

## **Role Of Transformational Leadership In Employee Engagement Leading To Organization Development: An Overview**

**Ms. Shilpika Pandey<sup>1\*</sup>, Dr. Lalit Kumar Yadav<sup>2</sup>**

<sup>1\*</sup> Assistant Professor ,IMRT Business School shilpikaimrt@gmail.com

<sup>2</sup> Associate Professor, Sri Ram Murti Smarak International Business School,  
reachyadavlalit@gmail.com

### **ABSTRACT:**

Employee Engagement (EE) and its contribution in Organization Development (OD) has been an area of pivotal concern for any organization to flourish as a successful entity in this competitive environment. The Industry in current scenario demands for transformational leaders who can encourage the workforce to be exceptionally vibrant and innovative. This will further enhance employee engagement and foster organization growth. This review paper aims to highlight that role of transformational leaders collaboration with their employees and work as a team to grow the organization. The study focuses on secondary data by reviewing previous published articles and research papers.

**Key Words:** Transformational Leadership, Organizational Development, Employee Engagement

### **1. Introduction**

Organisations are becoming more conscious of the significance of leadership styles in fostering employee engagement and propelling organisational growth in the dynamic business environment of today. Because of its capacity to inspire, motivate, and synchronise workers with the organization's vision, transformational leadership (TL) has attracted a lot of attention among different leadership models (Bass, 1985; Burns, 1978). Beyond straightforward transactional interactions, transformational leaders influence their followers through intellectual stimulation, idealised influence, inspirational motivation, and personalised attention. Often referred to as employee engagement, these leaders enable staff members to go above and beyond expectations, increasing their emotional and cognitive involvement in their work (Kahn, 1990; Schaufeli et al., 2002).

Successful organisational development (OD), a planned, structured process intended to improve effectiveness and well-being, is more likely to occur in organisations run by transformational leaders. Transformational leaders make a substantial contribution to the long-term growth and adaptability of organisations by encouraging creativity, teamwork, and a culture of ongoing learning.

### **2. Objective of the Study**

Through a critical analysis of the body of existing literature, this review paper aims to investigate the impact of transformational leadership on organisational development and employee engagement. This paper attempts to provide a thorough understanding of the relationships between these constructs and to identify areas for future research by synthesising findings from theoretical frameworks and empirical studies.

### **3. Methodology**

A methodical approach was taken in conducting this literature review in order to find, evaluate, and compile pertinent academic research on the connection between organisational development, employee engagement, and transformational leadership. The goal was to present a thorough and impartial summary of the body of research in this area.

## 2.1 Method of Search

A systematic search was conducted across multiple academic databases, including Scopus, Web of Science, Google Scholar, EBSCOhost, and ProQuest, to find pertinent literature.

Only peer-reviewed journal articles, empirical research, and scholarly book chapters published between 2010 and 2024 were included in the carefully crafted search parameters. A number of carefully chosen keyword combinations were used to guarantee a thorough examination of the pertinent literature. These comprised:

- "transformational leadership" AND "employee engagement" to look into how leadership styles and employee motivation are related.
- "transformational leadership" AND "organisational development" to investigate the ways in which such leadership can impact an organization's development.
- "transformational leadership" AND "organisational performance" to examine how leadership styles affect the overall efficacy of an organisation.
- "leadership" AND "employee engagement" to investigate the relationship between leadership styles and workforce motivation.
- "transformational leadership" AND "organizational development" to explore how such leadership can influence the evolution of organizations.
- "transformational leadership" AND "organizational performance" to analyze the impact of leadership approaches on overall organizational effectiveness.
- "employee engagement" AND "leadership" to Examine the effects of various leadership philosophies on worker engagement and dedication.
- "leadership styles" AND "organisational change" to investigate how different leadership philosophies help or impede organisational change. Search filters were used to include only English-language publications, and boolean operators (AND, OR) were used to further refine the results.

