



Does Transformational Leadership Matter for Employee Performance?

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Abstract

The positive role of the employee cannot be underestimated in the organization's success because employees are the main asset of any organization; these unique assets must be fascinated through an organizational learning culture (OLC). They must also adapt to the changes in the organization to accept the challenges of the current era. Subsequently, this study expects to evaluate the impact of transformational leadership (TL) on faculty performance in Higher Education Institutions (HEIs). In addition, it examines the mediating role of organizational learning culture (OLC) between transformational leadership and employee performance (EP). Data is collected from HEIs in Pakistan. The questionnaire was adopted from past studies and distributed to 400 faculty members of business schools in Pakistan. The result of the study indicates that transformational leadership significantly impacts employee performance (EP) in the presence of a learning culture (mediating variable). The study's findings can be used in other organizations in Pakistan rather than only in academic institutions.

Keywords: Transformational Leadership (TL), organizational learning culture (OLC), Employee Performance (EP)

1. Introduction

The progress of a business is generally subject to its employees' performances (EP) and leaders' initiatives (Keskes *et al.*, 2018) as they impact workers' feelings, perspectives, and ways of behaving. EP is essential to make an organization successful in the present competitive era, so research scholars and practitioners spend much time figuring out what factors influence employee performance. Between the various variables studied in the workplace, the earlier study has consistently identified that supervisor behaviour and leadership style substantially affect EP (Zhou & Wu, 2018). Previous research affirms that leadership's ways of behaving influence employee execution. Employee commitment intercedes the connection between the factors. This relationship infers that transformational leaders yield positive behaviours that urge representatives to drive execution. Transformational leaders encourage employees with different ways of behaving. Furthermore, they build relationships with representatives at work and make them exceed everyone's expectations for the association (Al-Amin, 2017).

According to Yang *et al.* (2021), leaders play a significant role in developing employee confidence. Leadership is an overwhelming, staggered, and socially developed process commonly inside sets and organizations (Muchiri, Cooksey, & Walumbwa, 2012). It has been perceived as one critical impact on EP that led to business performance and organizational culture (Atitumpong & Badir, 2018; Xie & Lei, 2019). TL is, as of now, the most generally acknowledged worldview in the leadership literature, characterized as a style of leadership that changes followers to transcend their circumstances by modifying their morale, goals, interests, and values, persuading them to perform better than at first anticipated (Buil, Martínez, & Matute, 2019; Pieterse *et al.*, 2010).

TL studies have been collected for years and years at this point; there are plenty of findings on the impacts of TL on EP (Carter *et al.*, 2013). TL has been connected to an assortment of organizational outcomes in the past. Prior research in TL has found that this variable positively impacts EP (Carter *et al.*, 2013; Yücel, 2021). EP plays a crucial role in nurturing organizations. EP can be enhanced through TL. However, more research into the precise mechanisms is needed to determine how TL can improve the EP and under which conditions transformational initiatives further develop EP (Bartsch *et al.*, 2021; Buil *et al.*, 2019). In this relation, scholars have argued that TL is one of the best styles for reassuring workers (Yücel, 2021). Studies also suggested that examining the relationship between TL- and OLC is worthwhile in business (Nam & Park, 2019).

Similarly, Gonzalez *et al.* (2018) have emphasized the importance of a learning culture in the success of service organizations. However, literature regarding leadership and learning culture at the organizational level does not provide sufficient empirical evidence. In addition, it was found that not much is understood about the impact of OLC on EP (Choi, 2020). In response to these research gaps, which highlighted the requirement to investigate the role of OLC in correspondence writing more, it will strengthen the relationship between TL and employee performance. The scholars aim to examine the OLC (as a mediator) in the relationship between TL and employee performance. Hence, based on the research mentioned above gap in the current study, scholars will achieve the following objectives;

- To examine the relationship between TL and EP.
- To examine the relationship between TL and OLC.
- To examine the mediating role of OLC between TL and EP.

Scholars contributed to the TL literature by providing new experiences into why and under what circumstances TL improves employee performance. In response to calls for more research in the TL research area, this study uses social identity theory (SIT) to examine the role of OLC in the relationship between TL and employee performance (Khan *et al.*, 2020; Oh & Han, 2020).

