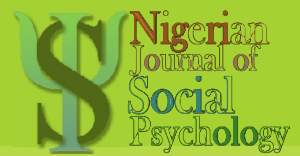


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# Impacts of Leadership Style, Psychological Empowerment, and Perceived Organizational Reputation on Work Engagement Among Bank Workers in Enugu Metropolis.

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## **Abstract**

*This study examined the roles of leadership styles, psychological empowerment and perceived organizational reputation in predicting work engagement among bankers in Enugu Metropolis. One hundred and eighty-three (183) bankers (87 males and 96 females) participated in the study. They were drawn from six (6) banks: First Bank (32), Access Bank (39), Fidelity Bank (26), Zenith Bank Plc (21), Union Bank Plc (30), and United Bank of Africa Plc (UBA) (35). Four instruments were used for the collection of data which includes: Multifactor Leadership Questionnaire (MLQ-5X), Psychological Empowerment Scale, Organizational Reputation Scale and Utrecht Work Engagement Scale (UWES-9). A convenience sampling technique was used to select the participants. Data collected were analyzed using Multiple (multi-linear) regression analysis and the hypotheses tested. The result showed that transformational leadership style significantly predicted work engagement among bankers in Enugu State ( $\beta=.44, p<.01$ ). Transactional leadership style did not predict work engagement among bankers in Enugu State ( $\beta=. - .07, p>.05$ ). Psychological empowerment significantly predicted work engagement among bankers in Enugu State ( $\beta=.43, p<.001$ ). Organizational reputation significantly predicted work engagement among bankers in Enugu State ( $\beta=-.21, p<.01$ ). Findings and implications for managerial practices in the study were discussed and put forward. Limitations of the study were stated and suggestions made for further research.*

**Keywords:** transformational leadership, transactional leadership, psychological empowerment, perceived organizational reputation, work engagement.

## **Introduction**

Today's business world is filled with unpredictability. Events move far quicker than ever before, driven by instant availability of information and globalization (interdependence of economies) (Cummings & Worley, 2009). The business environment today is far more difficult to navigate (Trabeisi, 2011) and arguably requires a deeper understanding of factors and resources that can help businesses become sustainable and competitive. An example of such resources is human capital (Shirin & Kleyn, 2017). Work engagement is one aspect of human capital management that is seen as key to enabling organizations to maintain both a competitive edge and profitability (Meere, 2005; Rees et al. 2013).

Kahn as cited in Men (2015) defined engagement as the act of harnessing organizational members' potentials to execute their work roles. In this regard, Rothbard (2001) defined engagement as a psychological state composed of attention, which refers to "cognitive availability and the amount of time one spends thinking about a role," and absorption, which

refers to “being engrossed in a role and to the intensity of one’s focus on the role” (p. 656). Engagement is characterized by energy, involvement, efficacy, vigor, dedication and a positive state, as opposed to cynicism and inefficacy (Saks, 2006). Moreover; for engagement to exist, three psychological conditions must be evident. These include; meaningfulness of role or work; safety or lack of fear of negative consequences; and psychological availability or having “resources” to personally engage in a particular task or role (Kahn, 1990; Men, 2015).

From a public relations perspective, Kang (2010) defined public engagement as “a psychologically motivated state that is characterized by affective commitment, positive affectivity and empowerment that an individual publicly experiences in interactions with an organization over time that result in motivated behavioural outcomes”. Therefore, this study agrees with Kangs definition, and hence, employee engagement can be seen as employees’ level of positive affectivity characterized by attention, absorption, dedication, participation, vigour, enthusiasm, excitement, and pride in occupying and performing an organizational role (Men, 2015; Saks, 2006); and their level of physiological empowerment which is characterized by their sense of competence or self-efficacy, control, autonomy, meaningfulness and influence (Kang, 2010).

