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EXAMINING THE IMPACT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE DEVELOPMENT AND PERFORMANCE: THE ROLE OF INSPIRATION AND TRUST

Kayla Pham

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EXAMINING THE IMPACT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE
DEVELOPMENT AND PERFORMANCE: THE ROLE OF INSPIRATION AND TRUST

A Thesis
Presented to the
Faculty of
California State University,
San Bernardino

In Partial Fulfillment
of the Requirements for the Degree
Master of Science
in
Industrial and Organizational Psychology

by
Kayla Pham
August 2024

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Approved by:

Janelle Gilbert, Committee Chair, Psychology

Nicholas Moon, Committee Member

Mark Agars, Committee Member

ABSTRACT

Transformational leaders are known to encourage, motivate, and engage followers in ways that enhance organizational outcomes. Researchers like Bernard Bass expanded on transformational leadership after James V. Downton introduced the idea. Bernard Bass was critical since he found ways to measure the success of transformational leadership (Givens, 2008). The four major principles of the transformational leadership theory are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1985). This study aims to determine whether transformational leaders increase employee development and performance through their ability to inspire and trust in their followers. Variables such as performance, employee development, inspiration, and trust will be defined and investigated to discern whether transformational leaders make a positive difference within the organization. The hypotheses were tested, and data was collected from 270 out of the 434 participants. The finalized results showed that transformational leadership positively affects employee development, and that inspiration is a significant mediator in the relationship between transformational leadership and employee development, whereas trust does not. The limitations and implications of the study will also be discussed.

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CHAPTER ONE

INTRODUCTION

Employees are one of the most vital aspects of any organization. The outcome of any business's success or failure is dependent on its whether its employees can perform or not. This makes it vital for firms to invest in their employees and ensure that everyone can perform to the best of their ability. Organizations will not survive the rapidly changing business environment without constant advancement of employee development and performance. Enhanced skills and knowledge are the foundation of a business's competitive advantage in today's global market (Rodriguez, Walters, 2017). Over the past few decades, research (e.g. Bakker, 2022; Zhou et al., 2019; Kuantan, 2015) has established that trust and inspiration positively influence employee performance and development improvement. By focusing on these two variables, leaders can promote their followers' performance and development, which in turn leads to organizational results. Scholars have stated that transformational leadership is a "refreshingly different" approach that strengthens employees; it is a leadership style that encourages leaders to both inspire and build trust among their followers (Pradhand & Pradhan, 2015). Although a large amount of research has been conducted in employee development and performance, organizations are still experiencing challenges when it comes to enhancing their followers' skills, knowledge, and capabilities. For this reason, this project aims to provide

information on the benefits of transformational leadership and its positive effects on the development and performance of employees.

Transformational Leadership and Employee Development

Existing research suggests that inspiration, a vital component of transformational leadership, is important in increasing employee development. Inspiration, a pivotal aspect of transformational leadership, significantly enhances the motivational states that drive individuals to actualize new ideas and fosters the creative process of individuals (Christensen et al., 2010; Thrash et al., 2010). Without inspiration, transformational leaders would not be able to inspire their followers by communicating a compelling vision and goal. They would also not be able to inspire trust among their followers.

Inspiration arises when there is a need to address personal, social, or business challenges (Buheji, Saif, & Jahrami, 2014). These challenges prompt these individuals to seek opportunities that spark creativity and motivation. Opportunities such as networking, meeting new people, and attending educational workshops for professional or personal development are inspiring opportunities (Buheji, Saif, & Jahrami, 2014). When transformational leaders give their employees more autonomy in their work life (Zhou et al., 2019), their subordinates are likelier to engage in these opportunities. By participating in educational workshops and interacting with individuals of differing backgrounds, employees can gain new perspectives, learn efficient methods to specific

processes, and further enhance professional growth. Researchers have also asserted that transformational leadership prompts employees to become more creative and innovative, all while considering the unique development needs of each employee (Bass, 2000; Vera & Crossan, 2004). When employees are inspired, they are more likely to be able to generate innovative ideas, demonstrate out-of-the-box thinking, and approach challenges with more creativity – qualities that contribute to their growth and development as employees. According to constructive development theory, the inverse relationship is also true; individuals cannot increase their mental complexity if they are not challenged and supported (Crane & Hartwell, 2018). Being challenged and supported are characteristics implicit in transformational leadership (Bass, 2000). Overall, transformational leaders' ability to challenge their followers can enhance the mental complexity of their employees and lead to an increase in innovation among their employees. To simplify, under transformational leaders, employees can broaden their perspective of the world around them, enabling them to navigate complex situations inside and outside the workplace.

Additionally, a more profound connection formed based on trust between leaders and their employees leads to increased learning (Bucic et al., 2010). Published research has portrayed how a transformational leader's ability to trust in their employees contributes to the development of their employees. By expressing their trust in followers, transformational leaders can inspire their

employees to utilize their strengths and be proactive in their work (Bakker, 2022). When trusting employees, leaders give them more autonomy, leading employees to become more intrinsically motivated to seek out opportunities for innovation, learning, and skill development (Zhou et al., 2019). Since transformational leaders can gain the respect and trust of their followers by contributing to each employee's individual growth (Givens, 2008), their employees can become more intrinsically motivated and inspired to perform well [7] (Shafi, et al, 2020). Intrinsically motivated employees will be more willing to take calculated risks by implementing new strategies where they can learn from trial and error; this will contribute to their job growth and overall performance. When leaders trust their follower's ability to perform well, their followers will take the initiative to enhance their skills and knowledge. In summary, transformational leaders can develop the mental complexity of their employees through their ability to challenge and support their followers by trusting and inspiring them.

Transformational Leadership and Performance

Previous studies on transformational leadership and its effects on performance have revealed a positive correlation. There are a variety of reasons that transformational leaders can positively affect their employees' performance. Firstly, under the leadership and JD-R theories, transformational leaders can inspire their followers to utilize their strengths and take personal initiative, two of the most important predictors of employee engagement and performance

(Bakker et al., 2023). Transformational leaders can do this by giving their employees confidence by thinking the best of their employees and trusting them to make strategic decisions (Kuantan, 2015). Additionally, employees are more likely to display higher levels of engagement when they receive individualized support from transformational leaders because they feel valued and respected, can minimize their anxious affect, and have a greater sense of belonging (Al-Amin, 2017; Givens, 2008). By expressing high expectations and confidence in their followers, transformational leaders are projecting inspirational motivation and idealized influence among their followers, and this contributes to increased work engagement. Employees who show increased engagement in their work will, in turn, perform at higher levels, ultimately leading to employees accomplishing their personal development goals (Al-Amin, 2017). Employees more valued by their leaders become more committed to producing better job outcomes and, in turn, have enhanced performance (Ribeiro et al., 2018).

According to strength theory, transformational leaders encourage their followers to use their strengths and to take personal initiative by inspiring and placing trust in their followers. The positive psychological impacts of utilizing one's strengths will help employees thrive (Dubreuil et al., 2014). In addition, when employees take personal initiative, they are mindful and anticipatory - they will actively want to enact change and make an impact (Hartog & Belschak, 2012). Meta-analyses from Thomas et al. (2010) show that personal initiative predicts organizational commitment, social networking, and job performance.

To summarize, transformational leaders can enhance employee performance by encouraging engagement and commitment. Transformational leaders' ability to inspire and trust in their followers along with support them and consider each employee's leads to higher levels of engagement and commitment to the organization.

