



Leading through disruption: The role of transformational leadership in the digital age

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ABSTRACT

Transformational leadership has emerged as a critical concept that can significantly influence organizational success in a rapidly evolving digital landscape. However, despite the increasing importance of this topic, there remains a noticeable research gap in the understanding of the dynamics and impact of transformational leadership in the context of the digital era. To address this research gap, a systematic literature review using a comprehensive selection of 25 scientific articles from Scopus database was conducted. The primary objective was to explore the consequences of transformational leadership in the digital age and gain insights into its implications for organizational effectiveness and success. The systematic review encompassed articles that discussed transformational leadership in the context of digital transformation. The selected articles were rigorously analyzed and categorized to extract valuable insights into various consequences of transformational leadership and the digital era. The findings shed light on the essential outcomes of a transformational leadership style, including employee motivation and performance, job satisfaction, organizational commitment which leads to innovation, adaptability and resilience, and organization's commitment, which eventually contribute to organizational growth and performance. This study provides a comprehensive overview of the current state of knowledge regarding the role of transformational leadership in the digital age. It highlights the role of transformational leadership can navigate and thrive in the dynamic landscape of digital transformation.

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1. INTRODUCTION

Organizations are purpose-driven entities created to achieve specific objectives. The degree to which these organizations succeed becomes intricately intertwined with the performance of their employees in effectively fulfilling these predetermined goals (Para-González et al., 2018; Wang et al., 2011). Recognizing the pivotal role that employee performance plays in driving organizational prosperity, leaders naturally strive to

continuously enhance and optimize it (Eliyana & Ma'arif, 2019; Kainde & Mandagi, 2023). Hence, the significance of a high-performing workforce cannot be overstated. Employees who are engaged, motivated, and equipped with the necessary skills are more likely to contribute meaningfully to the organization's success (Bui et al., 2017). They become the driving force behind innovation, productivity, and efficiency, creating a positive ripple effect throughout the entire organization (Wuryaningrat et al., 2023).

Leadership is a multifaceted and dynamic process that goes beyond merely giving orders or instilling fear to achieve compliance. It entails a profound understanding of human psychology and the art of inspiring and guiding individuals towards the pursuit of common objectives (Afsar et al., 2019). Effective leaders embrace empathy and emotional intelligence, recognizing that their role extends far beyond a hierarchical position (Crowley, 2022; Lappalainen, 2015). Instead, they become facilitators of growth, encouraging personal development and fostering a sense of belonging within the team. At the heart of leadership lies the ability to initiate and actively support subordinates, recognizing their unique strengths and providing them with the tools and resources they need to excel (Crowley, 2022). This human-centric approach not only enhances individual performance but also strengthens the coherence among group members (Aga et al., 2016; Rampen et al., 2023; Wulur & Mandagi, 2023). By promoting a collaborative and inclusive environment, leaders foster a shared sense of purpose and create a united front committed to achieving organizational success.

The concept of leadership style can be delineated as the manner in which a leader conducts themselves and approaches the task of providing direction, guidance, and motivation to employees within an organization with the aim of attaining optimal performance. It is important to acknowledge that leaders may exhibit diverse styles, and their choice of style may not remain constant across all situations. House (1971), in his seminal paper on the path-goal theory, expounds on the notion that leadership style is contingent upon multiple factors, including the leader's personal attributes, the characteristics of the followers, and the contextual conditions under which both leader and employees operate. Moreover, this theory acknowledges the moderating influence of subordinate and environmental variables, highlighting the necessity for a leader to adapt their approach to address the specific shortcomings of a given situation in order to achieve optimal performance and foster employee satisfaction (Rampen et al., 2023; Wulur & Mandagi, 2023). Within the framework of the path-goal theory, leaders may employ four distinct leadership styles, namely directive, participative, supportive, and achievement-oriented styles (Famakin & Abisuga, 2016; House, 1971).

Numerous studies have consistently demonstrated the significant influence of leadership on both employee performance and organizational outcomes (e.g., Bellé, 2014; Grant, 2012; Nguyen et al., 2017; Para-González et al., 2018; Grisang & Waty, 2023; Gultom & Ferinia, 2023). Leaders adopt various styles to effectively coordinate and guide their workforce. Among these styles, transformational leadership stands out as a particularly successful approach (Boberg & Bourgeois, 2016; Brandt et al., 2016). When company managers or leaders adeptly implement transformational leadership, employees experience heightened job satisfaction and a stronger sense of attachment to the organization (Eliyana & Ma'arif, 2019; Waworuntu et al., 2022).

