TRANSFORMATIONAL Leadership and Employee Engagement amongst Knowledge Workers

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Abstract

This study attempts to add to the previous research conducted on the relationship between specific leadership styles and employee engagement in the workplace. There are numerous studies of factors influencing organisational and team performance and these have attempted to find relationships amongst numerous key variables in order to predict organisational success. A significant contributor towards organisational performance identified, particularly within knowledge worker companies, is the vigour dedication and absorption, otherwise defined as engagement, of the employees at work. The influence of leadership specifically is viewed as a significant determinant of employee engagement.

This descriptive research therefore attempts to specifically illuminate the relationship between transformational and transactional leadership behaviours, initially articulated by Bass (1985), and employee engagement levels within a South African company of knowledge workers. Correlation and crosstabulation tables are used to identify the existence of a positive association. Key findings include a contradiction of the current literature that transformational leadership has a positive relationship with employee engagement at a statistically significant level. Transactional leadership is also shown to have higher predictive qualities than previously found. The research also adds to the case for further study of situational and cultural moderators of transformational leadership’s effectiveness in predicting employee motivation and engagement.

Keywords

Leadership; Transformational leadership; Engagement; Knowledge Workers.
Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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Name

Signature

7/11/2012

Date
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CHAPTER 1: INTRODUCTION TO RESEARCH PROBLEM

1. Research Problem

The necessity to identify the factors contributing to organisational, team and individual performance cannot be over emphasised. The survival of enterprises in spite of global economic and market conditions seems to in part, rely on the robust internal structures and philosophies they develop. McGill and Slocum (1998) put it most succinctly when they said “that in order for organizations to succeed in today’s environment (whatever their sphere of activity), they must dramatically change their business processes and, simultaneously, develop and draw on the commitment of their people to implement these new processes” (p. 39). It seems that no matter what field an enterprise is in, the product they produce, the technology they innovate or the service they offer the market, the people employed by that organisation will ultimately be one of the most significant factors in determining their success, sustainability and market share. Organisations therefore need their employees to perform at optimal levels on a continuous basis.

Winston (2007) reiterates this when he says “The only sustainable source of competitive advantage is the capacity of your people to learn, grow, and outperform the competition” (para. 13) but adds in that this will rely on effective organisational leadership. Thus, if unlocking performance from human resources is the new source of competitiveness, it is imperative that the organisations value and retain the talent that is able to do so (Maha-Lakshmi, 2012). For the organisation to obtain optimal productivity from such valuable resources it has to have the commitment, participation and motivation of both the staff and the leadership directing them.
However this is easier said than done as obtaining optimal productivity is one of the greatest challenges hindering South African competitiveness. As reported by Deon Binneman (2011) in his online article Something is Clearly Wrong with Employee Engagement in South Africa on 11 August 2011, “Adcorp also pointed to this in its latest employment index report and I quote – ‘The inability to get workers to perform and the inability to pay them for their performance, are the single biggest drivers of low employment” (para. 4). South Africa has struggled to keep pace with similarly sized developing economies that are able to rely on either lower workforce costs or higher rates of worker productivity.

Thus obtaining a greater sense of urgency, commitment and energy, sometimes referred to as engagement (Welbourne, 2007) by individual employees towards organisational goals, should be a central focus of strategic management. The bottom line impact of employee work engagement, can also be measured as reported:

“In a study using data from over 360 000 employees from 41 companies, those companies described as having low overall engagement lost 2.01 percent operating margin and were down 1.38 percent in net profit margin over a three-year period. During that same period, high-engagement companies gained 3.74 percent operating margin and 2.06 percent net profit margin. Engaged employees, the study argues, clearly contributed to the bottom line of their companies (ISR. 2003)” (Frank, Finnegan, and Taylor, 2004, p. 16).

Nowhere is the requirement for fully engaged and optimally productive staff more relevant to obtain than with knowledge workers (Drucker, 1999) who have emerged over the last two decades with the new age of an information economy. These knowledge workers utilise their expertise and ability to gather and interpret information, build professional resource networks and
process knowledge to create value for companies across almost all sectors. They are the information consultants, human resource practitioners and financial analysts employed or contracted by almost every organisation in the formal market.

The manner in which to extract optimal performance from these individuals has inspired much discussion and management literature (Maha-Lakshmi, 2012; Branham, 2005; Bens, 2007) on the best ways for leaders to engage and motivate based on leadership techniques. The cost of disengaged employees in a developed economy such as the U.S. is estimated “to be somewhere between $254 billion and $363 billion annually” (Branham, 2005, p. 4). Even direr for a South African economy trying to compete internationally, through expanding global networks, international firms begin to draw away from these shores the truly talented and highly skilled knowledge workers seeking international opportunities to develop their careers.

The obvious question then arises as to how to positively affect the engagement of staff that is so necessary to obtain sustainable results for all stakeholders. Here various researchers (Aryee, Avolio & Walumbwa, 2011; Bens, 2007; McGill & Slocum 1998) are agreed that the impact of leadership, even at first line supervisory level, is one of the highest contributing elements to engaging, motivating and retaining talented employees. Wiley (2010) demonstrates the requirement to focus on effective leadership behaviours by reporting that according to “the latest research from the Kenexa Research Institute (KRI), an organization’s senior leadership team has a significant impact on its employees’ overall opinions of the company and engagement levels, which have been linked to both earnings per share and total shareholder return” (p. 47).
However for most individuals making the transition to a leadership position and adopting the relevant behaviours is not an easy path. As Drotter & Charan (2001) explain “The highest performing people, especially, are reluctant to change: they want to keep doing the activities that made them successful” (p. 21). The technical competencies that got newly promoted leaders noticed and identified initially will not necessarily enable them to be motivating and inspiring leaders. Therefore, when followers do not immediately respond to the new leader’s directive style the fall-back action is to rather ‘do it myself’. The leader will then progressively cease to even engage his/her team members, rather attempting to increase organisational performance through only his/her own efforts. However, by not engaging the talents and skills of each and every team member, a leader is certain to encounter a lower ceiling in his/her team’s contribution to organisational performance. The plethora of leadership and people management literature available suggests that there is a market demand for leadership philosophies that develop leadership competencies – specifically those that engage talented knowledge workers to deliver optimal performance in a variety of situations.

Avolio, Walumbwa, and Weber (2009) therefore suggest that various leadership philosophies be researched in a variety of organisational and cultural contexts to build a body of literature that may begin to narrow a definitive answer. One such leadership philosophy that has been extensively researched in western and eastern cultural contexts is transformational leadership (Bass, 1985). The theory suggests that a progressive and inspiring leader is the most effective in unleashing follower performance and organisational commitment. However, the question remains how this leadership philosophy would perform in the heterogeneous South African cultural landscape and uniquely African context amongst one of the most important section of any organisation, namely it’s knowledge workers.
2. **Research Aim**

The aim of this study is therefore to utilise an extensive and internationally researched transformational leadership assessment device i.e. the Multifactor Leadership Questionnaire (MLQ) developed by Bass (1985), to illuminate the link between prevalent leadership behaviours and the engagement of knowledge workers within a typical South African knowledge worker organisation. The goal is to assess whether a positive relationship exists between transformational leadership as still asserted by Bass (1999) and employee engagement, as defined by Maslach and Leiter (1997) according to Schaufeli, Salanova, González-romá, and Bakker (2002). This will then provide an avenue of development for South African business leaders to explore in order to improve the engagement of their followers and in so doing increase productivity and bottom line performance.
1. **Introduction**

To understand the literature that has gone before in this field of study, it is useful to divide the subject into the major components that comprise the research. To begin with considering the current literature on employee engagement and the link to organisational performance sets the context for the importance of understanding why improving engagement in any industry bears consideration. However, to narrow the focus for the research, the definition of a knowledge worker, their significance to organisations and the identifying characteristics create a context for the need to focus on this particular body of employees.

Yet, of all the factors contributing to engagement by knowledge workers, the influence of an engaged knowledge worker’s leader is considered paramount by the common literature put forward. The usefulness of transformational leadership to employee engagement in particular is explored and the cross cultural impact is also considered to ensure applicability for an African and specifically South African context.

2. **Employee Engagement**

2.1 **The factors of engagement**

To begin there is a necessity to understand both the definition and significance of employee engagement. Employee engagement, as defined by Maslach and Leiter (1997) according to Schaufeli et al. (2002), is usually characterised by energy, involvement and efficacy of an employee. Further clarification was provided by defining engagement as follows:
“Work engagement consists of the following dimensions (Schaufeli et al., 2002):

- **Vigour** is characterised by high levels of energy and mental resilience while working, the willingness to invest effort in one’s work, not being easily fatigued, and persistence even in the face of difficulties.

- **Dedication** is characterised by deriving a sense of significance from one’s work, by feeling enthusiastic and proud about one’s job, and by feeling inspired and challenged by it.

- **Absorption** is characterised by being totally and happily immersed in one’s work and having difficulties detaching oneself from it. Time passes quickly and one forgets everything else that is around” (Storm & Rothmann, 2003, p.63).

As originally defined by Kahn (1990) and reported by Babcock-Roberson and Strickland (2010) engagement “is defined as the simultaneous employment and expression of a person’s preferred self during tasks that promote connections to work and to others, personal presence and active, full performances” (p. 315). A similar explanation is provided by Attridge (2009) when he defined engagement as containing “three factors include a physical component (e.g., “I exert a lot of energy performing my job”), an emotional component (e.g., “I really put my heart into my job”), and a cognitive component (e.g., “Performing my job is so absorbing that I forget about everything else”)” (p. 384).

### 2.2 The link to performance

Engagement has been consistently linked to higher levels of productivity and employee well-being (Robertson, Birch & Cooper, 2011). Engagement is crucial to obtaining optimal performance as an engaged employee puts forth more energy, commitment and dedication to his or her tasks (Babcock-Roberson & Strickland, 2010). It would therefore be a logical conclusion to see higher
performance from an employee that brings their entire focus and attention to the task at hand than from an employee who sees their work as a necessary burden to bear for a limited period of time. This was further confirmed when Harter, Schmidt, and Hayes (2002) found “employee satisfaction and engagement are related to meaningful business outcomes at a magnitude that is important to many organizations and that these correlations generalize across companies” (p. 276).