Work engagement is likely to be influenced by the state of relationship between the employee and employer. Factors such as intrinsic employee state and personal characteristics, psychological well-being (Robertson & Cooper, 2010) and core self-evaluation (Shorbaji, Messarra & Karkoulian, 2011) have all been linked with employee engagement. Although, organizational commitment reflects public attitude towards attachment to the organization; but engagement is not an attitude but the level of attentiveness and absorption in role performance (Saks, 2006). Similarly, engagement is distinct from involvement. It has been suggested (Men, 2011, 2015; Shirin, 2012) that the difference between engagement and involvement is that engagement may be thought of as an antecedent of job involvement, in that, individuals who experience deep engagement in their roles should come to identify with their jobs. Therefore, engagement is positioned between attitudes toward the organization (i.e., trust, performance, and commitment) and positive and supportive behaviours, such as involvement, organizational and supportive communication behaviour (Kim & Rhee, 2011).

An important factor that is likely to influence employee’s work engagement is leadership styles. Good leadership qualities have been linked to employee engagement, for instance, Senge (2007) points out that, in today’s turbulent economic situation, leadership should be taken seriously. He stated that, gone are the days when leadership was about command and control. According to Senge, a command and control kind of leadership cannot guarantee engagement, instead, it can only ensure that targets are met, but never exceeded. Elewa (2013) suggested that leadership is connected indirectly to engagement via its effect on organisation performance.

Weihrich and Koontz (2005) described leadership as the act of affecting others to push them imperatively and enthusiastically to achieve specific goals. In general, leadership can be classified into four forms: Leadership as a process; the power of influence; it takes place within group; and finally it’s guided by results (Northouse, 2007). Furthermore, leadership refers to the way a manager performs the main administrative operations and handles personal relations with the staff and the firm’s associates (Stavrinoudis & Chrysanthopoulou, 2015; Springett, 2004). The leadership style determines to a great extent the relations with the staff, the organizational climate environment as well as the quality of the services and goods offered (Kozak & Uca, 2008). Quality (good) leadership promotes effective performance, commitment, satisfaction and engagement of employees and a good quality of life and repeals work alienation, absenteeism and disengagement (Hogan & Kaiser, 2005; Amazue et al., 2016).

Research has identified two major leadership styles in an organizational setting. These include; transformational and transactional leadership (Avolio, Bass, & Jung, 1999; Men,

2011). Transformational leadership style is often characterized by creative, interactive, visionary, empowering and passionate communication behaviour. It is a style of leadership which is used to motivate, inspire and transform followers into leaders. The psychological well-being of the employees is directly related to the well-being of the leader as this style enhances the capability of the employees to understand their task in a better way (Khan, 2016). It also gives an idea to the leader about the capabilities of their follower and this help the leader to guide the follower. The leader encourages subordinates to voice their opinions and provide them with support, coaching and mentoring. On the other hand, transactional leadership refers to an exchange process based on rewarding and disciplining employees on the quality of their performance. With this method, the leader reach an agreement on what needs to be done and rewards following in exchange for satisfactorily carrying out their assignments. Transactional leaders exert control through policies, rules, bureaucracies and so on, which is regarded as more authoritative.

Another factor that may likely affect employees' level of engagement in the organisation is psychological empowerment. Previous research suggest that empowerment is a common condition which has considerable impact on work engagement, (Abdulrab et al., 2017; Joo & Shim, 2010). Gamoran (1994) argued that although empowerment is a key element in the strategy of banking, it can only be achieved if the practice is able to generate psychological perception of empowerment among subordinates (Mishra & Spreitzer, 1998). In this regard, psychological empowerment is described as a process in which employees' or members' feelings of self-efficacy are enhanced by identifying conditions that may create a sense of powerlessness and removal.

According to Vecchio (2000), employee psychological empowerment refers to a set of motivational techniques designed to improve employee performance through an increased level of employee participation and self-determination. Similarly, it is defined as organizational arrangements that give employees more autonomy, discretion and decision-making responsibility. In other words, lower-level employees are given more power, responsibility and freedom to make choices about how to perform their job and how to deal with any of their work-related problem influencing organizational outcomes (Duong, 2015). The core message of psychological empowerment is to release the knowledge, experience and motivational power that are already in people but are greatly underutilized.

