

## THE EFFECT OF LEADERSHIP STYLES ON GROUP ENGAGEMENT AT SSEAYP: A PERSON-CENTERED APPROACH\*

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### Abstract

This study was conducted with the objectives of investigating the leadership styles practiced by national leaders (NLs) at SSEAYP; how different leadership styles influence group engagement of participating youths (PYs) and how that relationship was moderated by leader-member-exchange relation. As SSEAYP is one of the most successful youth program in the world and it is very important to build trust, friendship, cross-cultural mutual understanding, and future cooperation among ASEAN and Japan, it is very important to select well representing youth ambassadors of the country. The findings from this research would not only be able to use in the selection and training of future NLs, and PYs, it can also be applied in industry setting. Data was collected from 104 PYs from ASEAN and Japan from 43<sup>rd</sup> SSEAYP. Google form questionnaire was sent to over 300 participants to answer online. Two step cluster analysis was used to classify different leadership profile and regression analysis was used to analyze the impact of leadership styles on LMX and engagement. From the results, 4 distinct profiles of leaders among 43<sup>rd</sup> SSEAYP came out such as very high transformational, high transactional, and low transformational style (Cluster 1); very high transformational, moderate transactional, and very low laissez-faire style (Cluster 2); low transformational, low transactional and low laissez-faire style (Cluster 4); and medium transformational, low transactional, very low laissez-faire style (Cluster 5). It was found that Cluster 1 leaders can create a strong leader-member exchange relationship and lead to highly engaged team. LMX serves only a partial mediator. Cluster 2 leaders have positive significant effect on employee engagement and LMX but to a lesser extent than Cluster 1 leaders. Cluster 4 leaders can generate very negative engagement and relationship with PYs. For Cluster 5 leadership, their engagement and LMX is not significantly influenced by this type of leadership style. LMX either does not mediate for this relationship as well. Group engagement is of great importance for the PYs to generate favorable outcomes to the team to create better image of the country as highly cooperative, engaging, and outperforming delegates among ASEAN and Japan. The findings suggested that the government should consider great care in selecting and training of NLs and PYs for the program because it is held every year and need top, and talented youths who will raise the flag high among international community. It can also be contributed to business world where managers need to nurture their leadership styles and take great care of forming a good relationship with subordinates to elicit employee engagement. Leaders should take care of their way of interacting with subordinates and they should be equipped with proper knowledge, skills and attitude which would be used in different situations with different people. This study also warned the importance of relationship that a leader should build with his or her subordinates in order to create more engaging workplace.

**Keywords:** transformational leadership, transactional leadership, and laissez faire leadership, engagement, leader-member exchange.

### Introduction

Leadership is a process whereby one individual influence a group of individuals to achieve a common goal (Northouse, 2004). One of the main basis of organizations is having a competent leader for influencing and affecting employees, and directing them toward the predetermined organizational goals (Dhivya, 2015). Leadership is the main source of productivity, efficiency, motivation, commitment, job satisfaction, and employee engagement. It can make the whole organization lead the radical change, survive in the high competition, and strive for innovation. Leadership approaches can be categorized into seven groups: character

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traits, leadership styles, situational leadership, contingency theory, path-goal theory, transformational leadership theory, leader-member exchange theory or LMX. Among them, full range theory which is the baseline of transformation, transactional and laissez-faire leadership styles are the ones that are recently used these days. Good leaders have the remarkable ability to motivate and encourage employees to be and give their best. These leaders positively influence their employees to work toward reaching the established vision and objectives of the organization. It is therefore crucial for advancing organizations as these leaders inspire employees towards the vision and role model the attitudes and behaviors expected of employees. Studies show that leadership is positively related to work engagement and that it is these leaders that are able to motivate employees to become more engrossed in their work. As a result, this leads to higher levels of job satisfaction, commitment of employees and increased productivity within organizations. Understanding leadership and its impact on the engagement of employees has therefore become of utmost importance irrespective of management/supervisory levels as it has been found that even first-line supervisors within an organization will directly affect the engagement of its employees (Gibbons, 2006).

The Ship for Southeast Asian and Japanese Youth Program (SSEAYP) is an international youth exchange program sponsored by cabinet office of the government of Japan, in cooperation with ASEAN countries. It has been launched in 1974 and 2019 would be its 46<sup>th</sup> anniversary. Host to young, talented and highly brilliant youth ambassadors from ASEAN and Japan, SSEAYP plays a very crucial role to build regional integration, future cooperation, cross-cultural understanding and economic and social initiatives. The program last about 52 or 53 days and participants have to travel Japan and some ASEAN countries alternately by the ship specially built for that program. Every year, 28 participating youths (PYs) and over 30 participants from Japan were selected to represent their countries together with 1 national leader (NL) respectively. All the PYs from different countries pass through very tough selection process, smart training and thorough preparation under the guidance of their leaders.

In order to represent their countries well, as well as enjoy the program at the same time is very stressful job for the PYs as they have to perform different roles and responsibilities, sometimes to act creatively and actively under limited time frame. They have to follow the tight schedule and prepare their day to day activities which is quite challenging and highly competitive, and important responsibility for their country. As they are top performers in their countries and to represent their own countries, each and every PY used to be so motivated, has their own ideas and skills to show their abilities and to promote the image of their countries. Conflict is inevitable in such kind of circumstances and a good leadership is the top important factor for the performance of the whole team. While each and every PYs role is very important to accomplish many of the activities throughout the program, their engagement is vital to have consistently from beginning till the end of the program.