If energy is also a key characteristic of a motivated and engaged employee (Schaufeli et al., 2002), the contributing elements for a knowledge worker to thrive “most related to vitality are learning-oriented (e.g., learning something new), relational (e.g., doing something that will make a colleague happy), and meaning-related (e.g., reflecting on how I might make a difference at work)” (Fritz, Lam & Spreitzer, 2011, p. 34-35). Engaged employees also experience a level of workaholism that does not necessarily cause a high rate of burnout (Schaufeli, Tarris & van Rhenen, 2008) as they are able to express their whole personality, creativity and emotional side at work without suppressing these basic human characteristics (May, Gilson & Harter, 2004).

### 2.3 Leadership enabling engagement

Therefore creating a sense of meaningfulness and responsibility would be a core requirement to retain and extract optimal performance from an employee (Fritz, Lam & Spreitzer, 2011). In fact, being able to create an idealised match between an employee and the environment, task requirements and leadership methodology, all contributing to the enablement of their success, would be an essential task for the effective leader (Wildermuth & Pauken, 2008; Attridge, 2009). In the research model below illustration is provided for the antecedent of leader support for employee engagement and the positive consequences delivered as a result.
Wildermuth and Pauken (2008) go on to note that the applicability of certain leadership philosophies seem more appropriate to improve employee engagement. Specifically, the vision setting and inspiring characteristics of transformational leadership are positioned as “engagement friendly” (Wildermuth & Pauken, 2008, p. 126). Transformational leadership speaks specifically to creating meaning and significance in an employee’s contribution, vital rewards sought by a fully engaged employee. The diagram below therefore demonstrates a graphic representation of this relationship:

If energy is also a key characteristic of a motivated and engaged employee (Schaufeli et al., 2002), the contributing elements for a knowledge worker to thrive “most related to vitality are learning-oriented (e.g., learning something new), relational (e.g., doing something that will make a
colleague happy), and meaning-related (e.g., reflecting on how I might make a difference at work).” (Fritz, Lam & Spreitzer, 2011, p. 34-35).

3. Knowledge workers

3.1 Knowledge workers contribution

Organisations that wish to remain competitive in the current economic environment rely on employees who use their knowledge to provide innovative solutions that push the company forward in performance. In fact, an organisation’s most valuable assets are their knowledge workers and their productivity (Drucker, 1999). To define what characterises a knowledge worker, Carleton (2011) explains “Drucker (1973) referred to this primary KW characteristic as a ‘diversity of outputs’ since they are internally sourced, based on each person’s knowledge, skill set and prior experience” (p. 460). The service sector industries, that are hallmarks of developing economies, employ individuals that are motivated by autonomy and stimulation within work environments (Carleton, 2011).

In the current information age, knowledge and talent management has become the key factor in driving the profitability and growth of these service sector firms (Drucker, 1999). As Carleton (2011) points out the “Two main principles of knowledge worker management are emphasizing professionalism and collaboration, and decreasing emphasis on individualized performance metrics and incentive schemes (DLS Group Inc, 2007)” (p. 460). Knowledge workers are increasingly becoming more independent and, as such, avoid traditional control and command structures (Horwitz, Heng and Quazi, 2003). A knowledge worker also feels constrained by the tradition view of managers as directive and necessary requirements for productivity and output.
They therefore seek managers who recognise their unique contributions and manage them accordingly.

### 3.2 Managing Knowledge workers

Therefore, the influence of the knowledge worker’s charismatic team leader or manager can greatly determine the effectiveness of the employee (Babcock-Roberson & Strickland, 2010; Carleton, 2011). Implementing strategies as a leader that attach meaning to the team member’s contribution and that emphasise positive workplace relationships, can unlock the engagement of knowledge workers necessary to deliver the potential economic benefits to the organisation (Fritz, Lam, & Spreitzer, 2011).

If practicing a particular leadership style is crucial for employee engagement, then as Attridge (2009) records “years of occupational health psychology research have revealed that a ‘transformational leadership’ style is effective for this task” (p. 393). The link is therefore practically intuitive that an approach that inspires, motivates and sets goals concordant with the followers own goals (Bono & Judge, 2003). If organisations who employ knowledge workers must consider the relationship between a knowledge worker and their manager as one of the key factors in retaining them (Sutherland & Jordaan, 2004), then the particular leadership style engaged must be researched to establish suitability for this type of employee.

### 4. Transformational Leadership

#### 4.1 An introduction to transformational leadership

The idea of inspirational leadership can be traced back to the original work understanding charismatic leadership in the 1920’s (Avolio, Walumbwa & Weber, 2009). The theory of
transformational leadership, as first proposed by Burns (1978) and then subsequently built on by Bass (1985), came from the feeling of dissatisfaction with theories of leader-follower exchange as was fairly popular in the early 1980’s (Bass, 1985). Little evidence could be found to directly link employee performance with what was described as “economic cost-benefit assumptions” (Bass, 1985, p.5) of employing a leadership technique that only rewarded outputs or penalised deviation from expectation.

Thus a theory described as ‘new-genre’ leadership as defined by Bryman (1992) and referred to by Avolio, Walumbwa, and Weber (2009) proposed that effective leaders “emphasized symbolic leader behavior; visionary, inspirational messages; emotional feelings; ideological and moral values; individualized attention; and intellectual stimulation” (p. 428). Bass (1999) went on to clarify that the traditional forms of leader-follower exchange, defined as transactional leadership need not be abandoned but rather should be augment transformational leadership.

The full range model would begin with the most base level described as a lazziez-faire leadership style or non-engagement by the leader (Bass, 1985). This did not necessarily indicate incompetence by the leader but may be employed when followers were required to continue unhindered or as part of task delegation. Naturally, continuous use or over reliance on the lazziez-faire approach could result in a lack of team members focused task commitment or fear of consequence for non-performance. Negative and destructive behaviours are reinforced though and this leadership style does create harmful outcomes if widely applied in and organisational context (Skogstad et al., 2007).
Therefore, as leaders developed in competency and understanding of their relationships with followers or team members, they should develop a transactional leadership approach which is based on the exchange between leader and follower of reward for follower performance or reprimand for deviation from expectation (Lowe, Kroeck & Sivasubramaniam, 1996). Curiously M. S. Singer & A. E. Singer (1990) found that certain situational constraints caused certain organisations to foster transactional leadership and that certain followers had a preference for this form of leadership lowering the effect of leaders using transformational behaviours. Vecchio, Justin, and Pearce (2008) also showed that transactional leadership could still create a path to task performance and job satisfaction for a follower.

4.2 **Intuitive approach for engagement**

However, as pointed out earlier first Burns (1978) and then Bass (1985) felt a leader should go further than contingent rewards for followers practiced in a transactional leadership style and evolve to that of transformational leader whom inspires and empowers his followers to operate independently and for the common good as opposed to simple self-interest (Judge & Piccolo, 2004). The argument for a transformational leadership approach seems intuitive. A charismatic leader will inspire more trust and loyalty than one who merely offers rewards for followers (Aryee, Walumbwa, Zhou & Hartnell, 2012). Inspirational leadership is displayed when a leader envisions a desirable future that appeals to the intrinsic motivation of team members, states clearly how it can be achieved and sets an example that can be followed (Bass, 1999).

Conversely, employees who feel their leader is fully engaged, committed and aspiring to a higher cause are more likely to reflect and mirror those qualities as opposed to members of a team where the leader seems absent physically and emotionally (Holtz & Harold, 2008). Followers can
also be motivated by intellectual stimulation and individualised consideration which are hallmarks of a transformational leader (Zhu, Avolio & Walumbwa, 2009). Employees who experienced transformational leaders also reported reduced emotional exhaustion (Densten, 2005).

Interestingly, transformational leadership seems to have a higher positive relationship with engagement when employees are “creative, innovative and proactive” (Tims, Bakker & Xanthopoulou, 2011, p. 127).

4.3 Limitations and applying a full range

Zhu, Avolio, and Walumbwa (2009) in their research emphasise that transformational leadership should not replace transactional and lazizz-faire leadership but be used as part of the full range model. In the event of certain situations or less maturely developed followers it would still be appropriate to utilise the short term impact of contingent rewards or management by exception. Other developmental activities would require a hands-off approach, developmental activities where team members are purposely asked to experiment with new skills free of leader involvement (Hinkin & Schriesheim, 2008).

This new understanding and repositioning of transactional leadership as an augmentation to transformational leadership, as opposed to an incomplete phase in development, was further validated by Zhu, Avolio, and Walumbwa (2009). The positive impact in certain researched contexts of using transformational leadership to obtain engagement and ultimately performance still seems to have a positive relationship (Aryee, Walumbwa, Zhou & Hartnell, 2012). In fact Amarjit, Flaschner, and Shachar (2006) even show how transformational leadership if practiced correctly can lower employee burnout and mitigate team member stress.
Interestingly, Van Kleef et al. (2009) does point out individuals with high epistemic motivation, that is a desire to maintain rich understandings of their environment and emotional states, actually responded with higher motivation when subjected to a harsher display of leader emotions, particularly anger. This behaviour seems at first at odds with the theory of transformational leadership until one recalls the occasional augmenting of transformational leadership with transactional leadership behaviour (Zhu, Avolio & Walumbwa, 2009).

4.4 A critique on application of the theory

The difficulty with the full range leadership model began to arise when the question was raised as to how to diagnose a particular situation and then apply the appropriate form of leadership. This led to the popularisation of other leadership philosophies such as situational leadership defined first by Hersey & Blanchard (1972) and tested recently by Thompson and Vecchio (2009) or the unique model suggested by Sims, Faraj, and Yun (2009) and examined in the unique context of a trauma centre. Wofford, Whittington, and Goodwin (2001) also found that follower’s motives in certain situations may also affect the impact of transformational leadership on follower behaviour.

There has also been some critique regarding the effect of transformational leadership on organisational outcomes at a strategic level. According to Yukl (2008), the effect of leadership style is not as critical for determining performance as “(1) efficiency and process reliability, (2) human capital, and (3) adaptation to the external environment” (p. 709). Stoker, Gutterink, and Kolk (2012) also points to the distorting effect of top management’s feedback seeking behaviour on any strategic leader’s attempt to apply transformational leadership. Yukl (1999) also disputes the ease of understanding the behaviours which are considered transformational. In addition to this, Yukl
(1999) questions whether transformational leadership behaviour increases actual commitment, as opposed to merely increasing leadership satisfaction amongst the followers. This would mean that only the dedication component of engagement (Schaufeli et al., 2002) would increase under transformational leadership and not the vigour and absorption factors.

