

The Effect of Transformational and Transactional Leadership on Employee Performance with Mediating Role of Job Involvement

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Received on: 17-04-2024

Accepted on: 21-05-2024

Abstract

The effect of leadership on the performance and productivity of employees is well-researched. Several studies have discovered types of leadership that have positive or negative outcomes when it comes to employee or subordinate performance. This article furthers the integration of leadership theory by testing the influence of both transformational and transactional leadership on employee's performance. In addition to that, job involvement is also being investigated to see how it mediates the relationship between these two leadership types and employee performance. The study has been conducted in the health sector with the help of a survey questionnaire, whereby most of the respondents are physicians. Total number of valid responses received is 159. Analysis done the basis of primary data reflects that both transactional and transformational leadership are linked to employee performance, however, the magnitude of relationship is stronger in case of transformational leadership than transactional one. Job involvement is also found to be a strong mediator as far as this study is concerned. On the basis of results obtained, recommendations are given for practitioners as well as future direction is also set for further research at the end.

Keywords: Transactional Leadership, Transformational Leadership, Employee Performance, Job Involvement

Introduction

In the present-day field, companies are enhancing their workers to devote to the endless advancement of organizational arrangement and proceeding through style that enhance performance to overcome, such as creative ideas, new jobs, collaboration and many more things. In this way these activities may prosper an organization, they may have many other creative ideas in a negative way which carry company to a loss and that is a risk for an

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organization. For example, the job of new ideas may challenge a way to an establishing or a way of making things or any member can do things against any other member. With this there is also a positive way such as one can come with new ideas, experiments with new approaches in a company and it might be successful. Both of the above points indicate that there is loss and profit in such a way that positive will contribute to performance process and there by inhibit both individual and organizational performances.

Leadership in any of the organization play a very important role, leaders with positive views can bring organization to a higher level and at the top they are called as instructors and if they do not pay attention on anything the company will not prosper because employees depend on their leader (Cheung, 2010). Thus it is not wrong saying that leaders are the key to success, through which one can achieve a goal. It is very necessary that there should be one best talent that can compete with others in any company which is highly a need of the organization in any of the business environment. Researcher gave an idea that a need to concentrate a transformational and transactional leadership as a very basic or primary.

There are many other researches on transactional and transformational leadership in several studies many studies have taken place. Such as impact on organization and employees' lives. Now days in any company it is very necessary to have an idea of transactional and transformational in an organization to be supported and promoted. As it is very necessary in a company that a leader should a friendly relation with his employees because a leader can survive by having this by doing these two things will happen one that a company will prosper secondly the outcome will be positive.

This study consists on the impact of transformational and transactional leadership on individual performance that how psychological safety and employee influence their performance.

Problem Statement

Though organizations are facing plenty of challenges related to the employee performance and their job involvement, and performance in organization. The main area of discussion is that which style of leadership generates the positive organizational identification, creativity of employees and their performance. So the specific problem is, employees don't learn in their respective fields or work. Research on transformational and transactional leadership, job involvement of employees and individual performance is still in initial stages in developing countries like Pakistan.

A transformational and transactional leadership in a country like Pakistan is very rare as generally people at the top are more bureaucratic and follow a dictatorship style and interference from employees is neither motivated nor supported by the top management hence employee job involvement and individual performance is generally very low here. For the health houses of Pakistan to prosper and contribute greatly and effectively to the national growth domestic product as an important area in the national economy, we need to study the relationship between transformational and transactional leadership psychological safety and individual performance in the software houses in country like Pakistan.

Significance of the Study

Research on transformational and transactional leadership and its outcomes as a

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psychological safety, increased employee job involvement and individual performance is comparatively new. Hence, testing of an integrated comprehensive model including the outcomes will hold great significance in theoretical literature of transformational and transactional leadership. It will add a new dimension in the existing literature as an integrated model of transformational and transactional leadership and individual performance with having a sequential mediation of employee voice behaviour & employee's performance. Managers/supervisors would be able to analyze and encounter the behavioral and attitudinal outcomes of transformational and transactional leadership.

Objective of the Study

This study aims to test the relations supported by the previous studies and to fill-up the gap here in the Pakistani context by showing how transformational and transactional leadership can be a real asset changing employees' performance and behaviors, increasing psychological safety and individual performance.

Research Gap

There are certain research gaps on which the researcher will proceed his research is necessary to explore the affective dimension of leadership, in combination with cognitive attributes and transformational behaviors, should help to better explain this complex interaction (Hew & Brush, 2007). secondly the researcher will work on being driven by dominant personality, or even possibly by other environmental factors in an organization. The researcher will put some light on the current samples of the doctors and nurses in health department, this was left vacant by the researcher 'Sudha' because he did his research on the doctors of U.K following Sudha (Xirasagar, 2008) the researcher will analyze some of the Pakistani doctors and nurses.

Research Objectives

- To find out the effect of transformational leadership on employee job involvement.
- To find out the effect of transactional leadership on employee job involvement.
- To find out the effect of employee job involvement on individual performance.
- To identify if job involvement mediates the relationship between leadership practices and employee performance.