In order to keep the whole team organized, highly motivated and in high morale, leaders not only need to lead the whole team with high inspiration, they sometimes need to control with strict rules and regulations while maintaining a good relationship and strong tie. It is clear in such a situation that a specific type of leadership style is not the one that leaders solely rely upon. The basic assumption is that a good leader is the one who is admired and loved by the PYs and sometimes control the team in a strict manner. The traditional view that leadership styles are classified into three under full range theory but that three leadership styles are no longer viewed

as the ones that differentiate leaders, rather they are what make leaders in different combination. The purpose of this study is therefore to view leadership styles in person centered approach rather than variable centered approach used traditionally. Research questions are:

- (1) Can leadership styles of NLs be differentiated into clusters composed of three different leadership styles?
- (2) What is the impact of different leadership profiles on leader-member exchange (LMX)?
- (3) What is the impact of different leadership profiles on group engagement?

The objectives of this study are:

- (1) To classify leaders into different profiles which composed of three leadership styles based on the leaders' characteristics and preferences;
- (2) To analyze the impact of different leadership profiles on exchange relationship and
- (3) To analyze the impact of different leadership profiles on engagement of PYs.

### **Literature Review**

Leadership can be defined as being part of a group process, being linked to individual personality, a function of influence, a form of persuasion, a power relationship and many combinations of these approaches. Leadership is about influence and relies heavily on the interpersonal aspects of the relationship between the leader and follower. Owusu- Bempah (2014) mentioned in favor of a follower-centric approach, emphasizing followers' contribution and roles in the leadership process. It has been shown that leadership is an evolving concept, but it could be satisfactorily defined as the process of interactive influence that occurs when, in a given context, some people accept someone as their leader to achieve common goals. This concept seems to fit properly to the modern concept of leadership that gives the leader, the followers, and the context a very important role in the leadership process.

In order for developing leaders to fully understand the relevance of today's leadership evolution, it is essential that they are familiar with the past theories to ground their leadership growth. There are more individual leadership theories that have evolved since the early twentieth century: great man, trait, behavior, participative, situational, contingency, transactional, and transformational theories. This leadership theory background will provide a relevant foundation for the main focus of full-range leadership. (Arenas, Connelly, & Williams, n.d.)

### **Full Range Leadership Model (FRLM)**

In the Full Range Leadership Model (FRLM), the components exist in a single continuum that ranges from the highly active and effective leadership style called transformational to other end of the continuum which is passive and ineffective leadership style called laissez-faire, in the middle of the continuum transactional leadership style is represented. FRLM is used in this research work because it is the dominant theory in the recent leadership studies.

Bass (1998, 1990) and his colleagues (Bass and Avolio, 1993) further conceptualized transformational leadership into four components: idealized influence; inspirational motivation; intellectual stimulation; and individualized consideration. Each of the components helps to build followers' commitment in different ways (Angle & Perry 1983, Bass 1985). The first two

dimensions represent the notion of 'charisma' and are based on a follower's admiration for a leader, in equal measures as a follower's confidence in a leader's vision and his or her values. The third dimension, intellectual stimulation is concerned with providing followers with challenging tasks. Individualized consideration, as the last transformational dimension, describes the degree to which leaders are concerned with the follower's individual needs and wants. (Rothfelder, Ottenbacher, & Harrington, 2012). Transformational leaders are effective in promoting organizational commitment by aligning goals and values of the follower, the group, the leader, and the organization (Avolio & Bass. 1991). Its strong, positive effects on followers' attributes and commitment will then motivate followers to reach their fullest potential and exceed expected performance (Aven, Parker & McEvoy 1993).

On the other hand, Bass (1990) and Bass and Avolio (1995) developed that transactional leadership involves two distinct dimensions. The first dimension is the use of contingent rewards, which implies that leaders reward followers in exchange for attaining the specified performance levels. The second dimension is management by exception (MBE), which has the dimensions of Active and Passive. In Active MBE, leaders monitor their followers' performances and take corrective actions as necessary. In Passive MBE, leaders do not intervene until mistakes or problems occur, then leaders take corrective actions. The transaction between the leader and the employees in doing work is totally based on promise of what the employees need in exchange for the needs of leader (Lai, 2011). The leader may use reward system which can be negative like punishment whenever employees disagree with or it can be positive like praise and recognition, if employees agree with the goal and directions set by the leader. Transactional leadership involves making sure that organizations are managed according to the plans and rules and regulations. This leadership style limits or fences the long run vision of the leader and the engagement level of employees.

The FRLM also visualizes Laissez-faire leadership as an inactive and ineffective form of leadership in which there is no leadership, no interaction between the leader and his followers. It is passive, avoidant and ineffective. This leader abdicates responsibility, delays decisions, gives no feedback and makes little effort to help followers satisfy their needs. Laissez-faire leadership is passive type of leadership style. There is no any type of mutual exchange or relationship between followers and leaders. (Hamidifar, 2009). Followers under this leadership style have conflicting roles and responsibilities (Kirkbride, 2006). This leader will give up all of his responsibilities and will not utilize his authority for overseeing the organization. In addition, laissez-faire leader demonstrates passive indifference that is the capability of being moved by other people for subordinates and the task. The laissez-faire leader does not consider followers needs and problems. This leadership style may be applicable in organization in which the workers have level of self-actualization.