According to SIT, Organizational culture is a type of societal identification in which an individual characterizes oneself concerning enrollment in a particular association (Vijayakumar & Padma, 2014). However, several scholars emphasized the significance of this rational bond. Few studies have investigated how TL impacts OLC (Hartnell, Walumbwa, & climate, 2011). This study advances the academic literature and managerial practice in the following ways. First, it answers calls for more research into the mechanisms that explain how TL will affect EP (Buil *et al.*, 2019; Yücel, 2021). Second, the findings of this study will allow organizations to

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gain insight into why and under what conditions employees' performance will help to formulate human resource management strategies.

2. Literature Review and Hypothesis Development

2.1. Transformational leadership and employee performance

TL is a style of leadership in which the leader inspires followers to identify the organization's objectives and interests and to go above and beyond. TL is critical for making the necessary changes for effective management (Charoensukmongkol & Puyod, 2021). Transformational leaders inspire believers to think outside their benefits, deliver responses, set high-performance values, assist cohorts in becoming more imaginative and inventive, and focus on devotees' necessities (Han, Oh, & Kang, 2020). They also inspire cohorts to perform above and above potential by changing their mentalities, opinions, and standards. TL promotes human development, interaction, and team motivation (Kim & Park, 2020), leading to employee performance. EP is defined as a worker's degree of efficiency, compared with their colleagues, in numerous occupation-related ways of behaving and results (Novitasari *et al.*, 2020). TL provides learning opportunities for employees that will enhance EP in the organization. Numerous studies showed a substantial connection between transformational leaders and EP (Buil *et al.*, 2019; Yücel, 2021). In this regard, Alrowwad, Abualoush, and Masa'deh (2020) found that TL positively correlates with worker and organizational performance.

Similarly, Hilton *et al.* (2023) emphasized that leadership style develops employee accomplishment. In the same vein (Dionne, 2004) examines how TL can strengthen individual and team performance. A few investigations show a partial connection between TL and supporter task execution on the one hand and between TL and follower view of centre work qualities on the other hand (Akdere & Egan, 2020; Bacha, 2014). Transformational leaders positively impact employee motivation and objective achievement, ultimately leading to EP (Lai *et al.*, 2020). Thus, transformational leaders can enhance employee productivity. Based on the preceding arguments, scholars propose the following hypothesis;

H1: Transformational leadership has a positive effect on employee performance.

2.2. Transformational Leadership and OLC

Burns (1978) introduced the notion of TL, a new management paradigm that focuses on generating changes in followers' values, groups, and organizational cultures (Coad & Berry, 1998; Kim & Park, 2020). In this relation, Moynihan (2012) develops a theory that fosters a connection between TL and intentional execution information use, recommending that it applies a constructive outcome through two intervening variables: objective clearness and culture. Transformational leaders can transform organizations after explaining their objectives (Williams Jr, Raffo, & Clark, 2018). TL engage employees in accomplishing the organizational mission. According to Yammarino, Spangler, and Bass (1993), Idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration are four of the most common behaviours of TL. Leaders who provoke followers to share a dream and engage them to accomplish it are transformational. An OLC continually advances successful learning and upgrades organizational limits through the learning experience (Loon *et al.*, 2012). The consequences are enhancing organizational capacities and improving execution levels through effective management and updated information (Hoon Song *et al.*, 2012). Phipps, Prieto, and Verma (2012) theorized that organizational knowledge development is based on organizational learning culture. In a learning culture, individuals continually find how they make their existence and, what is more, how they can transform it (Loon *et al.*, 2012). An organizational learning culture urges pioneers to decipher, make due, and share data and information to conduct changes.

