

Transformational Leadership and Employee Engagement in the Malaysian Public Sector: The Mediating Role of Public Service Motivation

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ABSTRACT

Employee engagement remains a significant challenge in the Malaysian public sector, where effective leadership and intrinsic motivation are essential for sustaining service quality and organisational performance. This study investigates whether public service motivation (PSM) mediates the relationship between transformational leadership and employee engagement within Majlis Agama Islam Wilayah Persekutuan (MAIWP). Using a quantitative research design, data were collected through a structured questionnaire from 167 employees selected via simple random sampling based on Krejcie and Morgan's sample size determination. The data were analysed using SPSS, employing reliability analysis, multiple regression, and the Sobel test to examine the mediating effect of PSM. The findings indicate that transformational leadership significantly enhances employee engagement both directly and indirectly through public service motivation, confirming the importance of motivational mechanisms in public sector leadership effectiveness. This study contributes to the public sector leadership literature by providing empirical evidence from the Malaysian context and offers practical insights for strengthening leadership development initiatives aimed at enhancing employee engagement and improving service delivery.

Keywords- Transformational Leadership, Employee Engagement, Public Service Motivation

INTRODUCTION

Public sector organisations operate in an increasingly complex and dynamic environment shaped by rapid political, technological, and economic changes. In response to these challenges, enhancing organisational performance through improved productivity, efficiency, effectiveness, and innovation has become a strategic priority (Deng et al., 2023). Leadership approaches that emphasise employee performance and commitment are therefore essential. In this regard, transformational leadership has gained considerable attention for its capacity to inspire, motivate, and engage employees, thereby contributing to organisational effectiveness (Deng et al., 2023).

Employee engagement is widely recognised as a critical determinant of performance and service quality in the public sector (Andrić et al., 2023). However, sustaining high levels of engagement remains a challenge due to structural constraints and limited motivational resources (Andrić et al., 2023). In the Malaysian public sector, strengthening leadership practices through transformational leadership is increasingly viewed as a viable strategy to enhance employee engagement (Deng et al., 2023). Importantly, public service motivation (PSM), which reflects an individual's intrinsic desire to serve the public and contribute to societal well-being, may play a key mediating role in this relationship (Kim & Kim, 2024).

Despite growing interest in transformational leadership and employee engagement, empirical evidence

examining the mediating role of public service motivation in the Malaysian public sector remains limited. Addressing this gap, the present study investigates the relationship between transformational leadership and employee engagement, with public service motivation as a mediating variable, focusing on employees in the Malaysian public sector, particularly within Majlis Agama Islam Wilayah Persekutuan (MAIWP).

This study contributes both practically and theoretically. From a practical perspective, the findings offer valuable insights for policymakers and human resource practitioners in designing leadership and engagement strategies that enhance employee performance and service delivery. From a theoretical perspective, the study extends the literature on transformational leadership and employee engagement by integrating public service motivation, thereby enriching the understanding of motivational mechanisms in the public sector context.

Problem Statement

Employee engagement remains an underexplored concept within the Southeast Asian public sector context, particularly in Malaysia, where most research has historically focused on Western private sector settings. The Malaysian public sector possesses unique cultural, structural, and institutional characteristics that influence engagement differently than in Western or private sector contexts (Mahmud et al., 2025). Despite the recognized benefits of employee engagement on organisational outcomes, limited studies have addressed its drivers and manifestations among Malaysian public servants (Cheong & Lee, 2020).

The Malaysian Public Service Department's engagement index (2018) highlights a notable gap between current employee engagement levels and international benchmarks, posing challenges for public institutions striving for improved service delivery and organisational effectiveness (Ra, 2020). At Majlis Agama Islam Wilayah Persekutuan (MAIWP), leadership capacity and employee engagement are critical for fulfilling national service mandates, yet empirical studies remain scarce.

Transformational leadership is widely recognized as a key driver of employee engagement by fostering vision, inspiration, and individualized support (Deng et al., 2023). Additionally, Public Service Motivation (PSM), the intrinsic desire to serve the public interest is hypothesized to mediate the relationship between transformational leadership and employee engagement, enhancing motivation in public sector settings (Kim & Kim, 2024; Lee et al., 2025). However, empirical evidence confirming PSM's mediating role in Malaysian public agencies, particularly in service-focused organisations like MAIWP, remains limited. Addressing this gap is critical to informing leadership development and motivational strategies that can improve employee performance, public trust, and service delivery in line with national reform agendas.

Research Objectives

This study was conducted based on the following research objectives:

1. To study the relationship between transformational leadership (idealized influence behavior, idealized influence attributed, inspirational motivation, individual consideration and intellectual stimulation) and employee engagement
2. To study the relationship between transformational leadership and public service motivation in the Malaysian public sector.
3. To study the relationship between public service motivation and employee engagement in the Malaysian public sector.
4. To investigate whether public service motivation mediates the relationship between the transformational leadership and employee engagement in the Malaysian public sector.

Research Questions

The research questions constructed based on the proposed research objectives are as follows:

1. What is the relationship between transformational leadership (idealized influence behavior, idealized influence attributed, inspirational motivation, individual consideration and intellectual stimulation) and employee engagement in the Malaysian public sector.
2. What is the relationship between transformational leadership and public service motivation in the Malaysian public sector?
3. What is the relationship between public service motivation and employee engagement in the Malaysian public sector?
4. Does public service motivation mediate the relationship between transformational leadership and employee engagement in the Malaysian public sector?

Scope of Study

The purpose of this study is to examine the relationship between transformational leadership and employee engagement, and with a focus on mediating the role of public service motivation. This research is clearly conducted within the context of the Malaysian Public Sector, with a focus on the Majlis Agama Islam Wilayah Persekutuan (MAIWP). The scope of this study is limited to employees of MAIWP KL, where the respondents include staff members from many departments and job levels. Simple random sampling is employed to ensure that each employee has an equal chance of being selected for participation. The researcher targets all full-time employees at MAIWP, including managers and supervisors. A quantitative approach will be used for the study, and structured questionnaires will be used for collecting data. In this study, employee engagement as the dependent variable, transformational leadership as the independent variable, and public service motivation as the mediating variable. The research aims to provide a understanding of how leadership influences engagement levels among public servants and how building motivation to serve the public plays a role in this dynamic.

