

ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE



The effect of transformational and transactional leadership style on
employee's work engagement; the case of National Mining
Corporation Plc(NMiC).

A Project Work Submitted to Graduate Studies Office

Presented in partial fulfillment of the requirements for Master of Arts
degree in Business Leadership

By: Solomon Belay

Advisor: Dr. Zegeye Muluye

Addis Ababa University School of Commerce

Addis Ababa, Ethiopia

June 2022

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE
GRADUATE STUDIES OFFICE

This is to Certify that the research prepared by Solomon Belay, entitled: The effect of transformational and transactional leadership style on employee's work engagement; The case of National Mining Corporation Plc. submitted in partial fulfillment of the requirements for the degree of Degree of Master of Arts (Masters in Business Leadership) complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

Approved by

Board of Examiners:

Internal Examiner _____ Signature _____ Date _____

External Examiner _____ Signature _____ Date _____

Advisor Signature _____ Signature _____ Date _____

Declaration

I hereby stated that this research entitled “The effect of transformational and transactional leadership style on employee’s work engagement the case of National Mining Corporation Plc. is an original work that has not been applied for a degree in any other universities, and that all bases of resources used for the study have been correctly recognized.

Declared by:

Name: Solomon Belay Signature _____

Date: _____

Acknowledgment

I would like to thank God, first and foremost, for giving me the courage. Secondly, I would also like to extend my sincere thanks to my advisor Dr. Zegeye Muluye. His enthusiasm, knowledge and exacting attention to detail have been an inspiration and kept my work on track from my first encounter with him and great appreciation and gratitude to the Distance office of Graduate Programs and

Thirdly, I would like to express gratitude to the employees and management of National Mining Corporation Plc. for their kind cooperation and assistance in completing this report.

Finally, I would like to thank my lovely family for their generous assistance in furthering my study.

Abstract

The purpose of the study is to assess the effect of leadership styles on employees' engagement. The study adopted descriptive and explanatory research design with quantitative research approach. Multifactor Leadership Questionnaires (MLQ 5X) is used to measure leadership effectiveness while employee's engagement is measured via Utrecht Work engagement scale (UWES). From a population size of 428, the sample size measured was taken by a sample formula to obtain the correct representative of the mass population and based on the result the study prepared 206 questionnaires and distributed to respondents. However only 196(95%) questionnaires were successfully filled and returned. Descriptive statistics, correlation and regression analysis used to analyze the data through SPSS version-22. The researcher found out that both of the Independent variable (transformational leadership, and transactional leadership style) have positive and significance effect on dependent variables: employees' work engagement. Furthermore it was revealed that transactional leadership style is the most important factor having large positive and significant effect on employees work engagement followed by, transformational leadership style. Conclusively, the combination effect of transactional and transformational leadership styles will be appropriate leadership style for employees work engagement in the case area. Finally it is recommended that Transactional leadership components like: Financial rewards and punishments as an alternative leadership mechanism and transformational leadership like psychological benefits such as acknowledgment, appreciation, praise, and others should be given more weight whenever their subordinates perform well in order to achieve higher and longer-term employee engagement.

Keywords: Transformational Leadership, Transactional Leadership, Employees' work Engagement

Table of Contents

| | |
|---|----|
| 1. CHAPTER ONE | 1 |
| 1.1.Introduction..... | 1 |
| 1.2. Background of The study | 1 |
| 1.3. Background of the Company | 4 |
| 1.4. Problem Statement of the research..... | 5 |
| 1.5. Research Questions | 6 |
| 1.6. Objective of the Study..... | 6 |
| 1.6.1.General Objective | 6 |
| 1.6.2.Specific Objectives | 6 |
| 1.7.Significance of the Study | 7 |
| 1.8.Scope of the Study | 7 |
| 1.9.Limitation of the Study | 8 |
| 1.10 .Organization of the Study | 8 |
| 2. CHAPTER TWO : LITERATURE REVIEW | 9 |
| 2.1.INTRODUCTION | 9 |
| 2.2.Theoretical Literature Review | 9 |
| 2.2.1.Transformational Leadership Theory..... | 11 |
| 2.2.2.Transaction Leadership | 13 |
| 2.2.3.Work Engagement | 14 |
| 2.3.Empirical Literature Review | 16 |
| 2.3.1.Hypotheses:..... | 17 |
| 2.3.2.Conceptual Model..... | 17 |
| 3. CHAPTER THREE: METHODOLOGY | 18 |
| 3.1 Introduction..... | 18 |
| 3.2. Research Design..... | 18 |
| 3.3. Research Approach..... | 18 |

| | |
|---|-----------|
| 3.3.Study Area | 19 |
| 3.4.Source of Data..... | 19 |
| 3.5. Data Collection Instrument | 19 |
| 3.6.Reliability and Validity..... | 21 |
| 3.7. Sampling Design..... | 21 |
| 3.8. Data Analysis and Interpretation..... | 22 |
| 3.9.Ethical Considerations | 23 |
| 4. CHAPTER FOUR:- DATA ANALYSIS AND DISSCUSSIONS..... | 24 |
| 4.1Response rate | 24 |
| 4.2Descriptive analysis of demographic variables..... | 24 |
| 4.3Descriptive analysis of Dependent and Independent variables..... | 26 |
| 4.6.Correlation analyses..... | 38 |
| 4.6.1. Correlations between TRF, TRS, with EMG | 39 |
| 4.7.Effects of TRF& TRS on Employee engagement..... | 39 |
| 4.8.Discussions | 39 |
| 5.CHAPTER FIVE Findings, Conclusions and Recommendation..... | 47 |
| 5.1.Summary of Major finding | 47 |
| 5.2.Conclusions..... | 50 |
| 5.3.Recommendation | 49 |
| 6. REFERENCES..... | 51 |
| 7. Appendix..... | 55 |

CHAPTER ONE

1.1. Introduction

This chapter will provide an introduction to the study by first discussing the background and context, followed by the research problem, the research objectives and questions, the significance and finally, the limitations

1.2. Background of The study

Mat (2008) states that leadership definitions continue to develop and academics are still attempting to clarify these definitions in order to make them more understandable and realistic during everyday business use, for a long time, many scholars have been debated with the characteristics of a successful leader and questioning who he is. Despite all the efforts, scholars in the field couldn't come up with a concise and consensus' definition of leadership. People are indeed still debating on leadership and its related issues (Almaaitah et al., 2017).

Traditionally, leadership has been outlined as "the heroic individual, typically magnetic, whose point power, intellectual strength, persuasive gifts encourage followers" (Luthans, 2011). However with economic process and subsequent changes within the organizations, leadership has been outlined as "the ability to influence a gaggle toward the action of a vision or set of goals" (Robbins & choose, 2013). Leadership is not simply a trait but rather a complex of many traits. Cowley, W. H. (1928) stated the first distinction in the study of leaders is the distinction between headman and leaders; men, who because of ability or prestige, have attained to a position of stewardship, and men going somewhere, who have a motive and program. The second distinction is between the situational and the individual emphasis in studying traits and more especially the distinction between situational prestige traits and individual traits in isolation. The third distinction is between so-called natural leadership and leadership in specific situations, a distinction which might be summed up in the phrase "the specificity of leadership."

The approaches of leadership study always emerge from the study of traits as leadership is always a complex trait.

For any organization, leadership is responsible for ruining or enhancing the organization, through it is considered as very important. The organization's orientations rely on the style adopted by its leaders. The behavior of the leaders is an important component that influences and drives their followers to achieve common goals. Thus, followers usually follow their leaders' behaviors when performing their duties (Almaaitah et al., 2017). Many organizations rush to using the term "Employee Engagement" when seeking to enhance quality. However, what does Employee Engagement mean exactly? Employee Engagement is a widely used term. However, Employee Engagement has several definitions. For instance Harter, Schmidt, & Hayes, (2002, p. 269) define Engagement as "individual's involvement and satisfaction with as well as enthusiasm for work". As cited by (Batista-taran *et al.*, 2009) Engaged employees have a capability to be more productive, profitable, safer, healthier, and less likely to leave their employer (Fleming & Asplund, 2007; Wagner & Harter, 2006), researches showed that only 30% of the global workforce is estimated to be engaged (Buckingham & Coffman, 1999; Harter et al., 2002; Saks, 2006; Wagner & Harter, 2006); and other research on this issue asserted that more than 60% of the global workforce goes to work, at best, ambivalent and emotionally uninvolved with their work (Shuck & Wollard, 2008). Engagement gap cost the United States economy approximately more than \$300 billion dollars a year in lost productivity (Fornes, Rocco, & Wollard, 2008; Rath & Clifton, 2004). Alarmingly, employee engagement appears on a continued decline (Shuck & Wollard, 2008). Due to the low numbers of engaged employees, organizational leaders gave due attention employee engagement among the top priorities of their organizations (The Ken Blanchard Companies, 2008; Ketter, 2008).

Many researchers have studied the impacts and relationships of leadership style with Employee engagement. To mention a few the findings of (Al-serhan and Almaaitah, 2021) suggested that there is positive association between both transformational and transactional leadership styles and employee engagement. They also found that transformational leadership is a better indicator of employee engagement when compared with transactional leadership.

Transformational leaders are highly visible and known for their passion and energy in all aspects of their work spend most of their time communicating with others and looking for initiatives that add value to their teams' future. Transformational leaders motivate and empower their followers, often transcending short-term goals by focusing on higher order intrinsic needs (Meyer & Allen, 1997). On the Contrary transactional leaders use conventional reward for achieving goals and punishment for not achieving to gain compliance from their followers (Burns, 1978). Transactional leaders tend to be action oriented and results focused. Consequently, if they do not believe that employees have tried hard enough, no reward is provided.

The other Style management by exception is a conservative approach whereby resources are applied in response to any event falling outside of established parameters. The other perspective on transformational leadership states that it is not viewed as a power figure but as mutual support for a common purpose, the collective good of an organization. From this point of view, transformational leaders have the capacity to directly impact the engagement levels of their employees (Nohria, Groysberg, & Lee, 2008).

The reviewed literatures highlights leadership behaviors that are more conducive to increasing engagement in the workplace as well as those behaviors those detract from it. The purpose of this study is to explore the effects of leadership styles on employees' work engagement.

1.3. Background of the Company

National Mining Corporation (NMC) is one of the mining companies found under the mining cluster of MEDROC investment group. The company was established on March 18, 1993 as limited share company based on the 1952 commercial code of Ethiopia with the paid up capital of 43million Birr after acquiring the assets of the Ethio-Libya Joint Mining Company. Since its establishment, the company is operating in the mining industry by focusing on producing marble and granite products. In addition, very recently, since 2021, the company is entering in to a new mining area, coal production and exploration, by acquiring two licenses from Ministry of Mines and Petroleum. The company's major products are dimension stones such as marble blocks, marble tiles, granite blocks, granite tiles, and terrazzo tiles. The company was continuously expanding its production capacity. In 2013, the company acquired Ethiopian Marble Enterprise from the government and the company has grown up its paid up capital at different times and currently the company paid up capital reached 213 million Birr.

The company produces quite a different color variety of marble blocks including white, pink, green tints, multi-color, rose, grey, and sky blue from its own 3 large scale quarry sites located at benishangul gumuz regional state(dallati and metekel Marble quarry sites). These quarry sites of marble and granite blocks production potential are estimated to be More than 10 million cubic meter and 3 million cubic meter respectively. The company currently has the capacity of extract 10,000m³ marble and 5000 m³ granite per year whereas the company's processing plants has the capacity of processing 250,000 m² marble and 84,000 m² per year granite. The company has also granite quarry located at eastern part of Oromia Regional state at Babbile zone and the quarry is estimated to have 3million cubic meter granite block deposit, in addition the company recently acquired license for limestone quarry at Hakim Gara, harrer regional state. In order to produce quality marble, granite, and terrazzo tiles, the company has processing plant equipped with a state of the art technology located at Afar Region State at Awash 7 kilo town and Addis Ababa Gulele Sub city. Currently the company has adequate and well experienced production and administration staff. It has 79 female and 349 male in total 428 permanent

employees and from this total number of employees 79 % and 21 % of them and core and administration staff respectively. (Source: Personnel section of NMiC)

1.4. Problem Statement of the research

The construction industry is a major economic growth driver for Ethiopia. Majority of government investment in infrastructure and residential building projects is turning the country into one of the continent's highest performing economies. Rapid urbanization rates have created a huge need for improved infrastructure systems and a big housing backlog. Quality building materials, for which Ethiopia is heavily dependent on imports, is hugely in need. The sector is already on the rise and is expected to skyrocket in the near future. Billions of dollars is being invested in the construction industry each year, and foreign firms are seeing their products, knowledge and expertise enjoy high demand. NMiC has relation to this sector as an input provider (Marble and Granite), it contributes its own share to the GDP. At the company, there are several stakeholders who are directly or indirectly engaged within the sector to play positive roles for the company's development. One of which are the leaders, and the challenges is to ensure that their leadership practices in line with the overall goal and to ensure employees' work engagement. This lays the groundwork for the question of which leadership style is best suited for accomplishments of NMiC purposes.