Transformational Leadership

Transformational leadership is a leadership style is based on a leader's capacity to strengthen their employee's performance and development (Bass, 1985). It is a proactive leadership style that leads to organizational effectiveness since it generates growth in employees. It catalyzes employee thinking from traditional to innovative ways by enhancing motivation, engagement, performance, and organizational goal attainment (Hoxha, 2019). All in all, "transformational leadership enhances the motivation, morale, and performance of followers through various mechanisms. These include connecting the follower's sense of identity and self to the project and the collective identity of the organization, being a role model for followers that inspires them and makes them interested, challenging followers to take greater ownership of their work, and understanding the strengths and weaknesses of followers, so the leader can align followers with tasks that enhance their performance" (Odumeru & Ogbonna, 2013, 2).

Employee Performance

There are a variety of factors that play a role in the definition of performance. This study defines performance as an employee executing their job duties. It is "the total expected value that an individual brings to the organization" (Motowidlo & Kell, 2012) and "how efficiently employees accomplish their duties" (Torlak & Kuzek, 2019). To summarize, performance outcomes are the results that employees achieve within their given role and responsibilities. Not only is employee performance attained when the employee meets the requirements of their job description, but it is also when the employee can meet the employers expectation as well. They can contribute to the company's success (Jalagat, 2016, 38). Employee performance is how an individual effectively achieves their job duties, and it is measured depending on individual organizational standards.

Employee Development

Since organizations are constantly changing and doing business in innovative ways becomes the expected reality, the need for employees to reskill through learning has become vital for any organization to survive (Akdere & Egan, 2020). A leader's support for learning is a cognitive and behavioral process that affects individuals' motivation to further develop their knowledge and skills (Yeo & Marquardt, 2015). For example, influential leaders shape how their subordinates think and act by fostering a learning culture, modeling learning

behaviors, and providing resources and opportunities for their subordinates to learn (Yeo & Marquardt, 2015). Enhancing employee learning and development are closely connected to crucial aspects such as managerial support, employee motivation, and effective program delivery — each an integral component of transformational leadership (Akdere & Egan, 2020). Employee development can be universally defined as an intentional process of the employees and employers' "upgrade of existing skills and knowledge of an individual" (Juneja, N.D., 1). To further clarify, it is the growth of an individual's skills, knowledge, career advancement, and personal growth (Dachner, et al., 2021). An employee's development supports the organization's attainment of business goals and fosters innovative strategies and solutions. Regarding the research in this paper, it is an employee's increase in mental complexity to succeed in their role.

Inspiration

For this paper, transformational leaders are thought to engage their employees through their ability to inspire them. According to past research, transformational leaders can inspire their employees to accomplish a common goal by expressing optimism and enthusiasm (Bakker, et al., 2022). To support this, it is stated that a leader's optimism and enthusiasm can inspire their followers to feel confident in their ability to succeed (Bakker et al., 2022). In addition, transformational leaders can utilize their authority and power to inspire people to trust in their vision and follow their example (Tucker and Russell,

2004). Suppose a transformational leader can inspire their employees through inspirational visions. In that case, they can invoke their follower's "willingness to make sacrifices in the pursuit of long-run objectives" (Ackoff, 1999).

Transformational leaders can inspire others by performing actions that move others' intellect or emotions (Downtown, 1973). A leader's use of appeals and emotionally laden visions arouses their subordinate's emotions and motivations (Rafferty & Griffin, 2004). When leaders use positive and encouraging messages and visions, they foster emotional confidence and well-being among their subordinates. This causes their followers to take on challenges and pursue goals that contribute to their personal and professional development. All in all, transformational leaders can inspire their team by creating a motivating environment that encourages their employees to perform at their best and pursue both collective and personal goals.

Trust

Trust is essential in achieving organizational effectiveness and in encouraging interpersonal relationships (Dirks and Ferrin, 2001). It is widely believed that leaders are primarily responsible for establishing and developing trust in teams and the overall organization (Shaw, 1997). Trust is a psychological state that consists of the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another" (Rousseau, et al., 1998, p. 395). In simpler terms, it is when an individual feels confident and secure that

another party will act dependably. An employee's trust in their leader is related "to a range of processes and outcomes such as the quality of communication and problem-solving, discretionary effort, and organizational citizenship behavior" (Gillespie & Mann, 2004). It is when leaders "effectively communicate and role-model important values and a shared sense of purpose to their followers" because these actions create a vision that inspires team members to accomplish the shared objective, and enhances transparency (Gillespie & Mann, 2004, p. 591). A leader must also provide individualized support to gain followers' trust (Gillespie & Mann, 2004). By offering individualized support, leaders recognize their followers' individual growth needs and tailor their support to each team member. These actions show the leader's commitment to their employees' success, and, in turn, a sense of trust is created between the employee and their leader.

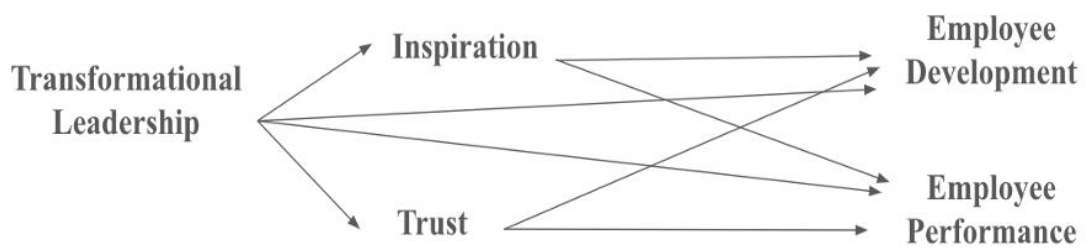
Transformational leaders enhance employee development and performance by effectively inspiring and earning their followers' trust. Employees upgrade their knowledge and skills while being more committed. This consequently contributes to the organization's overall effectiveness and helps it excel against its competitors.

Hypothesis

H1: Transformational leadership is positively related to employee development mediated by followers' inspiration and trust in the leader.

H2: Transformational leadership is positively related to employee performance mediated by followers' inspiration and trust in the leader.

Figure 1. Model of Mediation



CHAPTER TWO

METHODS

Participants

The current study consisted of 270 participants, with more female participants (60%) than males (40%). Participants were distributed across four different age ranges. The age range of participants ranging from 18-29 years was 30.7% of the sample. This is followed by the age range of 29.5 - 39 years (26.7%), 39.5 - 49 years (20.4%), and 49.5 years and up (22.4%). The education level of participants varied. Most participants held a bachelor's degree (39.6%) or a master's degree (29.6%). A smaller portion of the participants completed an associate degree (18.9%), and only 6.3% attained just a High School diploma. In addition, only 5.2% of the participants graduated from a doctoral program.

In summary, the sample mostly consisted of females, with a considerable representation of young adults between the ages of 18 and 29. Most participants were well educated, most of whom attained a bachelor's degree.

Procedure

This study utilized surveys to determine whether transformational leadership positively relates to employee development and performance by mediating inspiration and trust. This study's independent variable was transformational leadership; the dependent variables were employee development and performance. The mediating variables were the follower's inspiration and trust in the leader. A power analysis was first run to calculate the

sample size of this study. With a Cohen's D of 0.3 and a power of 0.8, the number of participants needed for this study was 270. Researchers employed a convenient sampling method, contacting colleagues who report directly to a supervisor. A snowball effect was implemented to expand the participant pool. If the needed sample size was not achieved, the remaining participants were gathered using a third-party platform called Mturk.

Researchers administered the 15-minute survey online through Qualtrics to assess participants' perception of how transformational their leader is, and it went live upon IRB approval. Before beginning the survey, participants were asked to sign an informed consent form. After reading through and completing the informed consent form, participants could continue the survey if they indicated that they had a direct supervisor. The first questions of the survey asked participants about their age range. The second question was a yes-or-no question that inquired whether they exclusively report to one supervisor. If the participant answered no, the survey promptly concluded for the participant. The survey was completed online, at the convenience of participants, and in an environment that works best for them.