Limitations/ Study Constraints

This study states several key limitations. First off, the information gathered is based on self-reported answers from MAIWP staff members, which could not accurately reflect actual engagement levels or behaviors. Self-rating methods have a chance to introduce biases like response consistency or social popularity. Second, all participants come from the Malaysian public sector, which might affect how they consider motivation and leadership through a view of Asian cultural values such as high-power distance, socialism, and respect to authority. Moreover, the study focuses on a single statutory body (MAIWP), which may limit the applicability of the results to other government agencies or departments, even within Malaysia. The lack of scientific studies based in the Malaysian public service setting could reduce the context's relevance, even though the use of global literature and theories on transformational leadership and public service motivation offers helpful data. Finally, the roles, responsibilities, and motivational factors of employees in the public sector are different.

LITERATURE REVIEW

Majlis Agama Islam Persekutuan (MAIWP)

Transformational leadership is an important factor in improving employee engagement in the public sector in Malaysia especially in organisations that is going through a transformation such as Majlis Agama Islam Wilayah Persekutuan (MAIWP). Owing to its statute responsibility in the administration of Islamic affairs, management of zakat in the Federal Territories, Islamic religious education, welfare programmes and development of mosques, MAIWP has also conducted a number of reforms such as the implementation of digital transformation initiatives, strengthening governance practices, and organisational development programs that aimed to enhance the service delivery and performance of its employees. Transformational leaders inspire their employees by establishing a vision, providing support and individual consideration, thus boosting employees' motivation (Public Service Motivation (PSM) and resulting in higher level of employee engagement and commitment to the organisation (Subramaniam, Choo, & Johariam, 2019). Although there has been an increasing interest in the role of leadership in public sector performance, there is limited empirical research that examines the relationship

between transformational leadership, PSM, and the employee engagement in public sector in Malaysia. Thus, in an organisation that is continuously changing such as a faith-based public organisation, MAIWP offers a rich case study to explore the relationship between transformational leadership and employee engagement mediated by PSM.

Employee Engagement

Employee engagement has gained many research followers because it has contributed to positive organisational outcomes such as improved organisational performance (Chughtai & Buckley, 2011; Li et al., 2012; Saks, 2006), higher productivity (Anitha, 2014), increased customer satisfaction (Nel et al., 2015; Salanova et al., 2005), and enhanced employee wellbeing (Shuck & Reio, 2013). Engaged employees are physically, cognitively, and emotionally committed to their work (Bakar, 2013) and work engagement is defined as three dimensions: vigour, dedication, and absorption (Schaufeli et al., 2002). While employee engagement is defined as employees' emotional and intellectual commitment to their organisation (Mansor et al., 2018), there are still limited studies on the concept, and it is still evolving (Kaliannan & Adjovu, 2015). There are some previous studies that indicated that engagement levels are influenced by the demographic factors, job-related factors and organisational factors (Robinson et al., 2004; Macey et al., 2009), which means that the engagement becomes context-specific and context-specific antecedents such as leadership, communication, career development, work-life balance, organisational culture and reward system are important (Omar, 2015; Harris, 2018; Meyer, 2013). The studies on employee engagement in Malaysia are still in their infancy, especially in the public sector (SheeMun et al., 2013; Vigoda-Gadot & Eldor, 2013; Johari et al., 2013; Hee et al., 2018). Previous research has revealed positive relationships between employee engagement and career development, human resource practices, supervisor-subordinate relationship, leadership styles and organisational citizenship behaviour (Soieb et al., 2015; Mansor et al., 2018; Johari et al., 2013; Bakar, 2013) which means there is a need for more research on drivers of employee engagement in Malaysian public sector organisations.

The Concept of Leadership

Leadership is one of the most extensively studied topics in management and organisational research, attracting continuous interest from both scholars and practitioners around the world. The growing body of literature on leadership reflects the increasing recognition of its importance in influencing organisational success and effectiveness. Although leadership has been examined for more than two centuries, researchers continue to explore its nature, characteristics, and impact across different contexts (Nohria & Khurana, 2010). Despite its prominence, leadership remains a complex and multifaceted concept, making it challenging to establish a universally accepted definition or identify a single leadership style that is effective in every situation (Northouse, 2010). As a result, leadership has been conceptualized from various perspectives, including personal traits, skills, competencies, behavioural processes, and leader–follower relationships. These diverse viewpoints highlight the evolving nature of leadership, and the different approaches scholars have taken to understand and explain the phenomenon. Table 4 shows several definitions of leadership based on Burns (1978), Bass (1990), Snook (2002), Northouse (2010), Murray (2020), and Dinh J (2021).

TABLE 4 definitions of leadership

Author	Definition
Burns (1978)	Leaders are inducing followers to act for specific goals that represent the values and the motivations, the wants and needs, the aspirations and expectations of both leaders and followers.
Bass (1990)	Interaction between two or more members of the group often involves structuring or restructuring of the situations and the perceptions and expectations of the members.
Snook (2002)	Leadership emphasizes the exercise of interpersonal influence and motivation to accomplish the mission.

Northouse (2010)	Leadership as an individual’s influence on a group to reach a goal.
Murray (2020)	Leadership involves various aspects, including making decisions, managing conflicts, communicating effectively, and providing inspiration and direction to a team or organisation.
Dinh J (2021)	Successful leadership can be measured by a leader's ability to communicate a vision, build trust among members, and exhibit behaviors that provide a positive example and apply values to achieve set goals.

Transformational Leadership

Transformational leadership is a leadership style that seeks to inspire and motivate employees to exceed standard performance expectations while fostering their personal and professional growth. Rather than focusing solely on task completion, transformational leaders encourage employees to develop their potential, embrace shared organisational goals, and contribute meaningfully to the success of the organisation. According to Bass and Avolio (2004), transformational leaders emphasize intrinsic motivation, ethical values, moral development, effective communication, and collaboration among followers, creating a supportive work environment that enhances both individual and organisational outcomes (Akbari et al., 2022). The concept was originally introduced by Burns (1978), who defined transformational leadership as a process through which leaders and followers engage with one another to achieve higher levels of motivation, commitment, and morality. Burns further suggested that transformational leaders have the ability to shape employees’ values, attitudes, and behaviours, enabling them to perform beyond expectations and contribute to improved organisational effectiveness. As a result, transformational leadership has become one of the most influential leadership theories in organisational research, particularly due to its positive impact on employee performance, commitment, and organisational success.