Psychological empowerment refers to the intrinsic (inner or hidden) strength of an individual that will manifest when motivated. It is usually defined as an intrinsic aspect of motivation which consists of four cognitive components: impact, competence, meaningfulness, and self-determination (Thomas & Velthouse, 1990; Kazlauskaite et al., 2012). Ro and Chen (2011) explained the four dimensions of psychological empowerment as follows: "The 'meaningfulness' dimension refers to the values of a work goal or purpose, judged in relation to an individual's own ideals or standards. The 'competence' dimension refers to an employee's belief in his/ her capability to perform activities with skill. The 'self-determination' dimension refers to an individual's autonomy in the initiation and continuation of work behaviors and processes. Finally, the 'impact' dimension refers to the degree to which an individual can influence strategic, administrative, or operating outcomes at work" (p. 423).

Psychological empowerment also refers to fulfilment of innate psychological needs such as competence, autonomy, and relatedness as a part of engagement (Kang, 2010). Fombrun (1996) argued that when employees are empowered and involved in decision making, they are more likely to feel good about the company, thus, giving the company a good reputation. Researchers have explained employee engagement as a function of good reputation (Men & Stacks, 2013; Shirin, 2012).

Reputation refers to the credibility, trust, confidence and respect, among other things that one or an organization is known for. It can be traced to the age-long relationship between

individuals, groups and organization due to the attendant prestige preserved in the relationship. The construct has been described in relation with prestige, image and identity, among others. Hutton et al. (2001) stated that “Reputation management, if it is to emerge as a significant business function, clearly rests on a foundation of what is traditionally termed ‘public relations’” (p. 248). Likewise, Men (2012) noted that public relations have gradually become a central plank of strategic communication focusing on building and protecting reputation. In his public relations evaluation model, Stacks (2010) also pointed out that as a major public relations outcome, reputation interacts with other outcome variables such as trust, credibility, relationship, etc., to affect public relations efforts return on expectation and return on investment for organizations.

Fombrun, et al. (2000) defined reputation as “a collective assessment of a company’s ability to provide valued outcomes to a representative group or stakeholders” (p. 243). It refers to stakeholders’ overall evaluation of a company over time based on their direct experiences with the company and through other forms of communication (Gotsi & Wilson, 2001). It also refers to “observers’ collective judgments of a corporation based on assessments of the financial, social, and environmental impacts attributed to the corporation over time” (Barnett et al., 2006); and the historical relationship between the organization and the public (Stacks & Watson, 2007). More specifically, Stavrinoudis and Chrysanthopoulou (2015) described it as a derivative characteristic of a system that establishes the market position of a firm; the external image of a firm’s internal identity, as the said image develops by the various stakeholders (employees, consumers, investors); the outcome of previous decisions related to the utilization of corporate resources and external competition; and the outcome of past assessments (financial, social etc.) of its performance.

Reputation resides in the eyes of external and internal public. The current study examines internal reputation, broadly defined as the employees’ overall evaluation of the organization. As noted by Men (2011, 2012a), the importance of employees as communication assets should never be overemphasized, especially in today’s new media landscape. With the aid of social media, employees are increasingly empowered to communicate with others and initiate dialogues in the public domain. How the employees perceive the organization determines what they say publicly, and their opinions consequently become the basis for how other stakeholders and stockholders perceive the organizational reputation, because what employees say about the organization is often perceived to be more credible and authentic than messages from senior management or the public relations team (Kim & Rhee, 2011). In addition, the family and friends of employees can also serve as third-party endorsers for the organization (Stacks, 2010). Therefore, the contribution employees can make to enhance corporate reputation is considerable and often at no cost.

The main purpose of this study is to investigate to what extent work engagement can be predicted by transformational leadership, transactional leadership, psychological empowerment and perceived organizational reputation among bank employees. Four research questions were formulated to achieve this aim:

1. Will Transformational Leadership significantly predict Work Engagement among Bank Employees?
2. Will Transactional Leadership significantly predict Work Engagement among Bank Employees?
3. Will Psychological Empowerment significantly predict Work Engagement among Bank Employees?
4. Will Perceived Organizational Reputation significantly predict Work Engagement among Bank Employees?