The advent of the digital age has engendered a novel epoch of challenges and prospects for leaders spanning diverse industries and sectors. Within this milieu, transformational leadership has surfaced as an indispensable concept capable of exerting substantial influence on organizational triumph and adeptness in the face of the swiftly evolving digital terrain. Despite its growing importance, there is still a noticeable gap in literature concerning the dynamics of transformational leadership in the digital era. To address this theoretical gap, a systematic literature review is proposed with the intent of elucidating and consolidating existing knowledge on the subject.

This study has significant theoretical and practical implications. It enhances our understanding of transformational leadership in the digital era by categorizing key outcomes, including employee motivation, job satisfaction, and organizational commitment, which contribute to innovation, adaptability, resilience, and organizational growth. This categorization provides a framework for future research and highlights the crucial role of transformational leadership in organizational effectiveness and success in the digital age. On a practical level, the study offers guidance for leaders in digital-centric organizations, emphasizing the importance of adopting transformational leadership behaviors to motivate employees, foster innovation, and navigate digital transformations effectively, ultimately driving growth and performance in dynamic landscapes.

2. RESEARCH BACKGROUND

The digital age has revolutionized the way organizations operate and interact, ushering in unparalleled advancements and challenges (Mandagi, 2023). In this era of rapid technological progress, transformational leadership has emerged as a compelling and indispensable concept, capable of steering organizations towards success and adaptability. However, despite its growing significance, there exists a pressing need to comprehensively explore the role of transformational leadership in the context of the digital age (Philip, 2021). The digital age has unleashed a wave of unprecedented disruption across various industries, necessitating a transformative leadership approach to navigate through the intricacies of technological advancements. Leaders must rise to the challenge of reshaping organizational structures, processes, and cultures to effectively leverage digital tools and strategies for sustainable growth and competitiveness (Purwanto et al., 2021).

In the digital age, leadership paradigms are undergoing a profound transformation. Traditional hierarchical structures are giving way to more flexible, networked, and agile models. Transformational leadership, with its emphasis on inspiration, vision, and individual empowerment, is well-suited to guide organizations through this paradigm shift and foster innovation and creativity among employees (Al-Husseini et al., 2021; Choi et al., 2016; Tse et al., 2018). As organizations grapple with the complexity of the digital landscape, the role of leadership becomes crucial in unlocking the full potential of their workforce (Philip, 2021). Transformational leaders can instill a sense of purpose and dedication among employees, leading to higher levels of engagement and productivity (Bui et al., 2017).

Digital transformation poses unique challenges such as data privacy, cybersecurity, and ethical considerations (Sijabat et al., 2022; Wulyatiningsih & Mandagi, 2023). Transformational leaders must possess the skills to address these issues proactively while fostering a culture of continuous learning and adaptability (Philip, 2021). Despite the growing interest of the significance of transformational leadership in the digital age, empirical research on this subject remains limited. Hence, the present study aims to explore the consequences of transformational leadership in the digital age and gain insights into its implications for organizational effectiveness and success. This study contributes to the literature related to provides a comprehensive overview of the current state of knowledge regarding the role of transformational leadership in the digital age. It highlights the gaps in the literature and proposes potential avenues for further research to advance our understanding of how leadership can navigate and thrive in the dynamic landscape of digital transformation.

2. RESEARCH METHOD

This study utilized the Systematic Literature Review (SLR) method, which refers to a rigorous research approach employed to collect and evaluate studies related to a specific

topic within a particular field or discipline. This method is utilized to systematically identify and analyze pertinent literature with the ultimate goal of advancing a more profound understanding of the selected subject matter. The SLR process involves conducting a comprehensive investigation that encompasses various objectives, such as identifying, examining, evaluating, and interpreting all existing research within a captivating domain of interest, with a specific focus on relevant research inquiries (Okoli, 2015; Xiao & Watson, 2019). Figure 1 summarizes the stages in the SLR employed in this study.