### **A Person-Centered Approach to Leadership**

The present study employs a person-centered approach rather than traditional variable-centered approach to advance the leadership styles research. Applying the person-centered approach to leadership research, it is examined how a set of leadership styles combine to form leadership types. The person-centered approach offers a methodology for understanding the configuration and systematic connection of leadership styles within a particular person. Individuals belonging to a type share similar profiles (i.e., patterns of relative strengths and

weaknesses) across leadership styles. The person-centered approach profiles individuals. Consequently, it focuses on identifying a typology of leaders. Further, such classification can help to understand what different types of leaders look like (Dai & Meuse, 2013).

The name 'variable-centered' refers to the idea of grouping items in the most optimal way representing underlying variables. An example would be the variable work engagement consisting of the three elements –absorption, vigour and dedication – which are measured by three items for each sub-category. A factor analysis is used to explore the relationship between items, exploring underlying groups in a set of questions. This type of analysis finds a number of questions together to represent a latent variable. The aim of this grouping of items is to represent the variance in the data in the most optimal way, in such that the grouping of the items into variables explains most of the variance of each subject.

A person-centered approach can be seen as the exact opposite. This approach assumes subjects to be heterogeneous, with underlying groups of subjects to be responsible for explaining the variance in the data. In other words, the data is explored on the existence of underlying typical groups of subjects existing of typical employees, teams and organizations. People, teams, projects or organizations are grouped on the basis of similarity, in the way the groups explain most of the variance in the data. Within these groups, the relation between all variables and indicators measured in the data is assumed to be the same. This approach has been used in various fields of research, more frequently in marketing (exploring consumers on specific consumption patterns) and in the medical sciences (exploring groups of symptoms by grouping patients into medical conditions).

Following the person-centered approach, the grouping is not based on variables but on subjects, which can be organizations and teams but are very often persons, hence the name. In other words, grouping individuals into unique and distinct profiles, for which the relations with other constructs and outcomes may differ, creates typologies. A wide variety of names are used for the groupings that are found using a person-centered approach, including typologies, clusters, types, classes, profiles, modes, and so forth (Van Rossenberg, 2015).

This person-centered approach towards the study of the multiple foci of leadership, as opposed to a variable-centered approach, captures the complex interplay among multiple styles of leadership in a person. This seems a more appropriate approach for studying the multiple types and foci of leadership.

### **Leader-Member Exchange (LMX)**

Leader-Member Exchange (LMX) theory focuses on the dyadic and quality of the relationship between leader and follower (Center for Leader Development, 2006). In this concept, a successful leader is characterized by high LMX that refers to a high quality relationship where members feel a part of in-group. As a result, they have more responsibility, decision influence, higher satisfaction, and access to valuable resources. Reciprocally, when members feel in the out-group, this relationship is characterized by low LMX. Here, the leader offers low levels of support to the member, and the person has less responsibility and ability to influence decisions. Leader-member relationships emerge as the result of a series of exchanges and interactions during which these roles develop.

## **Group Engagement**

Engagement as “people employ and express themselves physically, cognitively and emotionally during role performances” (Kahn, 1990, p. 694). Olivier and Rothmann (2007) mentioned that it is important for leaders to cultivate work engagement because work is the expression of the self in the workplace. Engaged people are seen as energetic, having an effective connection with the workplace and are able to deal effectively with the demands of work. The significant part of group engagement, as it relates to this study, is contained in the way that individual, interpersonal, group and intergroup factors influence the work experience.

Work engagement which is composed of three dimensions that include absorption, vigor and dedication. Absorption means concentration and being engrossed in people’s work, whereby passing time will be intangible and being detached from the job has some difficulties for them (Gonzalez-Roma et al., 2006; Langelaan et al., 2006; Liorens et al., 2007). Furthermore, it is pleasurable to have job experience for individuals. Vigor is another aspect of work engagement that implies high levels of energy and mental resilience while working. There is also a determined investment in the actual work, together with high levels of persistence even when faced with difficulties (Schaufeli and Bakker, 2004). The third dimension is dedication that refers to a sense of significance, enthusiasm, inspiration, pride, and challenge (Schaufeli and Bakker, 2004, 2010). In another word, this aspect can be seen when a person has a great involvement with his or her job (Brown, 1996). (K, A, A, & M, 2018)

The success of an organization highly depends on the active employee engagement due to the fact that it improves performance and productivity. Employee engagement levels can be seen through the impact of employees’ work performance and the longstanding contribution to an organization. In other words, an organization with a steady engaged workforce guarantees the advancement of the organization. (Swarnalatha & Prasanna, 2014).