An OLC also influences transformational leaders. In this relation, Chang and Lee (2007) stated that a learning organization has seven elements: continuous learning, inquiry and dialogue, team learning, empowerment, supportive or strategic leadership, embedded system, and system connection. The more significant part of these seven elements is pertinent to TL. TL also provides the foundation of a learning culture in the organization. OLC encourages employees to exchange and share ideas to achieve organizational goals. OLC enables an employee and its organization according to the requirements of the present era (Alonazi, 2021; Banerjee, Gupta, & Bates, 2017; Ismail and Ali, 2017). Several empirical and theoretical studies have found that transformational leaders rechange their followers' qualities and standards, advance individual and organizational changes, and support establishing an organizational learning culture (Akdere & Egan, 2020; Buil *et al.*, 2019; Choi, 2020). Therefore, scholars assume that;

H2: Transformational Leadership has a significant impact on OLC

2.3. Organizational Learning Culture and Employee Performance

Organizational culture is the arrangement of collective, underestimated, implied suppositions that a gathering grip. Furthermore, that decides how it sees, contemplates, and responds to its different surroundings (Kuswati, 2020). Organizational learning culture has been viewed as an influential context-oriented factor improving positive results at both the individual and authoritative levels (Xie & Lei, 2019). A firm with a solid hierarchical learning culture stresses advancing as a feature of its overall hierarchical culture, which assumes a fundamental part in keeping up with the firm's capabilities and achievements. A learning organization in an association similarly impacts workers and establishes a strong culture for desired results (Meher *et al.*, 2024). The OLC helps to improve employees' adaptability in varying situations, significantly impacting their job happiness. As per social exchange theory (Blau, 1964), at the point when workers accept, they are dealt with reasonably and remunerated genuinely comparable to their endeavor of time and effort, they play out their work liabilities quite well and remain with the firm (Birtch, Chiang, & Van Esch, 2016). A learning organization culture proactively participates in employee development. In this way, the learning culture of an organization is empowering employees. One trait of an organizational learning culture is adaptable knowledge obtaining and understanding, which impacts pioneers' capacities and jobs. In this relation (Lin, Huang, & Zhang, 2019) argued that OLC influences employees' practices. Additionally, the acceptance of learning culture by employees is a favourable predictor of both organizational success and employee job satisfaction leads to employee performance. Based on these arguments, scholars hypothesize that;

H3: Organizational Learning Culture has a significant impact on employee performance

2.4. Mediating Role of OLC (TL-OLC-EP)

Organizational learning culture is crucial to enhance employees' skills (Banerjee *et al.*, 2017). OLC provides different opportunities for professional development to its employees and for the betterment of the organization. In a changing and fierce situation, the idea of a learning organization has become crucial in academia (Sidani & Reese, 2018). An OLC can incorporate workforces into a fresh hierarchical structure. Learning culture urges organizational individuals to continually learn and improve their capabilities for better work execution (Lin *et al.*, 2019). The learning culture in an organization is fundamental for trying to direct pioneers and representatives. Scholars examine how organizational learning culture impacts management and employee performance, essential to achieving organizational mission (Chang & Lee, 2007; Egan, Yang, & Bartlett, 2004; Kuswati, 2020). Transformational leaders play a significant role in promoting a learning culture in the organization. TL has demonstrated positive behaviour, joint effort, and association among their subordinates to encourage employee learning in the organization (Akdere & Egan, 2020; Dvir *et al.*, 2002). They were subsequently improve employee performance. In this regard, employees feel urged to coordinate, create and share knowledge and information with colleagues. Hence, OLC is necessary to improve EP and an organization's competitiveness. According to social exchange theory (SET) (Blau, 1964), individuals are adaptable organisms that adjust their behaviour, mentalities, and beliefs to their social situation (Cook, Molm, & Yamagishi, 1993). When employees believe that their organizations are figuring out their efforts to make a successful organization, they will pay back accordingly, depending on the situation. Various research studies found a relationship between OLC and employee performance (Kuswati, 2020; Meher *et al.*, 2024). Since the OLC provide a platform for employee to boost their knowledge and skills, it also encourages individuals to handle challenges and hurdles more positively. As a result, an OLC helps employees be more responsive and goal-oriented and demonstrate higher job satisfaction levels, leading to higher employee performance (Meher *et al.*, 2024; Nam & Park, 2019). Thus, the scholars proposed that;

H4: OLC will mediate the relationship between transformational leadership and employee performance.

