) revealed a positive direct effect on the relationship between transformational leadership and employee affective commitment, if supervisors practice transformational styles, employees will feel a sense of belonging and identification with the organization. Transformational leadership has been associated with organizational commitment when transformational leadership behaviors create higher levels of organizational commitment in employees, reduce stress, and activate higher order requirements and cause them to improve their performance for organizational goals. According to Palupi et al. (2017), transformational leadership positively affects organizational commitment by creating follower loyalty and fulfilling follower needs through encouraging followers to reflect on critical issues, implementing innovative procedures, and participation in decision making.

H3: Transformational leadership has a positive and significant effect on affective commitment

Employees with a strong affective commitment develop a feeling of obligation to be involved in organizational activities and achieve organizational goals. Azis et al. (2019) revealed a positive correlation regarding the mediation relationship between commitment to leadership and employee engagement. Asif et al. (2019) also found that affective commitment plays a positive role in mediating the effect of transformational leadership on employee engagement. Lama & Pokhrel (2019) found that there is a partial mediating role of organizational commitment in the relationship of transformational leadership to employee engagement. Kaur et al. (2020) revealed a positive correlation regarding the mediating relationship between commitment to leadership and employee engagement

H4: Affective commitment mediates the effect of transformational leadership on employee engagement

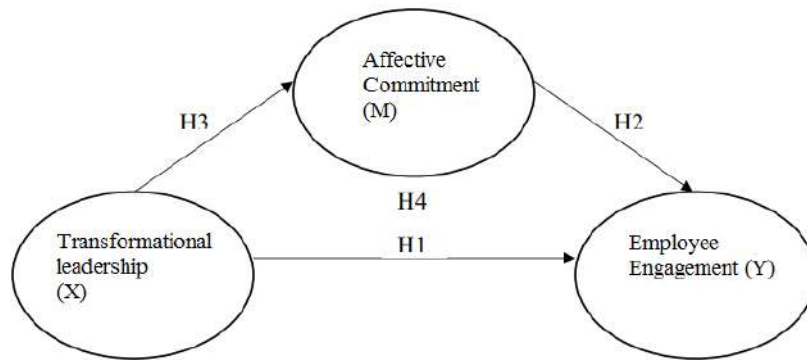


Fig. 1 Conceptual framework

III. RESEARCH METHODS

3.1 Research Design

This research uses quantitative research with surveys and questionnaires as data collection tools. Data collection will be carried out by distributing questionnaires to PT Warisan Eurindo employees. This method is called the quantitative method because the research data is in the form of numbers and the analysis uses statistics. This study aims to discuss the mediation of affective commitment in the relationship between transformational leadership and employee engagement. The population used in this study were 106 employees at PT Warisan Eurindo. Based on calculations with the Slovin formula, the number of samples obtained was 83.79 which were rounded up to 84 respondents. The method of determining the sample of this research is simple random sampling. This study uses path analysis techniques

3.2 Operational definition of the variable

3.2.1 Employee Engagement (Y)

Employee engagement is a term about a sense of attachment and involvement of employees to the company, where the result of this sense of involvement and attachment makes them able to do something beyond their limits, giving their best performance to achieve company goals. The employee involvement variable is measured using Work Engagement Scale, which are : a.) Vigor, b) Dedication, c) Absorption

3.2.2 Transformational leadership (X)

“Transformational leadership is employees' perceptions of the process by which leaders influence others by changing employee understanding so as to achieve extraordinary results. The transformational leadership variable is measured using Global Transformational Leadership Scale: a.) Positive future vision communication. b.) Support for the development of employees as individuals c.) Recognition of employees. d.) Foster involvement when working together between team members. e.) Encourage solving problems in new ways. f.) Consistency about practice with what it says. g.) Inspiration to be highly competent.”

3.2.3 Affective Commitment (Z)

Affective commitment is a psychological condition that results in the emergence of positive and emotional behavior to attach employees to work and organization. Affective commitment is related to emotional, identification, and employee involvement in an organization. The affective commitment variable is measured using Affective Commitment Scale : a) Loyalty b) Participation c) Thinks the organization is the best d) Emotionally attached to the organization where they works

IV. RESULTS AND DISCUSSION

Table 1. Sub structural Path Analysis 1

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	6.367	1.516		4.201	0.000
Leadership Transformational (X)	0.309	0.052	0.549	5.940	0.000
Dependent Variable	Affective Commitment (Z)				
R square	0.301				
Adjusted R Square	0.292				
F Statistic	35.287				
Sig.	0.000				

Table 1 indicate, The regression coefficient value of the transformational leadership variable is positive with a t-test significance of less than 0.05. This shows that the transformational leadership variable has a positive and significant effect on affective commitment. The effect of the independent variable on the dependent variable can be seen through the total determination value (R-Square) of 0.301 which means that 30.1 percent of the affective commitment variable is influenced by the transformational leadership variable while the remaining 29.9 percent is explained by other factors that are not included. into this research model.