Further to this some criticism has been levelled at the practicality of transformational leadership as the ideal mechanism of leadership contribution (Tourish, Craig & Amernic, 2010). The point made by these critics is the contrarian influence of agency theory as ascribed to Jensen and Meckling, (1976) by Tourish, Craig, and Amernic (2010) that counteracts the altruistic goals of transformational leadership with common self-interest of the individual and the organisation. The main message however is not that transformational leadership is unsuccessful at influencing engagement amongst knowledge workers but rather to “highlight the risk that business schools are producing graduates who will attempt to appeal to common needs (guided by precepts of transformational leadership) but who will simultaneously enact contradictory performance management systems (guided by agency theory)” (Tourish, Craig & Amernic, 2010, p. 41). Their proposition proves an interesting point of research and potential discussion point to possibly illuminate non-linear relationships should they occur as part of this research.

4.5 The African perspective on leadership

In his work identifying a research agenda for sub-Saharan Africa, Murchiri (2011) points to a substantial lack of research identifying the impact of various leadership philosophies on organisational outcomes in an African context. The African cultural landscape has different cultural motivators (Hofstede, 1980) and there is therefore, as Avolio, Walumbwa, and Weber (2009) also assert, a requirement to further explore the current theory of transformational leadership as
originally defined by Burns (1978) in a variety of contexts and cultures. Aryee, Avolio, and Walumbwa (2011) also emphasises the need to further explore the impact of these theories within a sub-Saharan environment since varying cultural contexts and other socio-economic factors are driving the emerging economies prevalent on the continent, factors that may be distorting the impact of leadership on employee commitment and performance.

In the research conducted by Walumbwa, Lawler, and Avolio (2007), cultural factors were found to have moderating effects on transformational leadership and it’s impact on employee engagement. Their research specifically found “for those individuals who were more allocentric, transformational leadership was more positively associated with work-related attitudes/outcomes; for those individuals who were more idiocentric, transactional contingent reward leadership was more positively associated with work-related attitudes/outcomes” (Walumbwa, Lawler & Avolio, 2007, p. 225). This raises the question whether, in a multi-cultural society such as South Africa, results of transformational leadership would vary amongst a mixed allocentric and idiocentric society.

To establish the validity of the Transformational leadership theory in an African context, Bass (1997) does indicate the transferability of the successful application of transformational leadership across national borders. Of interest in the context of the proposed research though is the sample used for Africa, that of 70 South African executives who were interviewed in 1980 (Bass, 1997). This self-evidently raises concerns about the cultural validity and generational difference that 30 years and the transformation of South Africa post 1994 can make on the results obtained.
Two additional studies that are conducted in South Africa regarding the effects of transformational leadership still leave gaps in the research regarding the theory. The first one bears little consideration in the context of this study as it’s primary focus is on the link between transformational leadership and organisational effectiveness in the context of sports administration post 1994 (Ristow, Amos & Staude, 1999). The second study is far more pertinent to consider as it considers transformational leadership’s relationship to employee engagement and particularly the moderating effects of follower characteristics (Zhu, Avolio & Walumbwa, 2009). Although the study is fairly broad and ranges across industries, the focus of the research does not consider the specific relationship between transformational leadership and employee engagement in the context of knowledge workers. The research does point to a very significant moderating effect of follower characteristics in enhancing the effect of transformational leadership and the question is then raised whether the independence seeking knowledge workers (Horwitz, Heng & Quazi, 2003) would still respond as positively to transformational leadership behaviours.

5. Other studies

There are naturally preceding studies to this one exploring this link between transformational leadership theory and follower engagement as well as the success of transformational leadership theory, for example those by Tims, Bakker, and Xanthopoulou (2011), Zhang and Bartol (2010), Chung-Kai and Chia-Hung (2009), Webb (2007) and Dvir, Eden, Avolio, and Shamir (2002). However, of particular note is the context of the research utilising the MLQ instrument developed by Bass (1985) specifically within oriental cultures (Aryee, Walumbwa, Zhou & Hartnell, 2012), developed western economies (Tims, Bakker & Xanthopoulou, 2011; Zhang & Bartol, 2010),
military organisations (Dvir, Eden, Avolio & Shamir, 2002; Bass 1997) and educational institutions (Chung-Kai & Chia-Hung, 2009; Webb, 2007).

6. **In summary**

The literature researched therefore does indicate the positive effect of transformational leadership on employee engagement and, considering the necessity for knowledge workers to use their relationships commitment and energy to be effective, it can be argued that the results of this study should not differ from the research that has gone before. Of interest though is the cultural dimension of a typical knowledge worker organisation within firstly the African and secondly, South African context. The literature has begun to flesh out the positive relationship between transformational leadership and employee engagement in an allocentric and collectivist cultural landscape such as South Africa, but further research is required to prove that the effect of transformational leadership would remain consistent in a situation of South African knowledge workers.

Furthermore, a question not addressed by current literature is whether the situational elements of a particular knowledge worker firm moderate the impact of transformational leadership, particularly if the firm’s employee engagement levels were already higher than the standard organisation with cross sections of knowledge workers, manufacturing staff, administrators etc.
CHAPTER 3: RESEARCH PROPOSITIONS

To further expand understanding the influence of transformational leadership (Bass, 1985) on the engagement (Schaufeli et al., 2002) of knowledge workers within an African context (Murchiri, 2011), it is proposed that a study be conducted within a typical South African knowledge worker environment. The propositions that the study will investigate are as follows:

1. There is a positive association between the frequent demonstration of transformational leadership behaviours by managers and high levels of work engagement amongst their organisation's staff.
2. There will be a positive association between the frequent demonstration of transactional leadership behaviours by the same leaders and high levels of work engagement amongst their organisation's staff.
3. Knowledge workers with high work engagement have leaders who demonstrate transformational leadership behaviours more frequently than transactional leadership behaviours.
CHAPTER 4: RESEARCH METHODOLOGY

This chapter serves to provide a detailed description and justification of the methodology used in this research. The design selected to address the research propositions in Chapter 3 was a descriptive and quantitative analysis using well researched survey instruments with high Cronbach α’s (above 0.8) as there is already a previous understanding of the problem and we merely require a further analysis of the impacting elements and relationships (Saunders & Lewis, 2012).

1. Population and unit of analysis

The population for this research was knowledge workers as would typically fit the description provided in Carleton’s (2011) reference to Drucker (1973) within South Africa and their designated leaders. The size of the actual population is unknown at this stage but a healthy services sector in South Africa should mean a significant number to merit the necessity for the research. The unit of analysis is the attitudes and perceptions (McDaniel & Gates, 2006) of these knowledge workers regarding their own engagement and the self-rated leader’s perception of their own preferred leadership behaviour.

2. Sampling

The sample was two convenience samples representative of the population, namely:

- consultant level staff of LabourNet and
- their direct managers.

LabourNet is a national Human Resource consulting firm with 200 staff of whom approximately 120 are in consultant roles that would classify as knowledge workers per the definition provided
by Drucker (1999). These knowledge workers are divided into 25 teams of between 5 or 6 consultants to a team leader or Business Unit Manager. The organisation therefore offered an opportunity to investigate a typical knowledge worker company as it has a national footprint in South Africa and includes individuals who originate from the diverse cultures and geographical areas that comprise the national population. Although the industry is limited to practicing human resource consultants and associated support staff, the diverse demographical mix of LabourNet allows the study to offer findings that would provide generality to the population of knowledge workers in South Africa.

Permission was granted by senior leadership of LabourNet to conduct the research utilising existing staff (Appendix A). Three conditions were set by the organisation’s leadership: that the Human Resources Executive must approve the methods of gathering information in the study, that participants may withdraw at any time from the study, and that the confidentiality of participant’s responses is protected.

The sample of the study was 21 LabourNet business unit managers and 124 LabourNet consultants whom were knowledge workers and that reported into the aforementioned managers. Each manager and his/her team was then notified of the research to be conducted and asked whether they would propose any objection to their department being part of the study. No objection was received and the research proceeded. As this study examines the leader’s effects on the team member’s engagement levels, excluded from the population were teams where the leader had served less than six months in that role, team members whom had been part of the respective team for less than six months and the administrative support staff whom may not be clearly identified as knowledge workers as per the earlier definition provided.
The convenience sample was beneficial from a time and resource perspective but at the same time may not account for all bias’ or have diminished capability to predict results beyond the sample (Saunders & Lewis, 2012).

3. Research instruments

Transformational leadership

The Multifactor Leadership Questionnaire (MLQ) developed from the conceptual and empirical studies of Bass (1985), and based on Burns’ (1978) seminal work, was chosen as the measure of leadership style. The survey instrument was the MLQ assessment (Appendix B) licenced and obtained from Mindgarden, Inc. (Appendix C). The organisation’s consultant leadership team were asked to participate in the online anonymous survey administered on the SurveyMonkey platform but participation was voluntary. Those that did participate were offered the resultant individual report and optional individual feedback and/or coaching by LabourNet’s internal Human Resource and Leadership Executive.

As for the actual assessment instrument, the MLQ, Lowe, Kroeck, and Sivasubramaniam (1996) show a high reliability and validity value for utilising the instrument and Judge and Piccolo (2004) confirm this with their study proving the overall validity to be .44 for transformational leadership, while transactional leadership and (.39) and laissez-faire (.37) leadership had the next highest overall relationships. However, Bass (1999) is quick to point out that other variables may moderate the effect of transformational leadership on employee engagement. Zhu, Avolio, and Walumbwa (2009) also point to the moderating effect of employee characteristics on the relationship between transformational leadership and employee engagement.
Employee engagement

If the MLQ is utilised to assess the independent variable of leadership style then the survey instrument to assess the dependent variable of employee engagement as defined by Schaufeli et al. (2002), was the Utrecht Work Engagement Scale (UWES) (Appendix D) obtained from www.schaufeli.com and also administered via SurveyMonkey online survey portal. The assessment includes the three constituting dimensions of work engagement: vigour, dedication, and absorption (Schaufeli, Bakker & Salanova, 2006).