3. Research Methodology

3.1. Participants and Procedure

For the sake of data analysis, the researchers utilized the survey questionnaire method in order to investigate the theoretical framework. The information is collected from members of the teaching staff of higher education institutions, more specifically business schools, located in Karachi, Pakistan. Due to Karachi's reputation as a metropolitan area and the largest city in Pakistan has been selected as the data collection location. Moreover, it functions as the principal economic hub of Pakistan. In Karachi, a number of private higher education institutions (HEIs) are operational. The empirical results obtained from studies involving faculty members in Higher Education Institutions (HEIs) have also been supported by prior research (Johnsrud & Rosser, 2002). The guiding principle that underpins the study conducted by Higher Education Institutions (HEIs) is the unwavering pursuit of knowledge. Benefits grow to students, society, and the nation when the quality of research endeavors directly affects classroom instruction and learning standards (Joensuu-Salo, Peltonen, & Hämäläinen, 2023).

The questionnaire has three major sections: 1) a cover letter, 2) demographic information, and 3) a research instrument. First, the cover letter states the purpose and importance of the research and the researcher's information. The second section enquired about the respondent's personal information (i.e., demographics), such as gender and age. In the third section, all items are measured on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

The current study relied on purposive sampling to obtain responses because no database had all the staff information for higher education institutions. Through the use of the non-probability sampling method known as purposive sampling, researchers can select respondents who can provide answers to questions that are following the aim of the study (Guarte & Barrios, 2006). Zia *et al.* (2022) used the same data-collection sampling approach to repeat their previous investigations. Surveys were distributed to the 400 faculty members, of which 315 were returned. After removing outliers and incomplete responses, the final data set contained 241 responses, giving a response rate of 78% ($315/400 \times 100$). Only 26.6% of women responded, whereas 73.4% of men did. The scholar determined the 241 samples as the required sample size based on Krejcie and Morgan's sampling method. For the data collection, scholars contact the university's ORIC department. Via email, informed of the study's goals and asked for permission to collect data from permanent faculty members (Zia *et al.*, 2022). Scholars also implemented several procedural remedies to decrease standard method variance, such as voluntary participation, privacy, and confidentiality, which are aspects of the study. In addition, the following statement was included in each survey: "There are no right or wrong answers in this survey. Any information obtained during our research will be kept confidential".

3.2. Measures

In the current study, all measures are adopted from past research papers and have the surety for the reliability and validity of the tool. All items/indicators are measured through a 5-point Likert scale Croasmun and Ostrom (2011), with one representing strongly disagree and 5 strongly agree.

3.2.1. Transformational Leadership

The transformational leadership scale consisted of a 10-item scale adopted from the Multifactor Leadership Questionnaire (MLQ) developed by Bass and Avolio (1990). The sample questions of transformational leadership were "My team leader expresses confidence that goals will be achieved" and "My team leader talks about the importance of team values" (Cronbach's alpha 80.86).

3.2.2. Organization Learning Culture

The measures for organizational learning culture were adopted by (Marsick & Watkins, 2003). The sample question of this scale is "In my organization, people are rewarded for learning" (Cronbach's alpha 81.78). No of items

3.2.3. Employee Performance

The scale for employee performance items was adopted from (Gerbing & Anderson, 1988; Nunnally & Berstein, 1994) study. Furthermore, they used three dimensions of performance in their research. In the present study, scholars adopt only adaptive

performance according to the context of the study. The model question of this scale is "I used to perform well in mobilizing collective intelligence for effective teamwork" and "I am very comfortable with job flexibility." (Cronbach's alpha 81.78). No of items

4. Data analysis and results

4.1. Descriptive Statistics

PLS-SEM is used to find the relationship between variables and test the proposed hypothesis (Henseler & Chin, 2010). PLS-SEM is prioritized for research that evaluates the impact of a specific variable, such as transformational leadership. Secondly, this study predicts the related dependent variable, and third, scholars analyzed the mediating effect of organizational learning culture between transformational leadership and employee performance. Fourth, PLS-SEM is flexible regarding sample size and normality of data (Ali *et al.*, 2018). The descriptive analysis of the data and the results are shown in Table 1.

