

**THE MEDIATION OF INTRINSIC MOTIVATION  
AND AFFECTIVE COMMITMENT IN THE RELATIONSHIP  
OF TRANSFORMATIONAL LEADERSHIP AND EMPLOYEE  
ENGAGEMENT IN TECHNOLOGY-BASED COMPANIES**

**Azis E., Prasetyo A.P., Gustiyana T.T., Putril S.F., Rakhmawati D.\***

**Abstract:** This paper aims to determine the relationship of transformational leadership and employee engagement of technology-based company in Indonesia. Employees who perceived their leader caring and inspiring will become more engaged to their job and organization. The study also aims to examine the mediation of intrinsic motivation and affective commitment in the relationship. Data collected from 300 participants of two technology-based companies in Indonesia in 2019. The mediation analysis was used for data analysis and determined the direct and indirect effect. The results suggest that the intrinsic motivation and affective commitment become mediation element in connecting the transformational leadership and employee engagement. Individually or simultaneously, both mediated the relationship.

**Key words:** transformational leadership, intrinsic motivation, affective commitment, engagement

DOI: 10.17512/pjms.2019.20.1.05

*Article history:*

*Received August 21, 2019; Revised November 3, 2019; Accepted November 20, 2019*

**Introduction**

More and more business organization understands the important role of outstanding employees for the organization success. Enthusiastic and committed employees can enhance customer satisfaction, has lower intention to leave, can increase profitability and long-term stakeholder value (Cook, 2008). One aspect that contributes to positive experience is the level of engagement. Recently, employee engagement had decreased over the past three years. Organization needs a new approach which can be used as the foundation to build strong employee engagement. Anitha (2013) defined employee engagement as the level of commitment and involvement an employee has towards their organization and its values. Organization need to maintain the engagement level since it became key determinants in creating high levels work performance (Macey et al., 2009). Benefits from higher employee engagement can include increase in revenue and profit (Federman, 2009), more productive and higher customer satisfaction (Cook, 2008). Numerous studies had been conducted to discuss the employee engagement and confirm that antecedents can come from the individual and organizational

---

\* **Elvira Azis, Arif Partono Prasetyo, Tieka Trikartika Gustiyana, Sofia Fauziana Putri, Dheana Rakhmawati**, School of Economics & Business, Telkom University

✉ corresponding author: partono67@gmail.com

level. Leadership style (Ghadi et al., 2013) represents the organizational level which affect engagement. While motivation (Chua and Ayoko, 2019) and affective commitment (Gupta et al., 2016) are among the antecedents from individual level. Research on the relation between transformational leadership, motivation, organizational commitment, and engagement have often been done. But study which uses intrinsic motivation and affective commitment as mediators still limited. This study will filled this gap and will examine the transformational leadership (TL) in developing employee engagement through the mediation of intrinsic motivation (IM) and affective commitment (ACO) (Afifah, 2019). Empirical evidence supports the notion that TL is connected with a positive employee engagement. It combines the role of organizational and individual driver. Good leaders who demonstrate positive behavior through giving positive feedback, trustworthiness, and fair decision practice can help employees to feel more obliged, committed, and engaged in the organization. It is important to study the way employees interact with their leader. Especially in the Asian culture where employees usually follow what their leaders do in the workplace which turns into rigid hierarchy relationships. Followers develop great respect to the leaders which quite different with countries that has western influence. Two companies whose become research subject are government-owned organization which also develop unique culture compare to private organization in Indonesia (Luturlean et al., 2019). Thus, this study will enrich literatures regarding the relationship between transformational leadership and employee engagement and also provide explanation on how the relationship established.

### **Literature Review and Hypotheses**

#### ***Transformational Leadership, Intrinsic Motivation, Affective Commitment, and Employee Engagement***

Transformational leadership is a process through which leaders influence others by changing the understanding of others of what is important thus it can inspire others to achieve what might be considered extraordinary results (Marshall and Broome, 2017). TL can motivate others to do more than they originally intended and often even more than they thought possible. TL plays an important role in the organizational performance. The implementation of TL can generate positive outcomes such as job satisfaction and team performance (Braun et al., 2013), more engaged employee (Espinoza-Parra et al., 2015), motivation (Chua and Ayoko, 2019).