Figure 1 shows the first conceptual theory of transformational leadership proposed by Burns (1978).

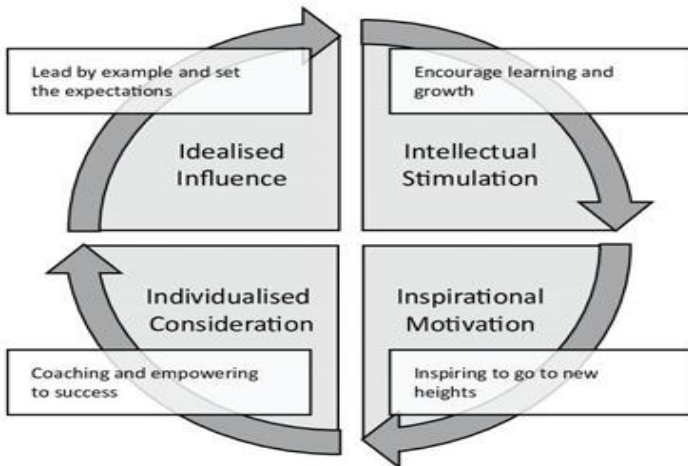


Fig.1 The First Conceptual Theory of Transformational Leadership (Bourns, 1978).

Bass (1985) extended Burns’ original concept of transformational leadership by introducing a psychological and behavioural framework that explains how leaders inspire followers to move beyond their personal interests in pursuit of collective organisational goals. According to Bass, transformational leaders influence followers through a compelling vision, inspirational communication, intellectual stimulation, and personalized support, encouraging higher levels of motivation, commitment, and performance. These leadership behaviours were subsequently conceptualized into four core dimensions: Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration. To enable the systematic measurement of these dimensions, Bass developed the Multifactor Leadership Questionnaire (MLQ), which has since become one of the most widely used instruments for assessing leadership styles.

Building on this work, Bass and Avolio (1994) incorporated transformational and transactional leadership within the Full Range Leadership Model (FRLM), offering a more comprehensive framework for understanding leadership behaviours and their effects on organisational outcomes. Further developments in 1997 led to the refinement of the transformational leadership construct, particularly through the division of Idealized Influence into two distinct dimensions: Idealized Influence (Attributed) and Idealized Influence (Behaviour). This refinement was based on factor analytic evidence and validation studies using the MLQ Form 5X. Subsequently, Bass and Avolio (2004) confirmed a five-factor model of transformational leadership and demonstrated its applicability across different cultural settings. These advancements strengthened the theoretical and empirical foundations of transformational leadership, contributing to its recognition as one of the most influential and extensively validated leadership theories in both academic literature and organisational practice.

Recent developments in transformational leadership theory have further enhanced understanding of how leaders inspire, motivate, and influence their followers. Building on earlier foundational work, researchers have continued to refine the characteristics and behaviours associated with effective transformational leadership. For example, Chandler (2018) proposed a model that highlights four essential characteristics of transformational leaders: the ability to articulate a compelling vision, communicate persuasively, demonstrate organisational competence and consistency, and act selflessly in serving the interests of others. These qualities are considered critical in creating a supportive organisational climate that encourages employee engagement and effectiveness.

Similarly, Stanescu et al. (2020) emphasized the importance of idealized influence, arguing that transformational leaders inspire followers by consistently demonstrating strong personal values, ethical behaviour, and exemplary leadership practices. Through meaningful communication and collaborative relationships, these leaders cultivate trust, commitment, and shared purpose among employees. Consistent with this perspective, transformational leadership is widely recognized as a leadership approach that focuses on inspiring and motivating employees to achieve goals beyond their normal expectations while contributing to the broader interests of the organisation (Bakti & Hartono, 2022). Such leaders place collective goals above personal interests, model desirable values and behaviours, and foster trust-based relationships that strengthen organisational commitment (Sosik & Jung, 2011; Fareed & Su, 2022).

Despite the emergence of various conceptualizations and measurement approaches, the transformational leadership framework developed by Bass and Avolio remains the most widely accepted and frequently applied in leadership research (Saad, 2021; Bass & Avolio, 2002). Their model has been extensively validated across different organisational and cultural contexts and continues to serve as the dominant framework for assessing transformational leadership. Specifically, the model comprises four key dimensions: Idealized Influence (Attributes and Behaviour), Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration (Bass & Avolio, 2004). These dimensions provide a comprehensive representation of transformational leadership behaviours and remain the primary basis for evaluating transformational leadership in contemporary research and organisational practice.

Idealized Influence Behaviour

Idealized influence refers to the modeling of good behaviours that are aligned with organisational goals. As a result, the leader gains employees' respect, admiration and trust. The idealized influence component of TL, with the ability to win employees' trust in the organisation, also appears to be the most effective leadership style in creating a positive and desirable form of employee commitment. This research, therefore, examines the idealized influence on a smaller scale by separating them into two aspects: "idealized influence-attributed" and "idealized influence-behavior" (Sadeghi and Pihie, 2012). This separation of idealized influence into two aspects rests upon a fundamental distinction: while "idealized influence-behavior" refers to what leaders do, "idealized influence attributed" refers to the way leaders are perceived by, and therefore experienced by, employees. Leaders who are perceived as powerful, charismatic and confident individuals by their employees can be categorized as possessing attributed idealized influence (Akpan, 2023). It is reasonable to expect, then, that the different ways in which different cultures inform perception and sense-making will play a part in whether particular followers attribute idealized influence to leaders.

Idealized Influence Attributed

Next, idealized influence is a component of transformational leadership, whereby leaders serve as ethical role models who gain the trust, admiration, and respect of their followers through exemplary behaviour and strong moral values (Suhana et al., 2024; Markiz et al., 2017). This influence encourages followers to receive the leader's values and go above and beyond self-interest for the collective good. Leaders who have a high level of idealized influence often develop satisfaction, respect and a strong sense of purpose within the team which has been empirically linked to enhanced employee motivation, job performance, and organisational commitment (Suhana et al., 2024). Additionally, idealized influence supports positive workplace behavior and ethical conduct, particularly when leaders act as mentors and uphold high moral standards (Seitz & Owens, 2021). Transformational leadership improves employee performance since influence is actively employed by one person against others to influence relationships and activities within an organisation (Lin, 2023). It had a significant positive impact on job performance, he suggested that employees will be extremely motivated to perform better with the leader's strong support (Bastari et al., 2020). In addition, moral showing and charisma greatly enhance crisis management performance throughout a range of pandemic crisis thought levels.