Measures

Transformational Leadership Scale Details

To measure the extent to which a participant's supervisor's ability to inspire and motivate their employee through a compelling vision, support,

innovation, and personal attention, 21 items from the Multifactor Leadership Questionnaire form 6s (Avolio & Bass, 1992) were utilized throughout the survey. Rather than the leader scoring, subordinates evaluate their leader. Therefore, all statements were modified from "I" to "My leader" to allow participants to assess their leader. Items from this questionnaire included: 'My leader expresses with a few simple words what we could and should do,' 'My leader makes others feel good to be around them, 'I have complete faith in my leader, 'My leader helps me develop myself.' The 21 items were rated using a 5-point Likert scale (0 = Not at all, 1= Once in a while, 2= Sometime, 3= Fairly often, 4= Frequently, if not always). The MLQ form 6s is one of the most validated and well-developed leadership measurement instruments (Saeidi et al., 2021). Researchers Saidi et al. (2021) performed a confirmatory factor analysis on Form 6s of the Multifactor Leadership Questionnaire. In their findings, the standardized loading for inspiration was 0.90, trust was 0.867, and employee development was 0.68. The reliability score for the transformational leadership scale found in this current study was .94.

Employee Performance

To measure how effectively employees execute their job duties and fulfill the responsibilities listed in the job description, we utilized participants' self-report answers on a four-item job performance scale developed in 1991 by Williams and Anderson. A seven-point Likert scale was utilized to measure respondents' answers (1 = Strongly Disagree, 2 = Disagree, 3 = Somewhat Disagree, 4 =

Neutral, 5 = Somewhat Agree, 6 = Agree, 7 = Strongly Agree). Sample items from this scale were 'I adequately complete assigned duties' and 'I fulfill responsibilities specified on the job description.' In this study, the Cronbach's Alpha $\alpha = .88$ showed that the scale had high internal consistency. This score was slightly lower than all the other scale's reliability scores. A confirmatory factor analysis was conducted for Williams and Anderson's four-item job performance scale, where the standardized loading was .91 (Johari, Yahya, 2012). Cronbach's Alpha of .91 suggests that the observed variable strongly contributes to the latent construct it is supposed to measure. Johari and Yahya (2012) also asserted that the composite reliability of job performance was 0.66. This means that the items on this scale have a moderate internal consistency.

Employee Development

To assess the intentional process of employees upgrading their existing skills and knowledge through training programs to foster career advancements, a seven-point Likert scale varying from strongly disagree to agree strongly was developed by Uttara Jangbahadur and Vandna Sharma. Constructs taken from their scale utilized in this study were the training and skill development, self-development, and career development constructs. Nine items in total measured these constructs. Extensive changes were made to this existing scale to capture the outcomes that were intended to be measured for this study. Instead, the edited version of this scale captured the perception of employees' behavioral outcomes. Some example items were 'I attend the training programs that are

provided for me in this organization.', 'I normally attend training programs every few years.', and 'I take action for my own personal development.' When reliability analyses were run in this current study, the Cronbach's Alpha for all the items was .92. To add on, the convergent validity or Average Variance Explained for both training and skill development and career development was 0.81 (Jangbahadur & Sharma, 2018). This means that latent constructs' Average Variance Explained and standardized factor loading were more than 0.5.

Inspiration

Next, to assess the emotional and motivational outcomes of a leader's optimistic communication of future goals, a scale created by Ameen et al. (2020) was integrate in the survey of this study. Respondents rated statements such as 'I feel uplifted by my leader's optimistic discussions about the future.' and 'I feel inspired by my leader's articulation of a compelling vision for the future.' on a seven Likert scale ((1 = Strongly Disagree, 2 = Disagree, 3 = Somewhat Disagree, 4 = Neutral, 5 = Somewhat Agree, 6 = Agree, 7 = Strongly Agree). These statements were reworded to reflect the employees' feelings towards their leader's actions. Rather than using the words 'My leader,' it was changed to 'I feel.' Researchers in this study found that psychometric properties of this scale had a Cronbach's Alpha $\alpha = .95$. This indicated a high internal consistency with Cronbach's Alpha, which was more significant than 0.7. In addition, the Average Variance Explained for this scale was 0.90. This meant that the underlying

construct explained about 89% of the observed variables. This also showed that the convergent validity was above 0.50.

Trust

Lastly, a scale from Podsakoff et al. (1990) was used to measure employees' belief and confidence in their leader's ability to be fair and have integrity. Respondents will answer statements such as 'I feel quite confident that my leader will always treat me fairly,' 'I have complete faith in the integrity of my manager/supervisor,' and 'My manager would never try to gain advantage by deceiving workers' on a seven-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Somewhat Disagree, 4 = Neutral, 5 = Somewhat Agree, 6 = Agree, 7 = Strongly Agree) Podsakoff et. al conducted a confirmatory factor analysis and got a Tucker Lewis Index of 0.96 on this scale. This suggested that the structural model fits the observed data well and implied a strong reliability and validity score. The reliability tests ran in this current study found that Cronbach's Alpha $\alpha = .94$ indicated that this scale had high internal consistency.

Figure 2. Direct and Indirect Effects of Employee Development Chart

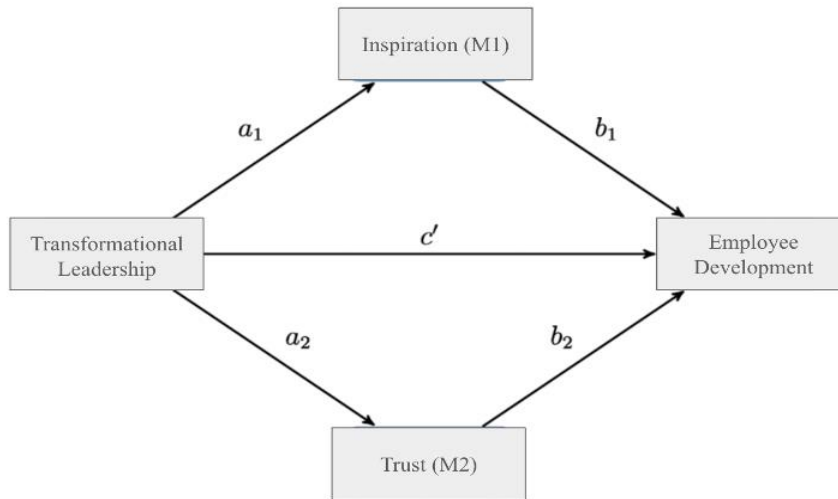
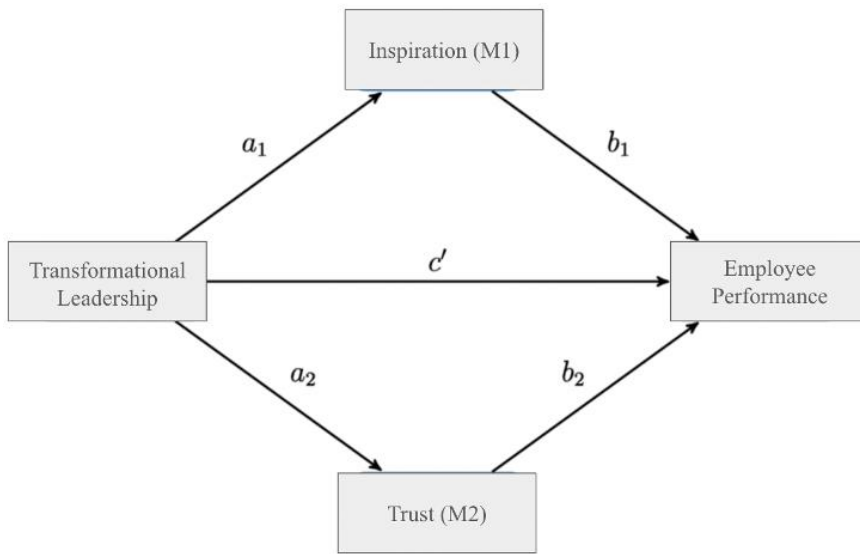


Figure 3. Direct and Indirect Effects of Employee Performance Chart



CHAPTER THREE

RESULTS

The study's goal was to investigate transformational leaderships relationship with employee development and performance. It was also intended to investigate whether inspirational leadership and trust significantly mediated the relationship between transformational leadership and employee development and performance. It was hypothesized that transformational leadership mediated by inspiration and trust would positively predict employee development (H1) and employee performance (H2).