Cerasoli et al. (2014) define intrinsic motivation as an impetus that is controlled by individuals and results from certain activities they carried out. Previous studies found the positive relation between TL and intrinsic motivation (Gheitani et al., 2018). Positive consequences of highly motivated employees include developing strong engagement (Putra et al., 2015) and stronger affective commitment (Gagne et al., 2014).

Affective commitment is defined as a psychological condition that results in the emergence of emotional and positive behaviors to attach themselves to work and organization (Allen and Meyer, 1990). Affective commitment is an actual commitment because it arises from within the employee (Mercurio, 2015). Previous literatures analyzed factors that affect the level of affective commitment including intrinsic motivation (Gagne et al., 2014) and TL style (Ennis et al., 2016). Organization can reap many benefits with strong affective commitment. Organization needs to identify important factors that could be the driver to strengthen the employee commitment (Peng et al., 2019).

Engaged employee creates positive impact on organizational goals by say positive things about organization, stay longer at their organization, give their best, autonomously expand their own knowledge and skills, persistent, and adaptable to changes (Macey et al., 2009). Organization must identify the antecedents of employee engagement. Borah and Barua (2018) summarized studies from 2002 until 2015 and found career development, open communication, fairness, organizational climate, rewards, benefits, development, organizational support, justice, autonomy, job characteristics, goal setting, feedback, leadership, are some of the common factors that act as drivers of engagement. Leadership styles also predict employee engagement (Espinoza-Parra et al., 2015).

#### ***The Relationship of Transformational Leadership and Employee Engagement***

TL is expected to drive their subordinate potential and fulfilling their needs which in turn will increase employee commitment and involvement. Various empirical studies from different organization and cultural settings reveal that transformational leadership is positively related with work engagement (Espinoza-Parra et al., 2015; Chua and Ayoko, 2019). Based on this fact the first hypothesis is determined  $H_1$ : *transformational leadership style will have significant and positive effect on employee engagement.*

#### ***The relationship of Transformational Leadership, Intrinsic Motivation, and Affective Commitment***

We study previous literatures that discussed the relationship between TL, intrinsic motivation, and affective commitment. Chua and Ayoko (2019) found that leader which show attention to the safety will have positive correlation with intrinsic motivation. Regarding the relation between TL and affective commitment, Ennis et al. (2016) reveal a positive direct effect on employees' affective commitment, if supervisors practice transformational style employees will feel a sense of belonging to and identification to the organization. We proposed the following hypotheses;

$H_2$ : *transformational leadership style will have significant and positive effect on intrinsic motivation.*

$H_3$ : *transformational leadership style will have significant and positive effect on affective commitment.*

### *Intrinsic Motivation and Affective Commitment as Antecedent for Employee Engagement*

Previous articles which analyze the relation between intrinsic motivation and engagement (Chua and Ayoko, 2019; Putra et al., 2015; Li et al., 2015) support the positive relationship. Employee with strong affective commitment develops the feeling of obligation to involve in organization activities and achieve organizational goals. Boas and Morin (2013) and Gupta et al. (2016) reveal the positive correlation between and affective commitment and engagement. We therefore, proposed the following hypothesis;

*H<sub>4</sub>: intrinsic motivation will have mediation effect in the relationship between transformational leadership and employee engagement.*

*H<sub>5</sub>: affective commitment will have will have mediation effect in the relationship between transformational leadership and employee engagement.*

*H<sub>6</sub>: intrinsic motivation and affective commitment simultaneously will have mediation effect in the relationship between transformational leadership and employee engagement.*

### **Methodology**

#### *Participants*

The study was conducted between January and April 2019 in telecommunication organization in Bandung and Jakarta, Indonesia. Data was collected using questionnaire distributed through the human resources department to 400 participants. We received complete and valid feedback of 300 responses. Table 1 showed the demographic characteristic of participants. Male employees were slightly have higher number than female (54.3% - 45.7%). Most of them have undergraduate degree (66%). And most employees have 1 – 5 years tenure.