Inspirational Motivation

Inspirational motivation, a core dimension of transformational leadership that involves the movement of a compelling and meaningful vision that inspires and energizes followers toward achieving shared goals (Alrowwad et al., 2020; Buil et al., 2020). Transformational leadership is well known by inspirational motivation, which outlines a leader as someone who motivates people to perform the work in an inspiring manner (Hilton et al., 2021). Leaders showing the quality communicate high expectations and use emotionally engaging strategies to align employees' efforts with the organisation's long-term objectives (Lin, 2023; Teoh et al., 2022). By fostering a sense of purpose, optimism, and teamwork, transformational leaders motivate individuals to transcend self-interest in favor of collective aims (Berraies & Bchini, 2019; Lai et al., 2020). This behavior not only enhances job performance and satisfaction but also encourages adaptability and commitment during periods of change (Kinya, 2021; Hilton et al., 2021). Moreover, inspirational motivation is shown to positively influence trust, participation, and overall institutional growth (Kayaalp et al., 2021; Hansen & Pihl-Thingvad, 2019; Al-Khaled & Fenn, 2020). Besides that, according to Buil et al. (2020), a leader who emanates inspirational motivation can have a big impact on how their employees participate in institute-related activities and contribute to the institution's growth and survival.

Individualized Consideration

Individualized consideration is one of the core elements of transformational leadership, involving providing personalized support, mentorship, and attention to each follower's unique needs, skills, and aspirations (Widodo et al., 2020; Suhana et al., 2024). Transformational leaders act as coaches or counselors, fostering development by building strong interpersonal relationships and tailoring guidance to individual circumstances (Teoh et al., 2022; Busari et al., 2020). This behavior was rooted in trust, empathy, and genuine concern, which allowed leaders to cultivate employee potential while enhancing job satisfaction and performance (Akbari et al., 2022; Yin et al., 2019). By recognizing individual strengths and promoting a supportive work environment, leaders encourage proactive behaviors, organisational commitment, and personal growth (Pattali et al., 2024; Khan et al., 2020; Okafor & Egboka, 2021). In the end, individualized consideration distinguishes transformational leadership by prioritizing human development as a strategic approach to achieving organisational success.

Intellectual Stimulation

Intellectual Stimulation describes the leader's capacity to encourage innovation, critical thinking, and problem-solving among followers. Intellectual stimulation, a key dimension of transformational leadership, refers to a leader's ability to encourage creativity, critical thinking, and problem-solving among followers by challenging assumptions and promoting innovative solutions (Teoh et al., 2022; Muliati et al., 2022). Transformational leaders foster a culture of learning by empowering subordinates to think independently, explore alternative perspectives, and participate actively in decision making processes (Buil et al., 2020; Lin, 2023). This leadership trait promotes autonomy, enhances employees' emotional capabilities, and leads to higher performance and

adaptability in dynamic environments (Kotamena et al., 2020; Pattali et al., 2024). Leaders who are practicing intellectual stimulation act as mentors and consultants, creating supportive spaces where employees feel encouraged to challenge the status quo, voice ideas, and engage in continuous improvement (Yetongnon, 2024; Busari et al., 2020; Jackson, 2020). By promoting a culture of creativity and openness, intellectual stimulation contributes significantly to organisational innovation and employee development.

Public Service Motivation

Public Service Motivation (PSM) refers to a set of values, beliefs, and attitudes that drive individuals to prioritise the welfare of society and public organisations over personal gain, thereby encouraging meaningful contributions to both organisational performance and broader community wellbeing (Paarlberg & Lavigna, 2010). Individuals with high levels of PSM are more inclined to pursue careers in the public sector, as such roles align closely with their intrinsic desire to serve others and derive meaning from their work. These employees are generally more likely to exhibit positive work behaviours, as their motivation is strongly aligned with public service values (Cooke et al., 2019). As a result, they tend to perceive organisational policies and procedures as an integral part of their professional environment rather than as external constraints.

The alignment between personal values and organisational mission has been shown to enhance job satisfaction and work meaningfulness (Harari et al., 2017), reinforcing the idea that public sector employment provides opportunities for individuals to fulfil their intrinsic motivations and service-oriented values (Warren & Chen, 2013). In addition, individuals with high PSM often demonstrate greater resilience when facing organisational challenges, as their commitment is primarily purpose-driven rather than reliant on external rewards. This internalised sense of purpose can lead to higher levels of engagement and performance compared to those with lower levels of PSM.

Although PSM can be developed and strengthened through various organisational practices, including transformational leadership, training, mentoring, and socialisation processes (Andrews, 2016; Bellé, 2014; Vandeneabeele, 2014), evidence also suggests that it may diminish over time due to workplace frustrations or unmet expectations (Harari et al., 2017). Despite its importance, research on PSM remains relatively limited in developing countries, including Malaysia, where cultural values and administrative traditions may shape motivational patterns differently from Western contexts (Liu et al., 2013). In many Asian settings such as Malaysia, public sector employment is often associated with job security, social status, and attractive benefits, which may further influence motivational differences between public and private sector employees (Liu et al., 2013).