Data Screening

A total of 434 responses were received when the data set was initially downloaded. Out of the 434 responses, 100 of the responses were collected from Mturk. It should be noted that participants who completed the survey through Mturk were compensated, whereas participants who completed it by word of mouth were not compensated with money.

To continue, researchers first excluded participants who did not have a supervisor, removing 50 participants. Subsequently, participants who did not answer 5 or more items in any of the scales were screened out, leading to another 89 responses being removed from the dataset. In addition, 20 participants were removed from the dataset if they had two answers to one question.

Finally, 5 participants were removed after researchers identified instances of careless responding. This included removing participants who had 7 or more of the same responses in a row and those who finished the survey in less than 5 minutes. This left a total of 270 responses in the finalized dataset.

Preliminary Analysis

Handling Missing Values

After filtering the data, researchers proceeded to identify which scales had missing values. To do this, researchers ran a frequency test in SPSS. It was found that there were around 60 missing values in the transformational leadership scale, job performance scale, trust scale, inspiration scale, and employee development scale. To accommodate for these missing values, we filled in the missing values utilizing the series mean function. This function replaced the missing values with the mean of the non-missing values. Researchers opted to utilize the series mean function instead of deleting these respondents due to concerns about excessive missing data and insufficient participant numbers. If researchers excluded the responses from the analysis, there would not have been enough participants.

Assessment of Normality Assumptions

Another analysis conducted as part of the preliminary analysis was to analyze the assumption of normality. To do this, researchers examined study variables for violations of skewness and kurtosis. It was noted that minimal

violations occurred; however, there was some kurtosis observed for the employee development variable (3.41), indicating a distribution with heavier tails and a sharper peak compared to a normal distribution. Researchers decided not to bootstrap since the Central Limit Theorem suggested that the sampling distribution of the mean will be normally distributed if the sample size is big enough (Kwak & Kim, 2017). Since the sample size of this study was 270, researchers decided not to bootstrap. Other than that, all other assumptions of normality were met.

Detection of Multivariate Outliers

Mahalanobis distance was used to determine whether there were any other multivariate outliers. The criterion for multivariate outliers utilizing Mahalanobis distance [$\chi^2(8) = 26.125, p < 0.01$] revealed that there were no significant outliers. However, there were 60 scores that were not included in the multivariate outliers since we utilized the series mean function to accommodate for missing values.

Correlational Analyses: Demographics Insights and Relationships

Lastly, two correlational analyses were run. The first correlational analysis was run to see insights into the demographic composition and relationship with the sample. Demographics included gender, age range, and education level (see Table 1). It was found that age range was positively correlated with education. In addition, it was also found that there was a small significant positive correlation between gender and age range. A second correlational analysis was run with

transformational leadership, inspiration, trust, employee development, and employee performance to see the relationship between these variables (see Table 2). It was found that transformational leadership and its relationship with inspiration ($r = .79$), trust ($r = .74$), employee development ($r = .57$), and employee performance ($r = .22$) all had a positive significant relationship. It was also found that job performance ($r = .31$), employee development ($r = .049$), and trust ($r = .77$) were all positively correlated with inspiration as well. Lastly, it was found that trust positively correlated with employee development ($r = .57$) and job performance ($r = .27$).

Table 1. Descriptive Statistics and Correlations for Demographics

Variable	<i>n</i>	<i>M</i>	<i>SD</i>	1	2	3	4	5
1. Gender	270	1.60	.49	.30				
2. Age Range	270	2.34	1.14	.165**	.002			
3. Education	269	3.09	.94	.74**	.001	.21		

Note. * ($p < .05$) ** ($p < .01$), reliabilities reported on diagonal

Table 2. Descriptive Statistics and Correlations for Study Variables

Variable	<i>n</i>	<i>M</i>	<i>SD</i>	1	2	3	4	5
1. Transformational Leadership	223	2.43	.77	.94				
2. Inspiration	209	5.09	1.50	.79**	.95			
3. Trust	210	5.55	1.40	.74**	.77**	.94		
4. Employee Development	210	5.56	1.02	.55**	.57**	.049**	.92	
5. Job Performance	209	6.48	.60	.23**	.22**	.27**	.31**	.88

Note. * ($p < .05$) ** ($p < .01$), reliabilities reported on diagonal

Mediation Analysis for Hypothesis 1

The mediation model for Hypothesis 1 studies the relationship between transformational leadership and employee development, with the mediation of follower's inspiration and trust in the leader. Transformational leadership was expected to have a positive impact on employee development with mediated by

the variables of followers' inspiration and trust in the leader. In this model, transformational leadership qualities were believed to inspire followers and help leaders gain their followers' trust and, in turn, enhance employee development. The (Preacher & Hayes, 2008) mediation analysis determined whether this hypothesis was supported.

The total effect of transformational leadership on employee development was statistically significant (Effect = 0.73, $SE = 0.08$, $t = 9.29$, $p=0.000$, 95% CI [0.57, 0.88]). The direct effect of transformational leadership on job performance was at .299 ($SE = 0.13$, $t = 2.29$, $p = 0.02$, 95% CI [.042, 0.56]). This shows that the direct effect of transformational leadership on employee development was significant. There was a significant mediation effect when it came to inspiration and its effect on employee development because of the (Effect = 0.28, $SE = 0.08$, $t = 3.50$, 95% CI [0.12, 0.45]). On the other hand, trust did not have a significant mediating effect on employee development since the (Effect = 0.04, $SE = 0.08$, $t = 0.50$, 95% CI [-0.12, 0.21]). This is because the confidence interval includes zero, which indicates the uncertainty of the relationship between each mediator on employee development.

In summary, the total effect of transformational leadership on employee development was significant. This indicated a strong positive relationship. To add on, the positive statistically significant results of the direct effect of transformational leadership on employee development means that transformational leaders did improve job performance of their employees. Lastly,

inspiration significantly mediated the effect of transformational leadership on employee development, whereas trust did not.

Table 3. Mediation Analysis Regression Table (Transformational Leadership → Employee Development)

Effect	Estimate	SE	95% CI		p
			LL	UL	
Interactions:					
Total Effect (TL → Employee Dev.)	.73	.08	.57	.88	.00
Direct Effect (TL → Employee Dev.)	.30	.13	.04	.56	.02
Indirect Effect(s)	.28	.08	.12	.45	–
Inspiration					
Trust	.04	.08	-.12	.21	–

Note. CI = confidence interval; LL = lower limit; UL = upper limit.

Mediation Analysis for Hypothesis 2

The mediation model for Hypothesis 2 looked at the relationship between transformational leadership and employee performance mediated by inspiration and trust. This hypothesis stated that transformational leadership was expected to have a positive effect on employee performance. This relationship was also proposed to be mediated by the follower's inspiration and trust in the leader. In this model, transformational leadership was believed to increase the performance of employees by gaining their followers' trust and inspiring their followers to perform better. The (Preacher & Hayes, 2008) mediation analysis helped to determine whether this relationship was supported or not.