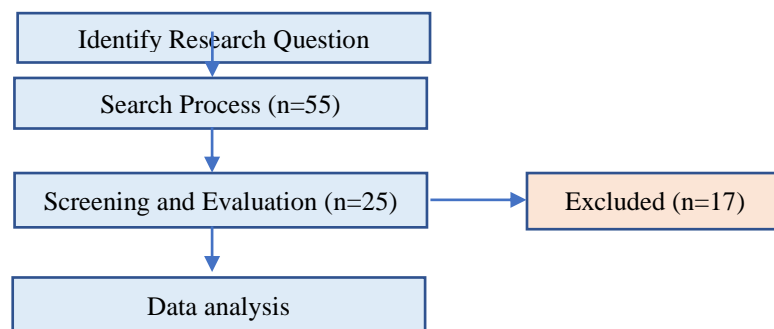


Figure 1. Steps in the SLR

The initial step involves the determination of the research question (RQ) that will serve as the guiding compass for the investigation. For the present study, meticulous attention has been given to identifying research questions that align with the specific requirements and demands inherent to the chosen subject matter. The formulated research question for this endeavor is as follows: "What are the consequences of transformational leadership in the digital age?" This well-crafted RQ aims to explore and comprehend the far-reaching implications and outcomes of transformational leadership practices within the rapidly evolving landscape of the digital era. By centering the study around this focused research question, the systematic literature review endeavors to illuminate and provide comprehensive insights into this essential facet of contemporary leadership in the context of the digital age.

The second step was the comprehensive search process. This critical phase was designed to unearth and gather pertinent sources capable of addressing the research question and relevant references pertaining to the chosen topic. The primary aim was to acquire materials of high quality and relevance to ensure the credibility and robustness of the research endeavor. During this phase, a thorough exploration of related journals, indexed in reputable databases such as Scopus, was undertaken. The utilization of Scopus as a database was particularly advantageous due to its extensive coverage of scholarly publications across various disciplines, facilitating the comprehensive retrieval of essential literature. The search process demanded meticulous attention and careful consideration to identify the most suitable and informative resources, ultimately contributing to the scholarly rigor of the SLR and enhancing the depth of knowledge gained on the selected subject matter. At this stage there are 55 relevant articles that have been extracted from the database.

The subsequent step involves conducting screening and selection processes to ensure that articles meet the inclusion and exclusion criteria. This phase aims to determine whether the identified data can be utilized in the systematic literature review or not. The selection of articles is carried out based on specific criteria that ascertain whether a study is deemed appropriate for inclusion or not. The article inclusion criteria is displayed in table 1.

Table 1. Article Inclusion Criteria

Criteria	Description
Type of article	Scientific articles
Source	Scopus Database
Time frame	2015-2023
Research design	Quantitative
Language	English
Keywords	Leadership style, transformational leadership, digital transformation, digital era

Through the rigorous application of these criteria, the researchers aim to assemble a relevant and comprehensive set of studies that align with the objectives of the systematic literature review.

The subsequent step in the research process encompasses the crucial phase of data analysis, which assumes paramount importance. During this pivotal stage, the collected data is subjected to meticulous scrutiny and evaluation to glean a comprehensive understanding and discern meaningful insights pertaining to particular aspects under investigation. The overarching objective of this analytical endeavor is twofold: firstly, to reveal and showcase the outcomes and discoveries stemming from the empirical observations, and secondly, to unravel any discernible patterns and trends lurking within the amassed dataset. By undertaking this rigorous analysis, researchers can shed light on the underlying relationships, correlations, or causal connections that may exist, thus enriching the overall body of knowledge in the relevant domain. The screening and selection process resulted in 25 articles that served as the final sample for the analysis process.

3. RESULTS AND DISCUSSIONS

3.1 Transformational Leadership and Digital Transformation

Transformational leadership and digital transformation are two significant concepts that have gained prominence in recent years. The combination of these two domains has become increasingly relevant as organizations seek to adapt to the rapid advancements in technology and the evolving business landscape (Philip, 2021). Since it was proposed more than 40 years ago, transformational leadership theory has attracted great academic interest and become one of the most investigated leadership models. Transformational leadership can be applied in a managerial context and is an essential competency of a leader to obtain employee performance that exceeds expectations (Fernet et al., 2015; Eliyana & Ma'arif, 2019). It is particularly beneficial in enhancing intrinsic capabilities in motivating employees and increasing psychological empowerment (Choi et al., 2016; Nielsen et al., 2019).