Table 2. Sub structural Path Analysis 2

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	15,704	4,179		3.758	0.000
Leadership Transformational (X)	0.357	0,156	0.223	2.294	0.000
Affective Commitment (Z)	1,509	0.276	0.532	5.464	
Dependent Variable	Employee Engagement (Y)				
R square	0.301				
Adjusted R Square	0.292				
F Statistic	35.287				
Sig.	0.000				

Table 2 indicate, 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 effect of the independent variable on the dependent variable can be seen through the total determination value (RSquare) of 0.463 which means that 46.3 percent of the employee involvement variable is influenced by transformational leadership and affective commitment, while the remaining 53.7 percent is explained by other factors that not included in this research model. The total determination value is 0.625 which means that 62.5 percent of PT Warisan Eurindo's employee involvement variable is influenced by transformational leadership and affective commitment, while the remaining 37.5 percent is explained by other factors not included in the research model.

To test the significance of the indirect effect, the Z value of the ab coefficient is calculated by the following formula.

$$\begin{aligned}
 Sab &= \sqrt{b^2Sa^2 + a^2Sb^2 + Sa^2Sb^2} \\
 &= \sqrt{(1,509)^2 \cdot (0,052)^2 + (0,309)^2 \cdot (0,276)^2 + (0,052)^2 \cdot (0,276)^2} \\
 &= \sqrt{(2,278) \cdot (0,003) + (0,095) \cdot (0,076) + (0,003) \cdot (0,076)} \\
 &= \sqrt{0,006834 + 0,00722 + 0,000228} \\
 Sab &= \sqrt{0,014282} = 0,120 \\
 z &= abSab = (0,309) \cdot (1,509) = 0,466 \\
 z &= 0,466 / 0,120 = 4,023
 \end{aligned}$$

The VAF test is carried out to measure how much the mediating variable is able to absorb the previously significant direct effect of the model without mediation. If the VAF value is above 80 percent, it indicates the role of Z as full mediation. If the VAF value is between 20 percent to 80 percent, it can be categorized as partial mediation. However, if the VAF value is less than 20 percent, it can be explained that there is almost no mediating effect.

$$VAF = (axb) / (a + bxc)$$

$$VAF = (0,309 \times 1,509) / 0,515 + (0,309 \times 1,509)$$

$$VAF = 0,466 / 0,515 + 0,466$$

$$VAF = 0,466 / 0,981$$

$$VAF = 0,475 = 47,5\%$$

Because the VAF value of 47.5 percent is greater than 20 percent and less than 80 percent, it can be explained that there is a partial mediation effect, or in other words, affective commitment as a partial mediation. This shows that the effect of transformational leadership on employee involvement is strengthened by the inclusion of affective commitment as a mediator variable

4.1 Transformational leadership on employee engagement

Based on the results of the analysis regarding the effect of transformational leadership on employee engagement, the significance was 0.024 with a beta coefficient value of 0.223. The significance value of 0.024 < 0.05 indicates that **H1 is accepted**. These results prove that transformational leadership has a positive and

significant effect on the involvement of PT Warisan Eurindo employees. These findings also explain that the better the level of transformational leadership, the higher the involvement of PT Warisan Eurindo's employees.

4.2 Affective commitment to employee engagement

Based on the results of the analysis regarding the effect of affective commitment on employee involvement, the results obtained a significance of 0.000 with a beta coefficient of 0.532. A significance value of $0.000 < 0.05$ explains that **H2 is accepted**. These results prove that affective commitment has a positive and significant effect on the involvement of PT Warisan Eurindo employees. These findings also explain that the higher the employee's affective commitment, the higher the involvement of PT Warisan Eurindo's employees

4.3 Transformational leadership on affective commitment

Based on the results of the analysis regarding the effect of transformational leadership on affective commitment, it was obtained a significance value of 0.000 with a beta coefficient value of 0.549. A significance value of $0.000 < 0.05$ indicates that **H3 is accepted**. These results prove that transformational leadership has a positive and significant effect on the affective commitment of PT Warisan Eurindo employees. These results also explain that the better the level of transformational leadership, the higher the affective commitment of PT Warisan Eurindo's employees.