## **Relationship between Leadership Styles and Group Engagement**

Leaders impact organizational effectiveness through their followers. Leadership can have a great impact on engaging employees within the organization. However, transactional leadership limits the leader to using reward-based behaviors in order to achieve higher performance from employees, which only have short-term effects. Transformational leadership emerges as a style that fosters the development of employee engagement. As Kaiser, Hogan, and Craig (2008) suggested, transformational leadership changes the way followers see themselves-from isolated individuals to members of a larger group. When followers see themselves as members of a collective, they tend to endorse group values and goals, and this enhances their motivation to contribute to the greater good. Bakker and Schaufeli (2008) found that employees who have positive interactions with their managers have increased levels of engagement. Cartwright and Holmes (2006) found that leaders who focus on relationship building and trust development increase engagement levels. From this perspective, transformational leaders have the capacity to directly impact the engagement levels of their employees. (Nohria, Groysberg, & Lee, 2008)

Therefore, leaders play an important role in the development of engagement by projecting the ideals and characteristics that are tied to engagement drivers, such as being supportive, and providing a vision to the employees that goes beyond short term goals and long term goals. Two constructs, leadership and work engagement as discussed, provide some insight into the outcomes and inputs of each, which in turn allows one a glimpse into the possibility that work

engagement may be influenced by a leader exhibiting a positive influence in the guise of effective and active transformational leadership. (Dibley, 2009) Therefore, leadership plays an important role while dealing with group including the diverse mix of employees to achieve group engagement. It can be said that leadership is the direct cause for work engagement.

## Method

### Sample and Research Design

Until 2018 October, by the time of data collection, SSEAYP has been in its 45<sup>th</sup> batch and the program was being held by that time. Although 44<sup>th</sup> batch had come back, by its nature, they still have to carry out their post-program activities. As SSEAYP was not one time event and do not finish as the main program finished and all the participants and leaders went back to their respective countries, they still have to carry out their post program activities (PPAs) which sometimes take about one year to implement, it would be incomplete to fully detect the group engagement of the whole batch prior to their PPAs have been completed. Therefore, 44<sup>th</sup> batch was invalid to be collected as sample and 45<sup>th</sup> batch again was still on the trip in the ocean that it will not be fully able to explore the leadership style yet for the PYs and to know their group engagement as well. Therefore, 43<sup>rd</sup> SSEAYP batch was the most suitable by the time be the data was to be collected. All the rest of batches will be quite far away for the PYs to recall their memories and answer the questionnaire that PYs of the 11 countries including ASEAN and Japan from the 43<sup>rd</sup> SSEAYP batch were collected as sample.

The google form questionnaire was sent in late October, 2018, to the whole batch of 320 PYs using mailing list obtained from the profile book of 43<sup>rd</sup> batch with the permission of the cabinet office, Japan and respective national leaders of the batch. Out of 320 PYs, 104 from all different countries responded that, 32.5% response rate was maintained. The questionnaire included three parts. Part A asks the respondents' demographic profile, their contingent concerned, Part B describes PYs perception on leadership styles of their respective national leader; and Part C collected information about the self-reflection of PYs' group engagement and their exchange relationship with national leader.

### Measures

All the items in the questionnaire measuring three types of leadership styles and group engagement used 5-point Likert scale ranging from 1= strongly disagree to 5= strongly agree. All the measures were drawn from the existing well-known studies to ensure a good reliability and validity.

*Leadership styles.* Three leadership styles such as transformational, transactional and Laissez-faire were asked with items taken from the Multifactor Leadership Questionnaire (MLQ) developed by Bass and Avolio (1989) with 40 items rated on a 5-point scale ranging from "1 = not at all" to "5 = frequently, if not always" was used. For PYs' perception of leadership styles, 23 items for transformational leadership style; 12 items for transactional leadership style and 5 items for Laissez faire leadership style were used in this study.

*Employee engagement.* It was asked with 17 items of self-reported questionnaires to PYs. The items were taken from Schaufeli et al. (2002), consists of vigor (6 items), dedication (5 items), and absorption (6 items). The sample items include "There is an open communication with my

NL.”; “My NL is aware of possible PY life issues, which may have precluded me from contributing my best work.”

*Leader-member exchange.* LMX was measured using the scales developed by (Graen and Uhl-Bien, 1995) with 7 items. A sample item is “I can count on my NL to support me.”

### Analysis and Result

Two - step cluster analysis was used to form different latent profiles comprising of different levels of transformational, transactional and laissez-faire leadership styles. Two - step cluster analysis procedure is an exploratory tool designed to reveal natural groupings (or clusters) within dataset that would otherwise not be apparent. Latent class analysis involves the construction of Latent Classes which are unobserved (latent) subgroups or segments of cases. The latent classes are constructed based on the observed (manifest) responses of the cases on a set of indicator variables. Cases within the same latent class are homogeneous with respect to their responses on these indicators, while cases in different latent classes differ in their response patterns. Formally, latent classes are represented by K distinct categories of a nominal latent variable X. Since the latent variable is categorical, Latent Class modeling differs from more traditional latent variable approaches such as factor analysis, structural equation models, and random-effects regression models since these approaches are based on continuous latent variables. A Latent Class cluster model includes a nominal latent variable X with K categories, each category representing a cluster. Here in this study, nominal latent variable is a combination of different leadership styles deployed by a person. The resulting clusters in this study are different profiles of leaders who practice different levels of leadership styles in different composition. Each cluster contains a homogeneous group of persons (cases) who share common interests, values, characteristics, and/or behavior (i.e., share common model parameters). In this study, it is assumed that the perception of PYs on specific profile of composition of leadership style will generate different levels of engagement among those who perceived another different profiles of leadership styles.