**Table 1: Demographic characteristics**

	Category	N	%		Category	N	%	
<b>Gender</b>	Male	163	54.3	<b>Age</b>	< 20 year	95	31.7	
	Female	137	45.7		20 - 25 year	73	24.3	
<b>Service</b>	< 1 year	54	18.0		> 25 - 30 year	42	14.0	
	1 - 3 year	76	25.3		> 30 - 35 year	35	11.7	
	> 3 - 5 year	56	18.7		> 35- 40 year	23	7.7	
	> 5 - 10 year	64	21.3		> 40 - 45 year	10	3.3	
	> 10 year	50	16.7		> 45 - 50 year	12	4.0	
<b>Education</b>	High School	22	7.3		> 50 year	10	3.3	
	Diploma	29	9.7		<b>Position</b>	Officer	198	66.0
	Undergraduate	198	66.0			Supervisor	35	11.7
	Postgraduate	51	17.0	Manager		67	22.3	

#### *Measurement and Analysis*

The items measuring transformational leadership was measured with 16 items based on the concept developed by Baysak and Yener (2015). Seven items to

measure intrinsic motivation was develop from Chiang et al. (2008) Next, the affective commitment measured with 6 items (Allen and Meyer, 1990). Lastly, employee engagement will be measured with 14 items develop by Schaufeli et al. (2002). All four variables will be measured using six point Likert scale (from strongly disagree = 1 to strongly agree = 6). And the reliability for transformational leadership was 0.806, intrinsic motivation was 0.719, affective commitment was 0.760, and engagement was 0.863.

To test hypothesis 1-3, we calculated simple linear regressions using SPSS, while to test hypothesis 4 to 6, we used the Model 6 of Macro PROCESS (Hayes, 2018). The mediation role will be determined based on the value of the Upper-level and Lower-level Confidence Interval which should not include zero. The macro will facilitate the implementation of bootstrapping approach. We were used a bootstrapping of 5,000 samples with 95% level of confidence as recommended (Preacher and Hayes, 2008)

### Results

Correlation between variables presented in Table 2. All four main variables were significantly correlated with each other ranging from .379 to .587 which considered as moderate to low correlation.

**Table 2: Correlation between construct**

		Mean	Std. Deviation	1	2	3	4
<b>1</b>	<b>Transformational</b>	5.0194	.36967	1			
<b>2</b>	<b>Intrinsic Motivation</b>	5.2354	.36893	<b>.525**</b>	1		
<b>3</b>	<b>Affective Commitment</b>	4.9110	.56717	<b>.379**</b>	<b>.447**</b>	1	
<b>4</b>	<b>Engagement</b>	4.9417	.42153	<b>.587**</b>	<b>.512**</b>	<b>.510**</b>	1
*. Correlation is significant at the 0.05 level (2-tailed)							
**. Correlation is significant at the 0.01 level (2-tailed)							

We now turn to Table 3 which displays the regression coefficient. Hypothesis H<sub>1</sub> – H<sub>3</sub> that Transformational leadership will have significant positive effect on intrinsic motivation, affective commitment, and employee engagement were supported. Coefficient value were 0.524 and p > 0.01 for intrinsic motivation; 0.306 and p < 0.01 for affective commitment; and 0.436 with p < 0.01 for engagement.

Shown in Table 4 were the bootstrap confidence interval results which all of them showed positive direction and did not contain zero. Thus hypotheses H<sub>4</sub> to H<sub>6</sub> were also supported. Intrinsic motivation and affective commitment mediate the relation between transformational leadership and engagement, partially and simultaneously.