Framework of Study

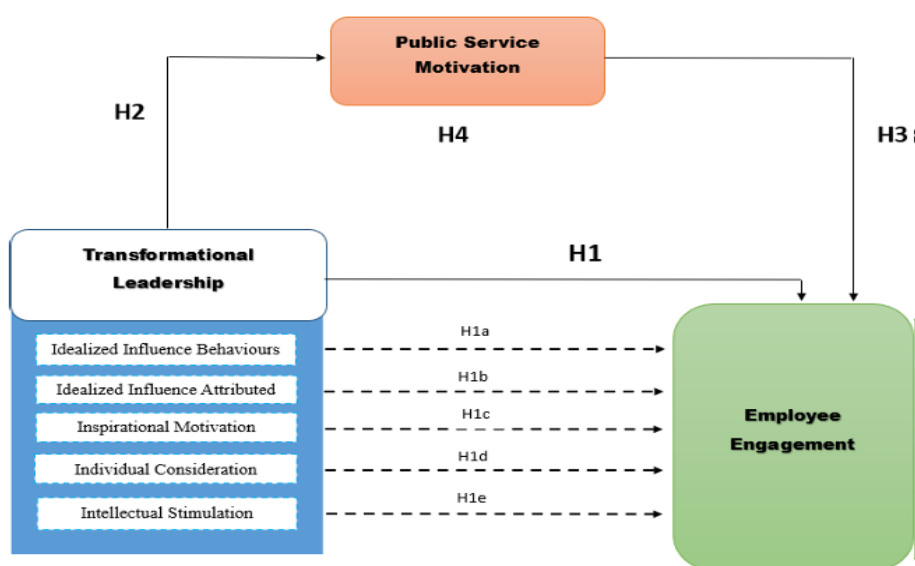


Fig. 1 Research Framework

In short, most studies show that there is a relationship between transformational leadership and employee engagement. On the other hand, the role of public service motivation has an impact on this connection. However, most researchers conceptualize transformational leadership through four core dimensions, while employee engagement is often viewed as a multidimensional construct. For the purpose of this study, the researcher aims to examine the extent of the relationship between transformational leadership and employee engagement, with the mediating role of public service motivation. Transformational leadership variables will be measured based on four dimensions, and employee engagement will be treated as a single construct. This study will contribute to a more comprehensive understanding in the field of public sector human resource development.

Empirical Research

Relationship between transformational leadership and employee engagement

Previous research highlights transformational leadership (TL) as a key driver of employee engagement (EE) across sectors and cultures. Studies show TL directly enhances engagement and indirectly reduces turnover by strengthening employees' connection to work (Nabillah & Wahyuningsih, 2022). Employee motivation (Chen & Cuervo, 2022), feedback and recognition (Valentina, 2021), and organisational climate (Liang et al., 2025) have been identified as important mediators in this relationship. TL also translates engagement into improved job performance (Marshoudi et al., 2023) and positively influences performance dimensions like idealized influence and inspirational motivation (Teoh et al., 2022). Cross-cultural research emphasizes the moderating role of culture on TL's impact (Farzana & Charoensukmongkol, 2024). Additionally, TL and organisational culture significantly enhance engagement in high-stress industries such as aviation (Dagar & Sisodia, 2025). These findings collectively demonstrate the complex, mediated pathways through which transformational leadership fosters employee engagement. Therefore, the current study proposed that:

H1: There is a positive relationship between transformational leadership on employee engagement.

Relationship between transformational leadership and public service motivation

The list of past researchers study the relationship between transformational leadership and public service motivation is attached in Table 1 in the Appendix. Supporting the link between transformational leadership (TL) and public service motivation (PSM), Trichandhara et al. (2022) examined nurses' job performance in Thailand and found that TL exerts both direct and indirect effects on performance through the mediating role of PSM. Using multiple regression analysis on data from 276 respondents, the study highlighted that leaders demonstrating inspirational motivation and individualized consideration most effectively foster PSM, thereby improving job-related outcomes in the public sector. Similarly, Nordin et al. (2024) conducted a multilevel study among Malaysian public sector employees, revealing that TL positively influenced innovative and citizenship behaviours, especially when job autonomy was high. Their findings suggest that transformational leaders enhance PSM not only through direct engagement but also by empowering employees with greater autonomy, thereby strengthening motivational and behavioural outcomes. Thus, this study proposed that:

H2: There is a positive effect of transformational leadership on public service motivation.

Relationship between employee engagement and public service motivation

The list of past researchers study the relationship between employee engagement and public service motivation is attached in Table 2 in the Appendix. Research in developing countries highlights the positive impact of public service motivation (PSM) on employee engagement through improved well-being and motivation. Hassan et al. (2022) found that PSM enhances engagement via workplace spirituality and job satisfaction among Pakistani public staff. In Malaysia, Hashim (2021) showed that motivational factors like ethical leadership and organisational commitment promote proactive behaviors linked to engagement. Abdullah et al. (2023) confirmed that PSM significantly increases employee engagement and commitment among Malaysian public servants. Kassim and Jusoh (2024) further revealed that job demands moderate the relationship between motivation and engagement, emphasizing the role of contextual factors in shaping these dynamics. Overall, these studies affirm the importance of PSM and motivation in fostering engagement in public sector settings. Therefore, it can be

concluded that:

H3: There is positive relationship between employee engagement on public service motivation

The Role of Public Service Motivation as A Mediator

Lastly, the list of past researchers study the role of trust as the mediator on the relationship between transformational leadership and employee engagement is attached in Table 3 in the Appendix. Transformational leadership (TL) significantly enhances public sector employee outcomes by fostering public service motivation (PSM) and participation. Studies show TL improves performance and engagement through PSM (Tran & Hoang, 2024; Alamri, 2023), and links motivation to innovation and job performance (Mahmood et al., 2020). In Malaysia, TL and talent management boost engagement via PSM, supporting employer branding (Zahari, 2023), while leadership indirectly improves performance through job satisfaction and engagement (Rafia & Sudiro, 2020). Overall, TL plays a vital role in motivating and engaging public employees. Thus, the current study proposed that:

H4: Public service motivation mediates the relationship between transformational leadership and employee engagement.

Synthesis and Research Gap

The existing literature underscores the critical role of transformational leadership in enhancing employee engagement through mechanisms such as public service motivation (PSM) across various public sector contexts. However, while prior studies establish the positive effects of transformational leadership on motivation and engagement, research remains fragmented and predominantly focused on private or Western settings.

Within the Malaysian public sector and specifically at Majlis Agama Islam Wilayah Persekutuan (MAIWP) there is a notable lack of empirical evidence examining how transformational leadership influences employee engagement through PSM. Addressing this gap is vital to deepen theoretical insights and offer practical leadership strategies that can enhance engagement, improve employee commitment, and ultimately support MAIWP's mission in delivering effective public services.