Initially, reliability of the construct variables was examined. Table 1 show the result of the reliability test and it was found that all the variables were well above 0.7 cut off criteria that they have high internal consistency. Before the cluster analysis, maximum number of clustering criteria was set as 5 based on the literature. Actually, different numbers of clusters were run and test the model validity and the result of 5 clusters in comparing with 4, or 3 was better as shown in Figure 1. According to the set criteria, 5 clusters or leadership profiles were formed from data collected from 102 respondents after adjusting outlier. Cluster 1 includes 12 PYs whose perception of their leaders is very high in transformational, high transactional and low laissez-faire (4.34, 3.97 and 1.35 respectively); Cluster 2 includes 22 PYs who perceived their leaders as very high transformation, moderate transactional and very low laissez-faire (4.52, 3.25, and 2.02); Cluster 3 includes 23 PYs having perception of leaders with moderate transformational, low transactional and low laissez-faire leadership styles (3.62, 2.93, and 2.17); Cluster 4 includes 9 PYs with leader perception of somewhat low transformational, low transactional and low laissez-faire but a little bit of laissez-faire dominant leadership (2.41, 2.93, and 3.22); while Cluster 5 has 36 PYs with having perception of leaders with moderate transformational, low transactional and very low laissez-faire leadership styles (3.69, 2.53, and 1.54). All the resultant clusters were presented in Table 2. Without proceeding to regression analysis, it was found that

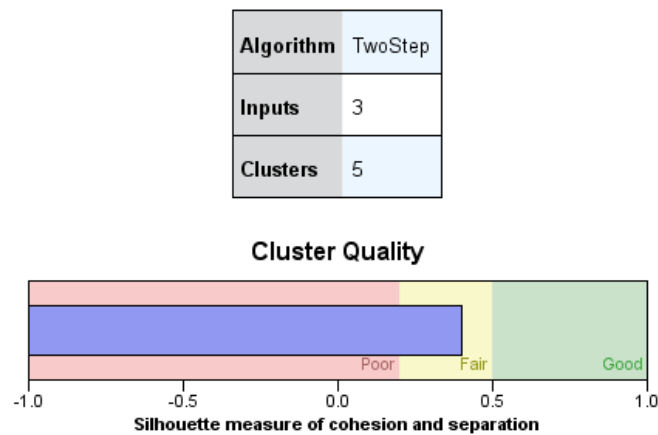


Cluster 1 type of leadership profile create the highest group engagement, followed by Cluster 2, and then 3, and 5; and 4 as the lowest.

**Table 1 Reliability statistics**

No.	Variable	Reliability
1.	Transformational leadership	0.969
2.	Transactional leadership	0.835
3.	Laissez-faire leadership	0.718
4.	Employee engagement	0.924

Source: SPSS output, survey result (2018)



Source: SPSS output, survey result (2018)

**Figure 1** Model summary showing the validity

**Table 2** Five clusters formed with PYs' perception of their leaders

Input (Predictor) Importance					
<div> <div style="width: 100%; height: 10px; background-color: #4a7ebb; border: 1px solid black;"></div> <div style="display: flex; justify-content: space-between; font-size: 8px;"> <span>1.0</span><span>0.8</span><span>0.6</span><span>0.4</span><span>0.2</span><span>0.0</span> </div> </div>					
Cluster	5	3	2	1	4
Label					
Description					
Size	<div style="display: flex; align-items: center;"> <div style="width: 35.3%; height: 10px; background-color: #4a7ebb; border: 1px solid black;"></div> <div style="margin-left: 5px;">35.3% (36)</div> </div>	<div style="display: flex; align-items: center;"> <div style="width: 22.5%; height: 10px; background-color: #4a7ebb; border: 1px solid black;"></div> <div style="margin-left: 5px;">22.5% (23)</div> </div>	<div style="display: flex; align-items: center;"> <div style="width: 21.6%; height: 10px; background-color: #4a7ebb; border: 1px solid black;"></div> <div style="margin-left: 5px;">21.6% (22)</div> </div>	<div style="display: flex; align-items: center;"> <div style="width: 11.8%; height: 10px; background-color: #4a7ebb; border: 1px solid black;"></div> <div style="margin-left: 5px;">11.8% (12)</div> </div>	<div style="display: flex; align-items: center;"> <div style="width: 8.8%; height: 10px; background-color: #4a7ebb; border: 1px solid black;"></div> <div style="margin-left: 5px;">8.8% (9)</div> </div>
Inputs	LZFNew 1.54	LZFNew 2.17	LZFNew 2.02	LZFNew 1.35	LZFNew 3.22
	TF 3.69	TF 3.62	TF 4.52	TF 4.34	TF 2.41
	TS 2.53	TS 2.93	TS 3.25	TS 3.97	TS 2.93
Evaluation Fields	EE 3.75	EE 3.72	EE 3.99	EE 4.30	EE 3.07

Source: SPSS output, survey result (2018)

As shown in Table 2, it could be seen that cluster 3 and 5 are having similar type of profile in terms of composition of three leadership styles. In order to test the effect of different leadership profiles, regression analysis was run in SPSS. Firstly, dummy variables for 5 different clusters were formed from the cluster numbers maintained from two - step cluster analysis. Multiple linear regression was then run with 5 clusters on group engagement. As expected, cluster 3 was removed from the analysis due to collinearity issue. The final result of the regression model was shown in Table 4.

