

The Role of Transformational Leadership and Work Climate in Enhancing Employee Motivation and Engagement in Modern Organizations: A Systematic Literature Review

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ABSTRACT

The articles addressed transformational leadership, organizational climate, work motivation, employee engagement, and work-related outcomes. The evidence was analyzed through thematic coding and narrative synthesis. The review indicates that transformational leadership supports motivation and engagement by articulating meaningful vision, providing individualized consideration, stimulating new ideas, strengthening psychological empowerment, and building trust. Employee engagement serves as a behavioral mechanism linked to performance, creativity, commitment, knowledge sharing, and support for organizational change. These effects become weaker when leadership remains symbolic, workload is excessive, or organizational systems restrict autonomy. The article proposes an integrative model positioning transformational leadership as an initiating force, work climate as a contextual amplifier, motivation as a psychological mechanism, and engagement as a proximal outcome leading to organizational performance.

INTRODUCTION

Modern organizations are experiencing rapid transformations driven by technological advancement, changing work designs, evolving employment relationships, and increasingly diverse employee expectations. Digitalization has accelerated decision-making processes, hybrid work arrangements have reduced opportunities for face-to-face interaction, and continuous innovation has increased the need for individual initiative and adaptability. Under these circumstances, traditional forms of managerial control are no longer sufficient to sustain employee motivation and performance. Employees increasingly seek meaningful work, opportunities to express their ideas, and organizational environments that recognize and value their contributions.

Transformational leadership has become particularly relevant because it focuses on leaders' ability to influence followers by reshaping values, creating shared meaning, and redefining work orientations. Rather than merely setting organizational goals, transformational leaders translate strategic objectives into a compelling vision, model desired behaviours, challenge ineffective work practices, and respond to the developmental needs of individual employees. Such behaviours strengthen employees' perceptions that their work is meaningful and that they possess the capability to make valuable contributions. This relationship is reflected in the findings of Wang et al. (2022), who demonstrated that transformational leadership enhances affective organizational commitment and job performance through employee engagement.

Employee engagement represents a positive psychological state characterized by vigor, dedication, and absorption in work. Engaged employees do not merely comply with organizational procedures; instead, they invest cognitive, emotional, and behavioural resources in accomplishing their responsibilities while continuously seeking opportunities to improve organizational processes. Within the context of organizational change, employee engagement has been shown to translate the influence of transformational leadership into championing behaviours, encouraging employees to actively support and promote organizational transformation (Islam et al., 2022).

Work motivation constitutes another essential component of this process because it determines the direction, intensity, and persistence of employee behaviour. Even an inspiring leadership vision is unlikely to generate meaningful behavioural outcomes if employees perceive limited autonomy, insufficient competence, inadequate organizational support, or few opportunities for success. Evidence from learning organizations suggests that employee motivation partially mediates the relationship between transformational leadership and work engagement, indicating that leadership behaviours must first be internalized as motivational resources before influencing employees' daily work experiences (Chen & Calero Cuervo, 2022).

Leadership effectiveness, however, does not occur in isolation. Organizational policies, human resource practices, interpersonal relationships, communication quality, workload distribution, reward systems, and tolerance for mistakes collectively shape employees' perceptions of the work climate. Work climate reflects shared perceptions regarding the behaviours, values, and

practices that are encouraged, rewarded, and expected within an organization. These perceptions provide employees with cues about whether it is safe to express opinions, seek assistance, and expect fair treatment. A positive work climate reinforces leadership credibility because employees experience consistency between leaders' messages and the organization's daily practices.

Recent empirical evidence increasingly identifies organizational climate as an important mechanism linking leadership and employee engagement. A study involving intensive care nurses demonstrated that organizational climate mediates the relationship between transformational leadership and work engagement. Through supportive communication, effective coordination, interpersonal support, and respectful treatment of team members, leaders shape employees' daily work experiences. These experiences ultimately determine whether transformational leadership becomes a genuine source of motivation or merely remains a formal organizational statement (Zhang et al., 2025).

The COVID-19 pandemic and the widespread adoption of remote working further emphasized the importance of consistency between leadership and organizational climate. When interactions occur primarily through digital platforms, leadership support must be reflected in communication clarity, information accessibility, flexibility, and effective workload management. Research on remote work indicates that transformational leadership does not always exert a direct influence on employee performance, suggesting that work design and implementation quality represent important conditions for leadership effectiveness (Meiryani et al., 2022).

Evidence across organizational contexts demonstrates both common patterns and contextual variations. Within manufacturing industries, transformational leadership, work motivation, and organizational culture have been positively associated with the performance of millennial employees (Ibrahim et al., 2022). In service industries, transformational leadership contributes to positive employee attitudes and customer-oriented performance (Kim et al., 2023). Similarly, within the public sector, public service motivation partially explains the relationship between transformational leadership and employee outcomes, while power distance orientation moderates the strength of these relationships (Bui et al., 2023).