4.4 Affective commitment mediates the effect of transformational leadership on employee engagement

Based on the results of the single test analysis to determine how strong the effect of the mediation of the affective commitment variable, the result is that the calculated z value is $4.023 > 1.96$ with a significance value of $0.001 < 0.05$. In addition, the value of the VAF Test results is 47.5 percent, which means affective commitment is a variable that partially mediates the effect of transformational leadership on the involvement of PT Warisan Eurindo employees, or in other words transformational leadership has an indirect effect on employee involvement through the mediating role of affective commitment (**H4 accepted**). These results also explain that the transformational leadership carried out by the management of PT Warisan Eurindo can increase employee affective commitment so that employee involvement will increase as well.

4.5 Research Implications

The results of this study reinforce the theory used, namely the Social Exchange Theory, because when the company management applies a good transformational leadership style, employees respond to company management in the form of affective commitment so that employees will be more involved in the company. The involvement can be enhanced through a transformational leadership style. This explains that in the future the management of the company can imply better transformational leadership so that employee involvement will increase so that the goals of the company can be achieved. Employee affective commitment can be increased through a transformational leadership style that is good by the company management. This means that the future management of the company is expected to imply good transformational leadership so that employee affective commitment can increase and employee involvement can increase as well.

V. CONCLUSION

5.1 Conclusion

Transformational leadership has a positive and significant effect on employee engagement, the better transformational leadership, the employee involvement will increase. Affective commitment has a positive and significant effect on employee engagement, when employee affective commitment increases, employee engagement also increases. Transformational leadership has a positive and significant effect on employee affective commitment, the better transformational leadership, the employee affective commitment will increase as well. Affective commitment partially mediates the effect of transformational leadership on employee involvement, with the affective commitment variable, the effect of transformational leadership on employee involvement will be stronger

5.2 Suggestions

Employees should pay attention to encouragement from company management to be able to provide solutions to problems with new approaches so as to improve Transformational Leadership, get closer to fellow employees and company management in order to foster a sense of emotional attachment to the company and increase enthusiasm when work and establish good relationships with company management so that employee engagement can increase

5.3 Research Limitations

This research was carried out only within the scope of PT Warisan Eurindo so that these results cannot

be applied to different companies in similar or non-similar business fields. The factors that influence employee engagement behavior in this study are transformational leadership and affective commitment, while there are many other factors that can affect employee engagement based on the existing literature. The limited time and communication that exist because this research was conducted when the COVID-19 pandemic occurred, causing research activities in this case the distribution of the questionnaire was not optimal because it could not assist respondents intently when filling out the questionnaire.

5.4 Further Research

For further research, it is hoped that it will be able to add variables that can affect employee engagement, and be able to expand the scope of research that is not only limited to PT Warisan Eurindo, or can also change the research location which is not only focused on a research location, thus providing a more views and can be implemented in general.

