

**THE INFLUENCE OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE
COMMITMENT: CONFLICT MANAGEMENT AS A MEDIATING VARIABLE**

UNDERGRADUATE THESIS



Written By :

Chinyabuuma Bengibabuya Esther

20200410566

INTERNATIONAL PROGRAM OF MANAGEMENT AND BUSINESS

FACULTY OF ECONOMICS AND BUSINESS

UNIVERSITAS MUHAMMADIYAH YOGYAKARTA

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CHAPTER I

INTRODUCTION

A. Background

Known for constantly providing outstanding goods and services, SNEL (National electricity company of the Democratic Republic of the Congo), one of the major players in the public sector, has long been a leader in its industry. Despite its outward success, the organization is grappling with the challenges posed by task and value conflicts within its workforce. Task conflict results from contrasting viewpoints and approaches to a given project, Strategy, or job. Although a strength, the organization's diverse personnel frequently bring different views and practices to the table, which can cause conflicts in decision-making and impede growth. On the other hand, value conflict results from differences in employees' firmly held ideas, moral standards, and personal values. This kind of confrontation stirs strong feelings in people and can damage relationships, impacting morale and teamwork.

The coexistence of both types of conflicts has been a source of potential growth and concern for SNEL. Task conflict can promote creativity, critical thinking, and innovative problem-solving if managed effectively. However, if left unaddressed, it may lead to unproductive arguments and delays in project completion. Similarly, value conflict can fuel constructive discussions that enrich the company's culture or escalate into animosity that undermines collaboration and productivity. As we proceed, the company must realize the significance of confronting these difficulties head-on and encouraging open communication, empathy, and understanding among its staff. The organization can use these conflicts to drive innovation, development, and long-term sustainability.

Organizations face various difficulties in today's globalized environment that may negatively impact their performance and output. Conflict in the workplace is one of these difficulties, which is becoming more common because of several variables, including cultural diversity, organizational change, and differences in values and views. Therefore, it is crucial to use conflict management techniques that encourage teamwork and communication among workers. By embracing conflict management techniques, organizations can foster harmonious

relationships among their staff members, resulting in productivity gains in the face of all the odds.

In today's world, leadership styles are the most crucial factor in developing the best results from employees (Mubashir, 2023). Leadership styles influence employees' behaviour (Chammas & Hernandez, 2019). Leadership is responsible for managing employee attitudes. Transformational leadership, transactional leadership, and laissez-faire leadership are the three primary forms of leadership (Mubashir, 2023). The leader must handle subordinates' conflicting behaviours (Ayoko & Konrad, 2012). Leadership is the practise of persuading others to work together to achieve organisational goals.

Despite the size or structure of their different organizations, most leaders aim to maximize the performance of their employees to achieve organizational objectives. Indeed, leadership has been characterized as inspiring employees to attain organizational goals. As a result, it is not unexpected that considerable effort has been expended in attempting to encourage the workforce to reach this goal. The leader's style is considered especially important in meeting the goals of the organisation, with studies consistently showing the advantages of leadership that is transformational over more traditional forms, such as the transactional leadership style, in terms of achieving the organization's goals (Hussein et al., 2022).

Conflict, according to (Ajudeonu & Ossai, n.d.), it is a friction that can develop during interactions between two or more people. It is a natural and unavoidable aspect of human existence rooted in the contradictory actions of individuals and social organizations. Conflict management is a critical aspect of human resource management. It entails locating, addressing, and resolving disputes inside an organization or controlling the level of discord in a way that fosters efficiency and worker satisfaction. Conflict management is essential for efficient human resource management since it increases productivity and employee satisfaction, according to "Dynamics of Conflict Management in the Democratic Republic of the Congo" (Namangale, 2018). Any workplace might experience conflict when there are divergent views or interests regarding how things should be done. Disagreements can turn into fights if they are not managed appropriately, which lowers morale and slows down efforts to accomplish corporate objectives. The root cause(s) of the issue(s) must be fully understood for conflict management to be effective. Managing conflict correctly fosters a culture where workers feel free to express their ideas without fear of retaliation or judgment from others. Conflict Management improves team connections and increases job satisfaction, improving overall

performance. Implementing conflict Management procedures within human resources departments will unquestionably help organizations by encouraging improved employee communication and reducing misunderstandings that may obstruct work processes.