**Table 3 Regression result of new profiles of leadership styles on group engagement**

	Unstandardized coefficient		Standardized coefficient	t	Sig
	B	Std error	Beta		
Constant	3.721***	0.106		35.076	0.000
Cluster 1	0.578***	0.181	0.323	3.189	0.002
Cluster 2	0.268*	0.152	0.191	1.767	0.080
Cluster 4	-0.649***	0.200	-0.320	-3.246	0.002
Cluster 5	0.029	0.136	0.024	0.212	0.833
F value	8.480***				
R square	0.259				
Adjusted R square	0.229				

Source: SPSS output, survey result (2018)

\*\*\* Significant at 1 percent level, \*\* Significant at 5 percent level, \* Significant at 10 percent level.

Cluster 1: very high transformational, high transactional, and low laissez-faire; Cluster 2: very high transformational, moderate transactional, and very low laissez-faire style; Cluster 4: low transformational, low transactional and low laissez-faire style; and Cluster 5: moderate transformational, low transactional, very low laissez-faire style.

From the table it was seen that the model showed R-square of 0.259 which is quite low in terms of statistics but generally acceptable in social science, particularly involving psychological state of people. The regression results show that Cluster 1 which is very high transformational, high transactional and low laissez-faire style has positive, significant effect on group engagement of PYs ( $\beta = 0.578$ ,  $p = 0.002$ ). Cluster 2 which is very high in transformational, moderate transactional and very low laissez-faire style influence positively and significantly on group engagement ( $\beta = 0.268$ ,  $p = 0.08$ ). Cluster 4 which is the weakest leadership style with somewhat dominant in laissez-faire and low in both transformational and transactional styles has negative, significant effect on group engagement ( $\beta = 0.649$ ,  $p = 0.002$ ). Again, for Cluster 5, the moderate level of transformational, low transactional and very low laissez-faire style does not have significant effect of group engagement ( $\beta = 0.029$ ,  $p = 0.833$ ).

Table 4 shows the regression result of leadership profiles on LMX and it was found that leadership profiles whether they are of any combination except Cluster 5 have significant impact on LMX. Cluster 1 and 2 have positive, significant effect on LMX ( $\beta = 0.658$ ,  $p = 0.000$ ) and ( $\beta = 0.360$ ,  $p = 0.023$ ). Cluster 4, however, has negative significant impact on LMX.

**Table 4 Regression result of profiles of leadership styles on LMX**

	Unstandardized coefficient		Standardize d coefficient	t	Sig
	B	Std error	Beta		
Constant	3.925***	0.109		35.929	0.000
Cluster 1	0.658***	0.187	0.287	3.526	0.001
Cluster 2	0.360**	0.156	0.201	2.305	0.023
Cluster 4	-1.529***	0.206	-0.587	-7.420	0.000
Cluster 5	0.063	0.140	0.041	0.448	0.655
F value	26.441***				
R square	0.522				
Adjusted R square	0.502				

**Source:** SPSS output, survey result (2018)

\*\*\* Significant at 1 percent level, \*\* Significant at 5 percent level, \* Significant at 10 percent level.

Cluster 1: very high transformational, high transactional, and low transformational style; Cluster 2: very high transformational, moderate transactional, and very low laissez-faire style; Cluster 4: low transformational, low transactional and low laissez-faire style; and Cluster 5: moderate transformational, low transactional, very low laissez-faire style.

Table 5 shows the effect of LMX on group engagement. LMX has positive significant impact on engagement. It highlights the importance of leader-member relationship to have engagement among followers so that the whole organization would be effective.

**Table 5 Regression result of LMX on engagement**

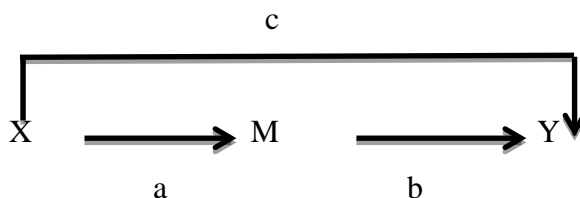
	Unstandardized coefficient		Standardize d coefficient	t	Sig
	B	Std error	Beta		
Constant	2.182***	0.269		8.128	0.000
LMX	0.408***	0.067	0.522	6.128	0.000
F value	37.553***				
R square	0.273				
Adjusted R square	0.266				

**Source:** SPSS output, survey result (2018)

\*\*\* Significant at 1 percent level, \*\* Significant at 5 percent level, \* Significant at 10 percent level.

Cluster 1: very high transformational, high transactional, and low transformational style; Cluster 2: very high transformational, moderate transactional, and very low laissez-faire style; Cluster 4: low transformational, low transactional and low laissez-faire style; and Cluster 5: moderate transformational, low transactional, very low laissez-faire style.

Above mentioned results show the direct path of different leadership profiles on group engagement. Baron & Kenny (1986) approach is used to test the mediation effect of LMX on the above relationship. Baron and Kenny proposed a four steps approach in which several regression analyses are conducted and significance of the coefficients is examined at each step. Among then, three steps approach will be used in this study.