Transformational leadership comprises four distinct components, namely idealized influence, inspirational motivation, intellectual stimulation, and individualized attention (Crowley, 2022). These constituent elements form an inseparable part of a leadership approach that deviates from conventional, traditional styles of leadership. The adoption of transformational leadership holds significant implications for both employee performance and organizational development, asserting its pivotal role in shaping the trajectory of modern organizations (Rampen et al., 2023; Wulur & Mandagi, 2023).

Transformational leadership serves as a vital ingredient for successful digital transformation 1601 nan1601 its unique ability to inspire and empower employees (Choi et al., 2016). In the rapidly changing digital landscape, employees need to be motivated and engaged to embrace new technologies and processes (Philip, 2021). Transformational leaders excel at communicating a compelling vision of the organization's digital future, instilling a sense of purpose and direction among their teams. This shared vision creates

a unified sense of purpose, driving employees to work towards common goals. By fostering a culture of collaboration and open communication, transformational leaders ensure that employees feel valued and their contributions are recognized. As a result, employees become more receptive to change, willingly adapting to the evolving digital landscape and actively participating in the transformation journey (Bagga et al., 2023; Yang, 2016).

Furthermore, transformational leadership plays a critical role in fostering innovation within organizations undergoing digital transformation (Purwanto et al., 2021; Philip, 2021). These leaders encourage creative thinking, risk-taking, and experimentation (Tse et al., 2018). They provide employees with the freedom to explore new ideas and technologies, empowering them to challenge the status quo and identify innovative solutions to complex problems (Choi et al., 2016). In such an environment, the fear of failure diminishes, and a culture of continuous learning and improvement takes root. This emphasis on innovation not only accelerates the pace of digital transformation but also enables organizations to stay ahead of their competitors by embracing cutting-edge technologies and strategies (Wang et al., 2011). As transformational leaders encourage and reward creative efforts, they nurture a workforce that is always seeking new ways to deliver value to customers and improve internal processes (Bellé et al., 2014; Tse et al., 2018).

3.2 The Effects of Transformational Leadership on Employee Behavior

The findings of a comprehensive and systematic analysis of related literature highlights the diverse and intricate effects of transformational leadership on employee behavior. Particularly, transformational leaders, through their ability to provide inspirational motivation, exert a significant influence on employee performance and job satisfaction, ultimately contributing to heightened organizational commitment. The following sections delve into an in-depth exploration of the impact of transformational leadership on each aspect of employee behavior.

a. Employee Motivation

Transformational leadership is a leadership style that emphasizes inspiring and motivating employees to achieve exceptional performance. This leadership approach has garnered significant attention 1602 nan1602 its positive impact on employee behavior and overall organizational outcomes (Nguyen, 2017). Particularly, transformational leaders are a driving force in organizations, capable of transforming ordinary teams into high-performing, cohesive units (Aga et al., 2016). By instilling a shared vision and empowering their followers, they pave the way for success and growth, creating a positive and inspiring work culture (Bagga et al., 2023; Choi et al., 2016). One of their key strengths lies in cultivating a shared sense of purpose among the team, aligning everyone with the organization's goals and performance standards (Boberg, 2016; Rampen et al., 2023; Wulur & Mandagi, 2023). By emphasizing a compelling and optimistic future, they ignite a sense of passion and commitment within their followers, leading to improved performance and outcomes (Crowley, 2022).

These leaders prioritize individual growth and development, encouraging their team members to unleash their full potential. They foster an environment of trust, open communication, and collaboration, allowing ideas to flourish freely (Jena et al., 2018; Yang, 2016). By empowering their followers, transformational leaders create a sense of ownership and responsibility, making each individual feel valued and essential to the overall success of the organization (Choi et al., 2016; Wuryaningrat et al., 2023). Furthermore, they lead by example, displaying authenticity and integrity in their actions (Crowley, 2022). Through their charisma and strong ethical values, they earn the respect

and admiration of their followers, further solidifying the emotional bond and commitment to the shared vision (Patiar & Wang, 2016; Famakin, & Abisuga, 2016).