Effective conflict management is inextricably linked to the leader's preferred leadership style, as it significantly impacts how disagreements are managed and ultimately resolved within a team or organization. A leader's approach, whether collaborative and empathic or authoritarian and directive, substantially impacts team members' communication, cooperation, and harmony throughout conflict resolution processes.

However, according to Mubashir (2023), five types of conflict-handling styles are considered, i.e., collaborating, compromising, competing, avoiding, and accommodating. However, since styles overlap, Ayoko (2017) proposes the book method for conflict resolution that comprises three styles: problem-solving behavior, dominant conflict behavior, and non-confronting conflict behavior. Integrating and compromising conflict behaviors are examples of problem-solving behaviors. It is a conflict resolution technique that emphasizes finding a win-win solution for all parties concerned. Dominating conflict conduct is a competitive approach to conflict in which one side wins at the expense of the other. Non-confronting conflict behavior is a conflict avoidance strategy focusing on avoiding or reducing conflict.

Meanwhile, Carnes (2011) states that "better morale among employees" can be achieved by fostering an atmosphere that encourages conflict Management (Carnes, 2011). It also helps productivity by keeping team members focused on their work rather than the interpersonal issues that could otherwise disrupt their concentration. An organization can succeed in terms of organizational Strategy if it has a long-lasting competitive advantage (Taib et al., 2018). Performance in most organizations has fallen significantly in recent years because of frequent organizational Conflicts. The functioning of an organization eventually suffers because of workers' persistent requests for improved working conditions and other interests (Agusioma, 2019). Research has shown that leaders' involvement can impact conflict management in several ways. Firstly, leaders who are actively engaged in the conflict management process can create a positive and supportive work environment where conflicts are addressed promptly and effectively. Leaders can help to set the tone for conflict resolution by actively supporting open communication, negotiation, and collaboration and creating a safe space for employees to share their problems and frustrations. Second, leaders can offer mediation and facilitation services to help employees discover common ground and reach mutually beneficial solutions (Thierry,

2021). Leaders can use leadership skills, such as effective communication, active listening, and emotional intelligence, to navigate conflicts and guide employees to resolve their differences constructively.

While previous study, such as Mubashir (2023) & Hussein et al. (2022), has found a link between leadership styles and employee commitment. Mubashir's (2023) finding focuses more on transformational and transactional leadership as they positively and significantly influence employee commitment. Furthermore, Hussein et al. (2022) discovered that conflict resolution has a positive and important effect in mediating the relationship between transformative leadership and employee commitment.

As a matter of principle, effective leaders in organizations have committed supporters. It follows that it is not unexpected that proponents of certain theories of leadership, such as charismatic, transformational, and transactional, regularly emphasize employee commitment as a potential effect (Hussein et al., 2022). It also comes as no surprise that leadership is regularly cited as a crucial factor in the growth of employee commitment by commitment theorists. Surprisingly, there hasn't yet been a thorough attempt to combine information about the connections between commitment and leadership from the previous literatures. However, according to research, laissez-faire leadership could increase team member conflict and affect employee commitment. Employees who reported working under laissez-faire leaders were more likely to suffer interpersonal conflict, such as conflicts or disagreements with coworkers, according to a study (Nielsen et al., 2019). The previous studies still need to be more consistent regarding strategies for effective leadership style on employee commitment. Therefore, this research will discuss the influence of Transformational leadership on employee commitment in more depth by exploring the mediation variable which is conflict management.

B. Research Questions

Based on the background of the study, the research questions in this study are formulated in the following ways:

- 1) Does Transformational leadership affect employee commitment?
- 2) Does Transformational leadership affect conflict Management?
- 3) Does conflict management affect employee commitment?
- 4) Does conflict management mediate the link between transformational leadership and employee commitment?

C. Research Purpose

Based on the problem formulation above, the research purposes are as follows:

- 1) To analyze the effect of Transformational leadership on employee commitment
- 2) To analyze the effect of Transformational leadership conflict management
- 3) To analyze the effect of conflict management on employee commitment
- 4) To analyze the effect of conflict management, mediate the link between

Transformational leadership and employee commitment.

D. Research Benefits

Based on the research purpose, the research benefit is to contribute to the existing knowledge based by providing insights into the interplay between Transformational leadership and employee commitment in SNEL(National electricity company of the Democratic Republic of the Congo). The findings can inform academia and practitioners, helping organizations navigate challenges and develop strategies to enhance employee commitment, employee well-being, organizational performance, and conflict management.