**Table 6 Step for Testing Mediation**

	Analysis	Visual Depiction
Step 1	Conduct a simple regression analysis with X predicting Y to test for path c alone, $Y = B_0 + B_1X + e$	
Step 2	Conduct a simple regression analysis with X predicting M to test for path a, $M = B_0 + B_1X + e$	
Step 3	Conduct a simple regression analysis with M predicting Y to test the significance of path b alone, $Y = B_0 + B_1M + e$	
Step 4	Conduct a multiple regression analysis with X and M predicting Y, $Y = B_0 + B_1X + B_2M + e$	

**Source:** Baron and Kenny (1986)

The purpose of Steps 1-3 is to establish that zero-order relationships among the variables exist. If one or more of these relationships are non-significant, researchers usually conclude that mediation is not possible or likely (although this not always true; see Mackinnon, Fairchild, & Fritz, 2007). Assuming there are significant relationships from Step 1 through 3, one proceeds to Step 4. In the Step 4 model, some form of mediation is supported if the effect of M remains significant after controlling for X. If X is no longer significant when M is controlled, the finding will support full mediation. If X is still significant (i.e., both X and M both significant predict Y), the finding will support partial mediation.

In order to test the mediation, another regression analysis is run. The results are shown in Table 7. In this analysis, following the step 4 of Baron & Kenny, all the independent variables of different leadership profiles and mediating variable, LMX, were run to test impact on engagement.

**Table 4 Regression result of profiles of leadership styles and LMX on engagement**

	Unstandardized coefficient		Standardized coefficient	t	Sig
	B	Std error	Beta		
Constant	2.638***	0.387		6.820	0.000
Cluster 1	0.396**	0.185	0.221	2.136	0.035
Cluster 2	0.169	0.150	0.120	1.123	0.264
Cluster 4	-0.227	0.241	-0.112	-0.942	0.349
Cluster 5	0.011	0.131	0.010	0.088	0.930
LMX	0.276**	0.095	0.354	2.905	0.005
F value	8.992***				
R square	0.319				
Adjusted R square	0.283				

*Source: SPSS output, survey result (2018)*

\*\*\* Significant at 1 percent level, \*\* Significant at 5 percent level, \* Significant at 10 percent level.

Cluster 1: very high transformational, high transactional, and low transformational style; Cluster 2: very high transformational, moderate transactional, and very low laissez-faire style; Cluster 4: low transformational, low transactional and low laissez-faire style; and Cluster 5: moderate transformational, low transactional, very low laissez-faire style.

According to mediation analysis, it is found that LMX as a partial mediator on a relationship between Cluster 1 type of leadership profile and its effect is still significant even after controlling LMX. And then, it is found that LMX as a full mediator on a relationship between leadership profiles 2 and 4 and engagement because they are no longer significant when the expected mediator is controlled.

### Findings and Discussions

The primary objective of this study is to see the leadership styles in person-centered approach, rather than variable-centered approach: rather than seeing the different leadership styles on traditional focus of three distinct styles independently, a leader is seen as the one who practices different leadership styles in different composition, forming different leadership profiles among the national leaders of 43<sup>rd</sup> Ship for Southeast Asian and Japanese Youth Program. Two step cluster analysis was used to classify different profiles of leadership styles among the leaders of 43<sup>rd</sup> SSEAYP. It was found that among the national leaders of 43<sup>rd</sup> SSEAYP, 4 distinct profiles came out such as very high transformational, high transactional, and low transformational style (Cluster 1); very high transformational, moderate transactional, and very low laissez-faire style (Cluster 2); low transformational, low transactional and low laissez-faire style (Cluster 4); and moderate transformational, low transactional, very low laissez-faire style (Cluster 5). All the resultant profiles seem realistic the nature of SSEAYP program. It is a good opportunity to learn people having different leadership profile and their influence on LMX and group engagement.

As it is expected, a leader should not be the one solely using a specific form of leadership style as seen in variable centered approach. Transformational leadership style can enhance motivation, inspiration, trust, and better relationship among leader and followers, transactional type of leadership is also required as a basis because it can bring an organization a clear purpose, structure, and specific direction under good leadership. SSEAYP is a youth program participated

by top, talented youths from each country and they have to conduct most of their job in timely manner, creatively, in a good teamwork, and the youths are so important for the representative of their own country that they somehow need specific clear goal, direction and at the same time, they need to have a good inspiration, trust, mutual understanding, a strong bond and a high motivation from the leader and have considerable degree of autonomy, delegation and freedom. Needless to say, national leaders selected for this kind of program should have the above-mentioned characteristics. This type of leader would be perfect, and the best to lead the team in this kind of situation. However, leaders, as different individuals and having different personalities and qualities, came out as four distinct profiles as found out in the result. Although it is expected that leaders for this program should be Cluster 1 type, leaders often fall into trap of building transformational type only as in Cluster 2, very ignorant one as in Cluster 4 possibly due to selection error, and those who try to be good at transformational but still not reach a desired level and end up as in Cluster 5.

Cluster 1 type of leadership which is also a very perfect, and highly effective leaders were found to have strong influence over leader-member exchange relationship as well as create high level of group engagement among participating youths. As transformational leaders are kind of charismatic that in combination with strong transactional basis, it can create a strong leader-member exchange relationship and lead to highly engaged team. LMX serves only a partial mediator may be because leaders already gave empowerment, delegation, trust, followers would enjoy the program as well as the work is done efficiently. This type of leadership can be the best for the participants to carry out their own roles and responsibilities, as well as enjoy the program and build strong friendship, mutual understanding and cooperation among international communities with full of their confidence.