## Method

### Sample and Procedures

A total of one hundred and eighty-three (183) bank employees participated in the study. These participants were recruited via convenience sampling method from six (6) banks located in Enugu Metropolis namely: First Bank, Access Bank, Fidelity Bank, Zenith Bank Plc, Union Bank Plc, and United Bank of Africa (UBA). These banks have most of their branches located in Nsukka and Enugu urban centers. The participants age range from 25 to 54 years ( $M=41.85$ ,  $SD=6.47$ ). Eighty-seven (47.5%) were males while ninety-six (96) (52.5%) were females. Among the participants, 46(25.14%) had NCE/OND, 58(31.70%) had HND, 14(7.65%) had PGD/PGDE, 37(20.22%) had BSc, 22(12.02%) had MSc, 6(3.28%) had PHD. Eighteen of the participants (9.86%) are Managers, 35(19.13%) are Assistant Managers, 12(6.56%) are in Business Focus, 28(15.30%) are in Operations and Compliance, 69(37.70%) are in Teller, and 21(11.48%) are in Customer Service department. Their duration of service ranged from 1-30 years. The distribution is as follows: 1-10 years (63.4%), 11-20 years (33.9%), and 21-30 years (2.7%). A total of two hundred and twenty (220) questionnaires were initially distributed to the participants out of which 197 were completed and returned, representing 89.54% return rate. Of these 197 copies returned, 14 copies were discarded due to improper completion leaving a total 183 copies that were used for data analyses.

### Instruments

Four instruments were used in this study for data collection. They include: Multifactor Leadership Questionnaire (MLQ-5X) (Avolio, Bass, & Jung, 1999), Psychological Empowerment Scale (Spreitzer, 1993), Organizational Reputation Scale (Mbongo, 2011) and Utrecht Work Engagement Scale (UWES-9) (Schaufeli et al., 2006).

#### *Multifactor Leadership Questionnaire (MLQ-5X) (Avolio, Bass, & Jung, 1999)*

The 36-item Multifactor Leadership Questionnaire (MLQ-5X) revised (Avolio, Bass, & Jung, 1999) is the standard instrument for assessing transformational and transactional leadership behaviour (Bass & Avolio, 2006). In detail, five transformational, two transactional, one laissez-faire items are included in the MLQ-5X. The scale consists of 4 dimensions: idealized influence, inspirational motivation, intellectual situation, and individual consideration (Hemsworth et al., 2013). The instrument was scaled thus: 0 = not at all, 1 = once in a while, 2 = sometimes, 3 = fairly often, and 4 = frequently, if not always. Sample items include: "I instill pride in others for being associated with me" and "I get others to look at problems from many different angles".

To revalidate the instrument, a pilot study was conducted comprising of 76 bankers recruited from Key Stone Bank and Stanbic IBTC Bank branches located at Nsukka and Enugu cities. For the 36-item scale of Multifactor Leadership Questionnaire (MLQ-5X) revised, the responses of the participants were subjected to item analysis. Inter – item correlations of the 36 items ranged from .66 to .86 for transformational items, .02 to .66 for transactional items, and .79 to .97 for laissez-faire items. The result of the item analysis further showed coefficient alphas of .95, .68, .97, for transformational, transactional and laissez-faire leadership styles respectively.

#### *Psychological Empowerment Scale (Spreitzer, 1993)*

The Psychological Empowerment Scale (PES) is a 12-item instrument that was developed by Spreitzer (1993, 1995) to measure the four dimensions of psychological empowerment namely; meaning, competence, self-determination and impact. The composite reliability of each sub scale exceeded acceptable standard of .60, ranging from .79 for competence to .88 to impact. (Spreitzer, 1995). The instrument's response options are as

follows: 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Undecided (U), 4 = Agree (A), to 5 = Strongly Agree (SA). Sample items include: “I have significant autonomy in determining how I do my job” and “The work I do is meaningful to me”. The psychological empowerment scale was also revalidated by the researcher as is with the first instrument. The inter-item correlation of the 12 items ranged from .61 to .93, with internal consistency reliability estimate of Cronbach alpha = .96.