As Schaufeli, Bakker & Salanova (2006) also point out, the “internal consistencies (Cronbach’s alpha) typically range between .80 and .90.” (p. 703) The UWES instrument has also undergone significant research within a South African context as Storm & Rothmann (2003) proved when using the UWES to assess levels of engagement amongst racially diverse South African police force members.

4. Method of Analysis

Correlation analysis and crosstabulation is used to determine the association between the independent variable (Transformational leadership) and the dependent variable (Employee engagement).

To begin with, descriptive statistics were used to merely show a high level view of the data collected. The descriptive statistics discussed below were used in the analysis.

- The Mean is calculated by adding the values of a variable for all the observations and then dividing by the number of observations (Norusis, 2005). This describes the central tendency of the data.
• The standard deviation is calculated as the square root of the variance (Norusis, 2005). This describes the dispersion of the data. As standard deviation is a direct form of variance, it will be used in place of the latter when reporting.

• The median is considered another measure of tendency. It is the middle value when observations are ordered from the smallest to the largest (Norusis, 2005).

Next it was necessary to establish the reliability and validity of both the MLQ and then UWES research instrument. Reliability can be defined as an assessment of the degree of consistency between multiple measurements of a variable (Hair et al., 2006). It’s a measurement concept that represents the consistency that an assessment instrument measures a given performance or behaviour. Therefore, an instrument that is reliable will provide consistent results when an individual is measured repeatedly under identical or similar conditions. The reliability coefficient that assesses the consistency of the entire scale is called the Cronbach’s Alpha. The generally agreed and accepted lower limit for Cronbach’s Alpha is 0.70 (Hair et al., 2006). Validity can be defined as the degree to which a measurement instrument actually measures what it proposes to.

Correlation analysis is then used as an analysis of the degree to which changes in one variable are associated with changes in another (McDaniel & Gates, 2006). It is a measure of the relationship between two or more variables. Correlation coefficients can range from -1 to +1. The value of -1 represents a perfect negative correlation, while a value of +1 represents a perfect positive correlation. A value of 0.00 represents a lack of correlation:

• There are two variables, with an assumed level of correlation

• The objective is to determine whether the relationship is at a statistically significant level.
As the use of this ordinal data in a parametric test will also increase the strength of the research in determining a relationship we can assume the data can be treated as interval data when aggregated. Caution must be applied when interpreting correlations, as they give no indication of the actual direction of causality. This is for two reasons:

- the third variable – in any correlation of two variables, causation between two variables cannot be assumed as there may be other variables, whether measured or not, affecting the results; and
- the direction of causality – correlation values do not indicate which of the two variables causes the other to actually change.

The value of the p-value represents a decreasing index of the reliability of a result (Norusis, 2005). A higher p-value indicates a less believable relationship observed between variables in the sample and would also be a reliable indicator of relationships between the same variables in the population. A p-value of .05 is customarily treated as an acceptable error level as this represents a statistical significance of less than 5%.

For the purposes of crosstabulation a contingency table of two nonmetric or categorical variables is used in which the entries are the frequencies of responses that fall into each cell of the matrix (Hair et al., 2006). Norusis (2005) adds that when a table has counts of the number of cases with particular combinations of values of the two variables, the table is known as a crosstabulation. The observed counts and percentages in a crosstabulation describe the relationship between the two variables. The simplest form of crosstabulation is the 2 by 2 table where two variables are “crossed,” and each variable has only two distinct values. For 2 × 2 tables, Fisher's exact test is
generated when a table that does not result from missing rows or columns in a larger table has a cell with an expected frequency of less than 5.

5. **Research Limitations**

The largest limitation of the study is that it is only conducted in a single organisation. Although the organisation is nationally based and of a large enough nature (200 employees) to merit consideration as a typical example of a South African firm, the results of the analysis may be skewed by cultural and legacy elements of the organisation not measured by the research survey instruments utilised. This may mean that similar research would need to be conducted in other South African firms before being able to draw conclusive assertions of existing relationships between the variables in a South African knowledge worker context. The study also has cultural limitations as the demographics of the respondents is not representative of the South African population - only 52.4% of the sampled knowledge workers were non-white as opposed to the South African population where 90.4% classify themselves as non-white (Statistics South Africa, 2003, p.12) and these influence or skew the results to not be truly representative of a cross section of the South African population.

Further to this the study also suffered from the usual non-response and response bias’ associated with a survey instrument asking employees to rate their own levels of engagement and asking leaders to rate their own leadership approach. Another consideration in the analysis of this research is that although the respondents fit the typical profile of a knowledge worker, their industry is that of human resource consulting. This means that their responses are based on a developed understanding of the social element of engagement and so responses might be
different with other categories of knowledge workers. This research would then have to be conducted in other industries, e.g. Financial, Information Technology, Project Management etc., in order to once again test the propositions and relationships of the variables.

Finally the assessment of leadership behaviours, whether transformational, transactional or lazziez faire was only performed using the managers self-perception of their preferred leadership behaviours. The managers might thus not accurately portray or understand how their behaviour is perceived by their followers. The results of the leadership assessment may then be limited by the managers’ degree of emotional intelligence or thorough understanding of the perception of their leadership behaviours by their followers.
CHAPTER 5: RESULTS

1. Introduction and layout of results

The purpose of this analysis was to explore the propositions put forward in Chapter 3. It was however decided to begin with describing the sample of knowledge workers and some of the demographic variables, particularly in relation to their UWES employee engagement responses. This was done in order to explore whether there would be any variable or specific data that may illuminate deviations in this research from other similar research. The overall mean, medians and standard deviations would also indicate whether certain questions had skewed the results of the employee engagement survey.

After this, the internal reliability and validity for the assessment devices was tested to ensure successful application of these research devices within the context of this specific firm of knowledge workers. Upon finding reliability and validity in the devices, the MLQ results are described to indicate mean and median scores while monitoring for any significant skewness and kurtosis. This would also indicate the level of frequency that leaders described themselves as displaying transformational leadership behaviours compared to transactional leadership behaviours. This could then be compared to the engagement scores for the teams of knowledge workers reporting into these managers.
Finally, a crosstabulation and correlation test would enable the study to prove that statistically significant relationships do exist between leaders demonstrating frequent transformational and transactional leadership behaviours and high employee engagement.

2. Knowledge workers and their engagement

To begin with the following tables indicate the demographic breakdown of the knowledge workers who participated in the UWES survey:

Table 1:

Demographic descriptors for UWES sample

<table>
<thead>
<tr>
<th>Which category below includes your age?</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid 21-25</td>
<td>41</td>
<td>33.1</td>
</tr>
<tr>
<td>26-30</td>
<td>43</td>
<td>34.7</td>
</tr>
<tr>
<td>30-35</td>
<td>17</td>
<td>13.7</td>
</tr>
<tr>
<td>35-40</td>
<td>8</td>
<td>6.5</td>
</tr>
<tr>
<td>40 or older</td>
<td>15</td>
<td>12.1</td>
</tr>
<tr>
<td>Total</td>
<td>124</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What is your gender?</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Female</td>
<td>76</td>
<td>61.3</td>
</tr>
<tr>
<td>Male</td>
<td>48</td>
<td>38.7</td>
</tr>
<tr>
<td>Total</td>
<td>124</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Please describe your race/ethnicity.</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Asian</td>
<td>3</td>
<td>2.4</td>
</tr>
<tr>
<td>Black</td>
<td>34</td>
<td>27.4</td>
</tr>
<tr>
<td>Coloured</td>
<td>15</td>
<td>12.1</td>
</tr>
<tr>
<td>Indian</td>
<td>13</td>
<td>10.5</td>
</tr>
<tr>
<td>White</td>
<td>59</td>
<td>47.6</td>
</tr>
<tr>
<td>Total</td>
<td>124</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The above data as mentioned in the research limitations, indicates that although the organisation’s employees do show a diverse racial mix, the figures present are not near to
representative of the country’s population. There is a particularly high percentage of white respondents (47.6 %). The gender split also does not conform as 61.3 % are female respondents being a slightly higher average than the usual 50 %. As for the age table there is a high percentage of employees (67.8%) who are under the age of 30. This may have an impact on the engagement survey results.

### 2.1 Analysis of UWES results for knowledge worker sample

Next considered was the response of the sample to the UWES questionnaire. The following table indicates the response descriptives per question:

**Table 2:**

UWES descriptives per question

<table>
<thead>
<tr>
<th>Question Description</th>
<th>N</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 of 17 - At my work, I feel bursting with energy</td>
<td>124</td>
<td>4.38</td>
<td>5.00</td>
<td>5</td>
<td>1.180</td>
</tr>
<tr>
<td>Q2 of 17 - I find the work that I do full of meaning and purpose</td>
<td>124</td>
<td>4.69</td>
<td>5.00</td>
<td>6</td>
<td>1.270</td>
</tr>
<tr>
<td>Q3 of 17 - Time flies when I’m working</td>
<td>124</td>
<td>5.06</td>
<td>6.00</td>
<td>6</td>
<td>1.387</td>
</tr>
<tr>
<td>Q4 of 17 - At my job, I feel strong and vigorous</td>
<td>124</td>
<td>4.36</td>
<td>5.00</td>
<td>5</td>
<td>1.264</td>
</tr>
<tr>
<td>Q5 of 17 - I am enthusiastic about my job</td>
<td>124</td>
<td>4.70</td>
<td>5.00</td>
<td>5</td>
<td>1.414</td>
</tr>
<tr>
<td>Q6 of 17 - When I am working, I forget everything else around me</td>
<td>124</td>
<td>4.12</td>
<td>4.50</td>
<td>5</td>
<td>1.468</td>
</tr>
<tr>
<td>Q7 of 17 - My job inspires me</td>
<td>124</td>
<td>4.29</td>
<td>5.00</td>
<td>5</td>
<td>1.513</td>
</tr>
<tr>
<td>Q8 of 17 - When I get up in the morning, I feel like going to work</td>
<td>124</td>
<td>4.26</td>
<td>5.00</td>
<td>5</td>
<td>1.524</td>
</tr>
<tr>
<td>Q9 of 17 - I feel happy when I am working intensely</td>
<td>124</td>
<td>4.73</td>
<td>5.00</td>
<td>5</td>
<td>1.252</td>
</tr>
<tr>
<td>Q10 of 17 - I am proud of the work that I do</td>
<td>124</td>
<td>5.15</td>
<td>5.00</td>
<td>6</td>
<td>1.112</td>
</tr>
<tr>
<td>Q11 of 17 - I am immersed in my work</td>
<td>124</td>
<td>4.65</td>
<td>5.00</td>
<td>5</td>
<td>1.184</td>
</tr>
<tr>
<td>Q12 of 17 - I can continue working for very long periods at a time</td>
<td>124</td>
<td>4.90</td>
<td>5.00</td>
<td>5</td>
<td>1.050</td>
</tr>
<tr>
<td>Q13 of 17 - To me, my job is challenging</td>
<td>124</td>
<td>4.49</td>
<td>5.00</td>
<td>5</td>
<td>1.382</td>
</tr>
<tr>
<td>Q14 of 17 - I get carried away when I’m working</td>
<td>124</td>
<td>4.35</td>
<td>5.00</td>
<td>5</td>
<td>1.326</td>
</tr>
<tr>
<td>Q15 of 17 - At my job, I am very resilient</td>
<td>124</td>
<td>4.61</td>
<td>5.00</td>
<td>5</td>
<td>1.254</td>
</tr>
<tr>
<td>Q16 of 17 - It is difficult to detach myself from my job</td>
<td>124</td>
<td>4.10</td>
<td>4.50</td>
<td>5</td>
<td>1.548</td>
</tr>
<tr>
<td>Q17 of 17 - At my work I always persevere, even when things do not go well</td>
<td>124</td>
<td>5.02</td>
<td>5.00</td>
<td>6</td>
<td>1.193</td>
</tr>
</tbody>
</table>
As can be noted, the mean and median scores per question were exceptionally high as the likert scale provided was a 7-point likert scale with 0 indicating ‘Never’ and 6 indicating ‘Always – Every Day’. As the mean for the UWES amongst respondents overall was 4.596 (‘Often – Once a Week’), the overall work engagement for the respondents can be described as high. Also, no specific statistical significance was found in the skewness or kurtosis and so these results are not reported.

2.2 Crosstabulating demographic variables and engagement

Next, in preparation for the crosstabulation and chi square testing, the respondents UWES scores were split into what was coded as ‘low’ engagement scores i.e. less than a mean of 4.59 and ‘high’ engagement scores i.e. more than a mean of 4.6. This was done based on the overall mean of 4.59. The reason for this is that if the engagement scores were high for all respondents, there may be the presence of positive bias even if the assessment was administered devoid of personal detail such as name or business unit. Therefore, what may be considered high for a typical UWES respondent in any other organisation could be considered low in the context of this organisation when considered in relation to the responses of this particular sample. The following tables then indicate this split per demographic variable. Each table is then followed by a Chi-square test to ascertain the statistical significance.
Table 3:

**UWES crosstabulation by age**

<table>
<thead>
<tr>
<th>[R] Which category below includes your age?</th>
<th>[R] UWES</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UWES - Low</td>
<td>UWES - High</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>21-25 Count</td>
<td>24</td>
<td>17</td>
<td>41</td>
<td></td>
</tr>
<tr>
<td>% within [R] Which category below includes your age?</td>
<td>58.5%</td>
<td>41.5%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>26-30 Count</td>
<td>20</td>
<td>23</td>
<td>43</td>
<td></td>
</tr>
<tr>
<td>% within [R] Which category below includes your age?</td>
<td>46.5%</td>
<td>53.5%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>31+ Count</td>
<td>18</td>
<td>22</td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>% within [R] Which category below includes your age?</td>
<td>45.0%</td>
<td>55.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>Total Count</td>
<td>62</td>
<td>62</td>
<td>124</td>
<td></td>
</tr>
<tr>
<td>% within [R] Which category below includes your age?</td>
<td>50.0%</td>
<td>50.0%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

The data thus indicates marginally increasing engagement as the respondents age increases. Within the 21-25 year old age group particularly, more than 50% indicated ‘low’ engagement scores. This contrasts with the 25-30 and 31+ demographics where the majority indicated ‘high’ engagement.

The next table considers the gender variable.

Table 4:

**UWES crosstabulation by gender**

<table>
<thead>
<tr>
<th>[R] UWES</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>UWES - Low</td>
<td>UWES - High</td>
<td>Total</td>
</tr>
<tr>
<td>What is your gender?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>33</td>
<td>43</td>
<td>76</td>
</tr>
<tr>
<td>% within What is your gender?</td>
<td>43.4%</td>
<td>56.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Male</td>
<td>29</td>
<td>19</td>
<td>48</td>
</tr>
<tr>
<td>% within What is your gender?</td>
<td>60.4%</td>
<td>39.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
<td>62</td>
<td>124</td>
</tr>
<tr>
<td>% within What is your gender?</td>
<td>50.0%</td>
<td>50.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
The results of this table indicate a higher count of ‘highly’ engaged employees amongst females than males. When considering the lower count for males than females the results may change if this research was performed with a sample including a higher count of male respondents.

Finally, a crosstabulation was performed with race and UWES results as shown in the next table. The above table’s data was consolidated into three categories for reporting purpose, although the original questionnaire provided for five. The Asian/Coloured/Indian respondents were grouped together to form a large enough group for crosstabulation.

Table 5:
UWES crosstabulation by race

<table>
<thead>
<tr>
<th>[R] Please describe your race/ethnicity.</th>
<th>[R] UWES Low</th>
<th>UWES High</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian/Coloured/Indian</td>
<td>14</td>
<td>17</td>
<td>31</td>
</tr>
<tr>
<td>% within [R] Please describe your race/ethnicity.</td>
<td>45.2%</td>
<td>54.8%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Count</td>
<td>19</td>
<td>15</td>
<td>34</td>
</tr>
<tr>
<td>% within [R] Please describe your race/ethnicity.</td>
<td>55.9%</td>
<td>44.1%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Black</td>
<td>29</td>
<td>30</td>
<td>59</td>
</tr>
<tr>
<td>% within [R] Please describe your race/ethnicity.</td>
<td>49.2%</td>
<td>50.8%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Count</td>
<td>62</td>
<td>62</td>
<td>124</td>
</tr>
<tr>
<td>% within [R] Please describe your race/ethnicity.</td>
<td>50.0%</td>
<td>50.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The crosstabulation indicates a majority ‘high’ engagement score amongst the ‘White’ and ‘Asian/Coloured/Indian’ group as opposed to the ‘Black’ group where the majority indicated a ‘low’ engagement score. The variance though is not great as all spits between ‘high’ and ‘low’ hovered around the 50 % mark.
3. **Reliability and validity for assessments utilised**

To prove both of the assessments utilised (UWES for employee engagement and MLQ for transformational leadership) held internal reliability and validity, the Conbach’s Alpha was calculated.

The UWES assessment delivered a Cronbach’s Alpha of 0.928 from 17 items which is higher than the benchmark 0.7 stated in Chapter 4. Reliability for the MLQ was proven by dividing the questionnaire into it’s four overall sections:

1. Transformational leadership questions that delivered a Cronbach’s Alpha of 0.738 from 20 items,
2. Transactional leadership questions that delivered a Cronbach’s Alpha of 0.675 from 12 items,
3. Lazziez faire questions that delivered a Cronbach’s Alpha of 0.454 from 4 items, and
4. Success questions that delivered a Cronbach’s Alpha of 0.793 from 9 items.

The transformational leadership questions once again were above the benchmark of 0.7. Even though the transactional leadership questions were lower than the benchmark of 0.7 the results were close enough when rounded up to qualify as still reliable and valid. However of particular concern was the lazziez faire reliability score of 0.454. This score did not allow for the lazziez faire question outcomes to be considered further as part of this study as insufficient reliability and validity could be proven in the responses from the sample obtained. It should be pointed out that previous studies have proven reliability and validity (above 0.7) for all items within the MLQ.
assessment, including the lazziez faire questions. Further note will be made of the responses obtained from the managers on the lazziez faire items but little analysis was performed due to the low reliability and validity obtained in this research.

Further to this, the success questions were also not subjected to analysis as they form part of a multi-rater capability of the MLQ that allows a leader’s followers to rate the ‘success’ of the leader as opposed to the leader’s own assessment. As the sample of followers utilised were never asked to assess their managers using a follower version of the MLQ not much can be obtained from the manager’s self-rating.

4. **Research question 3**

*Knowledge workers with high work engagement have leaders who demonstrate transformational leadership behaviours more frequently than transactional leadership behaviours.*

The managers’ responses to the MLQ assessment provided are indicated in the table below.

**Table 6:**

**MLQ factor descriptives**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational</td>
<td>21</td>
<td>3.2357</td>
<td>3.2500</td>
<td>3.50</td>
<td>.30131</td>
</tr>
<tr>
<td>Transactional</td>
<td>21</td>
<td>2.2341</td>
<td>2.3333</td>
<td>2.58</td>
<td>.44066</td>
</tr>
</tbody>
</table>
The scale was on a five point likert scale between 0 (‘Not at all’) and 4 (‘Frequently, if not always’).

Of the 25 managers asked to complete the assessment four omitted to complete certain questions and were omitted from the overall results. It should also be made clear that the employees reporting to these managers were then also removed from the sample of knowledge workers assessed using the UWES assessments.

The third research proposition could also be proved considering the overall mean for the employees engagement according to previous analysis was 4.596. The managers assessed rated their leadership behaviour as more transformational than transactional although it should be noted that the mean for transactional leadership behaviours is still 2.23 (above ‘Sometimes’) and there therefore seems to be significant use of transactional leadership behaviours in conjunction with transformational leadership behaviours. All leaders though rated themselves as using transformational leadership behaviours more frequently than transactional leadership behaviours.

5. **Research question 1 and 2**

1. *There is a positive association between the frequent demonstration of transformational leadership behaviours by managers and high levels of work engagement amongst their organisation’s staff.*

2. *There will be a positive association between the frequent demonstration of transactional leadership behaviours by the same leaders and high levels of work engagement amongst their organisation’s staff.*

In order to crosstabulate the MLQ scores of the managers with each of their teams’ UWES engagement scores, a 2 x 2 table is generated and chi square testing used to find the statistical
significance of the relationship. In order to divide the MLQ results into ‘low’ and ‘high’ scores similar to what was done with the UWES results, the transformational and transactional leadership items were split and recoded into ‘high’ and ‘low’ scores.