Table 1: Measurement Model

Respondents' profile (n = 241)			
Categories	Subcategories	Frequencies /Size	Percentage
Age	Below 20 Years	14	5.8
	21-30 Years	106	44.0
	31-40 Years	98	40.7
	41-50 Years	20	8.3
	51-60 Years	3	1.2
	Total	241	100
Gender	Female	116	26.6
	Male	265	73.4
	Total	241	100
Qualification	Matric	8	3.3
	Intermediate	11	4.6
	Undergraduate	100	41.5
	Master	122	50.6
	Total	241	100

Table 2: Construct Reliability and Validity

Construct	Items	Loadings	Alpha	CR	AVE
Transformational Leadership	TL1	0.838	0.844	0.883	0.521
	TL2	0.788			
	TL3	0.638			
	TL4	0.648			
	TL5	0.792			
	TL7	0.602			
	TL8	0.713			
	OLC	OLC1			
OLC2		0.758			
OLC3		0.805			
OLC4		0.854			
OLC5		0.874			
OLC6		0.755			
OLC7		0.800			
Employee Performance	EP1	0.724	0.856	0.893	0.584
	EP2	0.754			
	EP3	0.737			
	EP4	0.876			
	EP5	0.689			
	EP6	0.724			

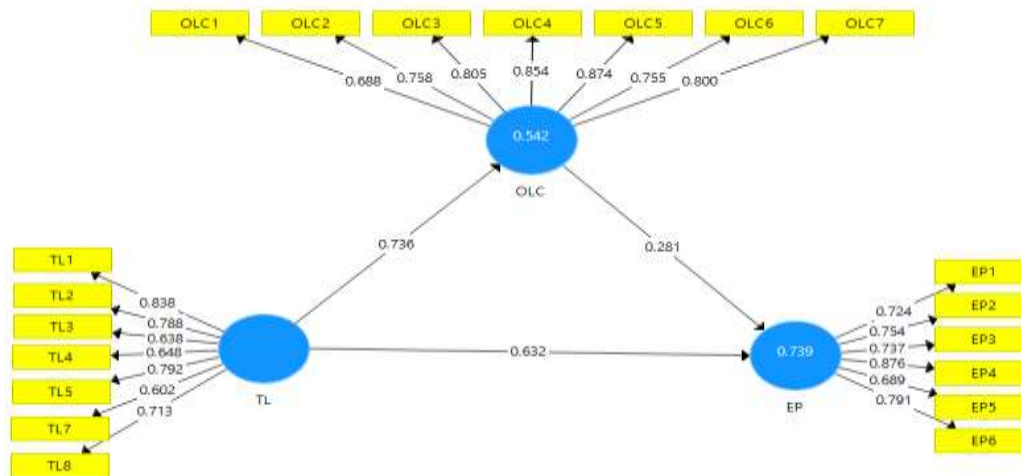
4.2. Reliability and validity tests

Standardized loading of the items is observed to analyze the indicator's reliability of the current model. According to Joseph Hair *et al.* (2019) indicator reliability and validity items valued should be greater than 0.5, and items that have valued less than 0.5 are deleted to find transparent results. The internal consistency reliability is also observed through CR, which should be greater than 0.7 (Joe Hair *et al.*, 2012). In the same manner, AVE should be greater than 0.5. These results are presented in detail in Table 2.

In addition, we use Fornell and Larcker (1981) criteria to evaluate the discriminative validity of the construct. According to Fornell and Larcker (1981) criteria, the square root of each latent variable must be greater than its correlation with other variables. For the current study, the discriminant validity is shown in Table 3.

Table 3: Discriminant Validity

Variables	EP	OLC	TL
EP		0.764	0.746
OLC	0.746		0.793
TL	0.839	0.736	

Figure 1: Path Analysis**4.3. Path coefficients assessment**

As per Joe Hair *et al.* (2017); Henseler, Ringle, and Sarstedt (2015) to assess the path coefficients through structural equation modelling, a standard bootstrapping procedure is used at 5000 bootstrap samples, which generated both direct and indirect (intermediary analysis) path coefficients, for the current study, the results of the path coefficient are recorded in **Table 4**. According to the results, all hypotheses are supported.