REFERENCES

- [1] Borah, N., & Barua, M. (2018). Antecedents of Engagement: Banking Sector. *SCMS Journal of Indian Management*, 1(1), 13-22.
- [2] Gupta, V., Agarwal, U. A., & Khatri, N. (2016). The Relationships between Perceived Organizational Support, Affective Commitment, Psychological Contract Breach, Organizational Citizenship Behaviour and Work Engagement. *Journal of Advanced Nursing*, 72(11), 2806–2817.
- [3] van Gelderen, B. R., & Bik, L. W. (2016). Affective organizational commitment, work engagement and service performance among police officers. *Policing: An International Journal of Police Strategies & Management*, 1(1), 1.
- [4] Muhammad, I. G., & Abdullah, H. H. (2016). Assessment of organizational performance: Linking the motivational antecedents of empowerment, compensation and organizational commitment. *International Review of Management and Marketing*, 6(4), 1.
- [5] Othman, A. K., Hamzah, M. I., Abas, M. K., & Zakuan, N. M. (2017). The influence of leadership styles on employee engagement: The moderating effect of communication styles. *International Journal of Advanced And Applied Sciences*, 4(3), 107–116. <https://doi.org/10.21833/ijaas.2017.03.017>
- [6] Fernandez-Lores, S., Gavilan, D., Avello, M., & Blasco, F. (2016). Affective commitment to the employer brand: Development and validation of a scale. *BRQ Business Research Quarterly*, 19(1), 40–54. <https://doi.org/10.1016/j.brq.2015.06.001>
- [7] Peng, C. F., Hamid, Z., & Nizam, M. . (2019). Intermediary Effect of Intention of ICT adoption on the Relationship of Attitudes toward Adoption and Adoption of VLE among the Malay Language Teachers. *Global Journal of Business and Social Science Review*, 7(2), 151–157.
- [8] Park, C. K. (2019). Transformational Leadership and Employee Engagement from the HRD Perspective. *Korean Review of Corporation Management*, 10(3), 19–36. <https://doi.org/10.20434/kricm.2019.10.10.3.19>
- [9] Qabool, S., & Jalees, T. (2017). Transformational Leadership and Employee Attributes. *Market Forces*, 7(2), 21. <https://doi.org/10.1108/md-07-2014-0464>
- [10] Chua, J., & Ayoko, O. B. (2019). Employees' self-determined motivation, transformational leadership and work engagement. *Journal of Management & Organization*, 1(1), 1–21.
- [11] Afifah, I. D. . (2019). The Relationship between Leadership Style and Employee Outcomes: The Mediating Role of Organizational Commitment. *Journal of Management and Marketing Review*, 4(2), 100–106.
- [12] Nurtjahjani, F., Noermijati, N., Hadiwidjojo, D., & Irawanto, D. W. (2020). Transformational leadership influence on job engagement: Case study in Indonesian lecturers. *International Journal of Scientific and Technology Research*, 9(4), 2486–2495.
- [13] Arman, R., Wardi, Y., & Evanita, S. (2019). The Effect Of Transformational Leadership and Motivation On Employee Performance. *International Journal of Business, Economics and Law*, 21(5), 119–125. <https://doi.org/10.2991/piceeba2-18.2019.98>
- [14] Al-Amin, M. (2018). Transformational Leadership and Employee Performance. *North South Business Review*, 29(October), 2291–2299.
- [15] Eliyana, A., Ma'arif, S., & Muzakki. (2019). Job satisfaction and organizational commitment effect in the transformational leadership towards employee performance. *European Research on Management and Business Economics*, 25(3), 144–150. <https://doi.org/10.1016/j.iedeen.2019.05.001>
- [16] Jabri, B. Al, & Ghazzawi, I. (2019). Organizational Commitment: A Review of the Conceptual and Empirical Literature and a Research Agenda. *International Leadership Journal*, 11(March), 78–119.
- [17] Jena, L. K., Bhattacharyya, P., & Pradhan, S. (2017). Employee Engagement and Affective Organizational Commitment: Mediating Role of Employee Voice among Indian Service Sector

- Employees. *Vision*, 21(4), 356–366. <https://doi.org/10.1177/0972262917733170>
- [18] Rameshkumar, M. (2020). Employee engagement as an antecedent of organizational commitment – A study on Indian seafaring officers. *Asian Journal of Shipping and Logistics*, 36(3), 105–112. <https://doi.org/10.1016/j.ajsl.2019.11.003>
- [19] Ennis, M. C., Gong, T., & Okpozo, A. . (2016). Examining the Mediating Roles of Affective and Normative Commitment in the Relationship between Transformational Leadership Practices and Keterlibatan Karyawan of Government Employees. *International Journal of Public Administration*, 1(1), 203–215.
- [20] Kalsoom, Z., Ali Khan, M., & Sohaib Zubair, S. (2018). Impact of Transactional Leadership and Transformational Leadership on Employee Performance: A Case of FMCG Industry of Pakistan. *Industriail Engineering Letters*, 8(3), 23–30. www.iiste.org
- [21] Azis, E., Prasetyo, A. P., Gustyana, T. T., Putri, S. F., & Rakhmawati, D. (2019). The mediation of intrinsic motivation and affective commitment in the relationship of transformational leadership and employee engagement in technology-based companies. *Polish Journal of Management Studies*, 20(1), 1.
- [22] Palupi, D. A. P., Cahjono, M. P., & Satyawati, E. (2017). Effect of Leadership on the Job Satisfaction with Organizational Commitment and Trust in Leader as Mediators. *Review of Integrative Business and Economics Research Online CDROM*, 6(4), 2304–1013. <https://search-proquest-com.tcsedsystem.idm.oclc.org/docview/1930766838/fulltextPDF/E12A074DD294E0EPQ/20?accountid=34120>
- [23] Asif, M., Qing, M., Hwang, J., & Shi, H. (2019). Ethical leadership, affective commitment, work engagement, and creativity: Testing a multiple mediation approach. *Sustainability*, 11(16), 4489.
- [24] Lama, V., & Pokhrel, L. (2019). Leadership style and employee engagement: Mediating role of organizational commitment in employees of Nepali 77 commercial banks. *Journal of Advanced Research in HR and Organizational Management*, 6(1), 40–46.
- [25] Kaur, P., Malhotra, K., & Sharma, S. K. (2020). Moderation-mediation framework connecting internal branding, affective commitment, employee engagement and job satisfaction: an empirical study of BPO employees in Indian context. *Asia-Pacific Journal of Business Administration*, 1(1), 1.