Over the past five years, the company's revenue has declined and it has suffered huge losses. As a result of the crisis, the company's productivity and income declined, resulting in huge losses, and the employee's morale and productivity declined, as well as its experienced workforce left the company and joined other competing organizations. Various studies and evaluations have done and the external and internal causes of failure have been identified and from internal causes the major factors were bad leadership. To address the problem, there have been interventions by the organization's higher leadership that providing training and workshops to various levels of leadership but these interventions have yet to have any significant effect on performance. Therefore, the purpose of this study is to investigate the effect of leadership styles (Transformational

and Transactional) on employee work engagement and to provide input for decision-making.

1.5. Research Questions

The following research questions are developed to obtain an extensive understanding of the factors under investigation, and to provide an adequate argument for the results.

The study was intended to answer the following research question;

- What is the status of employee work engagement in NMiC?
- What is the relationship between leadership practices and employees work engagement?
- What is the effect of leadership styles on employee work engagement?

1.6. Objective of the Study

1.6.1. General Objective

The overall objective of the study is to investigate the effect of leadership styles (Transformational and Transactional) on employee work engagement.

1.6.2. Specific Objectives

In addition to the above general objectives the study has the following four specific objectives.

These were,

- To assess the status of employees' work engagement at NMiC.
- To analyze the relationship between leadership practices and employees' work engagement at NMiC.
- To analyze the effect leadership styles on employee work engagement at NMiC.

1.7. Significance of the Study

It is vital to comprehend the assessment of the effectiveness of leadership styles under study on employee work engagement and how these interconnections impact the NMiC. Therefore, this study will be beneficial to different parties. For the National Mining Corporation, the findings will help them enhance their performance and will guide them to instill the effective leadership style that will increase employee's work engagement. Since shortage of research done in the industry (dimensional stone and industrial mineral input manufacturers sector) in Ethiopia, the findings will be useful for other manufacturing organizations that have similar structure as the National Mining and would be a great instrument or could be used as a base for other studies. This study will contribute to the body of knowledge on modern Leadership styles and similar organizations operating in such dynamic environments.

1.8. Scope of the Study

This study was planned to focus on the effect of leadership styles in the construction material input supplier sector with a particular reference to National Mining Corporation. The conceptualization and measurement for Multifactor Leadership Questionnaires (MLQ 5X) developed by (Bruce J. Avolio and Bernard M. Bass, 2004) to measure leadership effectiveness and employee's engagement scale (UWES) proposed by Schaufeli and colleagues (2002) was applied. The study considered the employee of the company at all levels from department heads to factory formans.

Geographically, the research was delimited to NMiC Head Office and one branch factory. A sample of Department Heads, Division Heads, Factory managers and Foremen were involved in the study.

Methodologically, the study applied quantitative research approach and explanatory research design because to create clarity on the effect of leadership styles (transformational and transactional) on employee engagement.

1.9. Limitation of the Study

There were some limitations hindering this study. Constraints include time, demographic, and shortage of related literature in the Ethiopian context. Regarding time, as project was meant to be done within six months; however, this study planned to conduct in only three months due to the short notice from the study program office. Therefore, the researcher might not be to cover the branch factory which is located at Awash, hence the researcher conducted the study in the Addis Ababa Head office and Factory. Furthermore, results might be different in different organizations depending on their context.

1.10. Organization of the Study

In Chapter One, The first chapter includes background of the study, background of the organization, statement of the problem, research objectives (general and specific), research questions, significance of the study, scope of the study, limitation of the study ,

In Chapter two, includes Introduction and the extant literature in relation to Leadership Effectiveness will be reviewed, leading to the formation of hypotheses,

In Chapter three, illustrates the methodology used in this study, it includes introduction, study area, source of data, sampling method, data collection method and data analysis methods used in this thesis, In Chapter four, incorporates analysis and discussions of the data collected based on the methodology stated in chapter three the chapter starts by analyzing the analysis of descriptive statistics and inferential statistics like correlation and regression analysis,

In Chapter four states Conclusions and Recommendations based on the research and the current state of the company under investigation.

CHAPTER TWO

2. LITERATURE REVIEW

2.1. INTRODUCTION

This chapter aims to describe the overview of the related literature of the subject matter. It presents the related literature review of the variables, leadership styles and definitions of employees' work engagement.

2.2. Theoretical Literature Review

It was (Kahn, 1990) who first use the term work engagement. He defines work engagement as: “*Employee work engagement is an engaged employee who physically, cognitively and emotionally connects with their roles at work*”. The definition states that the extent to which an employee is dedicated and absorbed in the performance of his job tasks.

The other most popular and frequently used definition was proposed by (Schaufeli & Bakker 2004) - “... *a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption*” (Bakker & Albrecht 2018)

This definition holds three components: *vigor: a high level of energy and mental resilience while working; dedication: being strongly involved in one's work and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge; and absorption: being concentrated and happy at work and difficulties with detaching oneself from work.*

Engaged employee are more likely to be productive, innovative, and collaborative than non engaged workers. And furthermore, evidence shows that an engaged workforce benefits companies with higher profits, greater returns on investment, and overall success.

Most analysis findings showed that leadership behavior especially transformational leadership has a greater impact on work engagement for instance (Li *et al.*, 2018) revealed that work engagement still mediates the positive relationship among transformational leadership, job performance, and helping behavior in his research work on among Chinese knowledge workers Linking leadership styles to work engagement ; in his findings revealed that leadership styles significantly influenced employees' psychological

capital and work engagement; specifically, transformational and transactional leadership positively predicted employees' psychological capital and work engagement; compared with transactional leadership, transformational leadership had stronger prognostic power to employees' work engagement and psychological capital ; employees' psychological capital absolutely foretold their work engagement; and employees' psychological capital acts as partial go-between between leadership designs and employees' work engagement.

The well known researchers' on leadership: (Bass and Avolio, 1990; Gong et al., 2009) While comparing transformational and transactional leadership impact on employee work engagement stated that, transformational leadership has a greater effect on employees' work attitude and behavior, because transformational leaders mainly rouse intrinsic work motivation, whereas transactional leaders focus on stimulating extrinsic work motivation In another context (Hofstede 2001) suggests that leadership styles in different countries are closely associated with the national culture. Previous research has shown that transformational leaders contribute to their followers' work engagement (Tims, Bakker, & Xanthopoulou, 2011; Zhu, Avolio, & Walumbwa, 2009), but have missed the impact of transactional leadership in employees' work engagement.

I argue that some components of transactional leadership may be effective in stimulating employees' work engagement like reward merit based on performance and management by objective active as through this process make employees rectify his error on the spot and learn from it for not to do it again, there is no question that transformational leadership has more impact on work engagement than transactional leadership but it depends on the status of the society which these leadership styles will be applied and regarding reward on performance for a country like Ethiopia most manufacturing employees focus on the motivation comes from his employer as I learned from my staying on public enterprises employees were exerted much effort to improve productivity and achieve the desired goal by assuming get the reward(bonus and increase of salary scale) at the end of the day. Hence to go beyond just motivating employees by reward and achieve a culture of engagement; priority should be given to satisfy lower levels needs as unengaged work force is costly to a business.

As cited by (Batista-taran et al., 2009) that the works of (Towers Perrin 2007-2008) survey found that employees that are engaged believe they can impact the organization bottom line, have higher productivity, and higher retention rates. This ensures that organizations should invest on employees in a continuous basis.

(Wyatt and Piotrowski 2001) declared that transactional leaders emphasize on outside rewards permanently work and provides penalty for negative outcomes. Robbins (2005), transactional leadership may be a form of leadership within which leaders manage the followers through rewards and penalty. (Dubrin, 2004) and (Miller, 2011) declared that transactional leadership may be a social control leadership within which leader's prime responsibility is to concentrate on instructive roles and tasks necessities to achieve their objectives. (Sadeghi and Pihie 2012) incontestable that transactional leadership theory is predicated on the exchange between leaders and followers. (Hargis, Wyatt and Piotrowski 2001) declared that transactional leaders emphasize on outside rewards permanently work and provides penalty for negative outcomes.

2.2.1. Transformational Leadership Theory

Transformational Leadership was 1st distinguished by (Downtown 1973) to account for the variations among revolutionary, rebellion, reform and normal leaders. However, it had been Burns (1978) World Health Organization created the foremost seminal add this space on political leaders. It was Bass (1985) who amends his theory of transformational leadership on Burns' work. Bass (1985) delineated the transformational leaders as those that "raise associates' level of awareness of the importance of achieving valued outcomes and also the ways for reaching them; encourage associates to transcend their self-interest for the sake of the team, organization, or larger policy; develop associates' has to higher levels in such areas as action, autonomy, and affiliation, which may be each work connected and not work connected." A transformational leader differs from the transactional one by making an attempt to develop their associates' wants from lower to higher levels of maturity.

The most effective leadership vogue in keeping with the model is transformational leadership vogue. In keeping with (Bass and Avolio 1994, 1995), the transformational leadership includes:

- ✓ ***Idealized Influence (Attributes and Behaviors)***: These leaders are loved, revered and trustworthy. Followers determine with their leader and need to emulate them. This attribute has 2 parts perfect Attributes (the leader instill pride in others for being related to him, goes on the far side self-interest for the nice of the cluster, acts in ways in which build others' respect for him, and show a way of power and confidence) and perfect behavior (he talks concerning his most significant values and beliefs, specifies the importance of getting a powerful sense of purpose, contemplate the ethical and moral consequences of choices, and emphasize the importance of getting collective sense of mission)
- ✓ ***Inspirational Motivation***: The leader behaves during a method that motivates those around him by providing which means and challenge to his followers work. He talks optimistically concerning the longer term; talks sky-high concerning what must be accomplished, articulate a compelling vision of the longer term, and expresses confidence that goals are achieved.
- ✓ ***Intellectual Stimulation***: The leader stimulates his followers' effort to be innovative and inventive by questioning assumptions, reframing issues and approaching previous things in new ways in which. He re-examines essential assumptions to question whether or not they are applicable, seeks differing views once resolution issues, gets others to appear at issues from many alternative angles, and suggests new ways in which of staring at the way to complete assignments.
- ✓ ***Individual Consideration***: The leader pays attention to every individual's would like for action and growth by acting as a tutor or mentor. He spends his time teaching and coaching others; treats equally; considers every individual as having completely different wants, skills and ambitions from others; and helps others to develop their strength.

2.2.2. Transactional Leadership

(Bass and Avolio 1994, 1995) gave the subsequent characteristics of transactional leaders in their model:

- ✓ ***Contingent Reward:*** As (Odumeru and Ifeanyi 2013) stated, contingent reward will be classified into 2 sorts. Contingent positive reinforcement and Contingent negative reinforcement. Contingent positive reinforcement is given once the outlined goals area unit achieved on time or before time. This positive reinforcement is given in variety of praise or rewards. Transactional leaders acknowledge followers' productive performance and reward them for positive output. On the opposite hand, contingent negative reinforcement is given once the set goals aren't met, tasks aren't accomplished and performance falls below customary.
- ✓ ***Management by Exception-Active:*** Active management by exception means leader observes followers performance, watches the deviations from the principles and laws, anticipate issues and problems, take actions per followers performance and makes corrections to resolve the issues (Odumeru & Ifeanyi, 2013).
- ✓ ***Management by Exception-Passive:*** Leaders WHO follow passive management by exception route don't involve in fixing the problems unless the problem is severe. Leaders keep themselves aside and intervene given that the matter becomes too serious (Odumeru & Ifeanyi, 2013).
- ✓ ***Laissez-Faire leadership:*** is that the characteristic of leaders during which they avoid creating choices and avoid taking responsibilities (Robbins, 2007). Leaders concerning contemplate take into account subordinates fully chargeable for any call and provides subordinates complete freedom and power to form choices about the work (Chaudhry & Javed, 2012).