The mediation analysis showed a significant solid total effect of transformational leadership on employee performance (effect = 0.18, SE = 0.05, $t = 3.36$, $p=0.001$, 95% CI [0.07, 0.29]). This means that transformational leadership has an impact on employee performance. The mediation analysis found that the direct effect of transformational leadership on employee performance was at 0.030 ((SE = 0.09, $t = 0.33$, $p= 0.74$, 95% CI [-0.15,0.21]). This effect was insignificant, and the confidence interval zero for trust meant uncertainty about the direct effect size. Neither trust nor inspiration portrayed a statistically significant mediation effect on the relationship between transformational leadership and employee performance. This was because (Effect = 0.03, SE = 0.09, 95% CI [-0.14, 0.20]) for inspiration and (Effect = 0.16, SE = 0.09, 95% CI [-0.02, 0.34]) for trust. Both confidence intervals include zero,

indicating the uncertainty of the relationship between the mediators and employee development.

Therefore, while transformational leadership positively influenced job performance overall, trust or inspiration did not significantly mediate this relationship. This indicated that other factors not explored in this study may be more crucial in explaining the relationship between transformational leadership and employee performance.

Table 4. Mediation Analysis Regression Table (Transformational Leadership → Employee Performance)

Effect	Estimate	SE	95% CI		p
			LL	UL	
Interactions:					
Total Effect (TL → Employee Perf.)	.18	.05	.07	.29	.001
Direct Effect (TL → Employee Perf.)	.03	.09	-.15	.21	.74
Indirect Effect(s)	.03	.09	-.14	.20	–
Inspiration					
Trust	.16	.09	-.02	.34	–

Note. CI = confidence interval; LL = lower limit; UL = upper limit.

Exploratory Analysis

Researchers ran a three-way ANOVA analysis to explore further the relationships between the demographics collected and transformational leadership, trust, inspiration, employee development, and performance. There were no significant relationships between the demographics of age, gender, education, and the dependent variables of employee performance and employee development (see Table 5 and Table 6). This meant that the age, gender, and education level of the participants did not serve as factors that could explain or predict variations in the performance levels or the developmental outcomes among individuals in the study. Since demographic variables did not show that the model was statistically significant, it suggested that participants' demographics were less likely to explain or impact the patterns observed in the conducted mediation analysis.

Table 5. Tests of Between-Subjects Effects for Job Performance

Source	<i>df</i>	Mean Square	F	Sig.
Gender	1	.14	.38	.54
Age	3	.67	1.83	.14
Education	4	.59	1.63	.17
Gender * Age	3	.41	1.13	.34
Gender * Education	4	.33	.91	.46
Age * Education	12	.18	.50	.91
Gender * Age * Education	7	.39	1.07	.38

Note. R Squared = .17 (Adjusted R Squared = .009)

Table 6. Tests of Between-Subject Effects for Employee Development

Source	<i>df</i>	Mean Square	F	Sig.
Gender	1	.10	.09	.01
Age	3	.36	0.33	.33
Education	4	1.98	1.82	1.82
Gender * Age	3	.52	.47	.47
Gender * Education	4	.39	.35	.35
Age * Education	12	.64	.59	.59
Gender * Age * Education	7	1.52	1.38	1.39

Note. R Squared = .17 (Adjusted R Squared = .009)

CHAPTER FOUR

DISCUSSION

Comprehensive Results of Mediators

Comprehensively, the results of this study built on a relatively unexplored topic of the mediation of inspiration and trust on the relationship between transformational leadership and employee performance and development. The study's results indicated that transformational leadership significantly affected employee development. The results also asserted that inspiration was a significant mediator between transformational leaders and employee development, whereas trust was not. This showed that Hypothesis 1 was only partially supported, so the null is partially rejected. Hypothesis 2 was also partially supported because transformational leadership had a significant total effect on employee performance. However, this relationship was not mediated by the hypothesized mediators (trust and inspiration) in this study. This means that the null hypothesis is also partially rejected for hypothesis 2. The findings of this study agreed with previous research. Breevert et al., 2016; Lai et al., 2020 claimed that “transformational leaders enhance followers' performance and development.” However, unlike prior research, this study specifically examined the relationship of two mediators on this relationship, which differed from past research. This revealed that the relationship between transformational leadership and employee performance may have been influenced by other mediators not considered in the current research study.

Exploring the relationship between transformational leadership and employee performance and development, mediated by inspiration and trust, is an intriguing topic since it dives deeper into the mechanisms through which leadership impacts organizational outcomes. The current study's findings highlight the intricacy of leadership dynamics. This shows that while transformational leadership significantly enhances employee development, this relationship is primarily mediated by inspiration rather than trust. This insight is vital as it underscores the specific pathways through which leaders can effectively enhance employee growth, suggesting strategies aimed at inspiring employees may be more impactful than those solely focused on building trust. Additionally, the partial support for Hypothesis 2 shows that other, yet unidentified, mediators could influence employee performance, prompting further investigation into additional factors contributing to this relationship. Understanding the intricate details of leadership and organizational performance advances existing theoretical frameworks and provides practical guidance for leaders aiming to optimize their influence on employee outcomes. By identifying and leveraging the most effective mediators, organizations can develop more target interventions to enhance employee performance and development, ultimately leading to enhanced organizational success.

Validity Issues in Measuring Trust as a Mediator

Several factors were looked at to further investigate why trust was not a mediating variable in the relationship between transformational leadership and

employee development. For example, there may have been a validity issue in the trust measure. The scale utilized to measure trust in this study may have yet to capture the relevant aspects of trust that mediate the relationship between transformational leadership and employee development. Since trust was a complex and multidimensional construct that could be measured in various ways, it was difficult for scales to capture all the relevant dimensions of trust. These dimensions were cognitive trust, affective trust, and behavioral trust – each based on distinct factors like competence and reliability, emotional bonds, and openness to vulnerability (Asfar & Umrani, 2020). The trust scale utilized in this study only captured the dimension of affective trust. It did not fully encompass the cognitive and behavioral dimensions of trust, which may have yielded results that did not match previous research findings. Past literature also found that most trust measures focus on attitudinal aspects, but integrating behavioral indicators of trust may provide a more comprehensive assessment of whether employees trust their leader (Baker, 2020).

The potential validity issues may be highly relevant to the results of this study. Suppose the scale utilized did not adequately capture all the aspects of trust. In that case, it may explain why trust did not emerge as a significant mediator in the relationship between transformational leadership and employee development. Inaccurate trust measurements could have led to an incomplete understanding of how trust functions within this dynamic, thus obscuring its proper role.

Cultural Variations and Trust Measurement

Another factor considered when it came to trust not mediating transformational leadership and employee development was the participants' differing cultures. Although the demographics of the study did not ask for participants' ethnicity, it may be assumed that participants came from diverse cultural backgrounds. Consequently, the constructs of trust and its manifestations vary across different cultures (Ngodo, 2008). Therefore, scales of trust developed in one cultural context may not be valid and relatable in others. All in all, the lack of mediation by trust in transformational leadership and employee development may be caused by several factors. Future researchers need to consider these factors when designing their methodologies.

Cultural variation is significant in further understanding why trust did not mediate the relationship between transformational leadership and employee development in this study. If the trust scale did not account for the cultural difference in how trust is perceived and manifested, it may have failed to capture actual levels of trust between participants and their leaders. The lack of cultural variation in the measurement could have led to an incomplete or inaccurate assessment of trust's role, thus preventing it from being a significant mediator.