b. Employee Performance

Transformational leadership, as a managerial approach, has garnered attention for its ability to significantly enhance professional performance within the workplace. Numerous studies have delved into the impact of leadership style on overall performance, and among these studies, transformational leadership has stood out as a significant factor influencing work performance (e.g., Bellé, 2014; Grant, 2012; Para-González et al., 2018; Patiar & Wang, 2016; Rampen et al., 2023; Wulur & Mandagi, 2023). This leadership style, characterized by inspirational and visionary qualities, plays a crucial role in motivating employees to excel and achieve their full potential (Philip, 2021; Purwanto et al., 2021). By providing a clear direction and setting high expectations, leaders with this style inspire their team members to go above and beyond in their work. Additionally, they foster a positive and supportive work environment that encourages innovation and creativity, leading to increased productivity and overall success for the organization (Shafi et al., 2020; Tse et al., 2018; Wuryaningrat et al., 2023).

Empirical evidence supports the idea that transformational leaders have the ability to understand when their team needs such leadership, particularly during times of increased stress or when tasks have greater meaning (Fernet et al., 2015; Kucharska, & Rebelo, 2022; Nielsen et al., 2019; Shafi et al., 2020). By skillfully tapping into the intrinsic motivations of their team members, these leaders evoke inspiration and commitment, propelling individuals to exceed their perceived capabilities and expectations (Wang et al., 2011; Nguyen et al., 2017; Boberg & Bourgeois, 2016). Consequently, this transformative approach instills a profound sense of ownership and empowerment among employees, ultimately culminating in heightened levels of productivity (Madi et al., 2023; Nielsen et al., 2019; Choi et al., 2016).

By fostering a supportive and empowering environment, transformational leaders enable employees to embrace challenges and pursue excellence, ultimately leading to heightened organizational productivity and success (Wang et al., 2011). As businesses continue to navigate complex and dynamic environments, embracing transformational leadership can prove to be a potent catalyst for unlocking the workforce's true potential and driving sustained growth. This leadership style also prioritizes the development of their team members, providing them with opportunities for growth and skill enhancement which is essential for individual and team performance (Aga et al., 2016; Rampen et al., 2023; Wulur & Mandagi, 2023).

c. Job Satisfaction

Existing research has demonstrated a positive relationship between transformational leadership and job satisfaction (Eliyana & Ma'arif, 2019; Choi et al., 2016; Tse et al., 2018; Yang, 2016; Waworuntu et al., 2022). Employee job satisfaction pertains to employees' attitudes and perceptions regarding their job roles and work experiences, measuring their overall job contentment (Waworuntu et al., 2022). Transformational leaders effectively inspire and motivate their team members by establishing high performance standards and providing ample support and guidance (Bellé, 2014). This leadership style fosters a sense of empowerment and autonomy among employees, leading to increased job satisfaction (Choi et al., 2016; Waworuntu et al., 2022). Additionally, transformational leaders encourage open communication and collaboration, creating a positive work environment that further contributes to employee satisfaction.

Transformational leadership is a powerful strategy that ultimately increases employee job satisfaction by empowering leaders to motivate and coach their teams to

realize their full potential (Choi et al., 2016). By utilizing transformative leadership techniques, leaders can create a motivating and supportive work environment where team members feel valued and appreciated for their contributions (Eliyana & Ma'arif, 2019). These leaders set high expectations for performance and give their staff the guidance and support they need to succeed. Transformational leaders foster a sense of purpose and passion in their teams through their charisma and empathy, building a shared vision that ties personal goals to the organization's goals (Philip, 2021). Employees grow personally and feel strongly fulfilled and content in their work as they see the positive results of their efforts and work under such leadership (Choi et al., 2016). Due to their increased engagement, productivity, and dedication to the company's success, there is an improvement in overall job satisfaction and a positive workplace culture (Bagga et al., 2023; Waworuntu et al., 2022).

d. Organizational Commitment

The interconnection between transformational leadership and organizational commitment has been subjected to extensive inquiry within the domain of organizational psychology. Transformational leaders are recognized for their aptitude to inspire and propel their subordinates toward surpassing their customary job responsibilities (Philip, 2021). This capacity subsequently engenders heightened levels of organizational commitment among employees (Para-González et al., 2018). The transformational leader's emphasis on individual progress and advancement fosters a profound sense of allegiance and devotedness among employees, culminating in an augmented dedication to the organization and its objectives (Famakin & Abisuga, 2016). Taken together, transformational leadership assumes a pivotal role in nurturing a robust perception of organizational commitment (Yang, 2016; Para-González et al., 2018; Famakin & Abisuga, 2016).