Previous research has predominantly examined the direct relationships between transformational leadership and organizational outcomes such as employee performance or job satisfaction. However, this perspective provides only limited insight into the psychological processes and contextual conditions that determine whether leadership exerts strong, weak, or negligible effects. Work motivation and employee engagement should therefore be examined simultaneously because they represent distinct yet interrelated constructs. Motivation explains why employees initiate and sustain effort, whereas engagement reflects the extent to which they invest psychological energy and commitment in their work.

Likewise, work climate should be conceptualized as more than the quality of interpersonal relationships. It encompasses perceptions of organizational justice, resource availability, psychological safety, learning support, recognition, and

consistency between managerial rhetoric and organizational practices. Evidence from diverse organizational settings indicates that organizational climate and workplace happiness contribute substantially to employee job satisfaction, although the strength of these relationships varies across individual and situational contexts (Yu, 2024).

Accordingly, this review aims to examine the roles of transformational leadership and work climate in enhancing employee motivation and engagement within modern organizations. Specifically, this review addresses four research questions: (1) Which transformational leadership behaviours most consistently promote employee motivation and engagement? (2) How does work climate strengthen or weaken these relationships? (3) What psychological and behavioural mechanisms connect transformational leadership with employee outcomes? and (4) What organizational practices can effectively sustain employee engagement within digital, hybrid, diverse, and innovation-oriented work environments?

THEORETICAL REVIEW

Transformational Leadership

Transformational leadership refers to a leadership approach in which leaders inspire followers to pursue collective goals through the articulation of a compelling vision, exemplary role modeling, intellectual stimulation, and individualized consideration. In contemporary organizations, transformational leadership extends beyond promoting employee compliance; it seeks to cultivate meaningful work experiences, organizational trust, and employees' confidence in their ability to contribute valuable outcomes. Previous studies have demonstrated that work engagement and meaningful work serve as key psychological mechanisms linking transformational leadership to favorable organizational outcomes (Meng et al., 2022; Wang et al., 2022).

The effectiveness of transformational leadership largely depends on the consistency between leaders' words and actions. An inspiring vision loses credibility when leadership decisions are perceived as unfair, individualized support is merely symbolic, or employees are denied adequate resources to accomplish their responsibilities. Consequently, transformational leadership is conceptualized in this review as a social resource that shapes employees' perceptions of organizational purpose, self-efficacy, organizational support, and opportunities to perform effectively.

Work Climate

Work climate represents employees' shared perceptions regarding organizational policies, managerial practices, and behavioral norms that are promoted and rewarded within the workplace. Its key dimensions include psychological safety, organizational justice, open communication, supervisory support, role clarity, access to organizational resources, and opportunities for participation in decision-making processes. A positive work climate encourages employees to express ideas freely, seek assistance when necessary, and learn constructively from mistakes.

Recent empirical evidence suggests that organizational climate serves as an important mechanism through which transformational leadership enhances employee engagement. Zhang et al. (2025) reported that organizational climate mediates the relationship between transformational leadership and work engagement among intensive care nurses. Likewise, Yu (2024) and Tsoni et al. (2025) demonstrated that a positive organizational climate contributes significantly to employee happiness, job satisfaction, and work engagement.

Beyond functioning as a mediator, work climate also provides contextual evidence supporting leadership credibility. When leaders advocate innovation and participation while organizational reward systems, workload distribution, and responses to mistakes contradict these values, employees experience inconsistency between leadership messages and organizational reality. Conversely, a supportive organizational climate reinforces transformational leadership by embedding leadership values into organizational routines, policies, and daily managerial practices.

Work Motivation and Employee Engagement

Work motivation explains the direction, intensity, and persistence of employees' efforts, whereas employee engagement reflects the extent to which employees invest physical, cognitive, and emotional energy in their work. Although closely related, these constructs represent distinct psychological processes. Motivation explains why individuals choose to act, whereas engagement reflects how motivational energy is translated into sustained psychological presence and productive work behaviors.

Chen and Calero Cuervo (2022) demonstrated that employee motivation partially mediates the relationship between transformational leadership and work engagement. Similarly, Islam et al. (2022) found that employee engagement transforms leadership influence into proactive support for organizational change initiatives.

Healthy employee engagement should be distinguished from excessive work involvement. The dimensions of vigor, dedication, and absorption promote higher performance, creativity, customer service quality, and knowledge sharing when employees possess sufficient autonomy, organizational resources, and opportunities for recovery. However, when job demands continue to increase without adequate organizational support, work engagement may gradually deteriorate into emotional exhaustion and cynicism. Therefore, the relationships among transformational leadership, work motivation, and employee engagement should always be interpreted within the broader context of organizational climate and work design.