Table 4: Path Coefficient Assessment

Structural Paths	β Values	T statistics	P values	Decision
H1: TL \rightarrow EP	0.632	9.941	0.000	Supported
H2: TL \rightarrow OLC	0.736	21.774	0.000	Supported
H3: OLC \rightarrow EP	0.281	3.695	0.000	Supported

Table 5: Mediation Effects

Hypothesis	β Indirect Effect	T statistics	P values	Confidence Interval (5-95%)
H4: TL \rightarrow OLC \rightarrow EP	0.206	3.286	0.001	(0.106; 0.351)

5. Discussion

This study explores the underlying mechanisms and conditions that explain why and under what circumstances transformational leadership relates to organizational learning culture as well as employee performance in the context of business institutions. The results show that transformational leadership directly predicts employee performance. The organizational learning culture mediates the relationship between transformational leadership and employee performance, indicating that organizational learning culture is an essential mediating variable in linking this leadership style and employees' performance.

The study's findings indicated that TL significantly impacts employee performance.

Employees are a crucial factor in the achievement of an organization, particularly during pivotal occasions. Implementing transformational leadership practices will be crucial in upholding employee satisfaction and motivation. This strengthens the notion that supervisors who possess transformational leadership abilities significantly impact their employees and are crucial in evaluating their willingness to embrace organizational change. This acceptance will contribute to establishing a culture of learning within the organization. Consequently, the personnel will engage in activities to enhance their skills and knowledge. This further enhances their motivation to exceed the expectations set by their prescribed roles. Multiple studies have demonstrated a correlation between transformative leadership and employee performance, as indicated by (Eliyana, Ma'arif, & Muzakki, 2019; Lai *et al.*, 2020). Transformational leadership has consistently been found to be a strong predictor of several forms of performance including employee performance as well as organizational performance (Buil *et al.*, 2019). TL promotes development and performance of followers, overall effectiveness and task performance (NGUYEN, MAI, & HUYNH, 2019). Masa'deh, Obeidat, and Tarhini (2016) revealed that employees working under transformational leader increased their job performance lead to organizational performance.

several study's findings also revealed a favorable correlation between TL and OLC.

Despite the employee development, it is essential for the organization's progress to encourage employee engagement and evaluate their performance via transformational leadership and organizational learning culture (Banerjee *et al.*, 2017; Buil *et al.*, 2019). Transformational leadership has a favorable impact on employee performance. An organizational culture promotes learning activities and fosters the knowledge of people (Banerjee *et al.*, 2017). Evidence from scholars shows a direct correlation between transformative leadership and the development of a culture of organizational learning (Khan *et al.*, 2020; Nam & Park, 2019). An organizational learning culture is characterized by the ability to acquire and comprehend knowledge flexibly, which affects leaders' capacities and duties (Škerlavaj *et al.*, 2007). An organizational learning culture promotes leaders' engagement in interpreting, managing, and disseminating information and knowledge to facilitate behavioral changes (Xie & Lei, 2019). However, an organizational learning culture can impact the responsibilities and influence of transformative leaders. In addition, the study's results indicated that OLC served as a mediator in the connection between TL and EP.

Employee performance is crucial to the organization's success, and it is imperative to remain informed about changes in the organizational culture (Meher *et al.*, 2024). Nam and Park (2019) have emphasized the significance of an organizational learning culture in shaping employee performance. Scholars discovered in the current investigation that in environments that promote transformational leadership, an organizational learning culture may impact job performance, either directly or indirectly (Eliyana *et al.*, 2019).