Transformational leadership is a powerful force in shaping organizational commitment, as it actively cultivates a culture of trust and loyalty within the workforce (Yang, 2016; Bagga et al., 2023). This leadership approach goes beyond mere management and embraces the notion of genuine connection with employees. By encouraging open communication and creating a supportive atmosphere, transformational leaders inspire individuals to take ownership of their work and responsibilities, fostering a deep sense of commitment to the organization's mission and goals (Famakin & Abisuga, 2016). Such leaders act as catalysts for growth, motivating employees to strive for excellence and continuously improve their skills and performance (Philip, 2021). Consequently, this positive work environment, enriched with opportunities for personal growth and development, further solidifies employees' commitment, as they feel valued and nurtured by the organization (Para-González et al., 2018). In this way, transformational leadership nurtures lasting dedication and engagement from the workforce, leading to enhanced productivity and overall success.

3.3 The Effects of Transformational Leadership on Organizational Behavior

a. Innovation

Transformational leadership plays a pivotal role in fostering a culture of innovation within organizations. These leaders have the unique ability to create an environment that nurtures and encourages risk-taking, experimentation, and idea-sharing among employees, thereby fueling the engine of organizational innovation (1604 nan1604 et al., 2019). By embodying inspirational qualities and a compelling vision, transformational leaders instill a sense of purpose and excitement among their teams, motivating them to push the boundaries of conventional thinking (Fernet 1604 nan., 2015).

One of the key ways transformational leaders cultivate innovation is by promoting a culture that embraces risk-taking. Instead of fearing failure, they view it as an opportunity for growth and learning (Wuryaningrat et al., 2023). Such leaders encourage employees to take calculated risks, empowering them to explore new ideas without the fear of repercussions (Choi et al., 2016). This kind of atmosphere allows for greater creativity and encourages employees to step outside their comfort zones, leading to breakthrough innovations that may not have been possible under a more risk-averse leadership style.

Experimentation is another crucial aspect that transformational leaders foster within the organization. They recognize that innovation often involves trial and error, and they create an environment where employees are encouraged to experiment with new approaches and solutions (Bak et al., 2022). This freedom to experiment empowers employees to refine their ideas, learn from failures, and continuously iterate until they achieve the desired outcomes (Choi et al., 2016).

Furthermore, transformational leaders actively promote idea-sharing and collaboration. They break down hierarchical barriers and create open channels of communication where employees feel comfortable expressing their thoughts and suggestions. By valuing diverse perspectives and encouraging a free flow of ideas, these leaders enable cross-pollination of thoughts, leading to innovative solutions that draw from the collective intelligence of the workforce. They empower their employees by providing them with the autonomy and resources needed to pursue innovative ideas, fostering a sense of ownership and accountability (Choi et al., 2016). Through their effective communication and collaboration skills, transformational leaders facilitate cross-functional teamwork and knowledge sharing, enabling the organization to leverage diverse perspectives and expertise for breakthrough innovations (Bak et al., 2022).

b. Adaptability and Resilience

Transformational leadership is a powerful force that not only influences individual and organizational performance but also plays a vital role in enhancing adaptability and resilience. By promoting a dynamic and forward-thinking approach, this leadership style empowers employees to navigate through changes with agility and creativity (Choi et al., 2016; Yang, 2016). Transformational leaders inspire their teams to view challenges as opportunities for growth, fostering a culture where innovation and adaptability are prized virtues (Bak et al., 2022).

Employees under the guidance of transformational leaders are encouraged to think outside the box and take calculated risks. This willingness to explore new possibilities and experiment with different approaches equips individuals and organizations to adapt swiftly to evolving circumstances. As a result, they become better equipped to face uncertainties and unexpected disruptions, turning challenges into stepping stones for progress.

In addition to fostering adaptability, transformational leaders provide unwavering support and inspiration to their team members. During times of adversity or setbacks, these leaders stand as beacons of strength, instilling confidence in their teams and encouraging them to persevere. By building a resilient mindset and imparting problem-solving skills, transformational leaders empower their workforce to bounce back from setbacks and emerge stronger in the face of adversity (Choi et al., 2016).

c. Employer Brand

Transformational leadership exerts a remarkable influence on an organization's employer brand. This particular leadership style goes beyond traditional methods, as it ignites inspiration and motivation among employees, thereby cultivating a positive work environment and instilling a deep sense of loyalty towards the company.