Integrative Framework, Research Gap, and Contribution

Previous research has predominantly examined the direct relationships between transformational leadership and outcomes such as employee performance, job satisfaction, or work engagement. Although several studies have incorporated work motivation, psychological empowerment, organizational climate, or employee engagement as mediating variables,

relatively few have integrated these four constructs into a comprehensive explanatory framework.

Furthermore, inconsistent findings across remote working environments, service organizations, high power-distance cultures, and high-pressure occupations indicate that the effectiveness of transformational leadership is contingent upon contextual conditions rather than operating automatically (Bui et al., 2023; Huang et al., 2025; Meiryani et al., 2022).

The primary contribution of this review lies in the development of an integrative conceptual model that positions transformational leadership as the initiating social resource, work climate as the contextual enhancer, work motivation as the underlying psychological mechanism, and employee engagement as the proximal behavioral outcome leading to improved organizational performance. Rather than merely summarizing empirical relationships among these constructs, this review identifies the contextual conditions that strengthen or weaken these relationships and translates these findings into practical managerial recommendations for organizations operating in increasingly digitalized, hybrid, diverse, and innovation-driven environments.

METHODOLOGY

Research Design and Unit of Analysis

This study employed a **Systematic Literature Review (SLR)** using a narrative synthesis approach to comprehensively integrate empirical findings from studies conducted across various countries, organizational sectors, research designs, and analytical models. A systematic literature review was considered the most appropriate methodological approach because it enables researchers to synthesize existing evidence, identify recurring patterns, examine inconsistencies across studies, and develop an integrative conceptual framework.

The unit of analysis consisted of peer-reviewed journal articles examining at least two of the following constructs: transformational leadership, organizational or work climate, work motivation, and employee engagement. Consequently, the analysis focused on published empirical studies rather than individual research participants.

The review process followed the **Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) 2020** guidelines to ensure methodological transparency and rigor. The research questions were formulated based on the **Population-Exposure-Outcome-Context (PEOC)** framework. The population comprised employees and professionals across various industries; the exposure included transformational leadership and organizational climate; the outcomes encompassed work motivation, employee engagement, and work-related behavioral outcomes; while the context focused on contemporary organizations operating in both public and private sectors. Because this study synthesized findings from previously published literature, it did not involve direct participant recruitment, primary data collection, instrument validation, or hypothesis testing.

Search Strategy and Eligibility Criteria

A comprehensive literature search was conducted using **Google Scholar**, **PubMed**, and several academic publisher databases to identify empirical studies examining transformational leadership, work climate, work motivation, and employee engagement. The search strategy employed combinations of the keywords *transformational leadership*, *organizational climate*, *work climate*, *work motivation*, *employee motivation*, *employee engagement*, *work engagement*, *psychological empowerment*, *hybrid work*, *remote working*, *knowledge sharing*, and *employee performance*. Boolean operators were applied to maximize search accuracy, with the primary search syntax formulated as: **("transformational leadership") AND ("organizational climate" OR "work climate") AND ("work motivation" OR "employee motivation") AND ("employee engagement" OR "work engagement")**. Additional keywords were incorporated to broaden the search coverage and capture studies investigating mediating and moderating mechanisms related to the focal constructs.

The search was restricted to peer-reviewed journal articles published between **January 2022 and December 2025** and written in either English or Indonesian. Articles were considered eligible if they reported empirical findings, provided sufficient methodological information, and examined employee behavior within contemporary organizational settings. Studies were included when transformational leadership and/or organizational climate constituted primary variables in the proposed research model. Conversely, conceptual papers lacking empirical evidence, conference proceedings without peer review, duplicate publications, and studies in which leadership or organizational climate did not represent central constructs were excluded from the review.

The identification process yielded **1,246 records**, including **620 records from Google Scholar**, **138 from PubMed**, and **488 from academic publisher databases**. After removing **312 duplicate records**, **934 articles** remained for title and abstract screening. During this stage, **782 records** were excluded because they were irrelevant to the research objectives, were not journal articles, or fell outside the predetermined publication period. Subsequently, **152 full-text articles** were assessed for eligibility. Following the eligibility assessment, **132 studies** were excluded because they did not examine the intended variables, failed to report empirical findings, or did not provide accessible full-text versions. Consequently, **20 empirical studies** satisfied all inclusion criteria and were included in the final qualitative synthesis. The complete study selection process is illustrated in **Figure 1** according to the **PRISMA 2020** framework.