METHODOLOGY

Research Design

This study employed a quantitative research design to examine the relationship between transformational leadership and employee engagement, with public service motivation (PSM) as a mediating variable, within the Malaysian public sector at Majlis Agama Islam Wilayah Persekutuan (MAIWP). A structured survey was utilized to systematically collect data on employees' perceptions of the key constructs. Quantitative methods were chosen to ensure objectivity, replicability, and statistical rigor in testing the hypothesized relationships. The study was grounded in a positivist paradigm and employed a deductive approach, formulating hypotheses based on existing theories and empirically testing them through cross-sectional survey data collected at a single point in time. This design ensured coherence between the research philosophy, objectives, and analytical techniques, providing a robust framework for evaluating the conceptual model within the Malaysian public sector context.

This study is grounded in a positivist research paradigm, which assumes that social phenomena can be objectively measured and examined through empirical evidence. Consistent with this paradigm, the research adopts a deductive approach, developing hypotheses from established theories and validating them through data collection and statistical analysis.

Population and Sampling

The study population consisted of 282 employees from MAIWP. Based on Krejcie and Morgan's (1970) table, a sample size of 167 respondents was determined as sufficient for this study. Participants were selected using

simple random sampling to provide an equal chance of selection and representativeness across the organisation.

Questionnaire Design

Data were gathered through a structured questionnaire divided into sections measuring transformational leadership, public service motivation, employee engagement, and demographic information. Items were adapted from established scales to ensure validity and reliability, with responses recorded on a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree). A pilot test was conducted prior to the main study to refine the questionnaire and confirm internal consistency, with reliability assessed using Cronbach’s alpha. Data analysis was performed using IBM SPSS version 31. The items being used in the questionnaire to analyze the relationship between independent variables and the dependent variable were as Table 5 below:

Table 5 Questionnaire Design

Code	Content	Authors
Transformational Leadership		
(a)	Idealized Influence Behavior	(Balwant et al., 2020; Nabillah & Wahyuningsih, 2022; Chen & Cuervo, Cuervo; Valentina, 2021; Liang et al., 2025)
IB1	My leader goes beyond self-interest for the good of the group	
IB2	My leader instils pride in me for being associated with him/her.	
IB3	My leader acts in ways that build my respect.	
IB4	My leader displays a sense of power and confidence.	
IB5	My leader provides complete trust.	
(b)	Idealized Influence Attributed	
IA1	My leader talks about his/her most important value and beliefs	
IA2	My leader specifies the importance of having a strong sense of purpose.	
IA3	My leader considers the moral and ethical consequences of decisions.	
IA4	My leader emphasizes the importance of having a collective sense of mission.	
Inspirational Motivation		
IM1	My leader talks optimistically about the future.	
IM2	My leader talks enthusiastically about what needs to be accomplished.	
IM3	My leader articulates a compelling vision of the future.	
IM4	My leader expresses confidence that goals will be achieved	
Individualized Consideration		
IC1	My leader spends time teaching and coaching.	

IC2	My leader treats me as an individual rather than just a member of the group.	
IC3	My leader considers me as having different needs, abilities, and aspirations from others.	
IC4	My leader helps me to develop my strengths.	
Intellectual Stimulation		
IS1	My leader re-examines critical assumptions to question whether they are appropriate.	
IS2	My leader seeks differing perspectives when solving problems.	
IS3	My leader gets me to look at problems from many different angles.	
IS4	My leader suggests new ways of looking at how to complete assignments.	
Employee Engagement		
EE1	When I wake up in the morning, I feel like going to work.	
EE2	At my work, I feel myself bursting with energy.	
EE3	At my job, I feel strong and vigorous.	
EE4	I am enthusiastic about my job.	
EE5	My job inspires me.	
EE6	I am proud of the work that I do.	
EE7	I am immersed in my work.	
EE8	I get carried away when I am working.	
EE9	I feel happy when I work intensely.	
Public Service Motivation		
PSM1	Meaningful public service is very important to me.	(Abdullah et al., 2023; Hashim, 2021; Hassan et al., 2022)
PSM1	I am not afraid to go to bat for the rights of others, even if it means I will be ridiculed,	
PSM1	Making a difference in society means more to me than personal achievements.	
PSM1	I am prepared to make enormous sacrifices for the good of society.	
PSM1	I am often reminded by daily events about how dependent we are on one another.	

FINDINGS AND DISCUSSIONS

Respondent Profiles

Table 6 Respondent Profiles

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	29	17.4
	Female	138	82.6
	Total	167	100.00
Age	Below 25 years old	27	16.2
	25-34 years	85	50.9
	35-44 years	46	27.5
	45-54 years	7	4.2
	55 years old and above	2	1.2
	Total	167	100.0
Education Level	SPM or equivalent	21	12.6
	Diploma	60	35.9
	Bachelor's Degree	83	49.7
	Master's Degree	3	1.8
	Doctor of Philosophy (PhD)	0.0	0.0
	Total	167	100.0
Length of Service	Less than 1 year	31	18.5
	1-3 years	35	21.0
	4-6 years	37	22.2
	7-10 years	44	26.3
	More than 10 years	20	12.0
	Total	167	100.0
Job Category	Top Management	24	14.3
	Middle Management	0.0	0.0

Human Resource & Organizational Development	0.0	0.0
Administrative Staff	104	62.3
Support Staff	39	23.4
Total	167	100.0

This study includes 29 male and 138 female respondents, as shown in Table 4.2.1 and Figure 4.2.1 Based on this figure below, female respondents are more than the male respondents, in which females represented 82.6% (167 of the respondents) while male respondents only 17.4 % (167 of the respondents). It may be stated that female respondents took part in this poll in more significant numbers.

The percentage age of respondents is shown in table 4.2 and figure 4.2. Out of 168 respondents, 27 in the group age below 25 years old representing 16.2%. In between age 25 to 34 years there are about 85 people, which means 50.9%. The respondents who are aged between 35 to 44 years old consist of 46 respondents (27.5%). In between age 45 to 54 years there are about 7 people, which means 4.2% and 2 respondents (1.2%) 55 years old and above which is the lowest age among the respondents.