Contextual Factors: The Influence, Insights and Implications

In addition, the result of trust and inspiration not being mediators of transformational leadership and employee performance highlights the importance of considering the differing organizational contexts of each participant. The differences in organizational practices and leadership styles could all contribute

to the discrepancies between this study and previous research (ALFadhlah & Elamir, 2021). For example, each organization's reward system and communication channels may significantly differ. Differences in how companies recognize and reward their employee's performance could have influenced the effectiveness of transformational leadership. One reason for this was that effective recognition and reward systems enhance employee motivation and engagement. When employees feel that their hard work is recognized and appreciated, they are more likely to respond positively to transformational leadership efforts (Khan et al., 2020). This was because employees would be more committed to the organization and perform on higher levels.

Furthermore, how open the communication is within an organization can also have an impact on a transformational leader's ability to inspire and build trust among their followers (Yue & Ferguson, 2019). If leaders supported open communication and honesty, employees would be more open to providing feedback on their questions and concerns, giving the leaders more information on how to guide their team correctly. Leaders can improve their team's functionality and overall performance by having a team that openly communicates their questions and concerns. Leadership styles also vary throughout each organization and employee. For example, when a top-down decision-making process was to be more prominent within an organization, transformational leaders encountered resistance to their efforts to inspire their employees. This was because this process limited employees from making their

own decisions, hindered communication throughout all levels of the organization, and created an impediment to embracing inspirational leadership practices (Tanner, 2024). On the other hand, in organizations where leaders granted their employees more autonomy and demonstrated respect for cultural differences and differing opinions, they tended to be more successful in inspiring trust and commitment among employees.

These insights highlight the importance for nuanced consideration of organizational contexts when interpreting the relationships between leadership styles, trust, inspiration, and ultimately employee performance. By acknowledging and adapting to these contextual factors, organizations can better harness the benefits of transformational leadership to foster a more engaged and productive workforce.

Additional Factors to Consider

Other factors that could have influenced the study results and contributed to the lack of significant mediation include measurement biases and limitations in sample representativeness. The study relied on self-report data, which could have introduced potential biases. This was because respondents' perceptions and interpretations of items may vary. Self-reporting biases could skew the accuracy of the data collected and affect the reliability of conclusions drawn on the relationship between transformational leadership and employee outcomes mediated by inspiration and trust. Additionally, the study sample might have yet

to fully represent diverse organizational settings, which could lead to limitations in the generalizability of the findings.

To summarize, the effectiveness of transformational leadership was closely interwoven with the organization's context. This included factors such as reward systems, the openness of communication, and the leadership styles within the organization. Variations in these features across differing organizations can significantly influence how influential transformational leaders are in inspiring and building trust among employees and how they are perceived. In addition, a variety of other factors, such as measurement bias, varying organizational context, and demographics of participants, may have affected the outcomes of this study. Ultimately, how transformational leaders understand and adapt to these different organizational dynamics will determine whether they effectively impact their employee's performance and development.

Theoretical Implications

The significant total effect results between transformational leadership and employee development and employee performance were supported by the theoretical framework of Bass (1985). This was because transformational leaders who inspire their followers encourage higher levels of employee growth and commitment. Additionally, the mediation results, where transformational leaders' total effect on job performance was positively significant, support the transformational leadership model. This was a model where transformational leaders increase followers' intrinsic motivation and performance by aligning their

employees' goals with the organizational goal (Bass & Riggio, 2006). Inspiration, being a significant mediator in the relationship between transformational leadership and employee development, also aligns with the inspirational motivation theory (Bass, 1999). This was because leaders who inspire and give employees a sense of purpose in their job can significantly affect their follower's attitudes and behaviors. Trust did not significantly mediate the relationship between transformational leadership and employee development or performance. Although trust is considered a fundamental element in leadership theories – especially in transformational leadership – its mediating role may not always be as significant as other mediating factors, such as inspiration (Mayer et al., 1995). Additionally, neither inspiration nor trust mediated the relationship between transformational leadership and performance. This may suggest that performance was influenced by a broad range of external factors that are not captured in this model.

Since there was no presence of mediation by inspiration or trust in the relationship between transformational leadership and performance, it advocates for the idea that an interplay of factors beyond the direct effects of leadership behaviors by itself influenced performance outcomes. This is known as the Contingency Theory. Some external factors that could influence employee performance are organizational structure and processes, external market conditions, team dynamics, resource allocation, and support, along with several other things (Diamantidis & Chatzoglou, 2019). Firstly, if an organization has a

rigid structure, this may constrain employees' autonomy along with employee innovation, regardless of leadership. For instance, if an organization had inflexible roles with limited cross-functional collaboration between teams, employees would not have had the opportunity to collaborate with diverse perspectives from other departments, which could hinder the development of more innovative approaches to tasks and projects. Secondly, economic conditions and market competition can create challenges affecting employee performance. For example, if the economy were struggling, consumer spending would be reduced, leading to lower sales. This could have made it difficult for employees to perform well if there were not enough consumers. Thirdly, the team dynamic of an employee within an organization could have also affected how they performed because if the team could not agree on a shared goal, the employee's productivity would have decreased (Ji & Yan, 2020). Lastly, how an organization allocates its resources would have significantly hindered or enhanced employee performance. For instance, if resources were to be limited and employees needed to have the necessary tools to succeed, employees may be required to take additional steps that are not needed, leading to overwork and burnout. Although these are only a few external factors that could impact employee performance, organizations need to consider them. Organizations need to understand that performance outcomes are not only influenced by leaders, but also by a large array of external factors that interact with leadership practices within the company.

Practical Implications

The results of this study provided a detailed analysis of how elements of transformational leadership mediated its effect on important topics such as employee performance and development. The study's finding that inspiration significantly mediated the relationship between transformational leadership and employee development supported the theoretical importance of inspirational motivation. These findings highlighted the theoretical foundations of transformational leadership theory. According to (Bass, 2000; Vera & Crossan, 2004), transformational leaders are characterized by their ability to inspire and motivate their followers through a compelling vision. This aligns with the idea that transformational leaders could have inspired their employees, stimulating their employees to pursue innovative ideas, expand their skills, and effectively contribute to organizational goals (Christensen et al., 2010; Thrash et al., 2010). To add on, the theoretical basis of transformational leadership asserted that by creating a compelling vision and expressing enthusiasm, leaders can inspire others to exceed their own presupposition (Bakker et al., 2022). Moreover, as noted in the constructive development theory (Crane & Hartwell, 2018), transformational leader's ability to support and challenge their followers encouraged their followers to enhance their own mental complexity, and therefore enhanced their capability to be innovative and to problem-solve.

To summarize, the practical implications taken from the relationship between transformational leadership, inspiration, and employee development

were in already existing theoretical frameworks. By strengthening inspirational motivation behaviors, transformational leaders can create an environment where employees are able to contribute to both their own individual and the overall organizational success in a competitive business environment (Bass, 1985; Odumeru & Ogbonna, 2013).

To add on, these findings can direct policymakers in an organizational setting to develop training initiatives that emphasize inspirational leadership. This will lead to enhanced employee skills and overall organizational effectiveness. To add on, policymakers can opt to implement policies that promote open-communication and employee recognition systems to enhance the effectiveness of leadership practices. By doing so, employees will be inspired to perform better and trust in their organization's ability to succeed.

Limitations

The limitation of this study was that there was a convenience sampling bias. Utilizing a convenience sampling method that relied on a snowball effect could have introduced selection bias. This could have led to less generalizability. In addition, the study relied on self-report measures, which could have influenced social desirability bias among individuals. Although to help with this, researchers stressed that the survey was anonymous to encourage participants to answer truthfully. Further limitations of the study were that the survey allowed participants to have two answers for the matrix questions rather than one. In

future studies, researchers should only allow participants to choose the best possible answer to match the statement so unnecessary data is recovered.