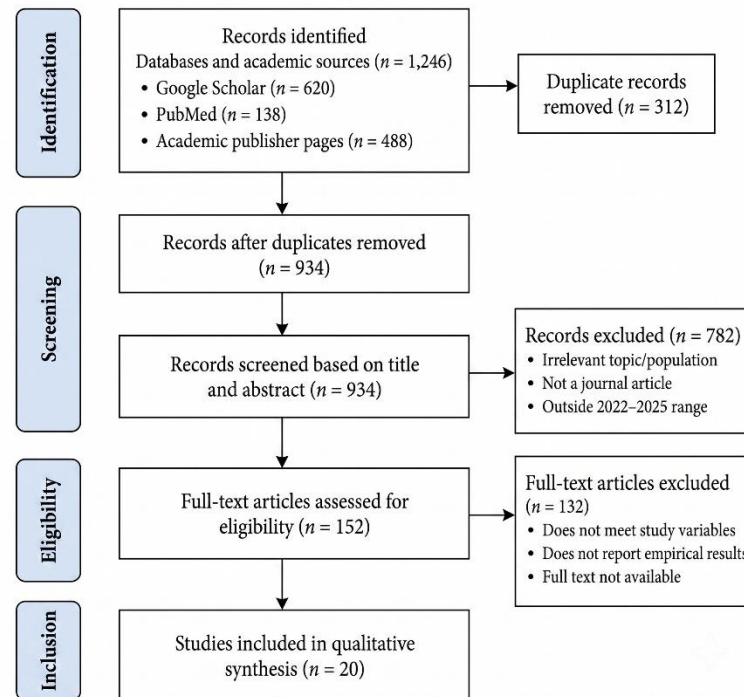


Figure 1. PRISMA 2020 article selection process diagram

RESULTS

The systematic review included **20 empirical studies** published between **2022 and 2025**, representing diverse organizational contexts, including manufacturing, hospitality, healthcare, higher education, public administration, and knowledge-intensive organizations. This diversity demonstrates that the influence of transformational leadership on employee motivation and engagement is not confined to a particular industry but is consistently observed across different organizational settings. The reviewed studies encompassed employees performing service-oriented, knowledge-intensive, creative, and high-demand occupations, indicating the broad applicability of transformational leadership within contemporary organizations.

A summary of the characteristics and principal findings of the reviewed studies is presented in **Table 1**. Overall, the evidence reveals several recurring patterns regarding the mechanisms through which transformational leadership enhances employee outcomes.

Tabel 1. Synthesis of the 20 Included Studies

No.	Authors	Organizational Context	Research Focus	Key Findings
1	Wang et al. (2022)	Employees in organizations in China	Leadership, commitment, engagement, and performance	Employee engagement mediated the effect of transformational leadership on affective organizational commitment and job performance.

2	Meng et al. (2022)	Cross-organizational work teams	Leadership, work meaningfulness, and engagement	Work meaningfulness served as an important pathway linking transformational leadership to employee engagement.
3	Mustaffa et al. (2022)	Malaysian employees during the COVID-19 pandemic	Leadership, organizational support, and engagement	Organizational support and transformational leadership practices helped maintain employee engagement amid increased job uncertainty.
4	Ibrahim et al. (2022)	Manufacturing industry and millennial employees	Leadership, motivation, organizational culture, and performance	Work motivation and organizational culture strengthened the relationship between transformational leadership and millennial employee performance.
5	Meiryani et al. (2022)	Remote work during the COVID-19 pandemic	Leadership, remote working, and performance	The direct effect of transformational leadership was not always significant; work design and remote work implementation played important roles.
6	Chen & Calero Cuervo (2022)	443 full-time employees in the Greater Bay Area, China	Leadership, motivation, and engagement	Employee motivation partially mediated the relationship between transformational leadership and work engagement.
7	Islam et al. (2022)	Employees undergoing organizational change	Leadership, engagement, and championing behavior	Employee engagement transformed the influence of transformational leadership into active support for organizational change.
8	Abolnasser et al. (2023)	Hotel employees following the peak of the pandemic	Leadership, engagement, job satisfaction, and well-being	Employee engagement and job satisfaction mediated the relationship between transformational leadership and psychological well-being.
9	Karimi et al. (2023)	Knowledge-based organizations	Leadership, psychological capital, and innovation	Psychological capital mediated the influence of transformational leadership on innovative work behavior.
10	Vuong et al. (2023)	605 local government employees in Vietnam	Leadership, public service motivation, and work outcomes	Public service motivation acted as a mediator, whereas power distance orientation functioned as a boundary condition.
11	Juyumaya & Torres (2023)	Managers performing creative work	Leadership, engagement, and creative performance	Transformational leadership and employee engagement were associated with managers' creative performance.