5.1. Theoretical implication

The study provides numerous significant contributions to the existing body of literature. This study aims to investigate the underlying mechanisms that connect transformational leadership and employee performance in Higher Education Institutions (HEIs) in response to the need for further research on the various influence processes associated with transformational leadership (Francioli *et al.*, 2018; Mumtaz & Rowley, 2020). Prior studies have demonstrated that transformational leadership behaviours can forecast both in-role performance and organizational citizenship behaviour (OCB) through various mediators. These mediators include followers' perceptions of core job characteristics (Moon, Hur, & Choi, 2019), Leader-member exchange and the presence of role ambiguity and trust in one's manager (Byun *et al.*, 2017). Building upon the concepts of SIT (Social Identity Theory) and SET (Social Exchange Theory), this research expands upon prior discoveries by examining the influence of transformational leadership on the performance of employees in Pakistan's Higher Education Institutions (HEIs). Furthermore, a limited amount of research has examined the specific mechanisms, known as mediation effects, that explain the connection between transformational leadership and employee performance (Akdere & Egan, 2020; Hilton *et al.*, 2023). The current study investigates the function of organizational learning culture as an intermediary between transformative leadership and employee performance. Specifically, there is a scarcity of research papers that have explored the mechanisms that elucidate the connection between transformative leadership and employee performance. The findings of our study validate the mediation effect in the education sector and expand on previous research by illustrating that online learning communities (OLC) can elucidate the connection between transformative leadership and employee performance.

5.2. Practical Implication

This study presents several practical consequences and gives Higher Education Institutions (HEIs) insights on improving staff performance. Firstly, the education business could potentially gain advantages by hiring managers who possess a highly transformational leadership style. Hence, Higher Education Institutions (HEIs) should consider the specific leadership style when selecting, advancing, and instructing supervisors. Managers should possess the ability to embrace transformational leadership techniques, including effectively communicating and reinforcing the organization's vision, mission, goals, and objectives; cultivating a supportive organizational culture; promoting open communication in both upward and downward directions; serving as mentors; attending to employees' needs; and practicing active listening. An organizational learning culture is crucial for correlating transformative leadership and workforce performance. Transformational leaders can establish favorable organizational circumstances that motivate individuals to go beyond their regular duties and display discretionary behaviours. Therefore, managers must recognize their capacity as transformational leaders who can establish the organizational atmosphere and culture necessary for attaining organizational objectives. Furthermore, the education sector places great importance on the perspectives and opinions of students. Enhancing the identification and engagement of employees is a crucial challenge in fostering positive outcomes, such as improved performance and behaviours that contribute to organizational goals, even if the formal reward system does not explicitly acknowledge them. Employees connect between Higher Education Institutions (HEIs) and students. Hence, organizations must establish conducive conditions that foster a culture of continuous learning and active employee involvement while promoting a strong sense of organizational identification among employees. This is particularly important in education, where numerous faculty members encounter difficulties related to disadvantaged learning environments. These challenges include knowledge concealment, mistreatment by supervisors, favoritism, and unfair treatment of employees. Such issues can significantly reduce their motivation, enthusiasm, and work engagement and sense of belonging to the organization.

5.3. Limitation and Further Direction

This study has some drawbacks. The study is cross-sectional, meaning it is based on empirical data. Hence, longitudinal research could offer further elucidation on potential causality and enhance comprehension of the relationships investigated in the study. Furthermore, this study depends exclusively on faculty members from higher education institutions (HEIs). Hence, the following studies could employ a dyadic approach to examine the perspectives of both administrators and academic members.

Furthermore, incorporating additional objective metrics could be implemented to mitigate the impact of any potential response bias. Subsequent studies should investigate how transformational leadership, organizational identity, and engagement affect objective indicators of job performance, considering the specific results of employee labor. Hence, it is advisable to contemplate using more impartial measures of productivity, efficiency, service quality, and service recovery performance. Furthermore, this study only targets personnel from higher education institutions (HEIs) within a single country.

Additional research should explore other countries to have a more comprehensive understanding of the impact of transformative leadership on employee outcomes. Notwithstanding the constraints, this study elucidates the factors and conditions contributing to the successful performance of Higher Education Institution (HEI) faculty members in the transformation process. All Higher Education Institutions (HEIs) must use innovative strategies for engaging staff. This will ensure that employees remain motivated, dedicated, content, and contented, especially during periods of crisis and difficulty.

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