## 3.2 Criteria for Inclusion and Exclusion

### Criteria for inclusion:

Peer-reviewed journal articles and empirical research (whether mixed-methods, quantitative, or qualitative)

- Research specifically addressing transformational leadership in connection to organisational development or employee engagement; theoretical and conceptual papers pertinent to the subject
- Research from a range of sectors and geographical areas
- Non-peer-reviewed publications (such as periodicals or blogs) and research on leadership philosophies other than transformational (unless applied in comparative analysis) are excluded.
- Unless they are groundbreaking, publications before 2010 are not available in full text. (e.g., Bass, Burns)

## 3.3 The Selection Procedure

About 250 articles were found in the first database search. 110 articles were chosen for full-text review following screening of titles and abstracts. Forty-five studies made it into the final review after a more thorough analysis based on quality and relevance.

To ensure transparency and reproducibility, the selection process was guided and documented using a PRISMA flow diagram (Preferred Reporting Items for Systematic Reviews and Meta-Analyses).

## 3.4 Extraction and Synthesis of Data

Important information taken from each chosen study was as follows:

- The year and the author or authors

Key findings pertaining to TL, employee engagement, or organisational development; identified mediators, moderators, and theoretical frameworks employed; research context and sample; methodology

To find recurrent themes, connections, and gaps in the literature, thematic analysis was used. These concepts serve as the foundation for “Findings from Literature” and “Discussion” sections of this paper.

## 5. Framework for Concepts

Three interconnected concepts—organizational development (OD), employee engagement, and transformational leadership (TL)—are integrated into the conceptual framework that directs this review. This framework is based on the ideas of organisational development (Cummings & Worley, 2015), self-determination theory (Deci & Ryan, 2000), and transformational leadership theory (Bass, 1985). According to the framework, transformational leadership has a positive impact on employee engagement, which supports organisational growth. Additionally, by encouraging creativity, flexibility, and strategic alignment, TL may have a direct impact on OD.

### • 5.1 Leadership Through Transformation

- According to Bass and Riggio (2006), transformational leadership is a leadership approach that changes followers' attitudes, values, and objectives in order to inspire and motivate them to go above and beyond expectations. There are four main dimensions to it:
- **Idealised Influence:** Leaders inspire followers by setting an example and winning their respect and confidence.
- **Inspiring Motivation:** Leaders inspire followers with a compelling vision.
- **Intellectual Stimulation:** Leaders foster problem-solving, creativity, and critical thinking.
- **Individualized Consideration** – Leaders give each follower individual attention, guidance, and support.
- Employee engagement and performance are based on psychological resources and a sense of purpose and belonging, both of which are improved by TL.

### 5.2 Employee Engagement

According to Schaufeli et al. (2002), employee engagement is the mental state that is typified by vigour, dedication, and absorption in one's work. Employees that are emotionally invested, energetic, and dedicated to the success of their company are considered engaged.

Transformational leaders increase participation by:

- Providing a feeling of direction and significance (through motivational inspiration)
- Offering assistance and acknowledgement (through tailored consideration)
- Facilitating independence and mastery (through intellectual stimulation)
- Establishing loyalty and trust (through idealised influence)

This connection is supported by the Job Demands-Resources (JD-R) model (Bakker & Demerouti, 2007), which suggests that job resources—many of which are supplied by transformational leaders—are important engagement drivers.

### 5.3 Organizational Development

- A planned, methodical procedure to enhance an organization's health, adaptability, and effectiveness is known as organisational development (OD) (Cummings & Worley, 2015). Among the primary markers of OD are:
- Innovation and ongoing development
- Adaptability and preparedness

- Strategic congruence of personal and corporate objectives
- A collaborative and learning culture
- Transformational leaders have a direct impact on OD through:
  - Creating a creative and encouraging culture;
  - Improving communication and information exchange;
  - Encouraging a common vision and values; and successfully spearheading change initiatives.