12	Kim et al. (2023)	Hotel service employees	Leadership and employee attitudes and service outcomes	Transformational leadership strengthened positive employee attitudes and customer-related service outcomes.
13	Saif et al. (2024)	Employees in higher education institutions	Leadership, knowledge sharing, innovation, and task performance	Knowledge sharing mediated the influence of transformational leadership on innovation and task performance.
14	Yu (2024)	Employees across general organizational settings	Organizational climate, happiness, and job satisfaction	A positive organizational climate enhanced workplace happiness and job satisfaction, although contextual characteristics influenced the strength of these relationships.
15	Helalat et al. (2025)	Hospitality industry employees	Leadership, engagement, and performance	Employee engagement explained part of the pathway linking transformational leadership to job performance.
16	Zhang et al. (2025)	359 intensive care unit nurses in China	Leadership, organizational climate, and engagement	Organizational climate mediated the relationship between transformational leadership and employee engagement.
17	Huang et al. (2025)	584 intensive care unit nurses in China	Leadership, psychological empowerment, engagement, and performance	Psychological empowerment and employee engagement acted as partial and sequential mediators leading to improved job performance.
18	Abu-Qutaish et al. (2025)	Nurses in Jordanian government hospitals	Leadership, motivation, and engagement	Perceptions of transformational leadership were positively associated with nurses' work motivation and employee engagement.
19	Alfalih & Ragmoun (2025)	Employees with disabilities	Leadership and workplace well-being	The influence of transformational leadership on workplace well-being operated through a series of psychological mechanisms and organizational support.
20	Tsoni et al. (2025)	Greek industrial sector	Organizational climate and engagement	Organizational climate emerged as an important predictor of employee engagement, particularly through organizational support, role clarity, and the quality of workplace relationships.

The first notable pattern indicates that transformational leadership rarely exerts its influence solely through direct effects. Instead, its impact is predominantly transmitted through various psychological and organizational mechanisms, including meaningful work, work motivation, psychological capital, psychological empowerment, organizational trust, employee engagement, and knowledge-sharing behavior. These mediating variables consistently explain how leadership behaviors are translated into desirable employee attitudes and organizational outcomes.

The second pattern emphasizes the significant role of organizational climate. Across multiple studies, organizational climate functions either as an independent predictor or as a mediating mechanism that strengthens the relationship between transformational leadership and employee engagement. A supportive organizational climate reinforces leadership effectiveness by providing employees with consistent experiences of fairness, communication, support, and psychological safety, thereby increasing the credibility of transformational leadership behaviors.

The third pattern highlights the importance of contextual factors in shaping leadership effectiveness. Several studies demonstrate that organizational context influences the magnitude of leadership outcomes, particularly within remote working environments, organizations characterized by high power-distance cultures, occupations involving high psychological demands, and workplaces requiring greater organizational support and inclusivity. These findings suggest that transformational leadership should not be viewed as universally effective regardless of context; rather, its effectiveness depends substantially on the organizational environment in which leadership behaviors are enacted.

Collectively, the reviewed studies indicate that transformational leadership operates through a complex network of psychological and contextual mechanisms rather than through simple direct relationships. Employee motivation and work engagement consistently emerge as central psychological processes explaining how transformational leadership contributes to improved organizational performance. Simultaneously, organizational climate serves as a contextual condition that either amplifies or constrains these psychological processes.

Overall, the synthesis demonstrates that transformational leadership contributes to organizational effectiveness by fostering employees' intrinsic motivation, psychological empowerment, meaningful work experiences, organizational commitment, and active engagement. Nevertheless, these positive outcomes are more likely to occur when organizational systems, managerial practices, and work environments consistently support the values promoted by transformational leaders.

DISCUSSION

Transformational Leadership as a Psychological and Social Resource

Transformational leadership can be understood as a psychological resource because its behaviours help employees interpret work demands and identify effective ways to respond to them. A clear vision reduces ambiguity regarding

organizational priorities. Ethical role modelling minimizes uncertainty about management's intentions. Individualized consideration provides employees with opportunities for support and professional development, while intellectual stimulation encourages them to improve existing work practices. Together, these four behavioural dimensions enhance employees' psychological capacities rather than merely increasing compliance with organizational rules.

Work meaningfulness emerged as one of the most consistent mechanisms identified in the reviewed studies. Employees demonstrate stronger engagement when they perceive their work as contributing to meaningful organizational goals. Transformational leaders connect routine tasks with broader organizational purposes and clarify the contribution of each employee toward achieving these objectives. This relationship was supported by the multilevel analysis conducted by Meng et al. (2022), which identified work meaningfulness as a key mechanism linking transformational leadership to employee engagement.

Individualized consideration is most effective when it is implemented through genuine dialogue. Employees require specific feedback, opportunities for professional growth, and recognition of their individual circumstances. Attention expressed solely through speeches or ceremonial activities is insufficient. The influence of transformational leadership becomes stronger when employees perceive consistency between leaders' messages, managerial decisions, and the allocation of organizational resources. Such consistency strengthens trust and reduces employees' need to protect themselves from social and organizational risks.

