

The Intervening Role of Work Environment Intervention: The Influence of Transformational Leadership and Career Development on Employee Engagement

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ABSTRACT

This research investigates the impact of Transformational Leadership and Career Development on Employee Engagement, with Work Environment serving as a mediating variable. This study employs a quantitative research method, targeting employees of BBPPMPV BOE in Malang City. A sample of 144 participants was selected using Slovin's formula, maintaining an error level of 5%, and the sampling technique utilized was Simple Random Sampling. Data collection occurred through an online questionnaire, followed by data analysis using smartPLS.

The findings reveal that Transformational Leadership and Career Development do not directly influence Employee Engagement. However, Employee Engagement significantly impacts the Work Environment, which in turn plays a crucial role in enhancing Transformational Leadership and Career Development. Furthermore, Employee Engagement lacks a direct effect on Transformational Leadership and Career Development; rather, its influence is mediated by the Work Environment.

These results imply that while fostering a supportive Work Environment can strengthen the effects of Transformational Leadership and Career Development on Employee Engagement, organizations should focus on improving this environment to enhance overall employee involvement and satisfaction. This research underscores the importance of cultivating a positive workplace atmosphere to optimize leadership efficacy and career growth opportunities.

Keywords: Transformational Leadership, Career Development, Employee Engagement, Work Environment

INTRODUCTION

In the current highly competitive and dynamic era, companies must ensure that their employees are dedicated, committed, and wholeheartedly engaged in their work. As there are many ways for a company to survive and thrive, the success or failure of an organization depends on how employees carry out their duties and responsibilities. Human resources not only serve as a support component, but have evolved into a very important asset for companies to achieve their goals (Ariawaty, 2019)

To achieve the company's vision, human resources are critical, and high quality individuals who can fulfil their responsibilities are required (Fridawati & Nugrohoseno, 2021). However, many organisations face human resource-related issues, such as employee engagement. There is a common belief that employee engagement can be influenced by a number of variables, including leadership, career development, and workplace environment. (J.Anitha, 2014). According to (Angelia & Astiti, 2020) Work engagement occurs when employees feel compelled to do more than what is given to them and are committed to doing the best job possible.

One leadership style that is considered successful is the transformational leadership style. Companies cannot succeed without great leadership and without encouraging high motivation in employees and building relationships with them. Transformational leadership increases work engagement through exemplary and moral ethics of leaders with integrity, which makes employees feel engaged at work and give their best contribution to achieve organisational goals. (Sisdiyanto, 2021). Leadership and motivation are correlated, as experience shows and the most motivated subordinates have the most motivated leadership (Saputro, 2021)

According to (Mardiana & Sudiarditha, 2019) Transformational leadership is a leader who uses legitimacy tactics more often and produces higher levels of identification and internalization, has better performance, and develops followers. Meanwhile, according to (Saputro, 2021) Transformational leadership is when a leader encourages his or her workers

to do more by improving workplace morale and increasing their motivation, a process that ultimately benefits both the workers and the organization.

If the company can help employees in their careers, employees will feel attached. The career development system is one form of support provided by the company. Career development increases employee engagement, which indicates that greater employee engagement is correlated with the company's improved career development initiatives. Career development is also important for employees to improve their work performance and make it more easily adapted to the ever-changing work environment (Indryani & Ardana, 2022)

Company management planning and individual career planning are carried out to develop and educate employees to achieve the requirements of the company. (Suherman et al., 2023). Career development is a continuous process carried out by a person through various levels formally designed by the organization or company. The purpose of this career development is to develop human resources to meet the needs of the organization. (Dayona & Rinawati, 2016).

Social, psychological, and physical conditions in the workplace are greatly influenced by the work environment. Because a comfortable work environment for employees greatly affects how they feel while working (Firnanda & Wijayati, 2021) the company must provide it. If employees are engaged and satisfied with their work life, It will support the The condition at the company. Employees will be more productive, happier at work, more satisfied with their jobs, more attached to the company, and there will be less stress and conflict. (Razak et al., 2016).