2.2.3. Work Engagement

Engagement at work has emerged as a probably necessary worker performance and structure management topic. Several analysis findings supports the connection between engagement of the employee at work and structure outcomes, together with those that at performance based mostly (Harter et al., 2002) Work engagement is Associate in Nursing individual's involvement with, satisfaction, and enthusiasm for, the work he/she will extremely engaged staff have a passion for his or her work and robust attachment to their company; disengaged staff have costly to their organization, they're swing time however not attention and energy into their work. Work engagement is taken into account because the opposite of burnout.

Contrary to people who suffer from burnout, engaged staff have a way of energetic and effective attachments with their work activities and that they assumed that they will deal well with the stress of their job. (William Kahn 1990) together with his work on personal engagement and disengagement at work, was the primary to disclosed the engagement construct and convey it into the geographic point . (Serrano & Reichard, 2011) declared that "Personal engagement is that the coinciding employment and expression of an individual's "preferred self" in task behaviors that promote connections to figure and to others, personal presence (cognitive, emotional and physical), and active, full role performances" (Kahn, 1990). Organization leaders should acquire necessary leadership ability to understand the way to increase the amount of engagement within the men. The manner leaders give direction, coach, correct, and inspire staff, include a direct impact on the organization success and whether or not its staff take possession and have interaction in their work (Lewin, 1939). Leadership is therefore important side for a company in making Associate in nursing providing on setting of engagement.

As cited by (Popli and Rizvi, 2016) According to Witemeyer (2013), engaged employees display a number of behaviors of potential benefit to their organizations including going the extra mile, speaking highly of the company, collaboration, proactive problem-solving, staying late, putting in extra hours, assisting colleagues, sharing knowledge, offering creativity and participating in organizational dialogue. In general, what the study implies for organizations and managers is the strong need to focus on 'employee engagement'

and leadership behaviors that need to be calibrated often to keep employees engaged. Hence Leaders priority should be creating a culture of engagement that will give a guarantee for an organizations success.

2.2.4. Leadership and Engagement

Leadership can have a great impact on engaging employees who believe in them and being followers to them within the organization. However, transactional leadership limits the leader in exchange of reward based behaviors in order to achieve higher performance from employees, LMX Theory (Center for Leader Development, 2006) supports the development of favored groups in the workplace and found unfair and discriminatory. LMX theory does not explain how to develop trust or how members can become part of the in-group but it focuses on the dyadic and quality of the relationship between leader and follower. Transformational leadership styles assured as a style that brings the development of employee engagement. As (Kaiser, Hogan, and Craig 2008) suggest, it is transformational leadership who changes the way followers see themselves-from isolated individuals to members of a larger group. While followers see themselves as members of a collective, they tend to endure group values and goals, and this raises their motivation to contribute to the greater good.

As Bakker and Schaufeli (2008) founded that employees who have positive interactions with their managers have increased levels of engagement. In relation to this view, (Walumbwa, Orwa, Wang, and Lawler 2005) stated that using a transformational leadership style leads to increased job satisfaction and organizational commitment; Transformational leaders are viewed as a mutual support for a common purpose, the collective good of an organization. From this perspective, transformational leaders have the capacity to influence the engagement levels of their employees (Nohria, Groysberg, & Lee, 2008).

Engagement is a complex process and organizations must be patient to fully develop it. Organizations must consider for utilizing all the tools available to them in order to improve the engagement level of their employees. The literature studied highlights leadership behaviors that are more beneficial to increasing engagement in the workplace as well as

those behaviors that detract from it. Leaders play a major role in the development of engagement by projecting the ideals and characteristics that are tied to engagement drivers, such as being supportive, and providing a vision to the employee that goes beyond short term goals.

2.3. Empirical Literature Review

Recent research findings on leadership behavior and employees' engagement showed that there are significant positive association between both Transformational and Transactional Leadership Styles and Employee Engagement. They also stated that Transformational Leadership is a better indicator of Employee Engagement when compared with Transactional Leadership (Al-serhan and Almaaitah, 2021). The findings of (Lee, Roback and Lim, 2020) revealed that transformational leadership had the strongest influence on employee engagement, while transactional leadership had no impact.

The other author (Zopiatis and Constanti, 2010) in their investigation on the association between leadership styles and burnout among hospitality managers founded that transformational leadership has a significant positive association with personal accomplishment and is negatively related to emotional exhaustion and depersonalization. In addition a positive relationship exists between passive avoidance leadership and emotional exhaustion and depersonalization and furthermore he stated that individuals with a passive avoidance leadership style exhibited higher levels of burnout. The other perspective on leadership behavior on engagement expressed those leaders that are confident and have higher levels of self-efficacy, such as transformational leaders will raise their employees' engagement more effectively than those with lower self-efficacy (Luthan & Peterson, 2001). In strengthening of this view (Batista-taran *et al.*, 2009) stated that organizations should move beyond motivating their employees and towards creating an environment of engagement and their review asserted that transformational leadership to be more confident to lead the way toward a culture of engagement.

In contrary to the above findings of (Attridge, 2009) stated that it is not only the behavior of leadership which determine the employees work engagement but work engagement

can be improved through adopting like workplace behavioral health practices that address supervisory communications , job design ,resource support, working conditions corporate culture and leadership style. Again the well known author on leadership: (Bass, Avolio, Jung, and Berson 2003) found that both transactional and transformational leadership are related to increased unit performance, transactional leaders needed to set structure where transformational leaders built on the structure that was already there and developed a more cohesive unit better prepared to face the challenges of a turbulent global market. The argument continues and there are several literatures and concepts are released and it seems that the process continues like it is but for me it

2.3.1. Hypotheses:

Based on the above review the following hypotheses is developed

Ho1: Transactional leadership has not significant effect on employees’ work engagement

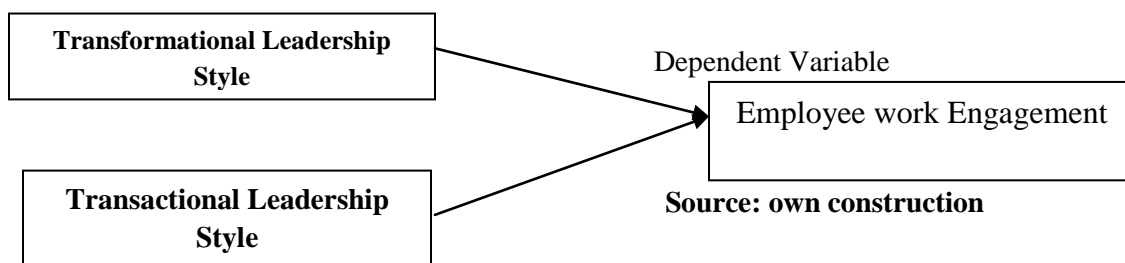
Ho2: Transformational leadership style has not significant effect on employees’ work engagement

2.3.2. COCEPTUAL MODEL

A conceptual framework is visual representations of an expected relationship between those variables are included in the model and reflect the expectations. Variables are simply the characteristics or properties that we want to study.(Bas Swaen 2015). It is established based on the findings of several researches in literatures and used as in the form of visual or written product that explains in the form of narration, graph of what is to be studied (Miles and Huberman, 2014).

In the conceptual frame work depicted below, Transformational and Transactional leaderships are used as independent variables and employees’ work engagement used as dependent variables.

Leadership Styles: Independent variable



CHAPTER THREE

3. METHODOLOGY

3.1. Introduction

This chapter outlines the research methodology of the study. It provides an overview of the research methodology. It explains the research approach, design, the sampling procedure and methods, and the data collection methods.

3.1. Research Design

The notion research design refers to a strategic framework for action that serves as a link between research questions and the execution, or implementation of the research strategy (Durrheim, 2006). According to Kothari (2004) defined research design as the agreement of procedures for the gathering and analysis of data, obtaining results that is relevant to the research aim and goals.

With this backdrop this study employed both descriptive and explanatory research design. Descriptive research designed is employed as it describes the extent to which leadership practices are demonstrated in NMiC and the explanatory research design adopted as it helps to identify relationship between leadership practices and employee work engagement (Creswell, 2009). The study also employed quantitative research approach with cross sectional data that was collected by using closed ended questionnaires from employees' of NMiC.

3.2. Research Approach:

Quantitative approach was used for this study. Quantitative research involves the collection and analysis of numerical data to draw conclusions. It can be used for different reasons such as testing causal relationship, making predication and generalization results. One can use quantitative research when doing a correlation, and a descriptive research (Bhandari, 2021). Hence, this study uses quantitative approach since the study is descriptive and it involves testing a causal relationship.

3.3. Study Area

The study conducted at National Mining Corporation Plc office located in Addis Ababa, around Gurd Shola Elfora Building 6th-7th floor and the Big Marble Processing factory located at Gullele. It is believed to be convenient and accessible for the specified population subject to the study.

3.4. Source of Data

As the analysis is cross-sectional, necessary data were obtained using close ended questionnaires from the employees of the NMiC.

3.5. Data Collection Instrument

Within this study, the researcher used the Avolio & Bass student researcher device (2004) Multifactor Leadership Questionnaires (MLQ) was used to gather data on leadership behavior.

The Multifactor Leadership Questionnaire (MLQ) is the universal instrument for analyzing transformational and transactional leadership behavior (Rowold, 2005). The MLQ defines the qualities of a transformational leader and assists individuals in deciding how they rank in their own eyes and in the eyes of others with whom they associate (Bass & Avolio, 2019).

The questionnaire consists of 35 items that assess the impression of employees about the leadership style of their superiors. Out of which 23 of the items represent transformational leadership dimensions the remaining 12 items measure transactional leadership dimensions. The questionnaire was therefore distributed to the National Mining Corporation Plc employees located at two places (Head office and Factory) as sample population to test their representatives on items that distinguish between the actions of Transformational and Transactional Leadership.

Six points frequency scale and leadership scale scores of graded Department Heads, division heads and supervisors were rated for all MLQ questions by taking the average of participant ratings for each leadership dimension.

MLQ-5X consists of four transformative, three transactional, and six outcome scales. Intellectual stimulation is the first of the transformational scales, it means questioning the

assumptions of the views of followers, their study of the challenges they face and their generation of solutions. Idealized Influence (attributed) refers to the leader's distribution of charisma. Followers developed strong emotional links to the leader because of the positive qualities of the leaders (e. g. perceived strength, concentrating on higher-order principles and values). Trust and faith in followers are likely to be established. Next, Inspirational Motivation is the articulation and expression of a vision by the leader, essential to this subscale of transformational leadership. Consequently, followers are encouraged to approach the future with a positive outlook. Individualized consideration is characterized by the consideration of followers' individual needs and the creation of their individual strengths.

Contingent Reward is a leadership practice that focuses on specific tasks on the transactional side of leadership scales while providing followers with rewards (material or psychological) for completing these tasks successfully.

In Active Management-by-Exception, the leader actively checks and searches for deviations from rules and norms in order to avoid these anomalies; if necessary, corrective actions are taken. Passive intervention, on the other hand, occurs only when mistakes have been discovered or standards have not been met in Passive Management-by-Exception.

Employee engagement, the dependent variable, was measured using the Utrecht Work Engagement Scale (UWES), which measures employee engagement in 3 components: vigor, dedication, and absorption (Wilmar, Marisa, Vincente, & Arnold, 2002).

Vigor is characterized as a high degree of energy and stamina, as well as a willingness to put forth effort, resistance to exhaustion, and perseverance in the face of adversity.

Dedication is described as feeling a sense of value from one's work, as well as being enthusiastic and proud of it, as well as being inspired and challenged by it.

Absorption is described as being completely and happily absorbed in one's work, with struggle detaching oneself from it so that time passes by, and one forgets about anything else.

For the purposes of this study, 17 UWES (work engagement) measurement objects were used. The UWES-17 has been validated and utilized extensively in a number of countries (De Bruin et al., 2013; Bakker et al., 2008).

3.6. Reliability and Validity

Reliability is defined as the accuracy of a measure, and the precision of a measure is expressed by validity. Reliability informs the degree to which, when the study is replicated under the same conditions, the findings can be reproduced while validity informs the degree to which the findings assess what they are intended to measure (Fiona Middleton, 2019).