Intellectual stimulation encourages employees to question existing assumptions and explore alternative approaches to problem-solving. Its influence extends beyond creativity by strengthening employees' sense of ownership over their work. Successfully solving workplace problems reinforces employees' perceptions of competence. Research on innovative work behaviour demonstrated that psychological capital mediates the relationship between transformational leadership and innovation. Hope, self-efficacy, resilience, and optimism enable employees to maintain their efforts even when their ideas encounter obstacles (Karimi et al., 2023).

Transformational leadership also shapes patterns of social exchange within organizations. Supportive leadership behaviours foster employees' perceptions that the organization values their contributions and genuinely cares about their well-being. Employees reciprocate these perceptions through stronger organizational commitment, increased discretionary effort, and greater willingness to support others. This mechanism is reflected in the relationship between transformational leadership, affective organizational commitment, and job performance mediated by employee engagement (Wang et al., 2022). Such reciprocal relationships cannot be established solely through material rewards because they fundamentally involve trust, identification, and mutual respect.

Periods of organizational change require leaders to communicate the rationale, process, and expected consequences of change effectively. Employees are more likely to support organizational transformation when they understand its benefits, trust the competence of their leaders, and are given opportunities to

participate in its implementation. Employee engagement serves as the psychological energy that transforms acceptance into championing behaviour. Employees do not merely comply with organizational decisions but actively promote change and assist others in adapting to new organizational circumstances (Islam et al., 2022).

Work Climate as a Contextual Reinforcement

Work climate addresses the practical questions that employees continuously encounter in their daily work: What behaviours are considered safe? Who is willing to provide assistance? How are mistakes treated? Will effort be rewarded fairly? The answers to these questions are shaped through repeated workplace experiences. Formal organizational policies provide the foundation, whereas supervisors' decisions, communication patterns, and responses to workplace issues offer more immediate evidence. A positive work climate emerges when these elements remain consistent.

Psychological safety represents a fundamental component of work climate because employee engagement requires individuals to participate fully without fear of negative consequences. Employees are unlikely to express ideas, seek assistance, or acknowledge mistakes when the organization penalizes vulnerability. Although transformational leaders may initiate open dialogue, the work climate ultimately determines whether team members genuinely believe that openness is safe. Support for experimentation, non-punitive responses to mistakes, and evaluations that emphasize learning rather than blame signal that employee participation is valued.

Organizational justice reinforces employee motivation by creating a predictable relationship between effort and outcomes. Employees evaluate fairness through workload distribution, access to training opportunities, reward systems, promotion practices, and decision-making processes. A collective vision loses its credibility when organizational practices consistently favour certain groups without transparent justification. A fair work climate strengthens the credibility of transformational leadership and enables employees to devote their energy to productive work rather than to anticipating inconsistent treatment.

A supportive work climate provides employees with access to both social and instrumental resources. Social support helps alleviate emotional strain, whereas instrumental support facilitates task completion. In occupations characterized by high job demands, both forms of support help preserve employees' psychological energy by reducing the burden of overcoming systemic obstacles. A study conducted among intensive care unit nurses demonstrated that organizational climate mediates the relationship between transformational leadership and employee engagement. This finding positions work climate as an organizational mechanism that can be intentionally managed rather than as a passive organizational background (Zhang et al., 2025).

Organizational climate also contributes to workplace happiness and job satisfaction. Employees evaluate the quality of their work environment through everyday experiences involving interpersonal relationships, recognition, opportunities for growth, and psychological security. Workplace happiness

constitutes one of the pathways through which organizational climate contributes to employees' positive evaluations of their jobs (Yu, 2024). These findings broaden the understanding of employee engagement by demonstrating that work-related energy cannot be separated from employees' emotional experiences and overall quality of working life.

Evidence from the industrial sector further supports the role of organizational climate as an important predictor of employee engagement. Work environments characterized by role clarity, organizational support, and collaborative relationships increase employees' willingness to invest their energy and commitment in their work (Tsoni et al., 2025). The practical implication is that organizations should evaluate work climate at the unit level rather than relying solely on organization-wide assessments. Although corporate policies may be standardized across the organization, employees' experiences may differ substantially depending on supervisors, workload distribution, and coordination practices within individual work units.

Work Motivation as a Psychological Pathway

Work motivation explains why employees choose to initiate, sustain, or discontinue their efforts. Transformational leadership influences employee motivation by providing purpose, confidence, and a sense of competence. A compelling vision offers direction, individualized support strengthens employees' perceptions of capability, participation in decision-making enhances autonomy, and recognition demonstrates that employees' efforts are valued. Together, these factors generate a more enduring source of motivation than external pressure or close supervision.