The managers’ transformational leadership (TF Leadership) results were again split based on the mean of 3.24 and thus ‘low’ transformational leadership scores meant less than a mean of 3.23 and ‘high’ transformational leadership scores meant more than a mean of 3.24. The results of the crosstabulation resulted in the following table.

**Table 7:**

<table>
<thead>
<tr>
<th>Transformational Leadership</th>
<th>UWES - Low</th>
<th>UWES - High</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Count</strong></td>
<td>9</td>
<td>4</td>
<td>13</td>
</tr>
<tr>
<td><strong>% of Total</strong></td>
<td>42.9%</td>
<td>19.0%</td>
<td>61.9%</td>
</tr>
<tr>
<td><strong>Count</strong></td>
<td>2</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td><strong>% of Total</strong></td>
<td>9.5%</td>
<td>28.6%</td>
<td>38.1%</td>
</tr>
<tr>
<td><strong>Count</strong></td>
<td>11</td>
<td>10</td>
<td>21</td>
</tr>
<tr>
<td><strong>% of Total</strong></td>
<td>52.4%</td>
<td>47.6%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

**Chi-Square Tests**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
<th>Exact Sig. (2-sided)</th>
<th>Exact Sig. (1-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>3.884a</td>
<td>1</td>
<td>.049</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuity Correction</td>
<td>2.313</td>
<td>1</td>
<td>.128</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>4.019</td>
<td>1</td>
<td>.045</td>
<td>.080</td>
<td>.063</td>
</tr>
<tr>
<td>Fisher’s Exact Test</td>
<td>3.699</td>
<td>1</td>
<td>.054</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Linear-by-Linear Assoc</td>
<td>21</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 3.81.
b. Computed only for a 2x2 table

It should first be noted that at a 5 % significance level the relationship of ‘high’ transformational leadership behaviours with ‘high’ employee engagement and ‘low’ transformational leadership
behaviours with ‘low’ employee engagement cannot be proven. Only if a less statistically significant 10% is accepted can the association be made.

The managers’ transactional leadership (TA Leadership) results were then split based on the mean of 2.23 and thus ‘low’ transactional leadership scores meant less than a mean of 2.23 and ‘high’ transactional leadership scores meant more than a mean of 2.24. The results of the crosstabulation resulted in the following table.

**Table 8:**
**Crosstabculation of Transactional leadership and UWES**

<table>
<thead>
<tr>
<th></th>
<th>UWES - Low</th>
<th>UWES - High</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transactional</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TA Leadership - Low</td>
<td>Count</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>% of Total</td>
<td>42.9%</td>
<td>9.5%</td>
</tr>
<tr>
<td>TA Leadership - High</td>
<td>Count</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>% of Total</td>
<td>9.5%</td>
<td>38.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Count</td>
<td>11</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>% of Total</td>
<td>52.4%</td>
<td>47.6%</td>
</tr>
</tbody>
</table>

**Chi-Square Tests**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
<th>Exact Sig. (2-sided)</th>
<th>Exact Sig. (1-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>8.025a</td>
<td>1</td>
<td>.005</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuity Correctionb</td>
<td>5.738</td>
<td>1</td>
<td>.017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>8.625</td>
<td>1</td>
<td>.003</td>
<td>.009</td>
<td>.007</td>
</tr>
<tr>
<td>Fisher's Exact Test</td>
<td></td>
<td></td>
<td></td>
<td>.009</td>
<td>.007</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>7.643</td>
<td>1</td>
<td>.006</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>21</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 1 cell (25.0%) has expected count less than 5. The minimum expected count is 4.76.
b. Computed only for a 2x2 table

The results of this crosstabulation are statistically significant at the 5% level and a clear association can be made between ‘high’ transactional leadership behaviours and ‘high’ employee engagement.
engagement as opposed to ‘low’ transactional leadership behaviours and ‘low’ employee engagement.

Although a crosstabulation was not generated for the relationship between lazziez faire leadership behaviours and employee engagement due to the aforementioned lack of internal reliability and validity, it could be noted that there may be a negative association between lazziez faire leadership behaviours and employee engagement based on the low mean for lazziez faire leadership amongst the managers and the relatively high mean for employee engagement amongst the sample of knowledge workers. However, once again this was not sufficiently tested and so cannot conclusively be proven in this research.

6. **Correlation and relationship between leadership and engagement**

To establish whether a statistically significant relationship exists between transformational leadership and employee engagement or transactional leadership and employee engagement a Pearson parametric test was performed the results of which are shown below.

**Table 9:**

**Correlation between leadership styles and engagement - parametric**

<table>
<thead>
<tr>
<th></th>
<th>UWES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td><strong>Transformational</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.127</td>
</tr>
<tr>
<td></td>
<td>.583</td>
</tr>
<tr>
<td></td>
<td>21</td>
</tr>
<tr>
<td><strong>Transactional</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>.522</td>
</tr>
<tr>
<td></td>
<td>.015</td>
</tr>
<tr>
<td></td>
<td>21</td>
</tr>
</tbody>
</table>
Of note is that a statistically significant and medium positive linear relationship exists between the UWES scores for the sample of knowledge workers and transactional leadership. Although caution should be applied in attributing the direction of causality it is possible to establish even with a sample of only 21 leaders such a relationship. However, the statistical significance of the relationship between transformational leadership and employee engagement is not statistically significant (even at the 10 % level) and even if it was there would be low strength of association. However, to confirm this, a nonparametric test of correlation, the Spherman Rho, was also run using the data for the variables but no further significant relationship could be proven. The relationship between transactional leadership behaviours and employee engagement remained statistically significant while the relationship between transformational leadership and employee engagement proved not significant enough to bear consideration.

**Table 10:**

<table>
<thead>
<tr>
<th>Correlation between leadership styles and engagement – non-parametric</th>
</tr>
</thead>
<tbody>
<tr>
<td>UWES</td>
</tr>
<tr>
<td>Spearman’s rho Transformational Correlation Coefficient 0.051</td>
</tr>
<tr>
<td>Sig. (2-tailed) 0.826</td>
</tr>
<tr>
<td>N 21</td>
</tr>
<tr>
<td>Transactional Correlation Coefficient 0.552</td>
</tr>
<tr>
<td>Sig. (2-tailed) 0.009</td>
</tr>
<tr>
<td>N 21</td>
</tr>
</tbody>
</table>

The above correlation tests in parallel to the crosstabulations, are able to prove the proposition of a statistically significant positive linear relationship between transactional leadership behaviours and employee engagement as set out in research proposition 2. However, research proposition 1, of finding a statistically significant positive linear relationship between transformational leadership and employee engagement cannot be proven in this research.
CHAPTER 6: DISCUSSION OF RESULTS

1. Introduction

This chapter will explore and discuss the results obtained in chapter 5 based on the research propositions set out in chapter 3. The discussion will take each research proposition and examine it in the light of the data, the literature reviewed in chapter 2 and the initial research problem as discussed in chapter 1. The aim is to discuss the analysis of the data in relation to the research propositions but also to illuminate other findings pertinent to the discussion of either work engagement or the transformational – transactional leadership paradigm.

2. Transformational leadership

Research Proposition 1: There is a positive association between the frequent demonstration of transformational leadership behaviours by managers and high levels of work engagement amongst their organisation’s staff.

It is interesting to note the results of the correlation and crosstabulation tests did not prove this research proposition. Considering tables 7, 9 and 10 there is no statistically significant positive linear association between transformational leadership and employee engagement established. This may be as a result of the small sample of leaders assessed (i.e. 21) within the organisation chosen to be representative of knowledge worker firms in South Africa. A larger sample of 30 may have yielded different results but the work of Zhu, Avolio & Walumbwa (2009) and Bass (1997) cannot be supported with the results of this analysis. Although no doubt, due to the size of their research, the link between employee engagement and transformational leaders cannot be entirely refuted it does raise the question whether a knowledge worker organisation within South Africa
does not pose certain situational moderators that may affect the association. As Wofford, Whittington & Goodwin (2001) have discovered “transformational leaders may be more effective in some environments than they are in others” (p. 205).

In line with this, there is also research by Kark, & Van Dijk (2007) that proves that when a follower receives positive feedback the transformational leadership behaviours displayed by their manager has a greater positive impact than if the followers are receiving negative feedback. In the event of negative feedback, for instance if performance is under the spotlight, followers will benefit more from transactional leadership behaviour from their managers. If we apply this conclusion to the organisation that provided the sample then what may be moderating the relationship between transformational leadership and employee engagement is a situational performance circumstance. The organisation may be under pressure to deliver a particular set of results and managers have altered their behaviours to emphasise transactional leadership and contingent rewards.

The leaders understanding of the transformational leadership behaviours assessed by the MLQ may also have diminished the statistical relationship as internal reliability and validity only just made the benchmark Cronbach Alpha of 0.7. This raises concerns about the research instrument itself as the MLQ has been proven by Bass (1997) to have cross cultural validity. Recalling though that his study was performed close to 15 years ago in the South African landscape it may be the right time to revalidate the MLQ assessment on a large scale amongst a cross section of South African workers.
Employee engagement was identified as significantly high, but this was across all teams, ages, gender and race (See Table 2). This seems to imply that whether their leaders believe they are practicing transformational leadership behaviours or not, the knowledge workers assessed felt, for the most part a vigour, energy and absorption in their work (Schaufeli et al., 2002). This also may prove the assertion of Horwitz, Heng, and Quazi (2003) that knowledge workers are increasingly feeling free of management control and believe themselves more attached to their careers than to the organisation and its leadership.

Overall however, the racial demographic mix of the company (i.e. 47.6 % are white as per Table 1) may hold a greater key to understanding the failure to prove Proposition 1, especially when viewed in the light of the research by Walumbwa, Lawler, and Avolio (2007). Their conclusions that allocentric cultures found transformational leadership more motivating than idiocentric cultures who prefer transactional leadership bears consideration and may be an area for future research. Though all South Africans born here are by definition African, Khosa (2007) discusses how various forms of leadership will appeal to different subsections and minorities within our population. The fact that, even by a small majority, non-white respondents fell more into the ‘low’ engagement categories as shown in Table 5 may also either reflect an organisational cultural issue and thus limitation of this research or a greater issue with the idea of inspirational leadership as opposed to more African forms of leadership such as Ubuntu (Khosa, 2007).
Although the research proposition could not be proven the high mean frequency of transformational leadership demonstrated by the organisation (See Table 6) does show an embedding of transformational leadership behaviours such as idealised influence, inspirational motivation and intellectual stimulation amongst the organisation’s leaders. These may have already raised the employee’s engagement scores to the levels they are currently at and what may be at heart for the lack of correlation is as mentioned previously, a change of management behaviours precipitated by some situational moderator the organisation is currently experiencing.