The concept of validity refers to the degree to which a measurement represents characteristics that exist in the phenomenon under investigation and it is the degree to which an instrument measures what it is supposed to measure (Bell and Bryman, 2003).

The study used standardized and tested questionnaires (MLQ & UEWS scale) and data was also checked for uniformity and completeness before entry into computer software for analysis. These all procedures contributed to ensure the validity of the study.

3.7. Sampling Design

3.7.1. Target Population

Employees of National Mining Corporation was chosen as a target group for this study. The total workforce of the sample population is 428 workers.

3.7.2. Sampling procedure

The study's goal is to investigate the effect of Transformational and Transactional leadership styles on employee engagement in National Mining Corporation, while also identifying each variable and dimension of employee engagement.

To obtain a reliable representative of the targeted population, a simple random sampling technique was used to collect data from various strategic business units of the organization.

3.7.3. Sample size determination and selection

Employees employed in different departments and divisions were chosen as a target demographic for the study. To determine the sample size and the representation of the target population with a confidence level of 95 percent, a simplified formula was used; from a population size of 428, the sample size measured must be taken to obtain the correct representative of the mass population; the formula used to calculate the sample sizes for the analysis adopted by (Taro, 1967). Therefore, 206 samples were chosen from the total population by applying the formula below and the questionnaires were distributed accordingly.

The formula is presented as:

$$n = N / (1 + N(e)^2)$$

Where:

N = is the total populace

n = is the sample from the population

e = is the error term, which is 5% (i.e. at 95% confidence interval)

$$n = 428 / (1 + 428(0.05)^2)$$

n = 206 target responders

3.8. Data Analysis and Interpretation

After the distributed questionnaire is processed, the data was correctly arranged and codified. The coded data was subsequently fed to the SPSS version 22.0 software program. After which the data were analyzed to explain demographic characteristics using descriptive statistics. In addition to this, on the level of the various leadership styles and employee engagement, a descriptive analysis was also carried out. To analyze the impact of leadership styles on the engagement of employees, correlation analysis statistical methods was used; Finally The regression analysis is used to see how far the

dependent variable can be explained from the various independent variables, to test hypotheses set of the model, to determine how much of the variation in the dependent variable can be explained by the independent variables and to test if assumptions of regression are violated or not.

3.9. Ethical Considerations

In the study ethical guidelines were followed. Firstly; those significantly based and informed consent respondents are going to participate. Regarding researchers with adequate information and guarantees on participating to allow individuals to understand the consequences of participation and to make a fully informed, thoughtful, and freely provided decision on whether or not to do so without any pressure or coercion being exercised. While preparing the questionnaire, use of insulting, racist or other inappropriate language was avoided; as well as privacy and anonymity of the responders was well kept (Bryman & E, 2007).

Secondly, recognition of works used in some aspect of the dissertation by other authors is acknowledged using the APA referencing method in compliance with the rule. In addition, ethical steps were applied on the analysis of data, where consistency were kept on the encoding the survey responses to achieve the quality of the results; ensuring truthful and verifiable statistics generated from the study.

CHAPTER FOUR

4. Data analysis and discussion

This chapter presents the results of the investigation by the researcher based on the methodology stated in chapter three. It includes the general background of the respondents and detailed discussion of the specific objectives, analysis of descriptive statistics, and correlation and regression analyses through SPSS version-22. The findings of the study were also discussed in a relation to the literature review.

4.1 Response rate

The study prepared 206 questionnaires to respondents. However only 196 questionnaires were successfully filled and returned (95.7%) response rate. The response rate is summarized and presented in table 4.1 below

Table 4.1 response rate

| | Frequency | percent |
|---------------|-----------|---------|
| Responded | 196 | 95.1 |
| Not responded | 10 | 4.9 |
| Total | 206 | 100 |

Source own survey 2022

4.2 Descriptive analysis of demographic variables

Table 4.2 demographic variables

| Item | Response | Frequency | Percent |
|------|----------|-----------|---------|
| Sex | Male | 153 | 78.1 |
| | Female | 43 | 21.9 |
| | Total | 196 | 100 |

| | | | |
|-----------------|-----------------|-----|-------|
| Age | 18-25 | 41 | 20.9 |
| | 26-35 | 63 | 32.1 |
| | 36-45 | 38 | 19.4 |
| | 46-55 | 42 | 21.4 |
| | Above 56 | 12 | 6.1 |
| | Total | 196 | 100 |
| Education level | Certificate | 57 | 29.08 |
| | College diploma | 101 | 51.53 |
| | Degree | 34 | 17.35 |
| | MA and above | 4 | 2.04 |
| | Total | 196 | 100 |

Source own survey 2022

As shown in table 4.2, the majority of respondents (78.1 percent of all respondents) are men, while the remaining 21.9 percent are women. It means that the National Mining Corporation is dominated by male employees.

Age of respondents

Various academics contend that an employee's age has a substantial impact on their work engagement. For example, Stephanie and Robin (2020) did a study to evaluate the impact of employee age on job engagement, and their findings revealed that employees 50 and older had statistically significant higher work engagement scores than employees under the age of 50. Absorption and devotion were also found to have statistically significant values.

In this regard, the researcher in this study gathered data on the age levels of employees in the case. As seen in the table above, the majority of respondents (32.1%) are between the ages of 26 and 35, with 21.4 percent falling between the ages of 46 and 55. The remaining 20.9 and 19.4 percent of respondents are in the 18-25 and 36-45 age groups, respectively. Only 6.1 percent of respondents say they are over the age of 56. Based on the statistics, it can be concluded that the majority of the employees in the company are on productive age.

Education levels of respondents

As shown in table 4.2, 51.53 percent of respondents have Diploma level, 29.08 percent of respondents have a certificate level, followed 17.35 percent of respondents have a bachelor's degree, and the remaining 2.04 % are Master's degree holders. It signifies that the organization should work to develop educated employees, and that respondents' educational levels have an impact on employee work engagement, according to various research findings. For example, Aarti S et al. (2017) found that different education levels have substantial differences in employee work engagement in their research. They also discovered that an employee's level of education and work engagement are linked.

4.3 Descriptive analysis of variables

Table 4.1 Six –scaled likert criterion

| No | Mean range | Response options |
|----|------------|------------------|
| 0 | 0- 0.83 | Not at all |
| 1 | 0.84- 1.67 | Once in a while |
| 2 | 1.68- 2.51 | Some times |
| 3 | 2.52- 3.35 | Fairly often |
| 4 | 3.36- 4.19 | Frequently |
| 5 | 4.20-5 | Always |

Source: (adopted from Al-Sayaadet.al 2006 with modification).

4.4 Descriptive analysis on Transformational leadership variables

4.4.1 Intellectual stimulation

Transformational leaders' intellectual stimulation refers to how much they question assumptions, take risks, and elicit feedback from their followers. In this study, the researcher gathers data to assess how well leaders implement this variable.

Table 4.3 intellectual stimulation

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|--|-----------|-----|-----|------|------|------|------|------|
| 1 | Reexamines crucial assumptions to see if they are still true/appropriate | Frequency | - | - | 42 | 58 | 96 | - | 3.28 |
| | | percent | | | 21.4 | 29.6 | 49 | - | |
| 2 | When solving problems, seeks out various points of view | Frequency | - | - | 34 | 43 | 76 | 43 | 3.65 |
| | | percent | - | - | 17.3 | 21.9 | 38.8 | 21.9 | |
| 3 | Encourages you to see issues from a variety of perspectives. | Frequency | 2 | 9 | 56 | 59 | 70 | - | 2.95 |
| | | percent | 1 | 4.6 | 28.6 | 30.1 | 35.7 | | |
| 4 | Offers new perspectives on how to complete tasks. | Frequency | 8 | 49 | 92 | 43 | 4 | - | 2.93 |
| | | percent | 4.1 | 25 | 46.9 | 21.9 | 2 | | |
| | Over all | | | | | | | | 3.2 |

Source own survey 2022

The highest mean score of 3.65 is given for item two (When solving problems, searches out various points of view), followed by a mean value of 3.28 for item one ('Reexamines important assumptions to see whether they are still true/appropriate'). According to our criterion, the mean value for item two corresponds to "Frequently" response rates, whereas the mean value for item one corresponds to "Fairly often" response rates. Furthermore, the percentage data for two and three show that the majority of respondents rate the item as "often," as 38.8% and 70% of respondents do. It suggests that managers are attempting to execute transformational leadership from the perspective of solving challenges across multiple dimensions and encourages employees to see issues from a variety of perspectives.

Item three and item two, the remaining items, had mean values of 2.95 and 2.93, respectively. Both of the mean values are equivalent with "fairly often" levels of response rate. Similar findings were reported in the work of Kennedy et al. (2018), who conducted a study in Kenya to investigate the impact of intellectual stimulation on the performance

of commercial banks in Kenya. The researchers found that intellectual stimulation practice is not well developed, and that it is still in its infant stage, with leaders rarely implementing it.

4.4.2 Idealized influence

The term "idealized influence" refers to transformational leaders who act in ways that make them role models for their followers. These people look up to, respect, and trust these leaders. Leaders inspire followers, who desire to be like them. The level of practice of "being idealized" in the organization is evaluated in this research and it is displayed here under.

Table 4.4 idealized influence

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|--|-----------|---|-----|------|------|------|-----|------|
| 1 | Discusses most fundamental principles and convictions. | Frequency | - | 2 | 42 | 109 | 26 | 17 | 3.07 |
| | | Percent | - | 1 | 21.4 | 55.6 | 13.3 | 8.7 | |
| 2 | Stresses the value of a clear sense of mission. | Frequency | - | - | 87 | 87 | 22 | - | 2.67 |
| | | Percent | | | 44.4 | 44.4 | 11.2 | | |
| 3 | Emphasize the significance of a shared sense of mission. | Frequency | - | 8 | 78 | 80 | 33 | 2 | 2.73 |
| | | Percent | - | 4.1 | 37.2 | 40.8 | 16.8 | 1 | |
| 4 | Thinks about the legal and ethical implications of decisions. | Frequency | - | 9 | 56 | 61 | 70 | - | 2.98 |
| | | Percent | - | 4.6 | 28.6 | 31.1 | 35.7 | | |
| 5 | Makes me feel happy to be associated with him/her. | Frequency | | 12 | 76 | 76 | 30 | 2 | 2.66 |
| | | Percent | | 6.1 | 38.8 | 38.8 | 15.3 | 1 | |
| 6 | Looks out for the group's best interests rather than one's own | Frequency | | | 32 | 76 | 69 | 19 | 3.38 |
| | | Percent | | | 16.3 | 38.8 | 35.2 | 9.7 | |

| | | | | | | | | | |
|----------|--|-----------|-----|-----|------|------|------|------|------|
| 7 | Behaves in a manner that earns my respect. | Frequency | | 6 | 76 | 82 | 30 | 2 | 2.72 |
| | | percent | | 3.1 | 38.8 | 41.8 | 15.3 | 1 | |
| 8 | Exude a sense of authority and self-assurance. | Frequency | 6 | 100 | 42 | 13 | 7 | 28 | 1.99 |
| | | percent | 3.1 | 51 | 21.4 | 6.6 | 3.6 | 14.3 | |
| Over all | | | | | | | | | 2.77 |

Source own survey 2022

The item with the highest mean score, "Looks out for the group's best interests rather than one's own," has a mean value of 3.38, which is comparable to a response rate of "frequently." Additionally, 35.2 percent of respondents rate it as "Fairly often." So, based on the item's mean values and mod, it's possible to deduce that leaders are good role models since they prioritize the group's interests over their own.

For items one, four, three, and seven, the mean values were 3.07, 2.98, 2.73, and 2.72, respectively. All of these averages are the same as the "Fairly often " response rate. It means that managers' practice of behaving in a manner that respects employees and addressing legal considerations when making decisions is not adequately executed.

4.4.3 Inspirational motivation

When a leader exudes and communicates greatness, and takes the time to honestly and with integrity focus on the value of the self, the other person, and the job at hand, this is referred to as inspirational motivation.