Research Questions

- What is the effect of transformational and transactional leadership on job involvement?
- What is the effect of job involvement on employee's performance?
- What is the effect of transformational and transactional leadership on employee performance?
- Does job involvement mediate between the relationship of transformational and transactional leadership and individual performance?

Delimitations

The research intends to examine impact of transformational and transactional leadership on

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job involvement as an individual performance. The research is limited to the variables present in the topic. The research will be carried out on 248 Pakistani doctors in health care Centre, the research is also delimited to health care Centre located in Rawalpindi and Islamabad not more than that. Thus only few centers will be chosen to know about the impact of transformational and transactional leadership over employee's job involvement and his/her performance. For this process the researcher will provide questioners to know the results.

Literature Review

The research deals with the effect of transactional and transformational leadership on the performance of an employee. Research also deals with previous researches, books, articles and the research carried out by the writer of this research to fill out the gaps left vacant by previous writers. The samples involved in his research were 248 doctors and nurses in the hospitals to know about the employee performance in leading role of a leadership and to prove job involvement and job satisfaction.

Transformational leadership is a process in which leaders and followers help each other to advance to a higher level of moral and motivation" (James Macgregor Burns) in spite they do not devote themselves as charismatic leader does hence they leave a leadership free space. They emphasize both power and bound at the end, this leadership concludes in making normal people produce remarkable achievement. It upgrades and energizes values and ethics between the people. According to Verma and Wideman in 1994 effective leaders are those who work with charisma and enthusiasm to build a momentum in an organization they do not value the rules and regulations to lead the company it is because in leaders role verma and wideman believe that it can be done through winning respect, dignity, loyalty and confidence instead applying rules and regulations and being an aggressive (Verma & Wideman, 1994). The Transformational leadership is that which "raises the level of human conduct and ethical aspiration of both the leader and the led, and thus it has a transforming effect on both". In transformational the leaders role play a vital role to overcome the role of its persons to whom one leads by this it will affect personality of both leader and its employees thus leader should motivate them about the outcomes and its interest in an organization (Burns, 1978). As it is known that Burns was the person who first described the concept of Transformational leadership with Bass and Avolio and explained about the profit and not for profit especially in government organizations and services. Their model explains that transformational leadership thoughts are explained and defined to motivate the leadership and to motivate its followers. In an article by Sudha Xirasagar from USA defines transformational leadership as "Transformational leadership is linked to vision fulfillment, strategy execution, commitment building, employee empowerment, and culture change" when in a company there is no commitment and employee power and change in culture it is difficult for the leader to bring ones company or an organization to a good level hence according to Sudha above mentioned points must not be skipped in transformational leadership. In MacGregor's point of view this leadership demands a potential follower and it always looks for motives followers which build up a trust and its moral standards. These employees always work in team and are comfortable in working with team or in team this is

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known as transformational leadership.

According to M.F. Cheng in his article mentions transformational leadership that “leader support is another concept related to transformational leadership. Leader support behavior includes task and relations support.” (Cheung, 2010) Cheung defines that leader is the main subject in transformational subject because its support is related with it and leader’s task and relation also includes in its support. These both together such as transformational and leaders support promotes the employee’s vision and its creativity thus it is assumed that the two must have joint research attention.

Transformational leadership and creativity

Transformational leadership has basically four dimensions the following four dimensions were given by Bass and Avolio (1994) because they are able to impress their participants in following four unique ways and are explained by the researcher individually, the following terms are often referred as (the four I’s) and are very useful for the team work process in transformational leadership.

Charismatic influence: creativity is always appreciated in every field of an organization same is the case with charismatic influence that with creative work leader gains pride and respect and the followers performs above assumptions through which one can achieve his/her goal. Hence charismatic influence can leave an impact on its participants and followers this will then bring other employees to work with passion in their level of job.

Individualized Consideration: to act accordingly individual consideration is very important to achieve high work objectives and high level of creativity. Thus transformational leadership pays attention over its followers through learning experience is gained and opportunities are also given.

Inspirational motivation: The emotional appeals and symbols are used to target group member’s creation. To strengthen employee’s efforts and to achieve more and more than they would base on their self-interest through this they will be able to bring new and fresh ideas and can express freely in an organization.

Intellectual stimulation: leaders work is to awake its followers to think in a new way and bring their own meaningful ideas through which problems can be solved easily. The followers are also given an environment where they can freely question and fulfill their intellectual curiosity. Thus through this they are more likely to think on problems and bring about different opinion and work towards high plain of vision.