**Table 3: Regression & Model Summary**

	Intrinsic motivation			Affective commitment			Engagement		
	Coeff	SE	<i>p</i>	Coeff	SE	<i>p</i>	Coeff	SE	<i>p</i>
<b>Transformational</b>	0.524	0.049	0.000	0.306	0.092	0.000	0.436	0.058	0.000
<b>Intrinsic motivation</b>	-	-	-	0.527	0.092	0.000	0.212	0.602	0.000
<b>Affective commitment</b>	-	-	-	-	-	-	0.210	0.036	0.000
<b>Constant</b>	2.606	0.248	0.000	0.621	0.461	0.179	0.612	0.287	0.034
	R <sup>2</sup>	0.276		R <sup>2</sup>	0.229		R <sup>2</sup>	0.464	
	F =	113.303		F =	44		F =	85.248	
	<i>p</i> =	0.000		<i>p</i> =	0.000		<i>p</i> =	0.000	

**Table 4: Mediation of Intrinsic Motivation and Affective Commitment in the Relationship Between Transformational Leader & Employee Engagement**

	Effect	SE	Lower level	Upper level
LDRT → MOT → ENG	0.111	0.037	0.037	0.179
LDRT → ACO → ENG	0.064	0.027	0.019	0.123
LDRT → MOT → ACO → ENG	0.058	0.020	0.026	0.105
LDRT= Transformational - MOT= Intrinsic motivation - ACO= Affective commitment - ENG= Engagement				

## Discussion

Study which analyzed the relation between transformational leadership and employee engagement has done oftentimes. But articles which put intrinsic motivation and affective commitment as mediators still limited, especially in Indonesia culture. This study fills such gap and provides new way of thinking by connecting each variable which form a direct and indirect effect. The result of correlations in this study was in accordance with the previous studies. Our finding confirmed the same result that TL has positive effect on intrinsic motivation (Chua and Ayoko, 2019). Our study also support the idea that TL proved to have positive effect on affective commitment (Ennis et al., 2016) and employee engagement (Espinoza-Parra et al., 2015; Chua and Ayoko, 2019). Employees easily develop intrinsic motivation, affective commitment, and engagement if they perceived their leader support them.

Our result is in line with previous articles on the effect of intrinsic motivation and employee engagement. We only found limited articles which investigate the effect of intrinsic motivation on engagement some of them are from Putra et al. (2015) and Li et al. (2015). Those studies confirm that intrinsic motivation can strengthen employee engagement. Self-motivated employee work because they love what they do and perceive great importance regarding organization goals which can help them to achieve their individual goals.

Although research that regarding the effect of ACO on employee engagement is still limited, we found the evidence. Gupta et al. (2016) found that employee engagement affected by ACO. Our study also gets the same result. The importance of this study lies in the mediation model proposed. This model is arranged based on the pattern of the causal relationship previously discussed. It turns out intrinsic

motivation and affective commitment can play role as mediators in the causal relation of transformational leadership and employee engagement.

### Conclusion

The results confirm that transformational leadership has positive influence on subordinates' intrinsic motivation, affective commitment, and engagement. While intrinsic motivation and affective commitment both played mediation role in the relation of transformational leadership and engagement. Therefore, it can be concluded that an employee who perceives that his/her immediate supervisor practice as transformational style develop tendency to become more motivated and committed towards the organization which in the end affect their level of engagement. It is important to have leader who have vision, care, able to communicate effectively, can drive employee to go beyond extra mile. Such leader can has great impact on employee work behavior including motivation, commitment and engagement.

Useful recommendation for managers from this study is that transformational leadership can become influential factor to increase employees' engagement. But also it can play important role to establish positive work environment where the employees become more motivated and committed to their organization. Next, managers need to realize that they need to develop mutual relationship which can lead to reciprocal relationships between leaders and subordinate. They can start by providing interesting and challenging job, chance to involve in a decision making process, and use their creative minds to find solutions.

Current study has some limitations. First of all is the used of cross-sectional data which can reduce the accuracy to predict human behavior. Second, we the number of participants only include two telecommunication companies which make the result quite hard to be generalized. Future study can overcome those shortage by using longitudinal data and cover more companies to increase the accuracy in predicting employee behavior regarding leadership, motivation, organizational commitment, and engagement.