According to Febriyansyah & Ginting (Setiawan & Agentia, 2024) Employee Engagement is a condition of feeling that involves employees being more passionate about the company they work for, more committed, and willing to spend time and effort to help improve the Company. Employee engagement will emerge when employees have a commitment to carry out the best possible work and feel encouraged to do something beyond the responsibilities assigned to them. (Angelia & Astiti, 2020) The work environment includes everything that surrounds a worker and influences how they do their duties. Employees' daily activities take place in their workplace. Employees will feel more at ease and productive if they work in a

safe and comfortable setting. They will also engage in activities that maximize the use of their time at work (Moch Aminudin Hadi & Cyntia, 2019)

According to the explanation previously described, the purpose of the research is to examine whether transformational leadership and career development as well as the work environment affect employee engagement, and whether transformational leadership and career development affect the work environment, the study also analyzes whether transformational leadership and career development can be mediated by the work environment on employee engagement employee.

METHOD

This study employs a quantitative methodology. Data were gathered by giving BBPPMPV BOE Malang staff online questionnaires via Google Form. The questionnaire was to be completed online by respondents using the link provided. Simple Random Sampling is the sampling approach that is employed, in which a number of samples are randomly selected from a population without regard to any predetermined criteria. The sample size in this study was reduced using the Slovin formula due to the large number of employees. A total of 144 samples, including civil servants and non-civil servants, were obtained using the Slovin formula with a 5% error rate. The structure of the relationship between variables given in a series of structural equations was examined through data analysis using the Structural Equation Modeling (SEM) approach. Early on in their studies, researchers included loading factor values, cross loading, and AVE values as part of validity assessments. Additionally, the researchers employed the Cronbach's Alpha value and the Composite Reliability value for the reliability test. The Original Sample value, T-statistic, and P-value were examined for the Direct Effect and Indirect Effect tests, which they used for hypothesis testing.

RESULT AND DISCUSSION

A description of respondents' the characteristics. obtained through the distribution of questionnaires to 144 participants is presented below:

Table 1. Respondent Characteristics

Characteristics	Frequency	Percentage
Gender		
Male	80	55,5%
Female	64	44,4%
Age		
20-30 years old	20	13,8%
31-40 years old	24	16,6%
41-50 years old	35	24,3%
>50 years old	65	45,1%
Period of Employment		
2-5 years	10	14,4%
6-10 years	25	5,76%
11-15 years	39	27,08%
>15 years	70	48,6%

According to the descriptive study of respondents' characteristics in the table 1 below, the majority of respondents are male, resulting in as many as 80 employees (55.5%). Female respondents comprised 64 employees (44.4%). With an average age of over 50 and a work career spanning over 15 years.

The outer model explains the relation within the indicator building and the latent variable. (Abdillah & Jogiyanto, 2015). The purpose of this outer model is to measure the validity and reliability of this study.

Convergent validity is realized when a high correlation is obtained from the values calculated by two distinct items measuring the same construct (Abdillah & Jogiyanto, 2015). Convergent validity is measured through factor loadings on latent variables and their

indicators. An indicator is considered valid if its load factor is within the range of 0.5 to 0.6 (Abdillah & Jogiyanto, 2015)

A cross-loading value is considered valid if the value of a statement on a particular variable is higher than the value of statements on other variables.

Table 2. Cross Loading Value

X1.1	0.774	
X1.2	0.758	
X1.3	0.741	
X1.4	0.709	
X1.5	0.735	
X1.6	0.714	
X1.7	0.690	
X1.8	0.758	
X1.9	0.754	
X1.10	0.695	
X1.11	0.807	
X1.12	0.707	
X1.13	0.710	
X1.14	0.768	
X2.1	0.722	
X2.2	0.684	
X2.3	0.692	
X2.4	0.779	
X2.5	0.744	
X2.6	0.747	
X2.7		0.645
Y.1		0.690
Y.2		0.769
Y.3		0.753
Y.4		0.797
Y.5		0.635
Y.6		0.664

Y.7	0.727
Y.8	0.718
Y.9	0.776
Y.10	0.399
Z.1	0.799
Z.2	0.651
Z.3	0.627
Z.4	0.732
Z.5	0.741
Z.6	0.759
Z.7	0.830
Z.8	0.762
Z.9	0.651
Z.10	0.794
Z.11	0.655

Cronbach's Alpha and Composite Reliability. The rule of thumb alpha value or composite reliability will have to be larger than 0.7, but a value of 0.6 is still acceptable according to Cronbach's Alpha and Composite reliability. (Abdillah & Jogiyanto, 2015)