3. **Transactional leadership**

**Research Proposition 2:** There will be a positive association between the frequent demonstration of transactional leadership behaviours by the same leaders and high levels of work engagement amongst their organisation’s staff.

This research proposition is clearly proven both via the crosstabulation and parametric Pearson correlation test. Transactional leadership has a positive linear association with employee engagement and the results are statistically significant. The results that transactional leadership has a stronger relationship with work engagement than transformational leadership and employee work engagement support the research of Vecchio, Justin, and Pearce (2008) that transactional leadership may have stronger potential predictive ability than previously understood. Lowe, Kroeck, and Sivasubramaniam (1996) also found that the transactional leadership behaviour of contingent rewarding was correlated positively with subordinates satisfaction and performance. There is therefore significant evidence that while transformational leadership’s influence on employee engagement has been frequently tested and analysed, there is a need to understand the ‘darker side’ of the full range leadership paradigm i.e. transactional leadership.
The research also showed that the assessed leaders feel that despite a stronger affinity to transformational leadership behaviours, there is still a requirement to frequently engage in transactional leadership behaviours. This is compelling testimony to the augmenting of transformational leadership with transactional leadership (Bass, 1999) and the necessity to use a full range model of leadership (Bass, 1985) as opposed to abandoning transactional leadership behaviours in favour of solely utilising the vision setting and inspirational characteristics of transformational leadership. There is also little evidence that the frequent use of transactional leadership behaviours has had a negative effect on employee engagement levels (see Table 2).

This research adds to the findings of M. S. Singer & A. E. Singer (1990) that certain situational influences may cause followers to prefer transactional leadership. Considering the age demographic (table 1) where 67% of employee respondents were below the age of 30 and employee engagement seemed to increase amongst the groups as the average age increased (table 3) there could be a conclusion that the younger employees seemed to feel less engaged (which includes the factor of organisational commitment) and may be more motivated by contingent rewards associated with transactional leadership.

The study also supports the finding of Yukl (1999) that the definitions of transformational and transactional leadership contain conceptual ambiguities. In fact Yukl (1999) explains that “studies find that positive reward behavior loads on the transformational factor instead of the transactional factor. Other studies find that laissez-faire leadership and passive management by exception form a separate factor rather than loading on transactional leadership” (p. 287). This could mean transactional leadership could have a far stronger relationship with employee
engagement if reclassified as suggested. Hinkin & Schriesheim (2008) support this proposition in their research regarding the transactional and non-leadership questions posed in the MLQ assessment. This research certainly lends support to the need to assess further the predictability of transactional leadership behaviours and whether the assertion by Bass (1999) that transactional leadership is less effective in delivering employee engagement and task performance is valid.

The reclassification of what is and what is not transactional leadership behaviours may also explain why a lack of internal validity could be found in the lazziez faire questions with the MLQ assessment. Questions rated as part of the ‘Management by exception’ subsection of the transactional question set within the MLQ could also easily be associated with a lazziez faire approach to management. If lazziez faire means leaving followers to the own devices, then sure a question such as “I delay responding to urgent questions” (MLQ question 33 – a ‘lazziez faire’ question) could perhaps be considered not a behaviour of uninvolved leadership but rather prudent decision making. This lends support to Brocato, Jelen, Schmidt, and Gold (2011) who point to some of the ambiguities in leadership research where one suggested leadership concept may contradict another, even at times within the same model.

4. **A full range situational model**

**Research Proposition 3:** Knowledge workers with high work engagement have leaders who demonstrate transformational leadership behaviours more frequently than transactional leadership behaviours.

By considering table 6 this proposition can be considered as proven as well. Transformational leadership behaviour was reported as being used more frequently by the organisation’s leaders as
opposed to transactional leadership. This then supports the research of that engaged employees respond positively to leaders who emphasise transformational leadership behaviours over transactional leadership behaviours (Tims, Bakker & Xanthopoulou, 2011; Zhu, Avolio & Walumbwa, 2009). It also supports the assertion from Bass (1997) that transformational leadership theory does transcend national borders and cultural differences. However, by adjusting for the higher than normal work engagement scores by the organisation’s employees, more predictive value is found in transactional leadership as previously stated (see table 8). A ‘high’ transactional leadership score by the leader will be more predictive of a ‘high’ engagement score that a similar crosstabulation for transformational leadership behaviours.

According to Saks (2006) the antecedents of employee engagement are supervisor support and, as Wildermuth and Pauken (2008) assert, transformational leadership is the most engagement friendly of the leadership styles. It stands to reason then that the high levels of engagement amongst the sample of knowledge workers tested could support the proposition that the combination of transformational leadership behaviours, when augmented by less frequent but still present transactional leadership behaviours, is an effective practical application of the full range theory of leadership as originally proposed by Bass (1985).

The study does raise interesting questions from a cultural and demographic angle regarding the correct mix of transformational – transactional leadership to apply. The conclusions derived by Sims, Faraj, and Yun (2009) are perhaps most pertinent to consider in that a manager is best served by forming their own version of situational leadership, amalgamating the benefits from
various styles to match the unique requirements of their followers. The original assertion by Murchiri (2011) that leadership studies in Africa still require significant exploratory and descriptive research is supported when one considers the contradictory finding of the first proposition. The application of inspirational or transformational leadership might actually have a ceiling of effectiveness in a South African setting. The specific mix of allocentric (African) and idiocentric (European) cultures that make up the South African cultural landscape may require the mix of transformational – transactional leadership behaviours seen in this sample of knowledge worker’s leaders.

The differences in engagement scores between knowledge worker age groups and gender may also explain the variance in this research as opposed to current literature in proving the association between transformational leadership and employee engagement. The higher contingent and count of female workers as shown in table 1 also may have increased the overall engagement scores for the organisation’s knowledge workers. As table 4 shows, a higher number of female knowledge workers corresponded with ‘high’ engagement scores as opposed to their male colleagues. This is not explored in current literature and the moderating effect of gender or age bias when reacting to transformational leadership may also affect the final results of this research.

Final consolidated findings are presented in the following chapter.
CHAPTER 7: CONCLUSION

1. Main findings

Sustainable organisational performance has become the only concern for company CEO’s and leadership teams. By any measure of performance, an organisation needs the commitment, energy and vigour of it’s employees to obtain the performance targets set. A dip in motivation or below par commitment by the organisation’s human capital to the task at hand will allow a company’s competition to consume market share and eventually render that firm redundant and at insolvencies door. The firm may have an initial technological or process innovation within a market. Perhaps the entrepreneur has found a strategic positioning and unique location free of competition. Whatever the initial advantage, any company will soon start to suffer the attention of other players who seek to operate in their space and obtain similar financial gain. The only thing that then keeps a firm ahead of the pack is the human resources which continue to innovate, operate, service or grow the firm’s preferred market.

If these human resources are so important to the success of an entity then understanding what motivates them to give more than just the required expectation of their employers becomes critical. Many variable will be at play in enhancing or detracting from the employees motivation, energy and commitment. Some will originate from the followers own characteristics that lie beyond the control and in some case understanding of the employer. However one factor that repeatedly does exist within the control of an organisation is the leaders it chooses to promote and the development it chooses to put those leaders on. The philosophy of leadership an organisation chooses to promote has a profound impact on the citizenry of that particular
organisation. One point this study then proves is that an engaged workforce possess leaders who seek to do more than just manage by exception.

A significant finding is that when choosing an appropriate philosophy for leadership the potential organisation would do well to not get confined to a singular style made popular by examples in other settings. Transformational leadership has close to thirty years of research to validate it’s effectiveness, particularly amongst creative and innovative workers such as are typical in a knowledge worker sector. However the research has for the most part been conducted in cultural landscapes with situational moderators very different to South Africa. This leaves significant questions as to whether it will find the same success consistently within our borders. The research conducted has also for the most part focused on areas that may not be transferrable to typical business i.e. the military, nursing, educators. This research proves that until all the situational variables are considered and removed from the equation, no definitive claim can be made that leaders practicing transformational leadership will always obtain high work engagement from their employees.

This research does however support the argument for a more situational approach, absorbing and mixing different leadership styles, at different times and with different employees to offer a full range of leadership tools for a manager to learn in order to get the best from his team or organisation. The study also proves there may be a case that amongst the noble and virtuous intentions of transformational leadership to develop and enhance followers beliefs and commitment to organisational goals aligned to their own, there may also be a case to offer
employees contingent rewards that allows them autonomy from the organisation and it’s corresponding culture. One of the key findings is that even though employees may seek their leaders to frequently be inspirational they will not demand this in every situation from every leader at all times. As long as the employee feels their leaders are monitoring their vigour, inspiring when needs be while still providing feedback when deviations from expectations occur, the employees will engage and be absorbed with the tasks given them by the organisation.

2. **Recommendations**

2.1 **To operational, organisational and human resource managers**

The purpose of this study was to shed light on the relationship between transformational leadership and employee engagement. Whether the high engagement amongst staff originated prior to the application of transformational leadership and required leaders to adapt to these behaviours or whether the leaders behaviours inspired engagement should not over analysed by team and organisational leaders. Individuals wishing to implement a culture of motivated, enthusiastic and engaged employees within their environment should:

- Adopt the practices of setting visions, influencing behaviour by setting aspirational goals for both the team and the individual and stimulating intellectual challenges that require more of an employee than to just show up and not deviate from compliance.
- Be cautious of over playing inspirational and transformational leadership behaviours. Employees may begin underperforming if they start realising there is little tangible reward or punishment for performance. The inspirational messages should always be augmented by clear policy and actions by management and leadership for consistent deviation from expectation.
• Instil in their workforce leaders a clear understanding that their success and performance is only partly measured on functional team outputs. The development and individual success of the team members reporting to that specific team leader, within the context of organisational outcomes, should form part of the evaluation of a leader’s performance.