### References

- Allen, N.J., Meyer, J.P. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychology*, 63, 1-18.
- Afifah, Ilzar D.N. (2019). The Relationship between Leadership Style and Employee Outcomes: The Mediating Role of Organizational Commitment, *Journal of Management and Marketing Review*, 4(2),100-106.
- Anitha, J. (2013). Determinants of employee engagement and their impact on employee performance. *International Journal of Productivity and Performance Management*, 63(3), 308-323.
- Baysak, B., Yener, M.I. (2015). The Relationship Between Perceived Leadership Style and Perceived Stress on Hospital Employees. *Social and Behavioral Sciences*, 207, 79-89.

- Boas, A.A.V., Morin, E.M. (2013). Quality of Working Life in Public Higher Education Institutions: The Perception of Brazilian and Canadian Professors. *International Journal of Business and Social Science*, 4(12), 67-77.
- Borah, N., Barua, M. (2018). Antecedents of Engagement: Banking Sector. *SCMS Journal of Indian Management*, April – June, 13-22.
- Braun, S., Peus, C., Weisweiler, S. & Frey, D. (2013). Transformational leadership, job satisfaction, and team performance: A multilevel mediation model of trust. *The Leadership Quarterly*, 24, 270-283.
- Cerasoli, C.P., Nicklin, J.M. & Ford, M.T. (2014). Intrinsic Motivation and Extrinsic Incentives Jointly Predict Performance: A 40-Year Meta-Analysis, *Psychological Bulletin*, 140(4), 980-1008.
- Chiang, C.F., Jang, S.C., Canter, D. & Prince, B. (2008). An Expectancy Theory Model for Hotel Employee Motivation: Examining the Moderating Role of Communication Satisfaction. *International Journal of Hospitality & Tourism Administration*, 9(4), 327-351.
- Chua, J., Ayoko, O.B. (2019). Employees' self-determined motivation, transformational leadership and work engagement. *Journal of Management & Organization*.
- Cook, S., 2008, *The essential guide to employee engagement : better business performance through staff satisfaction*. London: Kogan Page.
- Ennis, M.C., Gong, T. & Okpozo, A.Z. (2016). Examining the Mediating Roles of Affective and Normative Commitment in the Relationship between Transformational Leadership Practices and Turnover Intention of Government Employees. *International Journal of Public Administration*, 203-215.
- Espinoza-Parra, S., Molero, F. & Fuster-Ruizdeapodaca, M.J. (2015). Transformational leadership and job satisfaction of police officers (carabineros) in Chile: The mediating effects of group identification and work engagement. *Revista de Psicología Social*, 30(3), 439-467.
- Federman, B. (2009). *Employee Engagement A Roadmap for Creating Profits, Optimizing Performance, and Increasing Loyalty*. San Francisco: Jossey-Bass.
- Gagné, M., Forest, J., Vansteenkiste, M., Crevier-Braud, L., Van den Broeck, A., Aspley, A.K., Bellerose, J., Benabou, C., Chemolli, E., Güntert, S.T., Halvari, H., Indiyastuti, D.L., Johnson, P.A., Molstad, M.H., Naudin, M., Ndao, A., Olafsen, A.H., Roussel, P., Wang, Z., Westbye, C. (2014). The Multidimensional Work Motivation Scale: Validation evidence in seven languages and nine countries. *European Journal of Work and Organizational Psychology*, 24(2), 178-196.
- Ghadi, M.Y., Fernando, M. & Caputi, P. (2013). Transformational leadership and work engagement. *Leadership & Organization Development Journal*, 34(6), 532-550.
- Gheitani, A., Imani, S., Seyyedamiri, N., Foroudi, P. (2018). Mediating effect of intrinsic motivation on the relationship between Islamic work ethic, job satisfaction, and organizational commitment in banking sector. *International Journal of Islamic and Middle Eastern Finance and Management*.
- Gupta, V., Agarwal, U.A. & Khatri, N. (2016). The Relationships between Perceived Organizational Support, Affective Commitment, Psychological Contract Breach, Organizational Citizenship Behaviour and Work Engagement. *Journal of Advanced Nursing*, 72(11), 2806-2817.
- Hayes, A.F. (2018). *Introduction to Mediation, Moderation, and Conditional Process Analysis: A Regression-Based Approach*, 2<sup>nd</sup> Edition, New York: The Guilford Press.