In transactional leadership, the affiliation among leaders and employers is based on bilateral benefits. Transactional leaders support their employers with the materials and spiral weapons to achieve traditional objectives (Kara 2013). (Bass 1999) marks out that transactional leader administer their employees through a system of profit or loss, Bass explains transactional leadership in terms of four dimensions. 1. Contingent reward: pact change of rewards for resolution, promises of award for good work, and appreciation of compliments. 2. Management by exception active: watching and inquiring for modification from rules and guidance. 3. Management by exception passive: interceding, only if requirements are not met; 4. Laissez-faire: abandons all authority and avoids all decision making. The mutual understanding between leader and employee is thus a transactional leadership “(if you give me that, I will give you this)”. Leader action which is concentrated on

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defining the job role and the omission from employees is referred to as leader behavior. It provides their participants with clear path on what rejection and actions are required from them and in interchange they guide their people by providing actual material for the completion of the assignments. This also upgrades the level of confidence followers have towards their leaders. Approach of honesty leads to positive relations with other persons in the company. The level of faith that employees have between their leaders also supply to their amusement which in return intervene the relation between behavior and organization.

Bass contend that transactional leadership forms the primarily foundation for affair among leaders and its members in terms of assumptions, responsibilities and are awarded for showing well and reputed work and performances. The transactional leader's uses forcefully power to control member's behavior. When using such power the work is often done correctly and steps are taken above the employee. When they feel any change to bring that is being done from top to bottom, and this basically involves all the people including the top administration to the employees. The transactional leader often contributes material proposals and personal proposals to the members. It inspires workers by rewarding them, according to expectancy theory; these leaders can impress employees by forming clear and doubtless expectations. Though it is difficult but is still duty of a leader to tell its employees about the benefices and what is being expected from that team member. When the things are clear and to the point, it is always expected that more work will be done and of course more effort will be drawn by the employees. Second theory is the path goal theory in which it is very important for a leader to show and give which path the company is going on and should be made clear to its employees to overcome difficulties in future time. The third theory is the social exchange theory which suggests us that there must be balance between the employee and the reward in this way the leader's work will be easier if the employee is not heading towards the reward at that the leader can convince its members easily and can bring on the given salary. The leader will of course convince by saying that desire or good work is done the reward will approach but if it is undesired work is done it will results to undesired behavior. so thus it is proved that in transactional leadership the employees are also dependent on leader if leader has shown and motivated them the employees will come up with best results from the best. Many other researchers have emphasized on expectancy theory according to a transactional leader can motivate its employees by enjoyable and bringing creative assignment, though in difficult times it is hard to come up with renovate ideas but it's still job of leader to bring employees on a clear way. If the crisis are more the expectation must increase it means that if the salary is low but still the working hours can be increased to bring good results. Then there is a path-goal theory in transactional leadership which suggests that what path should be chosen for any project, as discussed previously that leaders behavior play an important role and is also related with employee in this regard the mighty powers belong to leader and if there is bond of mutual relation then both can overcome at any crisis, thus the leaders job is to create willingness in members or in simple words the lust to do best work so now this is the work of employee to trust leader and allow him to make decisions for them. The key to success is good will in any work and members should be ready to overcome any tough situation and give them chances to see how the crisis are over thrown in any work this must be done winning the trust. Secondly it focuses on the lower level of ranking these leaders use interchange models, so if the negative work is done

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members can be punished hence they complete their tasks on the given time. They are limited thinkers and think in a given circle or given project and they are managerial in arranging things and complete their work in a given time. They always limit themselves to think in the box they are basically passive.

Difference between Transformational and Transactional Leadership

Transactional Leadership	Transformational Leadership
Leaders are always answerable	Leaders are always dedicated
They work in an environment of institution	Always bring new ideas and talk about change.
Employees often receive award and get punishment	They achieve objects by appreciation.
Make employers greedy for their own self-interest	The group interest is given priority rather than self.
Always maintain to prove and give good performance	They come up with creative and new ideas.

Although these both are often same but to some extent they differ at some level the employee is different and at some level the leader disagrees, at some level the manager encourages and at some level he/she also punishes if the work is not done to the point or on given time, yet the impact of the two is on leadership results within the context of both, if the leader is good the work will be done with good and remarkable results if the leader does not satisfy employees the outcome will be poor and unpleasing.

JOB INVOLVEMENT

Job involvement was first massed in 1965 by Lodhal and Kejner and has derived with the approach self-admiration, job involvement is often referred as job commitment, and thus job involvement is explained in detail by the researcher. Many previous researchers have defined this term in their own ways and in many different ways Griffin et al. (2010) defined it as "the degree to which a person views the importance of a job in his or her life" (p.241). Job involvement can be related with teachers also who are prepared to surrender them and devote to their children so that they can get a better education; hence it has motivational impact on the job holders. It is the basic tool in any business thus it can also be defined as "the relation between individual and an organization, the philosophy that a commoner have about the job", there are many theories on job involvement or job satisfaction and has broad roots with these theories such as motivation and equity theory (Dunford, 1992), a short study was conducted by Johns (1978) proving with 232 participants he came to result that there is positive collation among the leader and the job satisfaction, self-administration scale contains some backgrounds, for example motivating self-view, motivating self-goals measured by Manz (1992). Jancic&Zabkar (2002) described that social exchange theory in job involvement which is related with employee in an emotional way and is socially involved, hence the program is set as social whereas every industry has set its own way of social norms, some can organize it with rules and regulations on the other hand some have set to be influenced

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emotionally. This in a result can come with pride, commitment, dedication etc. in social exchange theory, this builds a trust and self-interest of both the involved parties and trust plays a vital role to bring a good result. Then there is leader exchange theory which is also related with social exchange and has a bond with organizational behavior too, how an organization treats such as justice and fairness (Wayne 2002). This theory has many other dimensions and is does not follow one single action, it has three main areas such as an employee's contribution, the loyalty and expression. Study by Wayne (2002) explains that there is very important role played by an employee and its leader where they are like two "metal fabricated plants" this means the bond between both member and its leader. Intentions are also made by job holders because if the job holder is not satisfied one may quit the job (Dougherty *et al.*, 1985).