#### *Organizational Reputation Scale (Mbongo, 2011)*

The measure of perceived organizational reputation scale developed by Mbongo (2011) was adopted from the Harris-Fombrun Corporate Reputation Quotient (Fombrun et al., 2000; Fombrun & Van Riel, 2004). The 8-item organizational reputation scale (ORS) used in this study was adopted from a pool of a total of 20 questions (Fombrun et al., 2000) to measure workers perception among service providers (e.g. “My organization renders honest service to the public,” “The company services are efficient and effective”). Employees are asked the overall evaluation of the company on aspects of emotional appeal, products and services, financial performance, vision and leadership, work environment, and social responsibility. The instrument was scaled thus: 1 = Strongly Disagree (SD), 2 = Disagree (D), 3 = Undecided (U), 4 = Agree (A), 5 = Strongly Agree (SA) with a high alpha index of 0.78 (see appendix D).

The organizational reputation scale was also subjected to reliability test using the same responses obtained from the same 76 bankers drawn from Key Stone Bank and Stanbic IBTC Bank Nigeria. The inter-item correlation of the 8 items ranged from .73 to .92, with internal consistency reliability estimate of Cronbach alpha = .96.

#### *Utrecht Work Engagement Scale (UWES-9) (Schaufeli et al., 2002)*

The employee work engagement was measured using the shortened version (9 items) of the UWES-9 adopted from UWES-17 developed by Schaufeli et al. (2002). The shortened version of UWES-9 is grouped into three subscales that reflect the underlying dimensions of engagement: Vigour (3 items), Dedication (3 items), and Absorption (3 items). The validity of the UWES-9 was demonstrated using confirmatory factor analysis, and the three subscale scores have good internal consistency and test-retest reliability across countries (Schaufeli et al., 2006) which was also confirmed by Seppala, et al. (2008) utilizing five divergent occupational samples (N= 11,959). Model ( $\chi^2= 4894.11$ ,  $df= 72$ ,  $GFI= .88$ ,  $AGFI= .72$ ,  $RMSEA= .08$ ,  $NFI= .84$ ,  $NNFI= .74$ ,  $CFI= .85$ ). All items are scored on a 7-point Likert scale ranging from 0 (Never), to 6 (Always). Sample items include: “At my work, I feel bursting with energy”, and “I feel happy when I am working intensely”.

Ugwu (2013) adapted the UWES-9 for Nigerian samples by subjecting it to reliability test using 268 respondents. The result showed that item-total correlations ranged from .41 to .66. For the individual scales, vigour dimension has  $\alpha$  of .76, dedication has .79, and absorption has .74. The 9 items yielded alpha of .91. A test-retest reliability coefficient of .87 after three weeks interval was also obtained.

### **Design/Statistics**

The researcher adopted a cross-sectional survey design. This is because more samples (cross-section) were drawn from the population at one time. Hierarchical multiple regressions were employed to test the hypotheses. The data were collated and analysed with the aid of Statistical Package for Social Sciences (SPSS).

### **Results**

The results of the findings of this study are presented in this chapter. The data obtained from respondents were analysed using International Business Machine Statistical Package for Social Sciences (IBM SPSS) version 20. To test the hypotheses, a Hierarchical Multiple Regression analyses was conducted in which Work engagement was inputted as the dependent variable.