Table 4.5 inspirational motivation

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|---|-----------|---|-----|------|------|------|----|------|
| 1 | Has a good view on the future. | Frequency | | | 90 | 88 | 18 | | 2.63 |
| | | Percent | | | 45.9 | 44.9 | 9.2 | | |
| 2 | Discusses the tasks that must be completed with enthusiasm. | Frequency | | 8 | 73 | 80 | 33 | 2 | 2.73 |
| | | Percent | | 4.1 | 37.2 | 40.8 | 16.8 | 1 | |
| 3 | Communicates a clear and | Frequency | | 4 | 52 | 50 | 79 | 11 | 3.21 |

| | | | | | | | | |
|---|---|-----------|------|------|------|------|-----|------|
| | compelling future vision. | Percent | 2 | 26.5 | 25.5 | 40.3 | 5.6 | |
| 4 | Shows belief that objectives will be met. | Frequency | 38 | 63 | 75 | | | 2.19 |
| | | Percent | 19.4 | 42.3 | 38.3 | | | |
| | Over all | | | | | | | 2.69 |

Source own survey 2022

As indicated in table 4.5, the highest mean score is recorded on item three, which is labeled "Communicates a clear and compelling future vision" and has a mean value of 3.21, which corresponds to a " Fairly often " response rate. With a mean value of 2.73, item two (Discusses the chores that must be accomplished with enthusiasm.) has the second highest mean value, which corresponds to "very regularly" answer rates. As a result, the organization's leaders are attempting to deploy an inspirational incentive approach, but it is failing miserably.

The 3rd and 4th means are item one with a mean value of 2.63 and item four with a mean value of 2.19. The mean value for item one corresponds to a "very regularly" answer rate, whereas the mean value for item four corresponds to a "sometime" response rate. However, the majority of respondents chose the choice of Sometime, as indicated by the percent value of item one. Which question was answered by 45.9% of all respondents? It means that the transformational leadership part of inspirational motivation is not adequately implemented.

The findings of this study are similar to those of Okoth B (2021), who investigated the influence of inspirational motivation on the implementation of human resource management policies by the Kakamega County Government in Kenya. According to his findings, executives are not incorporating inspiring motivation into their management systems.

4.4.5 Individual consideration

Individualized consideration refers to how much a leader pays attention to each follower's needs and acts as a mentor, coach, or guide. This leader listens to each follower's worries and needs, offers support, and understands their condition and background.

Table 4.6 individual consideration

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|--|-----------|---|-----|------|------|------|-----|------|
| 1 | Invests time in both teaching and coaching. | Frequency | | 10 | 73 | 73 | 24 | 16 | 2.81 |
| | | Percent | | 5.1 | 37.2 | 37.2 | 12.2 | 8.2 | |
| 2 | Treated as an individual rather as a member of a group. | Frequency | | 8 | 86 | 72 | 24 | 6 | 2.66 |
| | | Percent | | 4.1 | 43.9 | 36.7 | 12.2 | 3.1 | |
| 3 | Rather than being treated as a member of a community, you are treated as a person. | Frequency | | 14 | 53 | 98 | 18 | 13 | 2.81 |
| | | Percent | | 7.1 | 27 | 50 | 9.2 | 6.6 | |
| 4 | Makes you more likely to try harder. | Frequency | | 6 | 50 | 98 | 28 | 14 | 2.97 |
| | | Percent | | 3.1 | 25.5 | 50 | 14.3 | 7.1 | |
| 5 | Increases the ability to succeed. | Frequency | | 8 | 73 | 80 | 33 | 2 | 2.73 |
| | | Percent | | 4.1 | 37.2 | 40.8 | 16.8 | 1 | |
| 6 | Assists in the development of your strength | Frequency | | 6 | 51 | 90 | 31 | 18 | 3.02 |
| | | Percent | | 3.1 | 26 | 45.9 | 15.8 | 9.2 | |
| 7 | Makes you do more than you expected. | Frequency | | 8 | 71 | 78 | 39 | | 2.76 |
| | | Percent | | 4.1 | 36.2 | 39.8 | 19.9 | | |
| | Over all | | | | | | | | 2.82 |

Source own survey 2022

Item six (Assists in the development of your strength) has the highest mean value of 3.02, followed by mean values of 2.97 and 2.81 for item four (Makes you more likely to try harder) and item three and one, respectively (Rather than being treated as a member of a community, you are treated as a person.), (Spends time to teaching as well as coaching.) The mean value for all items corresponds to response rates of "quite regularly." It means that, like other transformational variables, these variables are rarely adopted in organizations.

The statements "Increases ability to succeed" on item five and "Treated as an individual rather than a part of a group" on item two have mean values of 2.66 and 2.73,

respectively, which correspond to the "Fairly often" response rate levels. Furthermore, the frequency data shows that the majority of respondents (48.9%) stated that it is used "sometimes."

4.5 Descriptive analyses for transactional variable

4.5.1 Contingent reward

The contingent reward system is a motivational system that rewards people who achieve their objectives. It gives you positive feedback for a job well done. Here under the researcher collect information regarding about the implementation of such types of leadership.

Table 4.7 contingent reward

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | Mean |
|----|--|-----------|---|-----|------|------|------|------|------|
| 1 | Offers your assistance in return for your efforts. | Frequency | | 7 | 30 | 61 | 67 | 31 | 3.43 |
| | | Percent | | 3.6 | 15.3 | 31.1 | 34.2 | 15.8 | |
| 2 | Identifies who is responsible for meeting success goals in concrete terms. | Frequency | | 4 | 38 | 88 | 44 | 22 | 3.21 |
| | | Percent | | 2 | 19.4 | 44.9 | 22.4 | 11.2 | |
| 3 | Makes it clear what to expect when it comes to results. | Frequency | | | 23 | 87 | 74 | 12 | 3.38 |
| | | Percent | | | 11.7 | 44.4 | 37.8 | 6.1 | |
| 4 | Is pleased when your standards are met. | Frequency | | 15 | 56 | 52 | 70 | 3 | 3.38 |
| | | Percent | | 7.7 | 28.6 | 26.5 | 35.7 | 1.5 | |
| | Over all | | | | | | | | 3.35 |

Source own survey 2022

The contingent reward has four items, as seen in the table above. The item with the highest mean score, "Offers your assistance in return for your efforts," has a mean value of 3.43, which is equivalent to "Frequently" levels of mean range. The second-highest mean value is 3.38, which is recorded for two items: item three and item four, which are

described as "Makes it clear what to expect in terms of success" and "Is pleased when your standards are met." This average value is also similar to "Frequently" response rate levels. The percentage figures on all three answers, as well as the mean value, indicate that the majority of the respondents are repeated " Frequently" it means that the company's leaders are using a transactional leadership style called contingent reward.

Item two has the lowest mean score of 3.21, which corresponds to a "Fairly often" mean range. Furthermore, the majority of responders choose "Fairly often" as their response option. It means that most of the time, leaders are instilling fear in their staff by requiring them to be goal-oriented.

4.4.2 Management by exception (passive)

This is a little more effective corrective transactional leadership practice in which the leader only addresses faults after they have occurred and fixes them. Before acting, the leader waits for something to go wrong.

Table 4. 8 Management by exception (passive)

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|---|-----------|-----|-----|------|------|------|------|------|
| 1 | Waits until problems become serious before interfering | Frequency | 2 | 9 | 50 | 85 | 43 | 7 | 2.91 |
| | | Percent | 1 | 4.6 | 25.5 | 43.4 | 21.9 | 3.6 | |
| 2 | Waits for something to go wrong before acting | Frequency | | 3 | 41 | 123 | 18 | 11 | 2.96 |
| | | Percent | | 1.5 | 20.9 | 62.8 | 9.2 | 5.6 | |
| 3 | Demonstrates that he/she is a firm believer | Frequency | 2 | | 85 | 87 | 22 | - | 2.65 |
| | | Percent | 1 | | 43.4 | 44.4 | 11.2 | | |
| 4 | Shows that issues must become recurrent before action is taken. | Frequency | 1 | 2 | 32 | 77 | 60 | 21 | 3.38 |
| | | Percent | 0.5 | 1 | 16.3 | 39.3 | 30.6 | 12.2 | |
| | Over all | | | | | | | | 2.98 |

Source own survey 2022

Item four contains the highest mean score for this variable (Shows that issues must become recurrent before action is taken). The average value of 3.38 corresponds to mean

range levels that occur " Frequently" Not only does the mean value suggest that the majority of respondents, 44.4 percent, are replayed " Fairly often " and followed by 43% are replayed "Frequently," but the mod also indicates that the majority of respondents, or , 44.4 percent, are replayed " Frequently " . The remaining components had mean values of 2.96, 2.91, and 2.65, respectively, for items 2, 1, and 3. All of these mean values are similar to a mean range of "Fairly often" indicating that transactional leadership, with the exception of passive management, is used in the organization.

4.4.3 Management by exception Active

Active management: when a leader continuously watches each subordinate's performance and takes rapid corrective action when something goes wrong, this is known as management-by-exception.

Table 4.9 Management by exception (active).

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|---|-----------|-----|------|------|------|------|------|------|
| 1 | Draws attention to contradictions, errors, anomalies, and variations from the standard. | Frequency | | 4 | 86 | 80 | 18 | 8 | 2.69 |
| | | Percent | | 2 | 43.9 | 40.8 | 9.2 | 4.1 | |
| 2 | Pays complete attention to coping with errors, grievances, and failures. | Frequency | 1 | 3 | 41 | 123 | 18 | 10 | 2.96 |
| | | Percent | 0.5 | 1.5 | 20.9 | 62.8 | 9.2 | 5.1 | |
| 3 | Keeps a record of all errors | Frequency | | 31 | 49 | 63 | 20 | 33 | 2.87 |
| | | percent | | 15.8 | 25 | 32.1 | 10.2 | 16.8 | |
| 4 | Draws my attention to expectations that have not been met. | Frequency | | | 88 | 88 | 18 | 2 | 2.73 |
| | | percent | | | 44.9 | 44.9 | 9.2 | 1 | |
| | Over all | | | | | | | | 2.81 |

Source own survey 2022

All of the mean values for this variable are equivalent to response rates of "Fairly often" When we looked at the percent statics for each item; we found that the majority of

respondents on item one "Draws attention to contradictions, errors, anomalies, and departures from the standard" selected the "sometimes" response option, which was chosen by 43.9 percent of respondents. The percentage number for item two is comparable to the mean, with 62.8 percent of respondents reporting "Fairly often".

On item four the highest percentage is recorded on two items which are "sometimes" and "Fairly often" both are confirmed by 44.9 percent of respondents for each response. It implies that leaders are exercising management by exception (active) leadership style while it is not most frequently like management by exception passive.

4.5 descriptive analyses on work engagement (dependent variable)

4.5.1 Vigor

Employees' feelings about physical strength, emotional energy, and cognitive activity are referred to as vigor, which is a collection of interrelated affective states experienced by employees where they work.

Table 4.10 vigor scale

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | Mean |
|----|---|-----------|-----|-----|------|------|------|------|------|
| 1 | At my work, I feel bursting with energy | Frequency | | 9 | 23 | 61 | 77 | 26 | 3.45 |
| | | percent | | 4.6 | 11.7 | 31.1 | 39.3 | 13.3 | |
| 2 | At my job, I feel strong and vigorous | Frequency | | 2 | 31 | 78 | 60 | 25 | 3.38 |
| | | percent | | 1 | 15.8 | 39.8 | 30.6 | 12.8 | |
| 3 | When I get up in the morning, I feel like going to work | Frequency | | 13 | 64 | 81 | 33 | 5 | 2.76 |
| | | percent | | 6.6 | 32.7 | 41.3 | 16.8 | 2.6 | |
| 4 | I can continue working for very long periods at a time | Frequency | 5 | 16 | 65 | 95 | 12 | 3 | 2.5 |
| | | percent | 2.5 | 8.2 | 33.2 | 48.5 | 6.1 | 1.5 | |
| 5 | At my job, I am very resilient, mentally | Frequency | | 8 | 73 | 80 | 33 | 2 | 2.73 |
| | | percent | | 4.1 | 37.2 | 40.8 | 16.8 | 1 | |
| 6 | At my work, I always persevere, even when things do not go well | Frequency | | | 24 | 87 | 73 | 12 | 3.37 |
| | | percent | | | 12.2 | 44.4 | 37.2 | 6.1 | |
| | Over all | | | | | | | | 3.03 |

Source own survey 2022

The largest mean for vigor scale item is recorded on item one which is stated as “At my work, I feel bursting with energy” has a mean values of 3.45 followed by the mean values of 3.38 and 3.37 for item two (At my job, I feel strong and vigorous) and item six (At my work, I always persevere, even when things do not go well) respectively. The mean values for all items are equivalent with mean ranges of “frequently”. It implies that employees are feel bursting with energy even when things do not go well and they are highly engaged on these items.