As it was already mentioned that job involvement is the outcome from performance it may be in favor or vice versa so here it is noticeable that self-efficiency often plays an important role because it affects the performance of an employee and those who are worried or concerned about their job they feel more comfortable in that. Earlier research inspected the negotiate impact of self-efficiency.

Apart from all of the above things in employee performance motivation is also important and brings more effort in work performance (Boeree, 2006) the managers is required to fulfill the gaps and in employee performance need to encourage employees, for the motivation Kohan in Mali carried out research on health workers to know about this fact he came to a result that employees are motivated by a good salary if the salary is good work done is also good and vice versa. Now we can say by this research that salary is also a motivating factor in employee performance, hence Kohan agrees with the Y theory presented above. But on other side Herzberg disagrees and says that salary is not the motivating factor according to him sense of responsibility and feeling means passion in any work is motivating factor in employee performance. Mayo another researcher he conducted a research in which level of workers worked, mayo inspected the physical environment of the workers Mayo's experiment showed that an increase in work productivity was produced by the psychological aspect of being separated, involved and made to feel important. Performance is always possible when these employees value their way and attitude satisfaction with the leader and employees, as it is understood that employees are the base of any company and they are the primary source to achieve success in any company, so there are many things which include in employee performance such as quantity of best result, quality of best result, to be present at work, to be work done on time and should be cooperative. Macky and Johnson proved a point that employee performance can improve quality of an organization thus performance is also included in rating process in such ways to view the qualities and abilities of an employee in this way result shows that good employees achieve bundle of clients on the other hand band employee performance achieve bundle of complaints. Such complains and dissatisfaction can reach employee to leave a job, and they leave where they achieved a great position. Productivity is also a main factor in employee performance such as labor performance in a factory the output of work must be effective and appealing so that no hurdle could cause them. For such reasons researchers agree on development and planning which is the backbone of business. In this way performance not only depends on employee thus reward is also a performance and it occurs annually at the end of the performance, which

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includes employees work and accomplishment and it includes the whole work and its contribution for the organization as it is understood that a company can prosper through a good employee and its company's work to select best among best so that one can achieve that reward.

To come to conclude from the above literature review employees today are selected to complete the work not a performance is gained from that and performance is the backbone of management. Off course performance management is the core to influence the employee performance, employee performance could be improved in different ways, such as by qualifying employee in particular field through knowledge and skills so one can overcome many problems secondly management or leaders feedback is very necessary in employee performance so that employee is encouraged and will perform very well because when he/she does a good job he/she wants a feedback from the authority, if there is any change in that they will bring that change or if they are positive so they will bring more and more fruitful results in that and more positivity. I would like to build a hypothesis that the whole performance management system will have impact on employee performance.

RELATION BETWEEN THE TERMS

H1. Transformational leadership has a positive impact on job involvement

As stated by Berson and Avolio (2004), followers are always impressed when there is positive effect of anything such is the case in transformational leadership; it is motivated and are guided by leader in such ways it leaves an impact on job holders. As it was discussed previously that in transformational leader is an important character by his influenced and motivating personality encourages its employers which is also a sign that their positive light on it. In addition to its many other researchers have proved that it has positive impact in such a way that its primary goal is to convince and make easy learning for the members of its organization through their vision and stimulation. Transformational leaders are idealistic. They are able to comprehend the vision of the upcoming situations one that broadly shared by the followers. This perspective vision portrays the organizational objectives and ultimate goals. Although there are number of leadership styles which can leave a brunt on employee's job, as here we discussing only on transformational, it selected because of its productivity and supportive role, leader is always successful due to his employees it is because these employees will bring result and which enhance its leader. One of the study recommended that leadership should be much powerfull so that it can bring changes in the job involvement, many study proved that employees are more satisfied in transformational than any other. There was study by Avolio on nurses in the hospital of Singapore which proved that transformational leadership is the good leadership style so in any organizational commitment this is applicable. Job involvement is often related to creativity Amabile's (1988, 1997) her theory is probably one of the most effecting theory on this which describes the perceived work done as on environment of creativity. It says a positive support or encourage of a leader brings up to a good employee and effects one's job, creates an environment of positivity, confident, and support. According to Amabile leaders support should be oriented and emotional this will than make a path for employees in creating effective activities, sources and most of them is standard of performances. Secondly to bring variety in job involvement leaders listen carefully to give nature of tasks and support to a relation, thus leader is the

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person who induces support to followers in a good facility of providing equipment to them, thus leader needs to provide skills to new ideas. Through viewing all these ideas, it is hence told that transformational leadership has a positive effect on job involvement.