In addition, no attention checks were incorporated into the survey. To correct this, researchers checked for careless responses by checking respondents' data patterns (Ward & Meade, 2023). There was no evidence of long stringing or invariability in participants' answers, which showed that respondents' data patterns were not abnormal. If there was to be evidence of this, researchers would remove the participant from the dataset to ensure the quality of the data. In addition, the participants who completed the survey through Mturk knew they needed to answer the survey questions well to get paid the amount promised to them; therefore, the likelihood of those respondents carelessly responding was lower. Qualtrics estimated that the survey length was 5 - 8 minutes. (Ward & Mead, 2023) stated how lengthy surveys could have increased careless responding, and luckily, the survey was short - although it does not guarantee careless responding (Gibson, 2016). Most respondents scored within this range. However, a few took a few days to complete the survey and 5 were removed because they finished the survey too quickly. There were few respondents who were removed due to careless responses. To correct this limitation in future studies, it is recommended that researchers incorporate attention checks in the survey to ensure that participants are not carelessly responding.

Next, job performance had a slightly lower Cronbach's Alpha score $\alpha = .88$ compared to the other scales. This lower Cronbach's Alpha score could have led to increased measurement error, lower internal consistency, and reduced reliability. This may mean that the items on the scale are not as strongly correlated, there is a chance of reduced data precision, and it could have led to inaccurate conclusions. Future researchers could choose to select another job performance scale with a Cronbach's Alpha $\alpha = .90$ and above to avoid these issues.

Lastly, the current study was a cross-sectional study at a one-time point. This leads to a static view of relationships and variables and prevents researchers from establishing causality or understanding how variables change over time. Future studies should conduct a longitudinal study to further delve into transformational leadership dynamics and their relationship with employee performance and development.

Future Research

The results of this study provided several implications for future research. Firstly, a variety of mediators can be explored in the relationship between transformational leadership and the outcomes of employee development and performance. For example, can performance be mediated by external factors such as organizational communication, organizational culture, or psychological empowerment? Future studies should explore these mediators because they capture the contextual and psychological factors that can either enhance or

impair the relationship between transformational leadership and employee performance and development. Of equal importance, future research can also conduct a comparative study across various organizational settings to further understand how different organizational contexts affect the efficacy of transformational leadership. This will further the contextual understanding of organizations and enhance the validity and applicability of research findings. Lastly, future research can conduct a longitudinal study to examine the long-term relationship transformational leaders have on their employee's job performance and growth. This type of study will deepen the understanding of the effects of transformational leadership on performance and employee growth and advance leadership research.

Conclusion

This study further explored the impact of transformational leadership on employees within an organization, specifically focusing on the roles of inspiration and trust. It presented an expanded examination on how inspiration and trust mediated the role of transformational leadership on employee performance and growth. It dissected the relationship between transformational leadership, inspiration, trust, performance, and development. To better understand this relationship, future research should continue to explore other potential mediating variables of this relationship, by looking at idealized influence or other key components of transformational leadership. There will always be a need for high

employee performance within an organization which makes it critical that organizational leaders improve upon their abilities to motivate their employees, to develop their abilities, and to perform at higher levels.

APPENDIX A

SCALES

Multifactor Leadership Questionnaire (MLQ) Form 6S

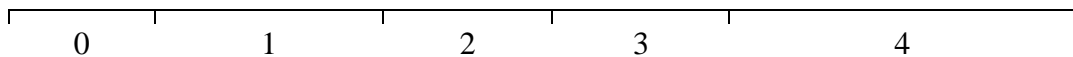
Avolio & Bass (1992)

Thinking of your one most direct supervisor, please rate your leader on the following statements using a scale from 0 to 4, where 0 represents “Not at all” and 4 represents

“Frequently, if not always”.

The rating scale is as follows:

Not at all Once in a while Sometimes Fairly often Frequently, if not always



1. My leader makes others feel good to be around them
2. My leader expresses with a few simple words what we could and should do
3. My leader enables others to think about old problems in new ways
4. My leader helps others develop themselves
5. My leader tells others what to do if they want to be rewarded for their work
6. My leader is satisfied when others meet agreed-upon standards
7. My leader is content to let others continue working in the same ways always
8. Others have complete faith in my leader
9. My leader provides appealing images about what we can do
10. My leader provides others with new ways of looking at puzzling things

11. My leader let others know how I think they are doing
12. My leader provides recognition/rewards when others reach their goals
13. As long as things are working, my leader does not try to change anything.
14. Whatever others want to do is OK with my leader
15. Others are proud to be associated with my leader
16. My leader helps others find meaning in their work
17. My leader got others to rethink ideas that they had never questioned before
18. My leader gives personal attention to others who seem rejected
19. My leader calls attention to what others can get for what they accomplish
20. My leader tells others the standards they have to know to carry out their work
21. My leader asks no more of others than what is absolutely essential.

Performance Scale

Williams & Anderson (1991)

Please reflect on the following statements in regard to your job performance based on your past experiences and job evaluations. Your honest and thoughtful responses are valuable for our understanding. There are no right or wrong answers, and we encourage you to provide feedback that accurately reflects your experiences. Your responses will help us gain insights into areas needed for this study. Thank you for your openness and sincerity.

The rating scale is as follows:

Strongly	Disagree	Somewhat	Neither	Somewhat	Agree	Strongly
Disagree		Disagree	agree nor	Agree		Agree
			disagree			
1	2	3	4	5	6	7

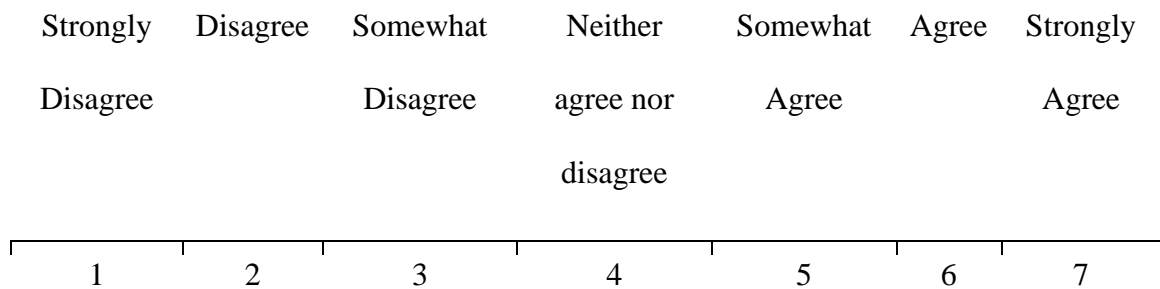
1. I adequately complete assigned duties.
2. I fulfill responsibilities specified on the job description.
3. I perform tasks that are expected from me.
4. I meet formal performance requirements of the job.

Employee Development Scale

Jangbahadur & Sharma (2018)

Please rate your feelings on the following statements using a scale from 1 to 7, where 1 represents “Strongly Disagree” and 7 represents “Strongly Agree”.

The rating scale is as follows:



Training and Skill Development:

1. I attend the training programs that are provided for me in this organization.
2. I normally attend training programs every few years.

Self-Development:

1. The job allows me to make a lot of decisions on my own.
2. Gaining new information about ways to perform work most effectively is important in my organization.
3. The job gives me the chance to use my personal initiative of judgment to carry out the work.