The remaining items item three (When I get up in the morning, I feel like going to work), item five (At my job, I am very resilient, mentally) and item four (I can continue working for very long periods at a time) have mean values of 2.76, 2.72, and 2.5 respectively. These mean values are equivalent with mean range of “Fairly often” it implies that more or less employees have fair engagement in their work.

4.5.2 Dedication scale

This is where employee engagement starts to become serious. You want to do more because you care about the organization, its mission, and your ability to contribute to the team and the bigger picture.

Table 4.11 dedication scale

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|---|-----------|---|-----|------|------|------|------|------|
| 1 | I find the work that I do full of meaning and purpose | Frequency | | 1 | 36 | 65 | 59 | 35 | 3.46 |
| | | percent | | .5 | 18.4 | 33.2 | 30.1 | 17.9 | |
| 2 | I am enthusiastic about my job | Frequency | 2 | 2 | 32 | 77 | 60 | 23 | 2.39 |
| | | percent | 1 | 1 | 16.3 | 39.3 | 30.6 | 11.3 | |
| 3 | My job inspires me | Frequency | | | 26 | 71 | 78 | 21 | 3.48 |
| | | percent | | | 13.3 | 36.2 | 39.8 | 10.7 | |
| 4 | I am proud of the work that I do | Frequency | | 6 | 51 | 97 | 28 | 14 | 2.96 |
| | | percent | | 3.1 | 26 | 49.5 | 14.3 | 7.1 | |
| 5 | To me, my job is challenging | Frequency | | 8 | 74 | 79 | 33 | 2 | 2.73 |
| | | percent | | 4.1 | 37.8 | 40.7 | 16.8 | 1 | |
| | Over all | | | | | | | | 3.00 |

Source own survey 2022

Dedication engagement scale has five items. From these items two mean values are equivalent with the range of mean of “frequently” response rate. These means are reported on item three (My job inspires me) with mean value of 3.48 and item one (I find the work that I do full of meaning and purpose) with mean values of 3.46. Based on the data it is possible to conclude that from these two aspects of dedication scale items, leaders are implementing transactional leadership style.

Two variables mean items are correspondent with mean values of “fairly often” which are item four (I am proud of the work that I do) with mean values of 2.96 and item five with mean values of 2.73. The remaining item, which is item five has mean values of 2.39 equivalent with “sometimes” levels of response rate.

4.5.3 Absorption scale

Table 4.12 absorption scale

| No | Items | | 0 | 1 | 2 | 3 | 4 | 5 | mean |
|----|---|-----------|---|-----|------|------|------|------|------|
| 1 | Time flies when I am working | Frequency | | | 23 | 84 | 74 | 15 | 3.41 |
| | | percent | | | 11.7 | 42.9 | 37.8 | 7.7 | |
| 2 | When I am working, I forget everything else around me | Frequency | | 8 | 71 | 78 | 39 | - | 2.76 |
| | | percent | | 4.1 | 36.2 | 39.8 | 19.9 | - | |
| 3 | I feel happy when I am working intensely | Frequency | | | 34 | 43 | 76 | 43 | 3.65 |
| | | percent | | | 17.3 | 21.9 | 38.8 | 21.9 | |
| 4 | I am immersed in my work | Frequency | | 14 | 57 | 87 | 34 | 4 | 2.78 |
| | | percent | | 7.1 | 29.1 | 44.4 | 17.3 | 2 | |
| 5 | I get carried away when I am working | Frequency | | | 61 | 90 | 43 | 2 | 2.97 |
| | | percent | | | 31.1 | 45.9 | 21.9 | 1 | |
| 6 | It is difficult to detach myself from my job | Frequency | | 9 | 45 | 55 | 59 | 28 | 3.27 |
| | | percent | | 4.6 | 23 | 28.1 | 30.1 | 14.3 | |
| | Over all | | | | | | | | 3.14 |

Source own survey 2022

The largest mean score 3.65 is recorded on item three (I feel happy when I am working intensely) of this variables which is equivalent with mean ranges of “frequently” followed by the mean values of 3.41 on item one (Time flies when I am working) similarly this mean value is under the ranges of “ frequently”. Furthermore the frequency level of item three indicates that 38.8% of respondents (which are majority) replayed “frequently” response option. It implies that when employees are gating work they have striven to be engaged fully in the task.

4.6. Correlation analyses

Inferential analysis is concerned with various statistical tests for hypothesis testing in order to evaluate whether validity data can be considered to indicate some conclusion or conclusions. It also has anything to do with estimating population values. The task of interpretation is primarily accomplished through inferential analysis. The main inferential methods used in this study to analyze the relationship between the dependent and independent variables were Pearson correlation and multiple linear regressions.

Table 4.10 The Rule of thumb

| Range of coefficient | Descriptive of strength |
|--------------------------|-------------------------|
| ± 0.8 to ± 1.00 | Very strong |
| ± 0.61 to ± 0.8 | Strong |
| ± 0.41 to ± 0.60 | Moderate |
| ± 0.21 to ± 0.40 | Weak |
| ± 00 to ± 0.20 | No relation |

Source: (Bhattacharjee, 2012)

4.6.1 Correlations between TRF, TRS, with EMG

Multiple correlations and the equation describing such a relationship are used when there are two or more independent variables. Pearson correlation was calculated in this context

to determine the relationship between independent variables (transformational leadership, transactional leadership) and the dependent variable (Employee engagement).

Table below presents the results of Pearson correlation on the relationship between dependent and independent variables.

Table 4.13 correlation

| Correlations | | | | |
|---------------------|---------------------|--------|--------|-----|
| | | WEG | TRF | TRS |
| WEG | Pearson Correlation | 1 | | |
| | Sig. (2-tailed) | | | |
| | N | 196 | | |
| TRF | Pearson Correlation | .785** | 1 | |
| | Sig. (2-tailed) | .000 | | |
| | N | 196 | 196 | |
| TRS | Pearson Correlation | .764** | .663** | 1 |
| | Sig. (2-tailed) | .000 | .000 | |
| | N | 196 | 196 | 196 |

** . Correlation is significant at the 0.01 level (2-tailed).

The results in table above indicate that, there is positive and significant relationship between both independent variables and dependent (employee work engagement). Transformational and employees' work engagement ($r = 0.785$, $p < 0.01$), transactional leadership and employee engagement ($r = 0.764$, $P < 0.01$) the data indicates that both transactional and transformational leadership have strong correlation

4.7. Effects of TRF& TRS on Employee engagement

In this paper, the researcher applies multiple regression analysis. Multiple regression analysis is used by the researcher of this thesis, because, it is usually used in the research where there are two or more independent variables that are hypothesized to influence one or more dependent variables (Baker, 2006).

The regression analysis is used to see how far the dependent variable can be explained from the various independent variables. To test hypotheses set of the model, there is a need to find out if the independent variables are significant predictors of the dependent variables. To test these relationships and in that way the research hypotheses, the regression analysis is used in this study. Also with a regression analysis it can be determined whether the independent variables explain a significant variation in the dependent variable, including whether a relationship exists. Regression analysis can determine how much of the variation in the dependent variable can be explained by the independent variables. That is, the strength of the relationship which is measured by Adjusted R Square, R^2 . The dependent variable for this research thesis is Employee engagement whereas two independent variables are transformational leadership style and transactional leadership style.

The equation of multiple regressions on this study was generally built around two sets of variables, namely dependent variable, and independent variables. The basic objective of using regression equation is in order to make the researcher more effective at describing, understanding, predicting, and controlling the stated variables.

Regression of Employee engagement and independent variables: transactional and transformational leadership styles.

$Y_i = a + \beta_1 X_1 + \beta_2 X_2$ Where:

Y is the dependent variable Employee engagement

a, is the constant (the value of y when the value of all independent variables are 0),

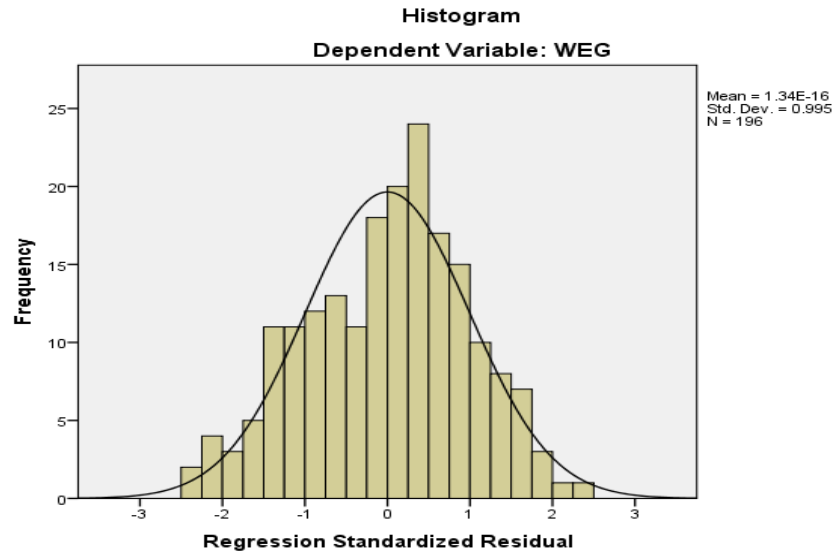
X_1 = Transformational leadership

X_2 = transactional leadership

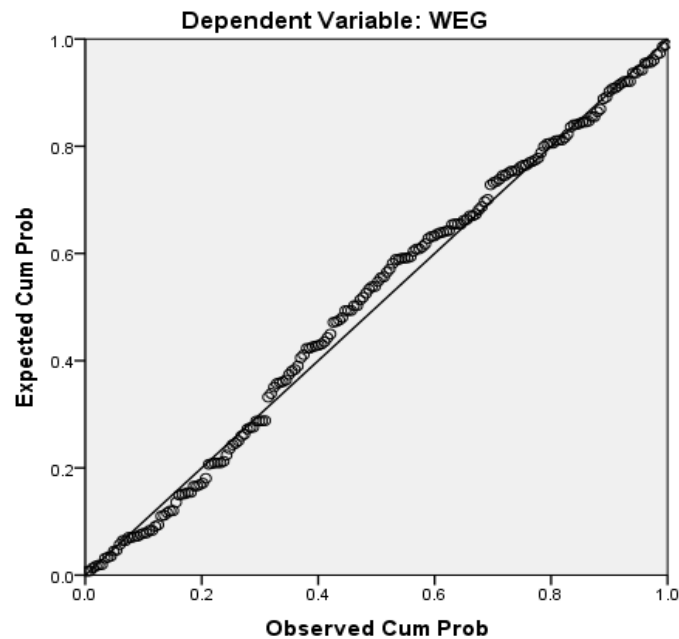
Assumption test

Before conducting liner regression the researcher test if assumptions of regression are violated or not.

A. Normality



Normal P-P Plot of Regression Standardized Residual



In order to make valid inferences from regression, the residuals of the regression should follow a normal distribution. The residuals are simply the error terms, or the differences between the observed value of the dependent variable and the predicted value. In our case

as it is observed in the following figure the normal p-p plot conform to the diagonal normality line indicated that normality assumption is fulfilled in this research.

B. Multicollinearity

Table 4.14 collinearity

| | Collinearity Statistics | |
|-----|-------------------------|-------|
| | Tolerance | VIF |
| TRF | .560 | 1.786 |
| TRS | .560 | 1.786 |

The variance inflation factor (VIF) was employed to test the existence of multicollinearity problem among explanatory variables. VIF shows how the variance of an estimator is inflated by the presence of multicollinearity (Gujarati, 2003). All values are less than 10. This indicates absence of serious multicollinearity problem among independent continuous variables.