H2: Transactional leadership has a positive impact on job involvement

Transactional leadership also have a positive effect on job involvement, Hamstra (2013) found that transactional leadership has from very beginning it encourages prevention-focused followers. It all rely on company's manager that how he carries it, there are many studies which suggests that if he is willing to continue improving their creativity than they can. It is often named as a mediating role playing, its efforts are to create clear cut exchange relationship guidelines and to sort out the problems occurred among leader and employees, it proves that they have a sense of relativity. It was already explained that this leadership trust each other which is also a positive sign, it is understood that a fair relation will come with a positive and best result in this leadership. The outcome is the feeling and effective also which leads to satisfaction.

H3: Job involvement has a positive effect on employee performance

As it was previously discussed that job involvement develops from belief and approach, that are evacuate statements, either favorable or unfavorable. The connection between self-efficiency and job involvement is very important it is because it is more compensate and relevant to this. There are many researches done in past that self-efficiency in a variety of task domains. In job involvement the employee has positive impact in such a way that natural reward strategies and construct and especially the performance of an employee show that it has a positive influence. Thus job involvement may be a task-specific.

Empirical research on job involvement has an indication on very strong and subsequent results on that. Wright (2000), reports that positive relationships between job involvement and employee is psychological well. It is understood that people with higher level of psychology will work more and better and with lower will work according to their approach.

H4: Transactional leadership has positive impact on employee performance

In transactional leadership, the affiliation among leaders and employers is based on bilateral benefits. Transactional leaders support their employers with the materials and spiral weapons to achieve traditional objectives (Kara 2013). (Bass 1999) marks out that transactional leader administers their employees through a system of profit or loss, Bass explains transactional leadership in terms of four dimensions. 1. Contingent reward: pact change of rewards for resolution, promises of award for good work, and appreciation of compliments. 2. Management by exception active: watching and inquiring for modification from rules and guidance. 3. Management by exception passive: interceding, only if requirements are not met; 4. Laissez-faire: abandons all authority and avoids all decision making. The mutual understanding between leader and employee is thus a transactional leadership "(if you give me that, I will give you this)". Leader action which is concentrated on defining the job role and the omission from employees is referred to as leader behavior. It provides their participants with clear path on what rejection and actions are required from them and in interchange they guide their people by providing actual material for the completion of the assignments. This also upgrades the level of confidence followers have towards their leaders. Approach of honesty leads to positive relations with other persons in the company. The level of faith that employees have between their leaders also supply to their

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amusement which in return intervene the relation between behavior and organization.

H5: Transformational leadership has a positive impact on employee performance

As it was earlier discussed that transformational leaders are able to bring up their followers as they perform their task well in an organized manner. They bring a development in their employees any they always encourage them to work in a good environment. In employee performance they attribute their level of confidence, so they raise the level of confidence in them and provide them with personal guidance. Transformational leaders set a goal and they follow tips given by their followers they can clearly communicate with each other and they bring up with results (Berson & Avolio, 2004).

There is a positive impact in a such a way that leaders provide a new and modern learning to them to bring an achievement, as these leaders are optimistic and encouraging they also rise the approach and confidence level of their followers beyond their expectations. They are always creative in employee performance so this binds them to rethink about the circumstances, there is also positive role because they can also work individually and come up with good results. As it was previously discussed that when the employees are good and positive obviously the company will prosper to a new level, on the other hand there are many other researches which have only examined the ongoing effect of transformational leadership, it has positive effect in a turnover intention it is because when the people work voluntarily it includes not a satisfaction, thus it has influence on turnover. Secondly a transformational leader has effect on various outcomes and results of the leadership. When an employee decides to leave the company he or she go through a cogitative process. It has a positive effect because transformational leaders, through inspiration and very high expectations the leader always provide a support to their employees and they are encouraged and subsequently they will work more positively and will work with a good afflation. As described previously that leaders have positive role it addresses specific job related matters and accumulated that keep individuals not to leave their jobs and that keeps its employees attached and focused on it.

H6: Job involvement mediates the relationship between transformational leadership and employee performance.

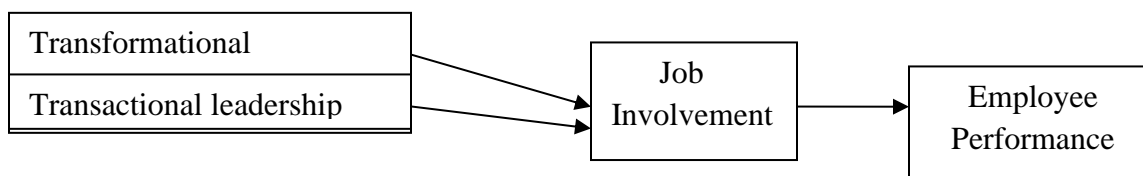
The goal is set for them to carry on their job, in regression model the role of marital status, gender and even experience is involved in this. Elloy (1995) emphasizes that supervisors who supervise in a positive surroundings for their sub ordinates also depicts a good sign in job involvement. Job is thus related to the ego-involvement of employee, there are two variables involved in this one is self-esteem and the second is self-image some researchers believe that the first self-esteem is the real meaning of job involvement, whereas some job holders perform very well because of the reward and some other reasons behind it.