The frequency and proportion of respondents' educational backgrounds are shown in Table 4.2.3 and Figure 4.2.3. The academic level is divided into five, representing SPM, Diploma, Bachelor's Degree, Master's Degree and Doctor of Philosophy (PhD). Based on table 4.3, there are 21 respondents, which means 12.6% from SPM. The following categories from Diploma level (60 respondents or 35.9%). As for the degree level, there are about 83 people, which is counted as 49.7%. Lastly, from Master's Degree just only three respondents, which represents 1.8%.

Table and Figure 4.2.4 present the length of service of the respondents. The findings show that 31 respondents (18.6%) have served for less than one year. This is followed by 35 respondents (21.9%) who have a length of service of one to three years. Additionally, 37 respondents (22.2%) reported having four to six years of service, while 44 respondents (26.3%) have been working for seven to ten years, representing the largest group of respondents. Lastly, 20 respondents (12.0%) have more than ten years of length of service.

Table and Figure 4.2.5 present the distribution of respondents as stated by job category. The data indicate that there were 24 respondents (14.3%) from the middle management level. A high percentage of the respondents were employed as Administrative Staff, with 104 respondents (62.3%), making this group the largest among all job categories. In addition, 39 respondents, representing 23.4% of the total sample, were categorized as Support Staff.

Objective and Hypothesis Test

Objective 1: To examine the relationship between transformational leadership and employee engagement in the Malaysian public sector

Table 7 Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.563	0.317	0.296	0.19058
a. Predictors: (Constant), Transformational Leadership				
b. Dependent Variable: Employee Engagement				

Table 9 Anova Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.718	5	0.544	14.967	< 0.001 ^b
	Residual	5.848	161	0.036		
	Total	8.566	166			
a. Predictors: (Constant), Transformational Leadership						

Tables 8 and 9 present the Model Summary and ANOVA results for the relationship between Transformational Leadership (TL) and Employee Engagement (EE). The R² value of 0.317 indicates that transformational leadership explains 31.7% of the variance in employee engagement. The adjusted R² value of 0.296 further confirms that the model remains robust after adjusting for sample size and predictors, suggesting a good model fit. The ANOVA results show that the regression model is statistically significant with an F-value of 14.967 and a significance level of $p < .001$, indicating that the model provides a better fit than a model with no predictors. This implies that the variation in employee engagement explained by transformational leadership is systematic rather than due to random error. Overall, the findings demonstrate that transformational leadership has a significant and positive relationship with employee engagement. Therefore, the hypothesis proposing a direct relationship between transformational leadership and employee engagement is supported.

Objective 2: To study the relationship between transformational leadership and public service motivation in the Malaysian public sector

Table 10 Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.677	0.458	0.442	0.128682
a. Predictors: (Constant), Transformational Leadership				
b. Dependent Variable: Public Service Motivation				

Table 11 Anova Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.208	5	2.242	27.249	< 0.001 ^b
	Residual	13.245	161	0.082		
	Total	24.453	166			
a. Predictors: (Constant), Transformational Leadership						

Tables 4.10 and 4.11 present the results of the simple linear regression analysis conducted to examine the relationship between Transformational Leadership (TL) and Public Service Motivation (PSM). The model summary indicates an R² value of 0.458, suggesting that transformational leadership explains 45.8% of the variance in public service motivation. The adjusted R² value of 0.442 further confirms that the model demonstrates a good fit after accounting for sample size. The ANOVA results show that the regression model is statistically significant, with an F-value of 27.249 and a significance level of $p < .001$. This indicates that the model provides a significantly better fit compared to a model without predictors, and that the variation in public

service motivation explained by transformational leadership is systematic rather than due to random error. Overall, the findings indicate that transformational leadership has a significant and positive relationship with public service motivation. Therefore, the hypothesis proposing a direct relationship between transformational leadership and public service motivation is supported.

Objective 3: To examine the relationship between public service motivation and employee engagement in the Malaysian public sector

Table 12 Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.397	0.158	0.147	0.20977
a. Predictors: (Constant), Public Service Motivation				
b. Dependent Variable: Employee Engagement				

Table 13 Anova Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.208	5	2.242	27.249	< 0.001 ^b
	Residual	13.245	161	0.082		
	Total	24.453	166			
a. Predictors: (Constant), Transformational Leadership						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.350	2	0.675	15.335	< 0.001 ^b
	Residual	7.216	164	0.044		
	Total	8.566	166			
a. Dependent Variable: Employee Engagement						
b. Predictors: (Constant), Transformational Leadership						

Tables 4.12 and 4.13 present the results of the simple linear regression analysis conducted to examine the relationship between Public Service Motivation (PSM) and Employee Engagement (EE). The model summary shows an R² value of 0.158, indicating that public service motivation explains 15.8% of the variance in employee engagement. The adjusted R² value of 0.147 suggests that the model remains stable after adjusting for sample size. The ANOVA results indicate that the regression model is statistically significant, with an F-value of 15.335 and a significance level of p < .001. This demonstrates that the model provides a significantly better fit than a model with no predictors, and that the variation in employee engagement explained by public service motivation is systematic rather than due to random error. Overall, the findings reveal that public service motivation has a significant and positive relationship with employee engagement in the Malaysian public sector. Therefore, the hypothesis proposing a direct relationship between public service motivation and employee engagement is supported.

Objective 4: To investigate whether Public Service Motivation mediates the relationship between the Transformational Leadership and Employee Engagement

Table 14 Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.677	0.458	0.442	0.28682
Predictors: (Constant), Transformational Leadership				

Table 15 Anova Analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.208	5	2.242	27.249	< 0.001 ^b
	Residual	13.245	161	0.0082		
	Total	24.453	166			
a. Predictors: (Constant), Transformational Leadership						

Table 16 Anova Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sigma
	B	Std. Error	Beta		
	2.871	0.479		5.994	< 0.001 ^b
	0.446.	0.106	0.312	4.218	< 0.001 ^b

Regression analyses were conducted to measure the relationship between Public Service Motivation and Transformational Leadership. The result of the coefficients Public Service Motivation and Transformational Leadership and standard error are needed to do the Sobel test. B and standard error values were then put into the Sobel test calculator as α and $S\alpha$, respectively.