**Table 1:** Means, Standard Deviations and Inter-Correlations of Study Variables

S/N	Variables	M	SD	1	2	3	4	5	6	7	8	9	10	11
1	WEng			-										
2	Gender			-.24**	-									
3	Mar St			.40**	-.36***	-								
4	Age			.43**	-.37***	.50**	-							
5	Qual			.09	-.13	.15*	.19*	-						
6	Jobpo			.42**	-.13	.50**	.23**	.30**	-					
7	Yrserv			.32**	.03	.17*	.36***	.40**	.16*	-				
8	TFL	90.61	9.39	.53**	-.14	.08	.24**	-.04	.10	.03	-			
9	TSL	28.40	3.97	-.06	.00	.02	-.04	-.09	-.09	-.09	.11	-		
10	PEM	48.25	10.09	.62**	-.14	.11	-.04	.25**	.22**	.03	.70**	-.19**	-	-
11	ORP	36.28	5.85	.28**	-.04	-.02	.15*	.11	.07	.04	.55**	-.17*	.67**	-

Note: WEng=Work Engagement, Gender (male=1, female=2), Mar st=marital status (single=1, married=2), qual=Educational qualification (SSCE=1, NCE/OND=2, HND/DEDREE=3, PGD/PGDE=4, Maters=5, Ph. D=6, others specify=7), Jobpo= Job position, Yrserv= Years of service in banking, TFL=Transformational leadership styles, TFS=Transactional leadership style, PEM= Psychological empowerment, ORP=Organizational reputation

Correlational analysis (Table 1) show that work engagement was positively associated with transformational leadership style ( $r = .53, p < .001$ ), psychological empowerment ( $r = .62, p < .001$ ), and organizational reputation ( $r = .28, p < .001$ ). Work engagement was not statistically related to transactional leadership style ( $r = -.06, p > .05$ ). It may be interesting to note that work engagement was negatively associated with transactional leadership. Other notable correlation patterns were that work engagement increased with age ( $r = .43, p < .001$ ), and years of service ( $r = .32, p < .001$ ). Transformational leadership was also associated with psychological empowerment ( $r = .70, p < .001$ ) and organizational reputation ( $r = .55, p < .001$ ).



**Table 2: Hierarchical Multiple Regression for the prediction of work engagement by transformational and transactional leadership, psychological empowerment, and organizational reputation among bankers**

Model	Variables	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Beta ( $\beta$ )	t
1	Yrserv	.60	.35	.33	.25	5.16***
	Gender				-.10	-1.93
	Jobpo				.33	3.11**
	Qual				-.17	-1.31*
	Age				.22	3.38*
	Mar st				.07	2.57
2	TFL	.73	.53	.51	.44	2.83**
3	TLS	.73	.54	.51	-.07	.79
4	PEM	.78	.61	.59	.43	6.64***
5	ORP	.80	.63	.61	-.21	-3.21**

Note: Gender (male=1, female=2), Mar st=marital status (single=1, married=2), qual=Educational qualification (SSCE=1, NCE/OND=2, HND/DEDREE=3, PGD/PGDE=4, Maters=5, Ph. D=6, others specify=7), Jobpo= Job position, Yrserv= Years of service in banking, TFL=Transformational leadership styles, TLS=Transactional leadership style, PEM= Psychological empowerment, ORP=Organizational reputation

Step-wise hierarchical multiple regression (Table 2) showed that control variables (years of service, gender, job position, qualification, age, & marital status) contributed 33% of the variation in work engagement among the bankers studied.

The results of the multiple regression analysis (Table 2) showed that when Transformational leadership was entered in step 2 of the equation, it was shown to be significant in predicting work engagement ( $\beta = .44$ ,  $t = 8.19$ ,  $p < .001$ ). Therefore, the first hypothesis which stated that Transformational Leadership will significantly predict work engagement was not rejected. The positive prediction of work engagement by Transformational leadership indicates that as transformational leadership rises, work engagement also increases. Further, transactional leadership in step 3 did not predict work engagement ( $\beta = -.07$ ,  $t = -1.21$ , ns). Therefore, the hypothesis of transactional leadership negatively predicting work engagement was rejected. Furthermore, psychological empowerment in step 4 significantly predicted employee work engagement ( $\beta = .43$ ,  $t = 5.67$ ,  $p < .001$ ). This led to non-rejection of the hypothesis that psychological empowerment will positively predict employee work engagement. The more psychological empowerment of workers, the more they are likely to be engaged in their work. Also, organizational reputation in step 5 significantly and negatively predicted employee work engagement ( $\beta = -.21$ ,  $t = -3.21$ , ns) in bankers. It was surprising to

notice that organizational reputation negatively predicted work engagement among bankers. Therefore, the hypothesis that organizational reputation will positively predict employee work engagement was rejected. That means, the higher the banks' reputation, the less likely that bankers will be engaged in their work.