As it was already mentioned that job involvement is the outcome from performance it may be in favor or vice versa so here it is noticeable that self-efficiency often plays an important role because it affects the performance of an employee and those who are worried or concerned about their job they feel more comfortable in that. Earlier research inspected the negotiate impact of self-efficiency. For instance, the research done by Kirkpatrick and Locke (1996) discovered that self-efficiency did not resolve the impact of idealistic and appealing leader's behavior on performances in job involvement. In opposite to it a research done by

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Prussia (1998) carried out the moderate effects of self-efficiency on the alliance among self-relationship and behavioral focused strategies. But it is questioned that self-efficiency develops innate importance due to satisfaction from earlier successes. Hence job involvement may be task-specific philosophy through it brings change in team performance. A research was carried out by Ali Mohammad (2006) in Iran on government employees whether they were satisfied or not, it was done in health care center. The study was on both global job involvement and different aspects of the satisfaction were involved, the result depicted that majority of the employees were satisfied with their jobs, even though they had low salaries and low packages but still they were satisfied, the research also shows that managers working in that had not enough authority to show response on salaries or packages, they had authority to bring change in the performances of an employee.

Proposed Theoretical, Conceptual Framework & Diagram



Hypotheses

- H1. Transformational leadership has a positive impact on job involvement
- H2. Transactional leadership has a positive impact on job involvement
- H3. Job involvement has a positive impact on employee performance
- H4. Transactional leadership has a positive impact on employee performance
- H5. Transformational leadership has a positive impact on job employee performance
- H6. Job involvement mediates the relationship between transformational leadership and employee performance
- H7. Job involvement mediates the relationship between transactional leadership and employee performance

Sampling & Methodology

The sample size of the study was 159 employees. Convenience sampling technique was used to collect data from the health sector of Islamabad. Some of the private and government health sectors were selected located only in Islamabad. The seniors and junior staffs were given questioners to meet the result. The outcome was positive. There were trained and newly appointed staff were given this.

The target population of this study is employees of the health center geographically located in Islamabad. i.e. 159 Pakistani doctors in health care Centre, the research was on health care Centre located in Islamabad not more than that. The Unit of analysis in this study was individual. Those employees who are creative and working in the health sector because job involvement and performance is related to every employee of the organization. The inclusion of all sorts of schools and colleges of Islamabad, this study makes a comprehensive result in

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term of teaching method and different way of guidelines to the students according to modernization. This cross sectional study will be quantitative as causal relationship between aforesaid variables was studied. Primary data will be collected through questionnaires.

The time horizon was cross-sectional as data was collected at one point of time from the employees of health sector. Four items were used for measuring the demographic variables of age, gender, work experience, and job level. Five-point Likert-type scales were used for measuring the variables. The questionnaires were adapted from previous literature. Structured questionnaire was used for the primary data collection. There were 159 questionnaires were distributed among the employees of health sector of Pakistan specifically Islamabad.

Analysis & Interpretation

SPSS version 20 has been primarily used for data analysis and hypothesis testing. All the work done through SPSS includes, scale reliability test, data normality checkup, model fit, multi-collinearity check, correlations, regression analysis and moderation checkup using Andrew F. Hays. PROCESS.

Demographics

Following tables show the demography of our sample. Four basic information has been given by respondents, i.e. gender, age, education & experience of the participants. This information helps us evaluate the diversity of our sample frame.

Demographics (N=159)

Demography	Gender		Age Group (Years)		
Statistic	Male	Female	20-30	31-40	Above 40
Frequency	72	45.3	91	58	10
Percentage	87	54.7	57.2	36.5	6.3

Demography	Education			
Statistic	Bachelors	Masters	M. Phil	Ph. D
Frequency	46	77	26	10
Percentage	28.9	48.4	16.4	6.3

Demography	Experience		
Statistic	1-5 Years	6-10 Years	Above 10 Years
Frequency	82	52	25
Percentage	51.6	32.7	15.7

Descriptive

Descriptive analysis has been conducted before running hypothesis testing, because we need to see that the data collected as normally distributed. This has been done with the help of SPSS version 20, using Bivariate Correlation Analysis. Below table shows the actual results

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generated through descriptive module of SPSS.

The primary concern here is the value of skewness and kurtosis. For a data to be normally distributed, skewness should lie between the ranges of -1 to +1 while kurtosis value should lie between -3 to +3. Below tables reflects that our data is normally distributed as skewness and kurtosis values for all variables lie between the specified threshold limit. Evidence is the value of mean for all variables. The table shows that mean value for all variables is either approximately 3 or 4, which is good sign as far as a five-point Likert scale is concerned.