#### 5.4 Integrated Model

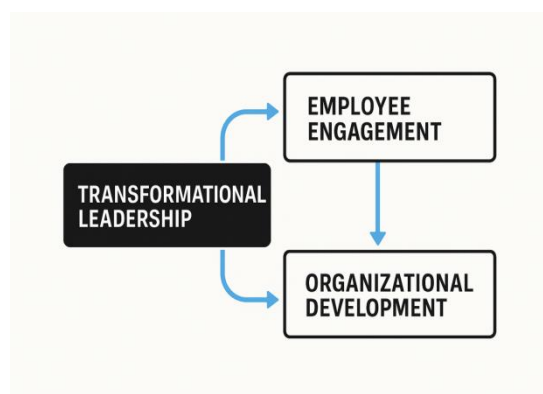
According to the suggested framework, transformational leadership influences organisational development in two main ways:

##### 1. Direct Route: TL to OD

TL behaviours directly promote learning, innovation, and strategic alignment.

##### 2. Mediated Path: OD → Employee Engagement → TL

TL increases engagement, which raises commitment, discretionary effort, and teamwork—all of which are factors that drive OD.



This conceptual framework serves as the basis for analyzing findings from literature and understanding how leadership strategies can be used to strengthen employee commitment and facilitate sustainable organizational growth.

#### 6. Findings from Literature

##### 6.1 Impact of Transformational Leadership on Employee Engagement

Transformational leadership is widely acknowledged as a key driver of employee engagement due to its emphasis on vision, personal development, and emotional connection. A growing body of empirical research has demonstrated that leaders who embody transformational behaviors can create work environments that support deeper employee involvement and motivation.

- In a multi-level study, **Breevaart et al. (2014)** discovered that daily transformational leadership was a predictor of higher levels of work engagement, especially when leaders offered individual attention and intellectual stimulation.
- According to **Tims et al. (2011)**, TL improves job crafting behaviours, which are proactive job shaping practices that increase employee engagement. The relationship between engagement and TL is mediated by job crafting.
- According to **Zhu et al. (2009)**, TL increases employee effort and emotional investment by fostering identification with organisational goals.
- Longitudinal evidence that TL improves intrinsic and extrinsic motivation—two powerful indicators of engagement—was presented by **Kovjanic et al. (2012)**.

- **According to Ismail et al. (2011)**, TL is associated with increased employee engagement, commitment, and satisfaction in Malaysian companies.
- **Macey and Schneider (2008)** highlighted how TL fosters an atmosphere of psychological safety and meaningfulness—critical drivers of engagement.

## 6.2 Impact of Transformational Leadership on Organizational Development

- Organisational development (OD), which encompasses increased efficacy, flexibility, creativity, and cultural congruence, is also positively connected with transformational leadership.
- Transformational leaders develop a vision that focusses organisational energy on strategic objectives, according to **Avolio and Bass (2004)**.
- **García-Morales et al. (2008)** demonstrated how TL fosters ongoing OD by enhancing dynamic capabilities like learning and innovation.
- TL fosters team innovation and change acceptance, both of which are critical to OD, according to **Eisenbeiss et al. (2008)**.
- A key component of OD, knowledge management procedures, and TL were found to be significantly correlated by **Birasnav et al. (2011)**.
- **Bass and Riggio (2006)** claimed that by managing change, promoting initiative, and setting an example of values, TL is essential to creating a high-performance culture.
- **Ng (2017)** demonstrated that in medical environments, Development projects are more successful when the organisational climate is improved by TL.
- According to **Rafferty and Griffin (2004)**, TL behaviours result in strategic alignment, which guarantees that worker actions are in line with the organization's long-term goals. Alignment, ensuring that employee actions are consistent with the organization's long-term vision.

## 6.3 Analyses of impact of Transformational leaders:

- Inspirational motivation provides vision and meaning that enhances innovation capacity among employees.
- Individualized considerations recognize individual needs to foster a culture of learning and trust and ensure sustainability in employees to work with dedication in long run.
- Intellectual stimulation acts as catalyst to promote innovative thinking and adapt changes leading to growth and development of the organization.
- Idealized influence helps in building trust and loyalty aligning individual and organizational goals

These behaviors collectively nurture employee engagement by meeting psychological needs for autonomy, competence, and relatedness.

## 6. Conclusion and further scope of research

Encouraging employee engagement through transformational leadership is not fruitful, until we align it with employees' career development. When the employees are content enough with their growth in the organization, they will surely work for the betterment and growth of the organization as well. The study further opens the scope to explore the role of transformational leaders in fostering career development aligning it with organization development.

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