## **Discussion**

Considering the results, the first finding of this study shows that transformational leadership style significantly and positively predicted work engagement among bankers. The result of the present study collaborates the separate findings of Thisera and Sewwandi (2018), Ghadi, Fernando and Caputi (2013), Datche and Mukulu (2015), Lee, Idris, & Tuckey, (2019), Khan, Tufail, Qadir and Khan (2016), Khoury (2006), and Hancer and George (2011) who found a significant and positive relationship between transformational leadership style and employee work engagement. This raises the point that leaders and managers play vital roles in increasing employee engagement because they exert major influence on the availability of work-related issues. Transformational leadership provides followers with challenge stressors by which employees are stimulated to attain goals, perfect their personal skills and achieve mastery, even under conditions of high time pressure, high workloads and high levels of job responsibility (e.g., Blomme et al., 2015; Crawford et al., 2010). An effective leadership is very important for smooth functioning of the organization. A good bank leader should have the quality to increase the level of engagement among the employees and without effective leadership, an organization cannot survive for a longer period of time. Leaders need to actively demonstrate the organization's values and goals. They need to align themselves with the corporate values and create an open and fair work environment for employees within the organization (Mortimer, 2010). Transformational leaders should motivate followers to perform at a level over and above mechanical compliance with the routine directives of the organization (Katz & Kahn, 1978).

The second finding of this study revealed that transactional leadership style did not predict work engagement among bankers. The result of the present study disagrees the separate findings of Khan et al., (2016) and Milhem et al. (2019) who found significant relationship between transactional leadership style and work engagement. The result indicates that transactional leadership style does not encourage work engagement among Nigerian bankers. Transactional leadership focuses on influencing followers by submitting them to rules, by presenting extrinsic incentives, by closely monitoring results and by granting rewards if the outcome of follower behaviour is in line with organizational goals (Den Hartog et al., 1997). Transactional leaders exert control through policies, rules, bureaucracies and so on, which is regarded as more authoritative. Transformational leadership provides followers with challenge stressors by which employees are stimulated to attain goals, perfect their personal skills and achieve mastery, even under conditions of high time pressure, high workloads and high levels of job responsibility (e.g., Crawford, Lepine, & Rich, 2010).

The third finding of this study shows that psychological empowerment predicted work engagement among bankers. The result of the present study collaborates the separate findings of Arogundade et al. (2017), De Villiers and Stander (2011) Mendes and Stander, (2011) which established a positive relationship between psychological empowerment and work engagement. This supports the assertion that psychological empowerment improves positive work outcomes such as work engagement. Bankers whose behaviours are characterized by increased levels of activation and intrinsic motivation as they perform their tasks manifest psychological empowerment. When workers are empowered through supportive supervisors and supervision, they believe that their organization offers opportunities for growth, or feel positive about themselves and their capabilities, they become more likely to perceive that their

work aligns with their personal beliefs and values, which, in turn, makes them become more engaged in their work.

The fourth finding of this study showed that organizational reputation negatively predicted work engagement among bankers. The result of the present study disagrees with the separate findings of Şantaş et al. (2018), Ali and Ali (2011), Shirin (2012), and Men (2015) which reported a significant and positive relationship between organizational reputation and employee work engagement. These authors found that credibility influences employee engagement through corporate reputation as perceived by the employees, meaning that any distrust in an organization influences perceptions of reputation, which in turn affects engagement levels. Organizational reputation is a perception or judgement of stakeholders about the organization's ability to create value based on past actions. It provides a future prospect and it creates prominence for the organization if favourable and engenders work engagement. However, the study reported negative prediction among bankers. This means that, the higher the Banks' reputation, the less likely that bankers will be engaged in their work. This could complement the problems faced by many Nigerian banks today, as even reputable banks begin to merge as a result of crisis in their businesses. The result shows that bankers can be highly disengaged even when they work for reputable banks.