Intrinsic motivation develops when employees are provided with opportunities to learn, exercise choice, and observe the outcomes of their efforts. Leaders can structure work challenges so that they are sufficiently demanding without creating feelings of helplessness. Feedback should emphasize strategies and progress rather than merely evaluating personal performance. Employees who recognize their own progress are more likely to persist when facing difficult tasks, while a strong sense of competence helps sustain motivation even when immediate results are not achieved.

Evidence from learning organizations indicates that work motivation partially mediates the relationship between transformational leadership and work engagement. Transformational leaders enhance employee engagement not because of the leadership label itself, but because employees become more motivated to contribute and develop within the organization (Chen & Calero Cuervo, 2022). The presence of partial mediation further suggests that additional mechanisms including work meaningfulness, trust, organizational identification, and job resources also contribute to explaining this relationship.

Public service motivation demonstrates that the content of employee motivation varies according to the nature of the work. Public sector employees may be motivated by a desire to contribute to society and create public value. Transformational leaders strengthen this form of motivation by communicating the societal impact of public services and reinforcing the importance of serving the

public interest. However, employees' power distance orientation influences how they respond to leadership behaviours, as some individuals are more comfortable with hierarchical decision-making, whereas others expect greater participation in organizational decisions (Bui et al., 2023).

Research involving nurses employed in government hospitals revealed a positive relationship between perceptions of transformational leadership, work motivation, and employee engagement. In occupations requiring both emotional and physical demands, motivation cannot be sustained solely through organizational slogans emphasizing service. Adequate staffing, reasonable work schedules, sufficient organizational resources, and professional recognition must accompany transformational leadership behaviours to maintain employees' motivation and engagement (Abu-Qutaish et al., 2025).

Employee Engagement as a Behavioral Mechanism

Employee engagement translates motivation into observable behavioural investment. Vigor is reflected in employees' persistence and resilience when facing work-related challenges. Dedication is demonstrated through pride, enthusiasm, and a strong sense of purpose in one's work. Absorption is evident when employees become fully immersed in their tasks. Together, these three dimensions explain why two employees with comparable abilities may exhibit different levels of contribution and job performance.

Employee engagement is closely associated with job performance because engaged employees allocate their attention and effort more consistently. They respond more effectively to workplace challenges, maintain high performance standards under pressure, and actively seek opportunities to improve work outcomes. A study conducted in the hospitality industry identified employee engagement as a mediating mechanism through which transformational leadership enhances employee performance (Helalat et al., 2025). Given the high level of direct customer interaction within this sector, employees' psychological states are readily reflected in the quality of service they provide.

Psychological Empowerment, Psychological Capital, and Well-Being

Psychological empowerment reflects employees' perceptions that their work is meaningful, that they are capable of performing their roles effectively, that they have autonomy in making work-related decisions, and that they can influence organizational outcomes. Transformational leadership supports these four dimensions by articulating a compelling vision, providing coaching, delegating responsibilities, and encouraging employee participation. Psychological empowerment enables employees to take initiative without waiting for detailed instructions whenever workplace challenges arise. This capability is particularly important in organizations operating in dynamic environments that rely on timely frontline decision-making.

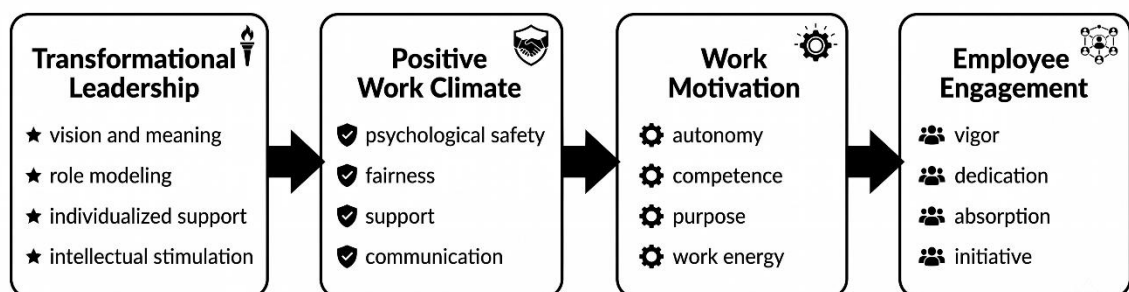
A study involving intensive care unit nurses demonstrated that transformational leadership was positively associated with psychological empowerment, employee engagement, and job performance. Furthermore, psychological empowerment and employee engagement formed a sequential mediation pathway. Transformational leaders strengthen employees' perceptions

of competence and influence, which subsequently encourages them to invest greater energy in their work, ultimately leading to improved job performance (Huang et al., 2025). These findings emphasize the importance of integrating both cognitive and affective dimensions when explaining leadership effectiveness.