Cluster 2 when leaders have very high transformational, medium transactional and low laissez-faire style can have positive significant effect on employee engagement but to a lesser extent than Cluster 1 leaders. It also has significant but lesser impact on leader-member relationship than Cluster 1 type of leadership. Leaders can influence PYs in terms of motivation, inspiration and empowerment, but they are sometimes needed in control of rules, regulations and procedures. When PYs are under urgent situation, some of PYs expect leaders to give clear guidance, strict rules and policies that this type of leaders would not get full satisfaction and high engagement as Cluster 1. However, if leaders of this type can build strong bonding with the PYs, it can still lead to engagement to a desirable degree because LMX serves as a full mediation role for this Cluster 2 leadership style and engagement.

Every authority concerned, and government side intends to select the best national leader to lead the whole contingent and represent their country at its best. However, there may sometimes be selection error, or simply may there be conflict between leaders and PYs that perception of PYs on the leadership style is not satisfactory and Cluster 4 type of leadership style is also assumed by some of the PYs on the leaders. When it comes to this, many of the conflict arise throughout the journey, PYs lost trust and confidence, they underperformed and cannot enjoy the whole program well. The whole team would be under disaster for this type of leadership style. It can be seen that Cluster 4 leaders can generate very negative engagement and relationship with PYs. When this happens, PYs would have to face stress, burden and lots of dissatisfaction over the program. They may not be able to perform at their best to represent the

country and they cannot be proud of their leader at the same time. LMX serves as a full mediation role but in a negative way.

And Cluster 5, when leaders just tried to build good relationship but forget to make things done, when they have medium transformational, low transactional and low laissez-faire, PYs should have high motivation and engagement but as they are not bound with the effective, powerful and strong leadership, their engagement and LMX is not significantly influenced by this type of leadership style. LMX either does not mediate for this relationship so well.

### **Implication of the Study**

SSEAYP is believed to be one of the most successful youth programs all over the world to build friendship, trust, future cooperation, mutual understanding among ASEAN and Japan. Every year, 28 participating youths and one national leader is selected to well represent the country, to raise their flag high, to build international cooperation among 300 plus youths and five to six host families for cultural exchange as youth ambassadors of their country. The program is in tight schedule, PYs have to show their talent, abilities and social skills while they have to pass through a tough journey in the ocean. PYs are expected to outperform with full engagement in the face of international community, showing their teamwork and confidence. In order to make the whole contingent energetic, highly motivated, and be creative, they need a high level of empowerment, delegation as well as control of proper rules and regulations. Leaders are the most important role for the whole contingent to keep their high level of morale. Countries should select not only PYs but also NLs with great care and train them properly so that they would be able to fit in the situation without difficulty. Leaders should be aware of the fact that they cannot solely rely on transformational type of leadership but in combination with strong transactional type, they can lead the whole contingent by example, set the high target and achieve their excellence with pride. Once they rely on transformational type alone and fail to build upon transactional foundation, their leadership would be just a failure. The worst thing is that leaders should never ever forget their role and try to avoid to be Cluster 4 type of leaders as it will create just the conflict, dispute, dissatisfaction and the whole contingent will be disorganized.

This study shed light on the importance of leadership on employee engagement not only in this kind of youth program level but also in the business organizations whether they are private or public. In this day of high competition, and of radical change, organizations need highly engaged employees who are not only creative, but also are willing to work for the organization both in-role and extra-role. Organization should have proper selection procedure and good training program to nurture Cluster 1 type of leadership or at least Cluster 2 type as well but avoid Cluster 4 and 5. Recognizing the role of LMX, leaders should also think of building strong bonding with their subordinates while they are trying to be target oriented. With the help of strong leaders, organization and the whole team would be able to face even the challenging, highly competitive and rapidly changing environment with their full potential successfully, and satisfactorily.

### **Suggestion for Further Study**

As this study focus only on the youth program, the findings are solely based on the specific situation. Future researchers can apply this type of approach in business setting in order to make generalization of the findings. Researchers can also include the impact of leadership

styles on commitment and performance of the whole team or the organization for more comprehensive framework. Moreover, they may use the longitudinal type of survey so that how the impact of leadership styles would be changing in employee engagement and exchange relationship among leaders and followers.

### **Conclusion**

The aim of this study is to approach leadership style in person-centered rather than variable-centered method used traditionally. The major assumption behind this is that leaders are individuals practicing different leadership styles in different composition as they prefer. This study tried to find out those different kinds of leadership styles that individual leaders would prevail and its effect on group engagement and exchange relationship among subordinates. It could successfully classify the leadership profiles among the national leaders of 43<sup>rd</sup> SSEAYP into four distinct profiles and found that leaders who use high transformational, high transactional and low laissez-faire and high transactional, medium transactional and very low laissez-faire outperform than other type of leadership style combinations. Out of over 300 PYs, 104 responded the questionnaire. One limitation is that PYs have to recall their memory during their journey as well as their post-program activities. However, the choice of batch is the most suitable among different batches of SSEAYP in order to reflect their full understanding of the leader and themselves because SSEAYP does not end even after the program ends officially. Post program activities extend sometimes several months that engagement is to be seen also until those activities are conducted by the respective contingent. This would be a great contribution to leadership literature and make strong recommendation to managerial setting in business world as well.

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