Table 3. Cronbach's Alpha, Composite Reliability Values and R2

Variables	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)	Description
X1	0.936	0.940	0.944	0.545	Reliable
X2	0.859	0.870	0.890	0.536	Reliable
Y	0.896	0.900	0.914	0.518	Reliable
Z	0.917	0.923	0.930	0.549	Reliable
		R-square		R-square adjusted	
Employee Engagement (Y)		0.413		0.400	

Work Environment (Z)	0.301	0.291
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The inner model is very useful for showing the level of significance when testing a hypothesis. Hypothesis tests are performed using viewing the R-square value and T-statistic test on each path coefficient. The R^2 value assesses the correlation between the independent and dependent variables. A higher R^2 value indicates a more accurate prediction model for the suggested research model. (Abdillah & Jogyanto, 2015)

Based on table 3, the results show that the R-Square value of employee engagement of 0.413 or 41% is influenced by transformational leadership style variables and career development and work environment. Meanwhile, the work environment variable is influenced by the transformational leadership style variable, career development and employee engagement by 0.301 or 29% and the rest is explained by other variables not examined in this study.

Table 4. Hypothesis Test Results and Mediation Test

Variable	Original Sample	T-statistic	P-value	Description
Transformational Leadership → Employee Engagement	0.256	1.000	0.318	Not Significant
Career Development → Employee Engagement	0.141	1.843	0.065	Not Significant
Work Environment → Employee Engagement	0.521	7.093	0.000	Significant
Work Environment → Employee Engagement	0.413	5.362	0.000	Significant
Career Development → Work Environment	0.218	2.636	0.008	Significant
Mediation Test				
Transformational Leadership → Work	0.215	4.263	0.000	Significant

Environment →				
Employee Engagement				
Career Development →				
Work Environment →	0.113	2.449	0.014	Significant
Employee Engagement				