- Luturlean, B.S., Prasetyo, A.P. & Saragih, R. (2019). Increasing Employee's Job Satisfaction Through the Implementation of Transformational Leadership and Work Stress Level Management, *Journal of Management and Marketing Review*, 4(3), 209-217.
- Li, M., Wang, Z., You, X. & Gao, J. (2015). Value congruence and teachers' work engagement: The mediating role of autonomous and controlled motivation. *Personality and Individual Differences*, 80, 113–118.
- Macey, W.H., Schneider, B., Barbera, K.M. & Young, S.A. (2009). *Employee Engagement: Tools for Analysis, Practice, and Competitive Advantage*. United Kingdom: Wiley-Blackwell.
- Marshall, E.S., Broome, M.E. (2017). *Transformational Leadership in Nursing: From Expert Clinician to Influential Leader*. New York: Springer Publishing Company.
- Mercurio, Z.A. (2015). Integrative Literature Review Affective Commitment as a Core Essence of Organizational Commitment: An Integrative Literature Review. *Human Resource Development Review*, 14(4), 389-414.
- Peng, C.F., Hamid, Z. & Nizam, M.S. (2019). Intermediary Effect of Intention of ICT adoption on the Relationship of Attitudes toward Adoption and Adoption of VLE among the Malay Language Teachers. *Global Journal of Business and Social Science Review*, 7(2), 151-157.
- Preacher, K.J., Hayes, A.F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40, 879-891.
- Putra, E. D., Cho, S. & Liu, J. (2015). Extrinsic and intrinsic motivation on work engagement in the hospitality industry: Test of motivation crowding theory. *Tourism and Hospitality Research*, 17(2), 228-241.
- Schaufeli, W.B., Salanova, M., Gonzals-Roma, V. & Bakker A.B. (2002). The measurement of Engagement and Burnout: A Two Sample Confirmatory Factor Analytic Approach. *Journal of Happiness Studies*, 3, 71-92.

**MEDIACJA WŁASNEJ MOTYWACJI I AFEKTYWNEGO ZOBOWIĄZANIA  
W STOSUNKU TRANSFORMACYJNEGO PRZYWÓDZTWA  
I ZAANGAŻOWANIA PRACOWNIKÓW W SPÓLKACH  
TECHNOLOGICZNYCH**

**Streszczenie:** Niniejszy artykuł ma na celu określenie związku przywództwa transformacyjnego i zaangażowania pracowników firmy technologicznej w Indonezji. Pracownicy, którzy postrzegali lidera jako opiekuńczego i inspirującego, będą bardziej zaangażowani w swoją pracę i organizację. Badanie ma również na celu zbadanie mediacji wewnętrznej motywacji i afektywnego zaangażowania w związek. Dane zebrane od 300 uczestników dwóch firm technologicznych w Indonezji w 2019 r. Analiza mediacji została wykorzystana do analizy danych i określiła bezpośredni i pośredni efekt. Wyniki sugerują, że wewnętrzna motywacja i zaangażowanie afektywne stają się elementem mediacji w łączeniu transformacyjnego przywództwa i zaangażowania pracowników.

**Słowa kluczowe:** przywództwo transformacyjne, motywacja wewnętrzna, zaangażowanie afektywne, zaangażowanie

### 技术型公司变革型领导与员工敬业度的关系中内在动机和情感承诺的中介

**摘要:** 本文旨在确定印尼技术型公司的变革型领导与员工敬业度之间的关系。意识到领导者的关怀和鼓舞的员工将更加投入工作和组织。该研究还旨在检验这种关系中内在动机和情感承诺的中介作用。2019年从印度尼西亚两家技术公司的300名参与者那里收集了数据。中介分析被用于数据分析并确定了直接和间接的影响。结果表明, 内在动机和情感承诺成为连接变革型领导和员工敬业度的中介元素。两者都单独或同时介导了这种关系。

**关键词:** 变革型领导, 内在动机, 情感承诺, 敬业度。