Career Development:

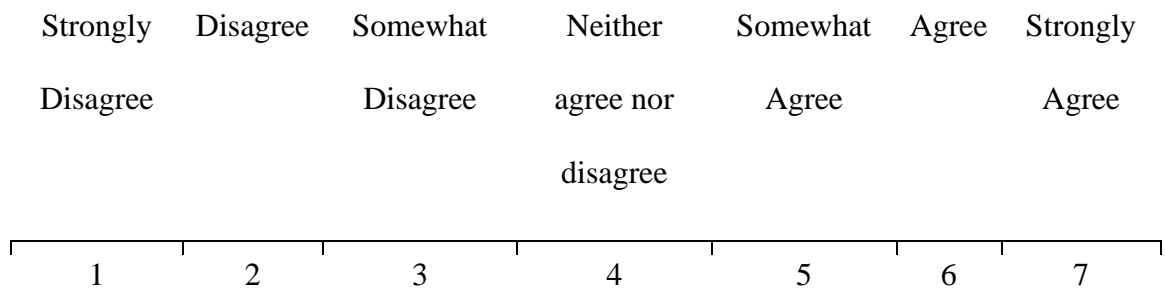
1. I consulted my manager about the development of my career.
2. I assess my career plan frequently.
3. I develop my skills to achieve my career goals.
4. I take action for my own personal development.

Inspiration Scale

Ameen et al. (2020)

Please rate your feelings on the following statements using a scale from 1 to 7, where 1 represents “Strongly Disagree” and 7 represents “Strongly Agree”.

The rating scale is as follows:



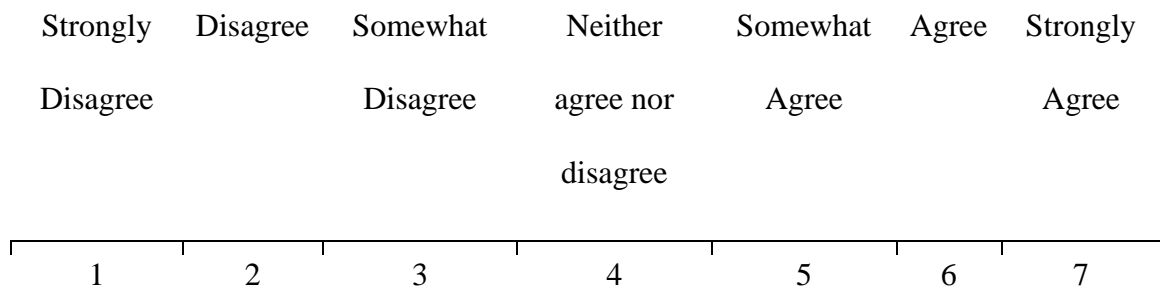
1. I feel uplifted by my leader’s optimistic discussions about the future.
2. I feel motivated since my leader talks enthusiastically about what needs to be accomplished.
3. I feel inspired by my leader’s articulation of a compelling vision for the future.
4. I feel a sense of confidence when my leader expresses belief in the achievement of goals.

Trust Scale

Podsakoff et al. (1990)

Please rate your feelings on the following statements using a scale from 1 to 7, where 1 represents “Strongly Disagree” and 7 represents “Strongly Agree”.

The rating scale is as follows:



1. I feel quite confident that my leader will always treat me fairly.
2. My manager would never try to gain advantage by deceiving workers.
3. I have complete faith in the integrity of my manager/supervisor.
4. I feel a strong loyalty to my leader.
5. I would support my leader in almost any emergency.
6. I have a strong sense of loyalty toward my leader.

Demographics Scale

Please answer the following demographic questions to the best of your ability. Your responses will remain confidential and will be used solely for research purposes.

1. What is your gender?
 1. Male
 2. Female
2. What is your age range?
 1. 18 - 29
 2. 29.5 - 39
 3. 39.5 - 49
 4. 49.5 and up
3. Which of the following best describes your education level?
 1. High School diploma or equivalent
 2. Some college or associate degree
 3. Bachelor's degree
 4. Master's degree
 5. Doctorate or professional degree

APPENDIX B
INFORMED CONSENT

INFORMED CONSENT

The study in which you are being asked to participate is designed to investigate the effects of transformational leadership on employee performance and employee development. This study is being conducted by Kayla Pham under the supervision of *Professor Janelle Gilbert, Professor of Psychology, California State University, San Bernardino*. This study has been approved by the Institutional Review Board, California State University, San Bernardino.

PURPOSE: The purpose of this study is to determine whether transformational leaders increase employee development and employee performance through their ability to inspire and trust in their followers. Variables such as performance, employee development, inspiration, and trust will be defined and investigated in order to discern whether transformational leaders are making a positive difference within the organization. Understanding how transformational leaders' behaviors are able to influence employee behavior will improve organizational effectiveness since employees will be motivated to perform at their full potential.

DESCRIPTION: This study aims to examine the impact of transformational leadership on employee performance and development. Participants will be asked to fill out questions via electronic survey provided by the researchers and this will take 15 minutes. Participants will answer questions relating to their leader and their feelings towards their own employee development and performance and their age.

PARTICIPATION: Your participation is completely voluntary and you do not have to answer any questions you do not wish to answer. You may skip or not answer any questions and can freely withdraw from participation at any time.

CONFIDENTIAL: The following study will be confidential. The survey will not be asking for names, but will ask demographic questions such as gender, age range, education level, and how long the participant has held the position. The questionnaire exploring the effects of transformational leadership on employee development and performance mediated by inspiration and trust will only ask questions regarding participants' feelings towards their leader and their feelings on their own professional performance and development. The only individuals that will have access to and see this information are the principal and co-investigator of the study. Although the IP address is automatically collected, this information will be removed before the transfer of data to SPSS. To add on, the survey software being utilized is password protected and all devices utilized for the study will be password protected.

DURATION: This study requires participants to complete the survey once. Participants will be asked to answer a 15-minute survey online through Qualtrics.

The survey can be completed at the convenience and in the environment that works best for participants.

RISKS: There are no immediate, short-term, or long-range risks that may arise for participants because of procedures associated with this study. If participants no longer want to participate in the study, they can choose to stop participating in the study at any time. Ceasing their participation will not impact participant's relationship with the researchers or university.

BENEFITS: There are no guaranteed benefits when participating in this study. Instead, participants will be providing researchers with vital data that helps us gain a better understanding on the effects of transformational leadership on employee performance and development.

CONTACT: For further information or if you have any questions, please contact Dr. Janelle Gilbert, Email: Janelle@csusb.edu. The study has been approved by the Institutional Review Board, California State University, San Bernardino.

CONFIRMATION STATEMENT: By proceeding to the next page, I have read and understand the consent document and agree to participate in your study.

APPENDIX C
INSTITUTIONAL REVIEW BOARD APPROVAL



March 29, 2024

CSUSB INSTITUTIONAL REVIEW BOARD
Administrative/Exempt Review Determination
Status: Exempt
IRB-FY2024-251

Janelle Gilbert Kayla Pham
CSBS - Psychology
California State University, San Bernardino
5500 University Parkway
San Bernardino, California 92407

Dear Janelle Gilbert Kayla Pham :

Your application to use human subjects, titled "Examining the Impact of Transformational Leadership on Employee Development and Performance: The Role of Inspiration and Trust" has been reviewed and determined exempt by the Institutional Review Board (IRB) of California State University, San Bernardino under the federal regulations at 45 CFR 46. As the researcher under the exempt category, you do not have to follow the requirements under 45 CFR 46 which requires annual renewal and documentation of written **informed consent** which are not required for the exempt category. However, exempt status still requires you to attain **consent** from participants before conducting your research as needed.

Your IRB proposal is approved. This approval is valid from March 29, 2024.

This approval notice does not replace any departmental or additional campus approvals which may be required including access to CSUSB campus facilities and affiliate campuses. Investigators should consider the changing COVID-19 circumstances based on current CDC, California Department of Public Health, and campus guidance and submit appropriate protocol modifications to the IRB as needed. CSUSB campus and affiliate health screenings should be completed for all campus human research related activities. Human research activities conducted at off-campus sites should follow CDC, California Department of Public Health, and campus guidance. See CSUSB's [COVID-19 Prevention Plan](#) for more information regarding campus requirements.

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