Table 4.15 model summary

Model Summary^b

| Model | R | R Square | Adjusted R Square |
|-------|-------------------|----------|-------------------|
| 1 | .850 ^a | .722 | .719 |

a. Predictors: (Constant), TRS, TRF

b. Dependent Variable: WEG

From table above, “R” has a score of .85. It is a multiple correlation coefficient between dependent and independent variables of the study. “R” represents the value of the multiple correlation coefficients between the predictors and the outcome. Here, this “R”

value represents the simple correlation between Transformational and transactional leadership style, and Employee work engagement. Overall, they have strong correlation. Again the table indicates $R^2 = .722$. R^2 is the correlation between the dependent and independent variable values of the research. R^2 is also called the squared multiple correlation coefficient or the coefficient of determination since $(R)^2 = (0.850)^2 = .722$, furthermore adjusted R^2 is .719. So, table above with adjusted $R^2 = .719$ means that the total variation in the dependent variable Employee work engagement is explained or caused by 71.9 percent of the change in both independent variables: In other words, 28.1 percent of the variation in employee work engagement cannot be explained by these two independent variables. So, there must be other factors that are not incorporated in the study to employee work engagement. The overall model was also significant, tested with the help of ANOVA. The results are given in table below.

Table 4.16 Anova

ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 8696.737 | 2 | 4348.368 | 250.401 | .000 ^b |
| | Residual | 3351.564 | 193 | 17.366 | | |
| | Total | 12048.301 | 195 | | | |

a. Dependent Variable: WEG

b. Predictors: (Constant), TRS, TRF

In the above ANOVA table, the column labeled “sum of squares” describes the variability in the WEG value of the regression. The Regression Sum of Squares is the difference between Total Sum of Squares and Residual Sum of Squares ($TSS - RSS = 1204 - 3351.564 = 8696.737$). Here, each sum of squares (i.e., Regression, Residual, and Total under the source column) has a corresponding degrees of freedom (DF) associated with it. Total degrees of freedom is $n - 1$ ($= 196 - 1 = 195$), one less than the number of n observations. The Regression degree of freedom for the above table is 2, which is the

number of independent the residual sum of squares (residual for leftover) is sometimes known in the literatures as Error Sum of Squares is that part still cannot be accounted for after the regression model is fitted. It has 193 degrees of freedom (= 195-2) for this research paper. In general, the above ANOVA table shows a strong relationship between the dependent and independent variables of the study with F-statistic or F-ratio of 250.401 for the overall analysis, and is worth-mentioning that the F-value is highly significant (as $p=.000<.01$).

Table 4.17 coefficient

Coefficients^a

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------|-----------------------------|------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | -4.990 | 2.614 | | -1.909 | .058 |
| TRF | .480 | .049 | .497 | 9.788 | .000 |
| TRS | .738 | .086 | .435 | 8.564 | .000 |

a. Dependent Variable: WEG

As presented in table above, Unstandardized B value indicates that for every one unit increase in the independent variable (TRF) the dependent variable(WEG) increases by 0.480 units and for every one unit increase in the independent variable(TRS) the dependent variable(WEG) increases by 0.738 units.

Transactional leadership style has positive and significant effect on employees work engagement (B 0.738, $p < 0.05$). furthermore as shown in table, transformational leadership has positive and significant effect on employee engagement (B 0.48, $p<0.05$);

furthermore as shown in table, transformational leadership has positive and significant effect on employee engagement (B 0.48, $p < 0.05$)

Moreover, from the findings of this study, the researcher found out that both of the Independent variables (transformational and transactional leadership style) have positive and significance effect on employees' engagement. The findings of this study also indicated that transactional leadership has high effect than transformational leadership in the case area.

Based on the above table using (unstandardized) coefficients, the regression equation of the research model becomes in the form:

$$EWE = .73 * TRS + 0.48 * TRF \text{ Where,}$$

EWE=employee work engagement

TRS=transactional leadership

The effect of TRS coefficient is larger than the effects of TRF; therefore, one can say that all variables have significant and positive effect on Employee work engagement.

Table 4.17 Summary of hypothesis test

| Hypothesis | B value | P value | Status |
|--|---------|---------|----------|
| Ho1: transactional leadership style has not significant effect on employee work engagement | .738. | .000 | Rejected |
| Ho2: transformational leadership has no significant effect on employee work engagement | .480 | .000 | Rejected |

Based on the information above the p value for both variables is less than 0.05 and both null hypotheses are rejected.

4.8. Discussion

The results showed that the transactional leadership and transformational leadership had a positive and significant impact on employees' work engagement mean both leadership styles increase employees' engagement. However, transactional leadership has a higher impact on employee engagement than transformational leadership among employees. This result is aligned with the existing literature, for example, (Al-serhan and Almaaitah, 2021) they reported that a significant positive association between both Transformational and Transactional Leadership Styles and Employee Engagement. The results also indicate that Transformational Leadership is a better indicator of Employee Engagement when compared with Transactional Leadership. As cited by (Batista-taran *et al.*, 2009) While Bass, Avolio, Jung, and Berson (2003) found that both transactional and transformational leadership are related to increased unit performance, transactional leaders should have set structure where transformational leaders built on the structure that was already there and developed a more cohesive unit better prepared to face the challenges of a turbulent global market. In contrary to these findings the other findings showed that transformational leadership had the strongest influence on employee engagement, while transactional leadership had no impact. (Lee, Roback and Lim, 2020). The contributions of this study are the importance of both transactional and transformational leadership styles in enabling engagement.

As employee work engagement is more than employee satisfaction modern researches should investigate different leadership behaviors that bring an engaged force for an organization on different contexts of organizations.

CHAPTER FIVE

Findings, Conclusions and Recommendation

This chapter incorporate summary of the major findings, the conclusion regarding the major finding of the study on the basis of result found from the data collected in the form of both primary and secondary data. The chapter also contains the recommendations forwarded depending on the arrived conclusion.

5.1 Summary of Major finding

- ❖ This study was conducted to investigate the effect of transformational and transactional leadership style on employee's work engagement; three specific objectives were studied to achieve this purpose. These were, to assess the status of employees' work engagement, to analyze the relationship between leadership practices and employees' work engagement, and to analyze the effect leadership styles on employee work engagement.
- ❖ Majority of the respondents indicate that transformational leadership style from the aspects of intellectual stimulation is not implemented effectively. For instance 46.9% of respondents replayed "sometimes" for the statement of "Offers new perspectives on how to complete tasks".
- ❖ With regards to transactional leadership style both management by exception (active and passive) are implemented in the organization. However active management by exception is most likely implemented than passive management by exception, hence the overall mean value of active management by exception is 2.8 and the overall mean values of passive management by exception is 2.7. Furthermore, leaders are instilling fear in their staff by requiring them to be goal-oriented.
- ❖ The correlation value is also used in this research and it is found out that there is positive and significant relationship between both independent variables and dependent (employee work engagement). Transformational leadership and

employees' engagement ($r = 0.785$, $p < 0.01$), transactional leadership and employee engagement ($r = 0.764$, $P < 0.01$)

The regression result has adjusted $R^2 = .719$ means that the total variation in the dependent variable Employee work engagement is explained or caused by 71.9percent of the change in both independent variables. Moreover, the coefficient result indicates that transactional leadership style has positive and significant effect on employee work engagement $B = 0.738$, $p < 0.05$). Furthermore as shown in table, transformational leadership has positive and significant effect on employee engagement ($B = 0.48$, $p < 0.05$)

5.2. Conclusions

- ✓ The study revealed that transformational leadership styles including: solving challenges across multiple dimensions, intellectual stimulation, individual consideration, idealized influence, and contingent rewards are not implemented sufficiently in the organization.
- ✓ The levels of employee work engagement from both three aspects are fairly good, but it is not sufficient. For instance from vigor items feel bursting with energy in their work but they are lacking from the aspects of continue working for very long periods at a time.
- ✓ Moreover, from the findings of this study, the researcher found out and concludes that both of the Independent variable (transformational leadership, and transactional leadership style) have positive and significance effect employee work engagement.
- ✓ Furthermore it was revealed that transactional leadership style is the most important factor having large positive and significant effect on Vigor and Absorption aspects of employees engagement followed by, transformational leadership style. In the opposite transformational leadership style has high significant effect on dedication than transactional leadership styles.
- ✓ Conclusively, employees work engagement in the case area is determined by, the combination effect of transactional and transformational leadership styles.

5.3. Recommendation

Based on the findings and conclusion statements, the following recommendations are presented:

- According to the findings and conclusion, it is recommended to use both of transformational leadership style and transactional leadership style in National Mining Corporation as they have a positive relationship with employee work engagement. As the recommended leadership styles are practiced within the organization, the engagement of work force will tend to be improved.
- Continues training and internal discussion in higher level of management should take place, motivating leaders to be more transformational and transactional at the same time and equipping them with skills that enable them to raise the engagement level of the employees.
- The organization, furthermore, should define expectations clearly and give reward and recognition to the employees who meet expectation or vice versa.

6. References:

- Al-serhan, Atalla Fahed, and Mohammad Fathi Almaaitah. 2021. "THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND TRANSFORMATIONAL AND TRANSACTIONAL LEADERSHIP STYLES : EVIDENCE FROM JORDAN ; GREATER AMMAN MUNICIPALITY." 24(1): 1–8.
- Antonakis, John, Bruce J. Avolio, and Nagaraj Sivasubramaniam. 2003. "Context and Leadership: An Examination of the Nine-Factor Full-Range Leadership Theory Using the Multifactor Leadership Questionnaire." *Leadership Quarterly* 14(3): 261–95.
- Asbari, Masduki, Dylmoon Hidayat, and Agus Purwanto. 2021. *INTERNATIONAL JOURNAL OF SOCIAL AND MANAGEMENT STUDIES (IJOSMAS) Managing Employee Performance: From Leadership to Readiness for Change*. <http://www.ijosmas.org>.
- Atatsi, Eli Ayawo, Jol Stoffers, and Ad Kil. 2019. "Factors Affecting Employee Performance: A Systematic Literature Review." *Journal of Advances in Management Research* 16(3): 329–51.
- Avolio, Bruce J., Bernard M. Bass, and Dong I. Jung. 1999. "Re-Examining the Components of Transformational and Transactional Leadership Using the Multifactor Leadership Questionnaire." *Journal of Occupational and Organizational Psychology* 72(4): 441–62.
- Bacha, Semu, and Assistant Dbu. 2019. "ENHANCING FACULTIES SENSE OF INSTITUTIONAL LOYALTY : WHICH LEADERSHIP STYLE IS EFFECTIVE FROM FULL RANGE LEADERSHIP MODEL ?" 6(6): 116–27.
- Balducci, Cristian, Franco Fraccaroli, and Wilmar B. Schaufeli. 2010. "Psychometric Properties of the Italian Version of the Utrecht Work Engagement Scale (UWES-9): A Cross-Cultural Analysis." *European Journal of Psychological Assessment* 26(2): 143–49.
- Bass, Bernard M., Bruce J. Avolio, Dong I. Jung, and Yair Berson. 2003. "Predicting Unit Performance by Assessing Transformational and Transactional Leadership." *Journal of Applied Psychology* 88(2): 207–18.
- Batista-taran, Laura C, Michael Bradley Shuck, Cinthya C Gutierrez, and Sofia Baralt. 2009. "The Role of Leadership Style in Employee Engagement." : 15–20.
- Belias, Dimitrios, and Athanasios Koustelios. 2014. "Transformational Leadership and Job Satisfaction in the Banking Sector: A Review." *International Review of Management and Marketing* 4(3): 187–200. www.econjournals.com.
- Bono, Joyce E., and Timothy A. Judge. 2004. "Personality and Transformational and Transactional Leadership: A Meta-Analysis." *Journal of Applied Psychology* 89(5): 901–10.
- Breevaart, Kimberley et al. 2014. "Daily Transactional and Transformational Leadership and Daily Employee Engagement." : 138–57.
- Buil, Isabel, Eva Martínez, and Jorge Matute. 2019. "Transformational Leadership and Employee Performance: The Role of Identification, Engagement and Proactive Personality." *International Journal of Hospitality Management* 77: 64–75.
- Chiok Foong Loke, J. 2001. "Leadership Behaviours: Effects on Job Satisfaction, Productivity