Digital Organizations, Hybrid Work, and Boundary Conditions

Digital work environments have transformed the ways in which leaders interact with their teams. In traditional face-to-face settings, leadership support is often demonstrated through spontaneous conversations and direct observation. In hybrid work arrangements, however, support must be deliberately communicated through structured communication routines, transparent documentation of decisions, accessible information, and timely responses. Employees who spend less time in the office are at greater risk of losing contextual understanding, learning opportunities, and informal social connections if organizations merely transfer face-to-face meetings to virtual platforms without redesigning work processes.

Evidence from studies on remote working indicates that the label of transformational leadership alone does not guarantee improved employee performance when organizational systems fail to support effective coordination. The absence of significant direct effects may result from unclear goals, inadequate technological infrastructure, virtual meeting fatigue, or unequal task distribution (Meiryani et al., 2022). Consequently, leaders must focus not only on inspirational communication but also on designing work systems that facilitate effective collaboration.



Reinforcing Context: role clarity, job resources, flexibility, inclusion, and digital readiness.

Figure 2. Synthesized Integrative Conceptual Model

An Integrative Model of Transformational Leadership, Work Climate, Motivation, and Employee Engagement

The model presented in Figure 2 positions transformational leadership as the primary social catalyst. Transformational leaders create direction, meaning, trust, challenge, and support within the organization. However, these initial influences alone are insufficient to generate sustainable employee engagement. Employees evaluate whether the organizational system reinforces these leadership messages through their daily experiences of organizational justice, communication, psychological safety, resource availability, and interpersonal relationships.

Work climate functions as a contextual amplifier. A positive work climate reinforces transformational leadership by making leadership behaviours credible and consistently reflected in employees' everyday experiences. Conversely, a negative work climate creates organizational dissonance. Leaders may advocate innovation while mistakes continue to be punished. Management may encourage collaboration while reward systems promote internal competition. Organizations may claim to prioritize employee well-being while consistently ignoring excessive workloads. Such inconsistencies weaken employee motivation and reduce the effectiveness of transformational leadership.

Work motivation represents the psychological mechanism that transforms employees' perceptions of leadership and work climate into the direction and intensity of work-related effort. Employees who understand organizational goals, perceive themselves as competent, experience autonomy, and recognize the significance of their contributions are more likely to invest greater energy in their work. Employee engagement then emerges as the proximal outcome, reflected in vigor, dedication, and absorption. These psychological states subsequently contribute to improved job performance, creativity, organizational commitment, knowledge sharing, service quality, and support for organizational change.

The proposed model is inherently dynamic. Positive performance outcomes and successful work experiences may further strengthen employees' self-efficacy and trust in leadership, whereas systemic organizational failures may gradually undermine the work climate despite leaders' positive intentions. Consequently, organizations should conduct regular evaluations at the organizational, departmental, and team levels. Relying solely on aggregated organizational data may conceal work units experiencing burnout or employee groups that perceive unequal access to organizational resources and opportunities.

CONCLUSIONS AND RECOMMENDATIONS

Transformational leadership plays a pivotal role in enhancing employee motivation and engagement by providing direction, meaning, support, challenge, and confidence that encourage employees to take initiative. Its influence operates through interconnected psychological and social processes. Work motivation, work meaningfulness, psychological empowerment, psychological capital, trust, and employee engagement collectively explain how transformational leadership is translated into meaningful work-related contributions and organizational outcomes.

Work climate determines whether leadership messages are reinforced by employees' everyday organizational experiences. Psychological safety, organizational justice, open communication, support, role clarity, and access to organizational resources encourage employees to invest their energy and commitment in their work. Conversely, an inconsistent work climate weakens the effectiveness of transformational leadership and fosters defensive attitudes among employees.

Work motivation and employee engagement should be understood as two distinct yet closely related psychological processes. Work motivation provides employees with the reasons and direction for exerting effort, whereas employee

engagement reflects the quality of employees' psychological energy, dedication, and attention invested in their work. Together, these processes contribute to improved job performance, innovation, service quality, organizational commitment, knowledge sharing, and organizational readiness for change.

Modern organizations should integrate leadership development initiatives with improvements in work design and human resource management systems. Organizational success depends not only on leaders' ability to inspire employees but also on employees' perceptions that the organization is fair, supportive, inclusive, and provides opportunities for continuous growth and development. The integration of transformational leadership, a positive work climate, strong employee motivation, and sustainable employee engagement forms the foundation for long-term organizational effectiveness in an increasingly dynamic and complex work environment.

FURTHER STUDY

Finally, future research should examine additional contextual variables that may strengthen or weaken the relationships proposed in this review. Variables such as workload, organizational justice, psychological safety, power-distance orientation, workplace inclusion, technological readiness, digital leadership capabilities, and employee well-being may function as important moderating factors influencing leadership effectiveness. Incorporating these variables into future conceptual models would contribute to a more comprehensive understanding of transformational leadership within increasingly dynamic organizational environments.

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