Descriptive Statistics (N=159)								
Variable	Minimum	Maximum	Mean	SD	Skewness	Kurtosis		
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
TF	2.00	4.45	3.5615	.58116	-.481	.192	-.815	.383
TRX	2.00	4.50	3.4764	.62487	-.532	.192	-.526	.383
JI	1.67	4.67	3.4329	.68491	-.300	.192	-.721	.383
EP	2.30	4.50	3.5000	.53816	-.241	.192	-.780	.383

Kurtosis: $-3 < k < +3$

Skewness: $-1 < S < +1$

Correlation Analysis

In order to check how our variables are interlinked with each other we conduct a simple correlation analysis. Below table shows our results for the said analysis. Our independent variables i.e. Transactional and Transformational are strongly related to each other as reflected by $R=.524$. This is because both these variables are antonyms for each other. Transactional leadership is strongly correlated with Job Involvement which is our mediator. The $R=.445$ shows the strong correlation between them. Transactional is again strongly associated with Employee Performance which is our dependent variable. R value is .444 here which shows that a unit change in Transactional can cause more than 44% change in Employee Performance. The correlation between Transformational and Job Involvement stands at .520 which shows a strong/moderate relationship. Similarly the correlation between Transformational and Employee Performance is .491 which is again a moderate relation. Job Involvement which is our mediating variable is strongly correlated with Employee Performance. The R value here is .374. All the results are significant at 0.01.

This analysis concludes that all these variables are correlated to each other and thus the overall fit of the combination of these variables is good to go. Table # 2 summarizes the results of this analysis.

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Correlations, Mean, and SD (N=158)

Variables	Mean	SD	TF	TRX	JI	EP
TF	2.00	4.45	1	.524*	.520*	.491*
TRX	2.00	4.50	.524*	1	.445*	.444*
JI	1.67	4.67	.520*	.445*	1	.374*
EP	2.30	4.50	.491*	.444*	.374*	1

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

Participants

The study primarily takes into account the health organizations of Federal Territory. They include various hospitals and dispensaries both belonging to public and private sectors. Doctors and other associated medical staff members working in these institutes were primarily sought for data collection. Medical profession is being targeted for this particular study because a doctor or other attendant needs leadership skills as a basic ingredient to stand to treat patients and his/her colleagues in a professional way. A doctor's leadership qualities can improve or disapprove his/her medical performance.

Procedure

Before collecting actual data for the study, we first conducted a contextual analysis. This consisted of arranging phone interviews of 10 doctors, to discuss with them the agenda of the research and seek their point of view - whether the issue on hand is relevant to Pakistani context. This preliminary information helped us to have a more localized approach towards our study. Interviewers not only endorsed the issue but also predicted interesting results. This initial information increased our confidence of our research as relevant to Pakistani context.

In the next phase, pilot study was conducted. The Pilot study was aimed to find out the reliability and validity of the instrument used as well as the complexity of questions asked. This also helped us find that participants are getting what has been asked in the survey. Self-administered questionnaires were sent to 50 people, whereby we received 30 complete responses and were accordingly used in our final pilot study analysis. The results produced by the pilot study related to instrument used are tabulated below.

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Reliability Statistic (N=30)

Variable	Cronbach's Alpha	Items
TF	.721	11
TRX	.622	8
Job Involvement	.680	6
Employee Performance	.541	10

Greater or equal to .80 for a good scale, .70 for an acceptable scale, and .60 for a scale for exploratory purposes (Garson, 2016)

As shown by above table, Transactional and Transformational which are our independent variables are consisting of 9 and 4 items respectively. Cronbach's Alpha for Transactional is .622, while for Transformational it is .721. Similarly, for Job Involvement the alpha value is touching .680 and Employee Performance value is .541. Though these values are satisfactory as per the threshold of Garson (2016), we expected improvement in these values as the number of participates increases. According, to Garson (2016), value of .8 or greater makes an ideal scale, .7 is acceptable and .6 is good to go if the research is exploratory in nature.

After validating the scale through the results of pilot study, a reliability check was also conducted after the collection of all data. The result of latest reliability check is given in table # 3.

Comparing recent scores of Cronbach's alpha for our variables with that of the score based on pilot study, the below table reflects that the reliability has been significantly increased as with the increase of sample size. This is again good news as far as the reliability of the scale is concerned.

Reliability Statistics (N=158)

Variable	Cronbach's Alpha	Items
TF	.957	11
TRX	.944	8
Job Involvement	.964	6
Employee Performance	.928	10

Greater or equal to .80 for a good scale, .70 for an acceptable scale, and .60 for a scale for exploratory purposes (Garson, 2016)

Multicollinearity and Model Fit Analysis

Before testing hypothesis, we have check for the multincollearity and Model Fit analysis. The result of this test is given in Table # 4. This test gives us the Transformational that no two or more variables are collinear with each other. As reflected by below table;

Multicollinearity Test (Tolerance & VIF)

Variables	Tolerance	VIF
Transactional	.726	1.378
Transformational	.726	1.378

Recommended maximum VIF value of 4 (Pan & Jackson, 2008) & even 5 (Rogerson, 2001)

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The above multicollinearity test shows that the Tolerance for all dimensions of Transactional and Transformational is below 1. Thus we can have confidence in the overall fitness of the model. No two or more variables are measuring the same construct in this study. Also another value of VIF is way below than the maximum threshold of 4 or sometimes 5.