• Assist workforce leaders understand the practical and business rewards of creating a positive and supportive environment for their employees. By focusing on the costs of employee turnover, burnout and associated leave days, as well as disengaged workers offering only compliance to policy and procedure, workforce leaders can begin to appreciate the rewards of a truly engaged workforce.

2.2 For future research

Both the findings of this research and limitations mentioned earlier allow for future research to be conducted in this field in the following areas:

• This study is limited to one knowledge worker firm with a set of it’s own cultural and legacy related bias’. Future research could be conducted across multiple knowledge worker industries within the South African cultural landscape to ascertain the generalisation of results obtained.

• Further and more recent research must be conducted on the transformational leadership device, the MLQ, within the South African context. A study specifically regarding the cultural influences amongst minority sections within South Africa and whether these differ to the results of collectivist African responses to the MLQ will benefit further research conducted on transformational leadership.
The sustainability, predictability and effectiveness of transactional leadership on both employee motivation as well as performance outcomes should be further researched to ascertain it’s strengths and potential limitations in obtaining these outcomes, particularly from knowledge workers.

Further research across industries understanding the mix of transformational and transactional leadership utilised under the influence of different situational moderators will allow researchers to make further recommendations regarding the correct situational leadership to apply under certain circumstances. This will allow practitioners more field guides on which forms of leadership have the most predictive value to obtain engagement and performance in their unique circumstances.

3. In conclusion

The research conducted does not provide definitive answers to which form of leadership is most suitable to apply in order to obtain optimal work engagement from knowledge workers. What it does do though is illuminate some of the positive associations between the application of transformational leadership behaviours and high employee engagement in a typical knowledge worker firm in South Africa. This makes it easier for future researchers and practitioners to begin validating and researching causality as well as situational and follower characteristics that may moderate or enhance the relationship between leadership and employee engagement. The research also adds to the body of knowledge on leadership in an African context, particularly the use of transformational leadership to obtain follower commitment and engagement with organisational outcomes – a theory that has for twenty years or more been successfully applied in first western and then eastern cultural contexts.
REFERENCES


To whom it may concern:

RE: CONFIRMATION OF APPROVAL FOR RESEARCH

This letter serves to confirm that approval has been granted to Dwain Hamman to conduct research with LabourNet staff in 2012 on leadership styles and employee engagement as part of his MBA studies with GIBS.

The above permission is granted on the following three conditions: the research instruments utilised for the gathering of information in the study will be the MLQ and UWES assessment devices as seen and approved by myself, that participants may withdraw at any time from the study should they feel uncomfortable or unwilling, and that the confidentiality of participants and their responses are protected.

I also confirm on behalf of LabourNet that neither the results nor the participation or lack thereof will in any way influence the participants working conditions or used in any way to reward or punish LabourNet staff. We look forward to participating in Dwain’s academic research project and will seek to be of any further assistance in this regard.

Kind regards,

[Signature]

Chari van der Walt

HR Executive
LabourNet Group
011 532 8802
Appendix B

Multifactor Leadership Questionnaire

As part of my MBA studies, I am doing research on the effect of transformational leadership on employee engagement amongst LabourNet staff. As one of LabourNet’s designated business unit leaders, I would therefore like to invite you to complete this 20 minute online survey that will assess the specific level of transformational leadership behaviour you display. The results will assist in determining the effect of your leadership style on your team’s engagement levels.

Your participation is completely voluntary and you can withdraw at any time without penalty. Your response to the survey will also be kept entirely confidential and only be used for the purpose of this academic study. Please note that by completing the survey, you indicate that you voluntarily participate in this research and the data generated may be used for this study. If you have any questions or concerns, please contact me or my research supervisor as per the contact details below.

**Researcher Name:** Dwain Hamman  
**Email:** dhamman@labournet.com  
**Phone:** 083 280 7402

**Research Supervisor Name:** Jonathan Cook  
**Email:** cookj@gibs.co.za  
**Phone:** 011 771 4000
MLQ  
Multifactor Leadership Questionnaire  
Leader Form (5x-Short)

My Name: ____________________________  Date: _____________
Organization ID #: _____________________  Leader ID #: ____________

This questionnaire is to describe your leadership style as you perceive it. Please answer all items on this answer sheet. If an item is irrelevant, or if you are unsure or do not know the answer, leave the answer blank.

Forty-five descriptive statements are listed on the following pages. Judge how frequently each statement fits you. The word “others” may mean your peers, clients, direct reports, supervisors, and/or all of these individuals.

Use the following rating scale:

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Once in a while</th>
<th>Sometimes</th>
<th>Fairly often</th>
<th>Frequently, if not always</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

1. I provide others with assistance in exchange for their efforts... 0 1 2 3 4
2. I re-examine critical assumptions to question whether they are appropriate... 0 1 2 3 4
3. I fail to interfere until problems become serious... 0 1 2 3 4
4. I focus attention on irregularities, mistakes, exceptions, and deviations from standards... 0 1 2 3 4
5. I avoid getting involved when important issues arise... 0 1 2 3 4
6. I talk about my most important values and beliefs... 0 1 2 3 4
7. I am absent when needed... 0 1 2 3 4
8. I seek differing perspectives when solving problems... 0 1 2 3 4
9. I talk optimistically about the future... 0 1 2 3 4
10. I instill pride in others for being associated with me... 0 1 2 3 4
11. I discuss in specific terms who is responsible for achieving performance targets... 0 1 2 3 4
12. I wait for things to go wrong before taking action... 0 1 2 3 4
13. I talk enthusiastically about what needs to be accomplished... 0 1 2 3 4
14. I specify the importance of having a strong sense of purpose... 0 1 2 3 4
15. I spend time teaching and coaching... 0 1 2 3 4

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Continued =>
<table>
<thead>
<tr>
<th>Not at all</th>
<th>Once in a while</th>
<th>Sometimes</th>
<th>Fairly often</th>
<th>Frequently, if not always</th>
</tr>
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<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

16. I make clear what one can expect to receive when performance goals are achieved

17. I show that I am a firm believer in “If it ain’t broke, don’t fix it.”

18. I go beyond self-interest for the good of the group

19. I treat others as individuals rather than just as a member of a group

20. I demonstrate that problems must become chronic before I take action

21. I act in ways that build others’ respect for me

22. I concentrate my full attention on dealing with mistakes, complaints, and failures

23. I consider the moral and ethical consequences of decisions

24. I keep track of all mistakes

25. I display a sense of power and confidence

26. I articulate a compelling vision of the future

27. I direct my attention toward failures to meet standards

28. I avoid making decisions

29. I consider an individual as having different needs, abilities, and aspirations from others

30. I get others to look at problems from many different angles

31. I help others to develop their strengths

32. I suggest new ways of looking at how to complete assignments

33. I delay responding to urgent questions

34. I emphasize the importance of having a collective sense of mission

35. I express satisfaction when others meet expectations

36. I express confidence that goals will be achieved

37. I am effective in meeting others’ job-related needs

38. I use methods of leadership that are satisfying

39. I get others to do more than they expected to do

40. I am effective in representing others to higher authority

41. I work with others in a satisfactory way

42. I heighten others’ desire to succeed

43. I am effective in meeting organizational requirements

44. I increase others’ willingness to try harder

45. I lead a group that is effective

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Appendix C

To whom it may concern,

This letter is to grant permission for the above named person to use the following copyright material:

Instrument: *Multifactor Leadership Questionnaire*

Authors: *Bruce Avolio and Bernard Bass*

Copyright: *1995 by Bruce Avolio and Bernard Bass*

for his/her thesis research.

Five sample items from this instrument may be reproduced for inclusion in a proposal, thesis, or dissertation.

The entire instrument may not be included or reproduced at any time in any other published material.

Sincerely,

Robert Most  
Mind Garden, Inc.  
www.mindgarden.com

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Appendix D

Employee Engagement Assessment

As part of my MBA studies, I am doing research on the effect of transformational leadership on employee engagement amongst LabourNet staff. I would therefore like to invite you to complete this anonymous 15 minute online survey that will assess your perceived level of engagement with LabourNet. The results will form part of the data that will assist in determining the effect of your leader’s leadership style on employee engagement.

Your participation is completely voluntary and you can withdraw at any time without penalty. Your response to the survey will also be kept entirely confidential and only be used for the purpose of this academic study. Please note that by completing the survey, you indicate that you voluntarily participate in this research and the data generated may be used for this study. If you have any questions or concerns, please contact me or my research supervisor as per the contact details below.

**Researcher Name:** Dwain Hamman  
**Email:** dhamman@labournet.com  
**Phone:** 083 280 7402

**Research Supervisor Name:** Jonathan Cook  
**Email:** cookj@gibs.co.za  
**Phone:** 011 771 4000
The following 17 statements are about how you feel at work. Please read each statement carefully and decide if you ever feel this way about your job. If you have never had this feeling, cross the “0” (zero) in the space after the statement. If you have had this feeling, indicate how often you feel it by crossing the number (from 1 to 6) that best describes how frequently you feel that way.

<table>
<thead>
<tr>
<th></th>
<th>Almost never</th>
<th>Rarely</th>
<th>Sometimes</th>
<th>Often</th>
<th>Very often</th>
<th>Always</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Never</td>
<td></td>
<td>A few times a year or less</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td></td>
<td>Once a month or less</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2</td>
<td></td>
<td></td>
<td>A few times a month</td>
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<tr>
<td>3</td>
<td></td>
<td></td>
<td>Once a week</td>
<td></td>
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</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td>A few times a week</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td>Every day</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. _____ At my work, I feel bursting with energy
2. _____ I find the work that I do full of meaning and purpose
3. _____ Time flies when I'm working
4. _____ At my job, I feel strong and vigorous
5. _____ I am enthusiastic about my job
6. _____ When I am working, I forget everything else around me
7. _____ My job inspires me
8. _____ When I get up in the morning, I feel like going to work
9. _____ I feel happy when I am working intensely
10. _____ I am proud of the work that I do
11. _____ I am immersed in my work
12. _____ I can continue working for very long periods at a time
13. _____ To me, my job is challenging
14. _____ I get carried away when I'm working
15. _____ At my job, I am very resilient, mentally
16. _____ It is difficult to detach myself from my job
17. _____ At my work I always persevere, even when things do not go well

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