

Back to basic: The relative importance of transformational and fair leadership for employee work engagement and exhaustion

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Theoretical background and the study aim

In spite of the increasing body of research on the well-being enhancing effects of transformational leadership (Arnold & Connelly, 2013; Skakon et al., 2010), very little is known about what is specific to transformational leadership as compared to other factors influencing employee well-being.

For example, research on organizational justice has revealed the impact of fair organizational practices, including supervisors' behaviours, on employee health and well-being (Robbins et al., 2012).

The aim of this study was to explicate the unique contribution of transformational and fair leadership on employee work engagement and exhaustion. Drawing on the Job Demands and Resources model (Bakker & Demerouti, 2007), both transformational and fair leadership were considered as job resources. In addition, unfair behaviours of leaders were conceived to drain employees' energy reserves in a way that is characteristic for hindrance demands (Crawford et al., 2010).

Comparing transformational and fair leadership, we examined

- 1) whether transformational leadership explains incremental variance in work engagement beyond fair leadership.
- 2) whether the contribution of unfair leadership on exhaustion goes beyond low transformational leadership.
- 3) whether the impact of fair and transformational leadership on employee well-being is complementary or redundant with regard to work characteristics (role clarity, autonomy, workload).

Methods

Participants and procedure. Questionnaire data (N=333) gathered among Finnish municipal employees in various occupations in 2012. Response rate 33%. Mean age 48.5 years (SD = 9.75), 87% women.

Measures. Transformational leadership (7 items; Carless et al., 1998). Fair leadership (5 items; QPS Nordic, Dallner et al. 2000; Vincent, 2012). Workload (5 items; Spector & Jex, 1998). Autonomy (4 items; Guest et al., 2010). Role clarity 3 items from COPSOQ II (Pejtersen et al., 2010). Work engagement (vigor and dedication) 6 items from UWES-9 (Schaufeli et al., 2006). Exhaustion 3 items from MBI (Maslach et al., 1996).

Analysis. Cholesky decomposition (de Jong, 1999) was utilized to overcome multicollinearity and conduct a fixed order regression analysis with latent variables. Complex sample approach (Mplus) was used to correct for non-independence of observations due to work units.

Results

Independent variables	Work engagement			Exhaustion		
	β	p	ΔR^2	β	p	ΔR^2
Model 1						
1 Fair leadership	.246	<.001	.06	-.314	<.001	.10
2 Item: Fair performance evaluation	.164	.006	.03	-.065	.206 ns	.00
3 Transformational leadership	.117	.064	.01	-.039	.288 ns	.02
Model 2						
1 Transformational leadership	.306	<.001	.09	-.292	<.001	.09
2 Fair leadership	.030	.363 ns	.00	-.146	.038	.02
Model 3						
1 Role clarity	.475	<.001	.23	-.098	.110 ns	.01
2 Autonomy	.158	.019	.02	-.091	.165 ns	.01
3 Workload	-	-	-	.418	<.001	.17
4 Transformational leadership	.124	.038	.02	-.194	<.001	.04
Model 4						
1 Role clarity	.476	<.001	.23	-.102	.099 ns	.01
2 Autonomy	.156	.021	.02	-.087	.173 ns	.01
3 Workload	-	-	-	.420	<.001	.18
4 Fair leadership	.132	.019	.02	-.254	<.001	.06

Note. The numbers preceding the independent variables indicate the order in which the independent variables were entered into the regression analysis. An additional Cholesky component was formed for the item on fair performance evaluation to avoid allowing a crossloading to the transformational leadership factor. One-tailed tests were used for p-values.

High overlap between transformational and fair leadership was found ($r = .812$, $p < .001$).

Shared target leaders unified the leadership ratings within work units: group membership explained 31.5% and 20.5% of the variance in transformational and fair leadership, respectively.

Discussion and conclusions

The results question the unique effects of transformational leadership, as fair leadership facilitated work engagement to the same degree as transformational leadership. Furthermore, unfair leadership contributed more to employee exhaustion than (lack of) transformational leadership. Both forms of leadership were complementary with respect to work characteristics. In sum, the results highlight the fundamental value of leader fairness for both positive well-being and health impairment among employees.

A possible explanation for the high overlap between the leadership constructs relates to affective factors (liking) in leadership ratings (Brown & Keeping, 2005). In addition to fairness, affect and interpersonal relations deserve more attention in leadership–employee well-being research.

Practical implications

We encourage leaders to pay attention to fair, equal and respectful treatment of employees especially with regard to performance evaluation and distribution of work tasks. When it comes to employee well-being, leaders do not need to be concerned if they feel difficult to adopt transformational leadership behaviours, as long as they are fair.