When employees feel genuinely inspired by their leaders, they become enthusiastic brand advocates, willingly sharing their positive experiences with others both inside and outside the organization. This word-of-mouth promotion becomes a powerful tool in attracting top talent to the organization, as potential candidates are drawn to companies with strong, positive reputations.

Moreover, transformational leaders prioritize the growth and development of their employees. By investing in their team members' professional and personal growth, these leaders create a culture that values continuous learning and advancement. Employees appreciate the opportunities for skill enhancement and career progression, which fosters a sense of belonging and dedication to the organization. As employees witness their leaders' genuine commitment to their success, they, in turn, feel more inclined to contribute their best efforts, resulting in increased productivity and overall satisfaction (Waworuntu et al., 2022).

d. Organizational Growth and Performance

Transformational leadership has garnered widespread recognition as a pivotal driver of organizational growth and performance. This leadership approach goes beyond traditional management methods by inspiring and motivating employees to transcend their individual interests and unite in pursuit of the collective goals and vision of the organization. By instilling a sense of purpose and direction, transformational leaders empower their teams to unleash their full potential, leading to heightened levels of innovation, productivity, and overall success (Bak et al., 2022; Choi et al., 2016; Waworuntu et al., 2022).

Numerous studies have consistently reinforced the positive impact of transformational leadership on organizational growth and performance outcomes (e.g., Rampen et al., 2023; Waworuntu et al., 2022; Wulur & Mandagi., 2023). When employees feel connected to a compelling vision set forth by their leaders, they become more engaged and motivated in their work (Bagga et al., 2023). This heightened engagement translates into greater job satisfaction, as individuals find meaning and fulfillment in contributing to something greater than themselves such as better team and organizational performance (Waworuntu et al., 2022).

Moreover, transformational leaders create an environment that fosters collaboration, creativity, and open communication (Shafi et al., 2020; Tse et al., 2018). By valuing the diverse perspectives and talents of their teams, they encourage employees to actively participate in decision-making processes and freely share their ideas. This inclusive approach generates a rich pool of innovative solutions and propels the organization forward (Bak et al., 2022). By fostering a culture of open communication and collaboration, these organizations create an environment where individuals feel valued and heard. This not only boosts employee morale and engagement but also enhances overall team performance (Rampen et al., 2023; Wulur & Mandagi., 2023). Ultimately, this inclusive approach contributes to the organization's success and helps it stay ahead in an ever-evolving business landscape.

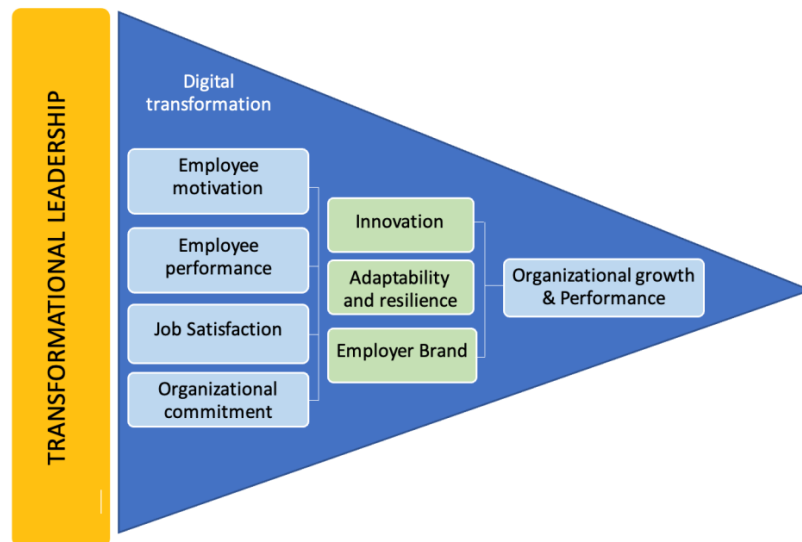


Figure 3. Consequences of Transformational Leadership in Digital Era

As displayed in figure 3, the essential outcomes of a transformational leadership style, including employee motivation and performance, job satisfaction, organizational commitment which leads to innovation, adaptability and resilience, and organization's commitment, which eventually contribute to organizational growth and performance.