- and Organizational Commitment.” *Journal of Nursing Management* 9(4): 191–204.
- Cho, Youngsam, Mannsoo Shin, Tejinder K. Billing, and Rabi S. Bhagat. 2019. “Transformational Leadership, Transactional Leadership, and Affective Organizational Commitment: A Closer Look at Their Relationships in Two Distinct National Contexts.” *Asian Business and Management* 18(3): 187–210.
- Cote, Robert. 2017. “Vision of Effective Leadership.” *International Journal of Business Administration* 8(6): 1.
- Donkor, Francis, Zhou Dongmei, and Isaac Sekyere. 2021. “The Mediating Effects of Organizational Commitment on Leadership Styles and Employee Performance in SOEs in Ghana: A Structural Equation Modeling Analysis.” *SAGE Open* 11(2).
- Edelbroek, Robin, Pascale Peters, and Robert Jan Blomme. 2019. “Engaging in Open Innovation : The Mediating Role of Work Engagement in the Relationship between Transformational and Transactional Leadership and the Quality of the Open Innovation Process as Perceived by Employees.” 45(1): 5–17.
- George Ogbonna, Ifeanyi. 2013. Odumeru & Ifeanyi *Transformational vs. Transactional Leadership Theories: Evidence in Literature*. www.irnbrjournal.com.
- Gómez Garbero, Lucía, Javier Labarthe, Augusto Ferreira-Umpiérrez, and Virginia Chiminelli-Tomás. 2019. “Evaluación Del Engagement En Trabajadores de La Salud En Uruguay a Través de La Escala Utrecht de Engagement En El Trabajo (UWES).” *Ciencias Psicológicas* 13(December): 305–16.
- Hogan, Robert, Gordon J. Curphy, and Joyce Hogan. 1994. “What We Know About Leadership: Effectiveness and Personality.” *American Psychologist* 49(6): 493–504.
- Hutchinson, Marie, and Debra Jackson. 2013. “Transformational Leadership in Nursing: Towards a More Critical Interpretation.” *Nursing Inquiry* 20(1): 11–22.
- Janke, Kristin, and Mind Garden. 2010. “Multifactor Leadership Questionnaire Leader Form.” *Garden*: 103–4.
- Jelača, Maja Strugar, Radmila Bjekić, and Bojan Leković. 2016. “A Proposal for Research Framework Based on The Theoretical Analysis and Practical Application of MLQ Questionnaire.” *Economic Themes* 54(4): 549–62.
- Jensen, Ulrich Thy et al. 2019. “Conceptualizing and Measuring Transformational and Transactional Leadership.” *Administration and Society* 51(1): 3–33.
- Kulikowski, Konrad. 2017. “Do We All Agree on How to Measure Work Engagement? Factorial Validity of Utrecht Work Engagement Scale as a Standard Measurement Tool - A Literature Review.” *International Journal of Occupational Medicine and Environmental Health* 30(2): 161–75.
- Lai, Fong-yi et al. 2020. “Transformational Leadership and Job Performance : The Mediating Role of Work Engagement.” (1).
- Leadership, Transformational. 2020. “Transformational Leadership Qualities and Practices of Transformational Leaders.” (August 2021): 1–4.

- Lee, C Christopher, Tiffanie Roback, and Hyoun Sook Lim. 2020. "Factors Impacting Work Engagement of Gen Z Employees : A Regression Analysis Varshini Aravamudhan Central Connecticut State University Central Connecticut State University." 18(3): 147–59.
- Li, Yongzhan, Gloria Castaño, Yongxin Li, and Gloria Castaño. 2018. "Among Chinese Knowledge Workers Linking Leadership Styles to Work Engagement The Role of Psychological Capital among Chinese."
- Lowe, Kevin B., K. Galen Kroeck, and Nagaraj Sivasubramaniam. 1996. "Effectiveness Correlates of Transformational and Transactional Leadership: A Meta-Analytic Review of the Mlq Literature." *Leadership Quarterly* 7(3): 385–425.
- Mills, Maura J., Satoris S. Culbertson, and Clive J. Fullagar. 2012. "Conceptualizing and Measuring Engagement: An Analysis of the Utrecht Work Engagement Scale." *Journal of Happiness Studies* 13(3): 519–45.
- Morreale, Stephen A, and A Dissertation. *ANALYSIS OF PERCEIVED LEADER BEHAVIORS IN LAW ENFORCEMENT AGENCIES.*
- Oyinlade, A. Olu. 2008. "A Method of Assessing Leadership Effectiveness." *Performance Improvement Quarterly* 19(1): 25–40.
- Rad, Ali Mohammad Mosadegh, and Mohammad Hossein Yarmohammadian. 2006. "A Study of Relationship between Managers' Leadership Style and Employees' Job Satisfaction." *International journal of health care quality assurance incorporating Leadership in health services* 19(2–3).
- Sadeghi, Amir, and Zaidatol Pihie. 2012. "Transformational Leadership and Its Predictive Effects on Leadership Effectiveness." *International Journal of Business & Social Science* 3(7): 186–97.
- Schaufeli, Wilmar B., Arnold B. Bakker, and Marisa Salanova. 2006. "The Measurement of Work Engagement with a Short Questionnaire: A Cross-National Study." *Educational and Psychological Measurement* 66(4): 701–16.
- Seppälä, Piia et al. 2009. "The Construct Validity of the Utrecht Work Engagement Scale: Multisample and Longitudinal Evidence." *Journal of Happiness Studies* 10(4): 459–81.
- Stoeber, Joachim, Jessica Townley, and Charlotte R Davis. 2013. "Comparing Two Work-Engagement Scales: Relationships with Job Satisfaction, Organizational Commitment, and Workaholism." *School of Psychology, University of Kent* 7(April): 1–19.
- Sunarsi, Denok, Vip Paramarta, and Achmad Rozi. 2021. "Effect of Transformational , Transactional Leadership and Job Satisfaction : Evidence from Information Technology Industries." 9(1): 987–96.
- Tenri Sompaa, Andi, and M Riduansyah Syafari. *Strategy For Improving The Performance of State Civil Service In Developing Employee Performance Targets In The Government Environment of Tanah Bumbu District.*
- Valentine, Albert Richard. *Effects of Transformational Leadership on Work Engagement The Effects of Transformational Leadership on Work Engagement in the Kingdom of Thailand: A Case Study of a Thai MNC.*

- Yahaya, Rusliza, and Fawzy Ebrahim. 2016. "Leadership Styles and Organizational Commitment: Literature Review." *Journal of Management Development* 35(2): 190–216.
- Zopiatis, Anastasios, and Panayiotis Constanti. 2010. "Leadership Styles and Burnout: Is There an Association?" *International Journal of Contemporary Hospitality Management* 22(3): 300–320.

Appendix

Dear Respondents,

I would like to thank you for your willingness to take part and for taking the time to fill this questionnaire.

The main purpose of the questionnaire is to gather relevant and factual information that can be used as a resource for postgraduate study for the research work entitled "IS Transformational or Transactional Leadership more appropriate for effective Employee Work Engagement ?" in the case of National Mining Corporation

Name of Researcher: - Solomon Belay Tamrat

Tel.No. 0911624228

This questionnaire provides a description of your leadership style. Twenty-one descriptive statements are listed below. Judge how frequently each statement fits you. The word others may mean your followers, clients, or group members.

The Purpose of this questionnaire is for academic research only. Please put ✓ mark on the space provided

Section 1: Personal Details

1. In what age group are you?

18-24 25-31 32-38 39-45 46-52 53-59 60+ 2.

2. Gender: Male Female

3. Educational Level Certificate Diploma Degree MA & above

Section 2: Multi Factor Leadership Questionnaire (MLQ)

Transformational Leadership Questionnaire

| No. | Questionnaire | Not at all | Once in a while | Some times | Fairly often | Frequently | Always |
|-----|--|------------|-----------------|------------|--------------|------------|----------|
| | Intellectual stimulation | 0 | 1 | 2 | 3 | 4 | 5 |
| 1 | Reexamines crucial assumptions to see if they are still true/appropriate | | | | | | |
| 2 | When solving problems, seeks out various points of view. | | | | | | |
| 3 | Encourages you to see issues from a variety of perspectives. | | | | | | |
| 4 | Offers new perspectives on how to complete tasks. | | | | | | |
| | Idealized Influence | | | | | | |
| 5 | Discusses most fundamental principles and convictions. | | | | | | |
| 6 | Stresses the value of a clear sense of mission. | | | | | | |
| 7 | Emphasize the significance of a shared sense of mission. | | | | | | |
| 8 | Thinks about the legal and ethical implications of decisions. | | | | | | |
| 9 | Makes me feel happy to be associated with him/her. | | | | | | |
| 10 | Looks out for the group's best interests rather than one's own. | | | | | | |
| 11 | Behaves in a manner that earns my respect. | | | | | | |
| 12 | Exude a sense of authority and self-assurance. | | | | | | |
| | Inspirational Motivation | | | | | | |
| 13 | Has a good view on the future. | | | | | | |
| 14 | Discusses the tasks that must be completed with enthusiasm. | | | | | | |
| 15 | Communicates a clear and compelling future vision. | | | | | | |
| 16 | Shows belief that objectives will be met. | | | | | | |
| | Individual Consideration | | | | | | |
| 17 | Invests time in both teaching and coaching. | | | | | | |
| 18 | Treated as an individual rather as a member of a group. | | | | | | |
| 19 | Rather than being treated as a member of a community, you are treated as a person. | | | | | | |
| 20 | Makes you more likely to try harder. | | | | | | |
| 21 | Increases the ability to succeed. | | | | | | |
| 22 | Assists in the development of your strength | | | | | | |
| 23 | Makes you do more than you expected. | | | | | | |

Transactional Leadership Questionnaires

| No. | Questionnaire | Not at all | Once in a while | Som e times | Fairly often | Fre que ntly | Alwa ys |
|-----|---|------------|-----------------|-------------|--------------|--------------|----------|
| | Contingent Reward | 0 | 1 | 2 | 3 | 4 | 5 |
| 1 | Offers you assistance in return for your efforts. | | | | | | |
| 2 | Identifies who is responsible for meeting success goals in concrete terms. | | | | | | |
| 3 | Makes it clear what to expect when it comes to results. | | | | | | |
| 4 | Is pleased when your standards are met. | | | | | | |
| | Management by Exception (Passive) | 0 | 1 | 2 | 3 | 4 | 5 |
| 5 | Waits until problems become serious before interfering | | | | | | |
| 6 | Waits for something to go wrong before acting | | | | | | |
| 7 | Demonstrates that he/she is a firm believer | | | | | | |
| 8 | Shows that issues must become recurrent before action is taken. | | | | | | |
| | Management by Exception (Active) | 0 | 1 | 2 | 3 | 4 | 5 |
| 9 | Draws attention to contradictions, errors, anomalies, and variations from the standard. | | | | | | |
| 10 | Pays complete attention to coping with errors, grievances, and failures. | | | | | | |
| 11 | Keeps a record of all errors | | | | | | |
| 12 | Draws my attention to expectations that have not been met. | | | | | | |

Work Engagement Questionnaires

| No. | Questionnaire | Not at all | Once in a while | Some times | Fairly often | Frequently | Always |
|-----|--|------------|-----------------|------------|--------------|------------|----------|
| | Vigor scale | 0 | 1 | 2 | 3 | 4 | 5 |
| 1 | At my work, I feel bursting with energy. (VI1) | | | | | | |
| 2 | At my job, I feel strong and vigorous. (VI2) | | | | | | |
| 3 | When I get up in the morning, I feel like going to work. (VI3) | | | | | | |
| 4 | I can continue working for very long periods at a time. (VI4) | | | | | | |
| 5 | At my job, I am very resilient, mentally. (VI5) | | | | | | |
| 6 | At my work, I always persevere, even when things do not go well(VI6) | | | | | | |
| | Dedication scale | 0 | 1 | 2 | 3 | 4 | 5 |
| 1 | I find the work that I do full of meaning and purpose. (DE1) | | | | | | |
| 2 | I am enthusiastic about my job. (DE2) | | | | | | |
| 3 | My job inspires me. (DE3) | | | | | | |
| 4 | I am proud of the work that I do. (DE4) | | | | | | |
| 5 | To me, my job is challenging. (DE5) | | | | | | |

| | Absorption scale. | 0 | 1 | 2 | 3 | 4 | 5 |
|---|--|----------|----------|----------|----------|----------|----------|
| 1 | Time flies when I am working. (AB1) | | | | | | |
| 2 | When I am working, I forget everything else around me(AB2) | | | | | | |
| 3 | I feel happy when I am working intensely. (AB3) | | | | | | |
| 4 | I am immersed in my work. (AB4) | | | | | | |
| 5 | I get carried away when I am working. (AB5) | | | | | | |
| 6 | It is difficult to detach myself from my job. (AB6) | | | | | | |