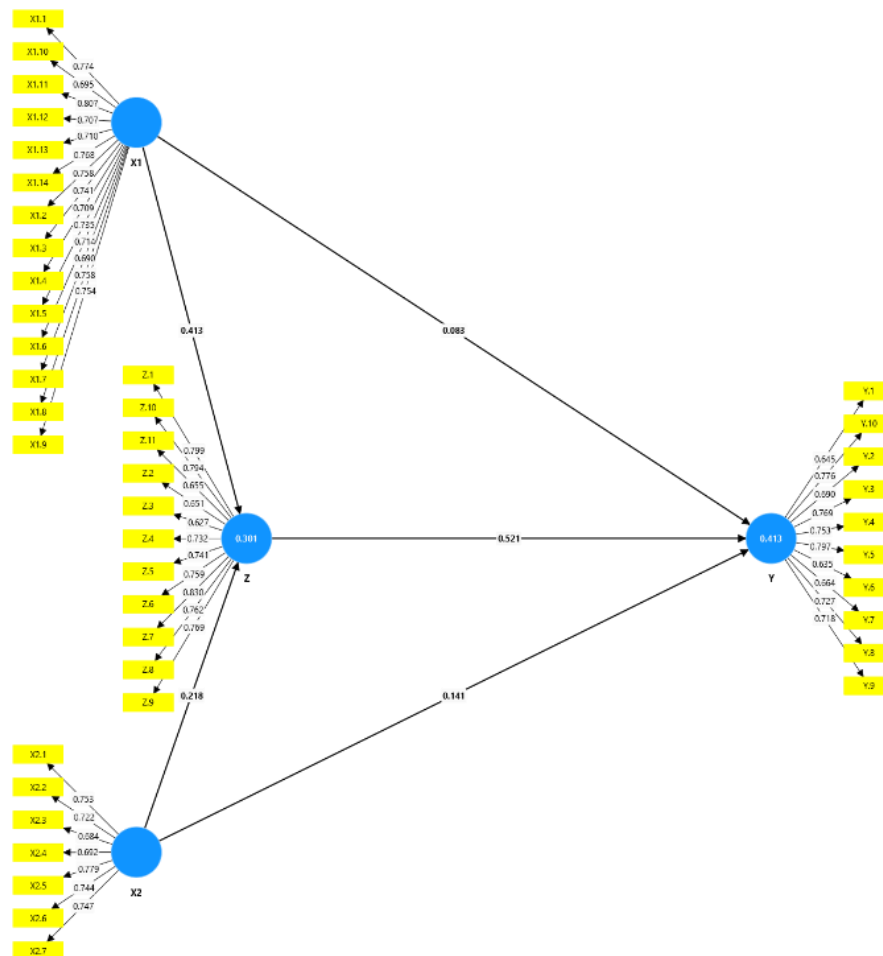


Figure 1. Outer Model Test Results

The effect of transformational leadership on employee engagement is not significant. Factors such as organizational culture, structure, and existing internal processes can influence the effectiveness of transformational leadership, according to this research. (Sirait, 2020). If the organizational culture does not support innovation or change, current transformational leadership efforts may have little impact on employee engagement. This is also supported by the research (Angelia & Astiti, 2020) which found that bad corporate culture causes more than 80 percent of employees to leave the company. In this result the

hypothesis for this variable, H1 is not valid while H0 is accepted. This indicates that even if a leader possesses a strong vision and the ability to motivate, these efforts may be in vain without an appropriate cultural backdrop. In this context, it's evident that transformational leadership is not the sole factor influencing employee engagement; external factors such as organizational culture also play a significant role. Moreover, organizational structure can affect the effectiveness of transformational leadership. Rigid and bureaucratic structures can hinder the flow of information and communication between management and employees. In such environments, employees may feel that their ideas and feedback are undervalued, which can diminish their motivation to engage. For instance, in a technology company with a flatter and more open structure, employees are more likely to collaborate and share ideas, fostering a more innovative environment that encourages participation. Therefore, it is crucial for leaders to consider how their organizational structure can either support or impede their transformational leadership efforts.

The findings indicate that the effect of career development on employee engagement is statistically insignificant. A critical factor contributing to this lack of impact is the insufficient support from direct supervisors. When management fails to encourage and motivate employees regarding their career development, individuals may not feel inclined to engage actively in these programs. This lack of engagement is further underscored by research undertaken Amalia and Hadi (2019), which revealed that career development did not significantly influence work engagement among millennial employees at PT XYZ. Their study highlighted that inadequate attention from company management and poor human resource development practices further exacerbate this issue.

In this context, it becomes clear that while career development initiatives may be in place, their effectiveness is heavily contingent on the support and involvement of leadership. Without a supportive framework from supervisors, employees may view career development as a mere formality rather than a meaningful opportunity for growth. Consequently, the hypothesis regarding the positive relationship between career development and employee engagement (H2) is rendered invalid, while the null hypothesis (H0) is accepted. This is due to a lack of attention from the company's management and inadequate human resource development management procedures within the company. This outcome underscores the necessity for organizations to actively engage management

in fostering an environment that prioritizes and values employee development to enhance engagement levels effectively.

The research findings indicate that the work environment has a significant effect on employee engagement. A positive work environment plays a crucial role in mitigating stress and burnout, as it provides a balance between work demands and personal well-being, in addition to offering adequate facilities and resources. When employees operate within an environment that prioritizes their comfort and needs, they are less likely to experience excessive stress. This reduction in stress allows them to maintain focus and enhances their willingness to engage fully in their work.

Supporting evidence from Firnanda and Wijayati (2021) further emphasizes this correlation, illustrating that a conducive work environment positively influences employee engagement. When organizations establish supportive conditions, such as open communication, collaboration, and access to necessary tools, employees are more inclined to invest themselves in their tasks and feel motivated to contribute to the organization's goals. This connection underscores the importance of cultivating an environment that fosters well-being and satisfaction among employees. (Sidharta, 2018)

As a result, the hypothesis suggesting a positive relationship between the work environment and employee engagement (H3) is accepted, while the null hypothesis (H0) is deemed invalid. This outcome signifies a clear direction for organizations seeking to enhance employee engagement: prioritizing improvements in the workplace environment. By focusing on creating spaces that are not only functional but also emotionally supportive, companies can facilitate stronger employee engagement, leading to increased productivity and overall workplace morale.

The research findings reveal a significant effect of transformational leadership on the work environment. This conclusion is supported by the study conducted by Siregara et al. (2023), which found that transformational leadership has a positive and significant impact on employees' work conditions. Transformational leaders are characterized by their ability to foster strong and positive relationships with their team members. They actively listen to employees' needs and concerns, ensuring that their voices are heard within the organization.