4 CONCLUSIONS

With the rapidly changing digital landscape, transformational leadership has become a crucial idea that can significantly impact organizational success. The present study investigates the effects of transformational leadership in the digital era and explains its implications for the success and effectiveness of organizations. The results provide insight into the key results of a transformational leadership style, such as employee motivation and performance, job satisfaction, an organizational commitment that fosters innovation, adaptability, and resilience, and organizational commitment that ultimately supports organizational growth and performance.

As depicted in Figure 3, transformational leadership exerts a significant positive influence on diverse dimensions of digital transformation. Primarily, this leadership style instills inspiration and motivation among employees, fostering their willingness to embrace technological advancements and adapt to novel working methodologies. Consequently, this results in heightened levels of employee performance and productivity, as individuals experience a sense of support and empowerment to take ownership of their tasks.

Furthermore, transformational leaders are adept at cultivating a favorable work environment, leading to enhanced job satisfaction and organizational commitment among the workforce. This nurturing atmosphere further facilitates the development of a culture that encourages innovation and adaptability, empowering employees to think creatively and embrace the continuous changes in the rapidly evolving digital era.

Moreover, transformational leadership actively promotes collaboration and teamwork, as well as a culture of knowledge sharing and perpetual learning. By doing so, it significantly contributes to the creation of a resilient and agile organization, adept at navigating the challenges that arise in the dynamic digital landscape. Through these multifaceted effects, transformational leadership emerges as a pivotal force in driving successful digital transformations within enterprises..

Finally, the favorable consequences of these practices allow organizations to harness the synergistic intellectual capacities within their workforce, thereby fostering an atmosphere conducive to innovation. Consequently, such endeavors serve as a catalyst for motivating teams to achieve their utmost capabilities while concurrently stimulating individual growth in both personal and professional aspects. The consequential enhancement in employee performance not only fortifies the overall productivity of the organization but also engenders a favorable reputation for the employer, culminating in a comprehensive triumph for the entire organizational entity.

The study provides significant contributions in three important ways. First, it highlights that transformational leaders inspire and motivate employees, resulting in increased performance and productivity. These leaders also create a positive work environment that enhances job satisfaction and organizational commitment, fostering a culture of innovation and adaptability. Second, transformational leadership promotes collaboration, knowledge sharing, and continuous learning, contributing to organizational resilience in the dynamic digital landscape. Third and last, the study positions transformational leadership as a pivotal force driving successful digital transformations, stimulating innovation, and fostering both individual and collective growth within organizations.

5 IMPLICATIONS AND LIMITATIONS

The results of this study highlight the significant positive impact of transformational leadership on the various dimensions of digital transformation within organisations. Transformational leadership, by virtue of its capacity to inspire and motivate employees, plays a crucial role in promoting the adoption of technological advances and innovative working methods. In turn, this improves employee performance and productivity by nurturing a sense of support and empowerment, which encourages individuals to take responsibility for their tasks.

In addition, transformational leaders excel at fostering a positive work environment that contributes to increased employee job satisfaction and organisational loyalty. This nurturing environment not only enhances employee morale, but also fosters the growth of a culture that encourages innovation and adaptability in the face of constant change in the digital age.

Moreover, the emphasis of transformational leadership on collaboration, cooperation, and knowledge sharing contributes to the development of a resilient and agile organisation. This organisational flexibility is essential for successfully navigating the challenges presented by the ever-changing digital landscape.

Despite the fact that the results emphasise the positive effects of transformational leadership on digital transformation, it is important to recognise certain limitations that may limit the generalizability of the findings. First, the research's emphasis on transformational leadership may obscure the influence of other leadership styles or external factors on digital transformation outcomes. Different leadership styles, such as transactional or servant leadership, could play crucial roles in promoting digital transformation initiatives.

Second, the extent of the study may not encompass the various contexts and industries where digital transformation occurs. Different industries may face distinctive challenges and prerequisites when adopting digitalization, and these nuances may impact the efficacy of transformational leadership.

In addition, the study's reliance on self-report measures and subjective assessments of leadership efficacy and digital transformation outcomes may introduce bias. The relationship between transformational leadership and digital transformation could be better comprehended if more objective measures or longitudinal assessments were utilised

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