Hypothesis Testing

Simple Regression Analysis has been used to test for the validity of hypotheses. As per Model Summary Table, the 'R' value is .491 which shows that there is a moderate correlation among the variables. R Square value is .241 which shows that our predictors cause approximately 24% of change in dependent variable. The ANOVA tables reflects that the F values stands at 49.777 which is a good news as for as the overall fitness of the model is concerned. The results are significant as $P < .005$.

As per below table; hypothesis 1 holds true as Transformational Leadership causes 49% change in Employee Performance. The equation for this relationship becomes; $EP = 1.882 + .491 \text{Transformational}$.

Next Independent variable is Transactional Leadership. The model summary shows that R is equal to .444 while R Square = .197. Its equation becomes, $EP = 2.172 + .218 \text{Transactional Leadership}$. A one unit change in Transactional Leadership can increase 21% of Employee Performance. The ANOVA table shows that F value is more than 38 which is good news as far as the fitness of the model is concerned.

Linear regression analysis for Transformational Leadership & Employee Performance (N=159)

Variable	Unstandardized Coefficients		T	Standardized Coefficients
	B	Std. Error		β
(Constant)	1.882	.232	8.099	
TF	.454	.064	7.055	.491

Note. $R = 0.491$; $R^2 = .241$; Adjusted $R^2 = 0.236$; $F = 49.777$, $p < .05$

Dependent Variable: Employee Performance

Linear regression analysis for Transactional Leadership & Employee Performance (N=159)

Variable	Unstandardized Coefficients		T	Standardized Coefficients
	B	Std. Error		β

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(Constant)	2.172	.218	9.982	
TRX	.381	.062	6.204	.444

Note. $R=0.444$; $R^2 = .197$; Adjusted $R^2 = .192$, $F=38.486$, $p<.05$
 Dependent Variable: Employee Performance

Mediation Analysis

Run MATRIX procedure:

***** PROCESS Procedure for SPSS Release 2.15 *****

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
 Documentation available in Hayes (2013). www.guilford.com/p/hayes3

Model = 4

Y = EP

X = TF

M = JI

Sample size

159

Outcome: JI

Findings and Discussion

This chapter consists of summary, recommendations and suggestions for the upcoming researchers. This research has opened up lineages that will help us to reach at certain levels of comprehensions. This research has several important findings, after the textual analysis and accorded discussion, the researcher minutely concludes the study. This research with its due findings and objectives fulfills the gaps that were not previously described explicitly. This research also aims to open up the new dimensions of discussion and analysis line for upcoming researchers. The first result came out was that transformational leadership has a positive effect over job involvement and employee performance which are the depending variables. Secondly it was also observed that transformational leaders are calm and innocent in their working it means working in a polite manner whereas on the other transactional work only for itself, if the leader is working it will work for itself and if the employees are working they will work for themselves there is no team work. During research there the research came to a result that there were many other reasons in both the variables, but unfortunately the leader's role or leader's support was not found in transactional leadership. The one reason may be this that the employees are not fully aware of the circumstances,

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whereas it was observed that transformational leadership are supported it was found that impacts of transformational leadership are positively influenced by the creativity of the employee.

In sum, findings of the study contribute to the creativity literature by following the literature behavior and leader support with that on creativity level and opening up a new era for researchers to examine the under-researched moderation issue.

Limitations and Future Direction

The purpose of this research was to find the impacts of transformational and transitional leadership over employee performance, so the research will prove a path or a way for the many upcoming researchers in such a way that they can contribute their valuable views and also they can add more in this which was left vacant by the researcher due to shortage of time and due to limited areas taken by researcher. There are also numbers of differences that are left and not analysed due to the shortage of a time. It is not possible to analyse all the reading books once. There are several limitations of this research. The limitations include the shortage of time. This study also suffers from many self-related question items followed by the employees who may have upgrade the common method, and validating the studies.

To conclude the whole study, it contributes to the emerging thesis and literature. We modernized the innovations in several ways. By reading all the points in the research, the reader will be able to analyse both the transformational and transactional leadership and will be able to choose the best for themselves.

Recommendations

1. Organizations may encourage and develop transformational leadership behaviors among their leaders. Transformational leaders inspire and motivate employees, which can significantly enhance job involvement and subsequently improve employee performance. Training programs and leadership development initiatives should focus on developing skills such as vision articulation, emotional intelligence, and individualized consideration.
2. Establish regular feedback and performance review systems to assess the impact of leadership styles on employee performance and job involvement. Constructive feedback can help leaders adjust their approaches and address any gaps in leadership effectiveness.
3. Organizations may invest in leadership development programs that address both transformational and transactional leadership skills. Tailored training that emphasizes the importance of job involvement can help leaders become more effective in their roles and drive higher employee performance.

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