By providing both professional and emotional support, transformational leaders create an atmosphere of trust and collaboration, which enhances the overall work environment.

This supportive leadership style encourages employees to engage genuinely with their tasks and their colleagues, resulting in stronger teamwork and more innovative solutions to challenges. Employees feel valued and appreciated, which contributes to heightened morale and job satisfaction.

Consequently, the hypothesis positing a positive relationship between transformational leadership and work environment (H4) is accepted, while the null hypothesis (H0) is deemed invalid. This finding signal that organizations should prioritize the development of transformational leadership qualities among their managers. By doing so, organizations can cultivate a more positive and collaborative work environment conducive to employee engagement and overall productivity. Investing in leadership development ultimately leads to a healthier workplace dynamic where employees feel empowered, resulting in enhanced organizational performance and employee loyalty.

The effect of career development on the work environment is significant. A good work environment often provides opportunities for development and training so that employees are motivated and engaged when they feel they have the opportunity to learn and develop. In his research (Firnanda & Wijayati, 2021) The research also states that Making a positive and that are conducive work environment can improve employee career development. So that the hypothesis for this variable H5 is accepted, while H0 is not accepted.

The effect of transformational leadership mediating work environment on employee engagement is significant. As a result, the idea that transformational leadership influences employee engagement through the work environment is acknowledged. This study's findings are consistent with the researchers' previous research (Siregara et al., 2023) More well-rounded transformational leadership will lead to a better work environment, fostering trust and rewarding feelings. These feelings result in affective commitment in employees, which tends to keep them at their workplace. Therefore, the hypothesis for this variable, H5 is accepted while H0 is negatively influenced.

The research findings demonstrate that the work environment significantly mediates the relationship between career development and employee engagement. This robust connection implies that when organizations foster a supportive work environment conducive to career growth, it enhances the overall engagement of employees. The hypothesis stating that the work environment mediates the influence of career development

on employee engagement is therefore accepted, emphasizing the importance of workplace conditions in facilitating career progression.

A supportive work environment provides employees with a clear sense of purpose and direction, allowing them to visualize the pathways available for their career advancement. When employees recognize that their organization values professional development, they are more likely to feel motivated to engage deeply with their roles. This motivation translates into a heightened commitment to their work, as they see their tasks as stepping stones toward achieving their career aspirations.

The study is further validated by research conducted by Dayona and Rinawati (2020), which highlights that a good, comfortable, and conducive work environment not only creates a positive atmosphere but also drives employee performance and engagement. By implementing such environments, organizations enable employees to focus on their performance, thereby facilitating easier attainment of their professional goals. Thus, this research underscores the critical role of a supportive work environment in enhancing employee engagement through effective career development initiatives, making it an essential consideration for organizational leaders aiming for sustained productivity and employee satisfaction.

CONCLUSION

Based on the hypotheses proposed as with the data analysis and discussion in the previous chapter, several important things can be drawn. Transformational Leadership and Career Development at BBPPMPV BOE Malang have not been able to increase employee engagement. However, the Work Environment has a significant influence on Transformational Leadership and Career Development, this indicates that the Work Environment at BBPPMPV BOE Malang is good established so that it can make employees comfortable in carrying out the assigned tasks and bring up employee engagement to always be achievement in their careers.

This research emphasizes the interrelationship between transformational leadership, a supportive work environment, and career development in driving employee engagement. Organizations seeking to improve engagement levels should prioritize these elements, as they collectively contribute to a motivated, high-performing workforce. Implementing

strategic initiatives in these areas can lead to improved employee satisfaction and overall organizational effectiveness.

As a result of what was found of the discussion above, because Transformational Leadership and Career Development are not influenced by Employee Engagement of employees, it can be suggested that BBPPMPV BOE Malang City can continue to improve the quality of transformational leadership style. Because a good transforming leadership model can affect employee performance so that it can provide positive feedback on employee engagement because having engaged employees will provide positive benefits for the development and improvement of company performance.

The author also realised that this research is not perfect and proposes several suggestions for future research. This research should be conducted in depth, more focused and better understood to find stronger results regarding leadership of the relation of each variable in this research. Accordingly, future researchers can reduce the level of error and similarity in the research method. Then further researchers can conduct tests by adding independent variables other than transformational leadership style, and Career Development for example such as, Organisational Culture and other variables that can strengthen employee engagement on employee performance.

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