### **Implications of the Findings**

There are several implications of the findings of the present study. Several deductions can be made that can benefit future researchers, employers of labour and employees for everyday business practice. Leaders play an important role in the development of engagement by projecting the ideals and characteristics that are tied to engagement drivers, such as being supportive, and providing a vision to the employees that goes beyond short term goals but the long-term goals of the organization. Rewards and recognitions of good work performances is a very good way to boost employee engagement in employees within the banks (Saks, 2006). Hence, as transformational leaders are involved in employee development, organizations should pay more attention to managing employees through leaders, ensuring that leaders can fulfil both supervisory and leadership roles. Employers should focus more on developing psychological empowerment in their employees to have engaged workforce. The management should understand the values of engagement and thereby develop their employees to experience empowerment through understanding meaning, competence, self-determination and impact. Furthermore, in order to create engaged and productive workforce organizations should conduct interventions focused on the meaning (empowerment) of job resources because these have been found to promote personal resources and (consequently) work engagement.

For managers, another implication is the escalation of importance of corporate reputation for human resources practitioners and general managers alike. Reputation perception by employees about the organization may drive employees' engagement, so management should focus more on improving reputation perceptions among employees within the organizations. The central finding emanating from this research shows that organizations with good reputations may not necessarily command a high level of employee engagement, especially when employees are not reputable. None the less, reputation brings financial benefits to corporations, which is becoming increasingly important in light of the present economic turmoil.

Notwithstanding that the findings of study is of practical significance to organizations. However, there are limitations to the study. First, the cross-sectional nature of the study limited the findings in that it could not show evidence of causal relationships. The results presented in the report reflected correlations and predictions rather than causation. Second, this study relies on self-reports, which might increase the risk of common method variance (CMV) (Podsakoff et al., 2003).

Third, the sample size, among others factors, may affect the accuracy of the results for wider generalization. The study covered only one state out of the 36 states in Nigeria. Fourth, the data were collected only from employees' perspective. The study utilized a cross-sectional survey approach with leaders rating themselves as well as workers rating their employers; which may have introduced a lot of biases in their responses. Finally, another limitation of the study is the inability of the researcher to use random sampling technique. This is one of the basic assumptions of regression analysis.

To provide a more comprehensive understanding of how organizational leadership style and behaviors influence public relations outcomes, insights from public relations professionals and organizational leaders should be incorporated. There is also a need for longitudinal studies of engagement to demonstrate a clear link between engagement and organizational performance, and also to assess long term outcomes and benefits. Much of the research to date focused upon short term gains. In order to reduce this limitation undertaking more longitudinal studies where questionnaires are completed pre and post an intervention may offer a better prediction of the outcomes. Larger sample size would improve the power of the result. In future research, a wider range of samples from different types of organizations across various industries should be used to test the proposed model and generalize the findings.

### **Conclusion**

This study showed that organizations can enhance the employee engagement by developing transformational leaders. Transformational leaders can be used as a motivating factor and intervention for improving work engagement among Nigerian bankers. Banks should apply and adopt empowerment as one of the new approaches in the field of Human Resource Management (HRM), giving insights to the strategic role that such strategies of the HRM can play in boosting banks performance. Managers are accountable for the engagement of the employees; therefore, the organizations should provide training and orientation to the managers to take active role in building employee engagement. An engaged employee would be a valuable organizational asset and serve as an important resource. Considering the fact that organizational reputation negatively predicted work engagement among bankers, managers are also encouraged to improve employees' reputability so as to sustain work engagement. This study has shown that even reputable organizations suffer work disengagement.

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### *Indexing*