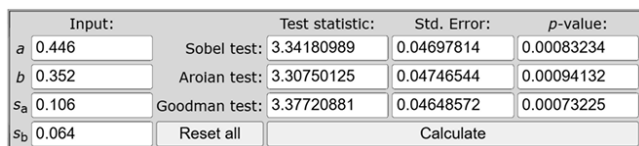


Fig. 2 Sobel Test

Fig. 2 illustrates the mediation analysis using the Sobel test to examine the mediating role of Public Service Motivation in the relationship between Transformational Leadership and Employee Engagement. As shown in the figure, the unstandardized coefficients and standard errors obtained from the regression analysis between transformational leadership and public service motivation, as well as between public service motivation and employee engagement, were used as inputs in the Sobel test. The Sobel test results indicate a Z value of 3.35 with a p-value less than 0.001, demonstrating that the indirect effect of transformational leadership on employee engagement through public service motivation is statistically significant. This finding confirms that public service motivation plays a significant mediating role in the relationship between transformational leadership and employee engagement. Therefore, the hypothesis proposing that public service motivation mediates the relationship between transformational leadership and employee engagement is accepted.

Table 17 Hypothesis Summary

	Hypothesis	Regression Analysis
H1	There is a relationship between transformational leadership and employee engagement	Accepted
H2	There is a relationship between transformational leadership and public service motivation	Accepted
H3	There is a relationship between public service motivation and employee engagement	Accepted
H4	Public service motivation mediates the relationship between the transformational leadership and employee engagement	Accepted

DISCUSSION OF KEY FINDINGS

Objective 1: To study the relationship between transformational leadership (idealized influence behavior, idealized influence attributed, inspirational motivation, individual consideration and intellectual stimulation) and employee engagement in the Malaysian public sector.

The model summary shows a statistically significant relationship between TL and EE ($R = 0.563$, $R^2 = 0.317$, Adjusted $R^2 = 0.296$, $p < .001$). The R^2 value indicates that approximately 31.7% of the variance in employee engagement can be explained by transformational leadership. Further confirmation is provided by the ANOVA analysis in Table 4.9, which reveals a significant regression model ($F(5, 161) = 14.967$, $p < .001$), indicating that transformational leadership significantly predicts employee engagement.

These results are consistent with previous studies emphasizing the positive influence of transformational leadership on employee attitudes and behaviors (e.g., Al Ahmad, Easa, & Mostapha, 2019; Aldhaheri & Ahmad, 2024). Transformational leadership characterized by behaviors such as idealized influence, inspirational motivation, intellectual stimulation, and individual consideration effectively fosters a work environment that enhances employees' psychological attachment, knowledge management capability, and overall commitment to their roles. Among the dimensions of transformational leadership, inspirational motivation where leaders articulate a compelling vision and motivate employees to achieve organizational goals emerged as a critical driver of engagement. This finding aligns with the work of Schuckert et al. (2022) and Chienwattanasook (2020), who highlighted the motivational aspects of transformational leadership as key to cultivating employee engagement and innovative behaviours.

Idealized influence, which involves leaders acting as charismatic role models, also showed a significant positive effect on employee engagement, supporting assertions by Khan et al. (2022) regarding the importance of leader behaviours that inspire trust and admiration among followers. The distinction between idealized influence attributed (how leaders are perceived) and idealized influence behaviour (actual leader behaviours) is crucial for understanding how leadership affects engagement, especially within diverse cultural contexts (Sadeghi & Pihie, 2012). Leaders who have a high level of idealized influence often develop satisfaction, respect and a strong sense of purpose within the team which has been empirically linked to enhanced employee motivation, job performance, and organisational commitment (Suhana et al., 2024). Additionally, idealized influence supports positive workplace behavior and ethical conduct, particularly when leaders act as mentors and uphold high moral standards (Seitz & Owens, 2021).

Inspirational motivation, a core dimension of transformational leadership that involves the movement of a compelling and meaningful vision that inspires and energizes followers toward achieving shared goals (Alrowwad et al., 2020; Buil et al., 2020). Transformational leadership is well known by inspirational motivation, which outlines a leader as someone who motivates people to perform the work in an inspiring manner (Hilton et al., 2021). Leaders showing the quality communicate high expectations and use emotionally engaging

strategies to align employees' efforts with the organization's long-term objectives (Lin, 2023; Teoh et al., 2022).

Individual consideration and intellectual stimulation also contributed positively to employee engagement, reinforcing the notion that personalized support and encouragement of critical thinking enhance employees' connection with their work and their motivation to contribute innovatively (Chebon, Aruasa, & Chirchir, 2019; Magasi, 2022). Overall, the current research enriches the understanding of how transformational leadership fosters employee engagement in the Malaysian public sector by demonstrating that transformational leaders not only inspire but also intellectually and emotionally engage their employees, thereby creating a committed and motivated workforce ready to meet organizational challenges.

Hypothesis 1: There is a direct effect between transformational leadership and employee engagement

Objective 2: To study the relationship between transformational leadership and public service motivation in the Malaysian public sector.

The findings of this study support the proposed hypothesis. The regression analysis between Transformational Leadership and Public Service Motivation yielded an R value of 0.677 and an R² value of 0.458, indicating that Transformational Leadership explains 45.8% of the variance in Public Service Motivation. The adjusted R² value of 0.442 further confirms the robustness of the model. The ANOVA results in Table 4.11 demonstrate that the regression model is statistically significant ($F = 27.249$, $p < 0.001$), indicating that the relationship between Transformational Leadership and Public Service Motivation is not due to random variation. Furthermore, the standardized beta coefficient ($\beta = 0.312$) indicates a positive and meaningful effect of Transformational Leadership on Public Service Motivation. This suggests that employees who perceive their leaders as transformational are more likely to develop stronger motivation to serve the public interest, uphold ethical values, and contribute meaningfully to their organization.

These findings are consistent with prior empirical studies. Trichandhara et al. (2022) examined the influence of Transformational Leadership and Public Service Motivation on job performance among nurses in Thailand. Using a sample of 276 respondents and multiple regression analysis, the study found that Transformational Leadership has both direct and indirect effects on job performance through the mediating role of Public Service Motivation. Leaders who demonstrated inspirational motivation and individualized consideration were most effective in strengthening employees' PSM. This supports the argument that Transformational Leadership is positively associated with Public Service Motivation, which subsequently enhances job-related outcomes in the public sector.

In the Malaysian public sector context, including institutions such as MAIWP, transformational leaders who emphasize ethical conduct, shared vision, and service to the community are more likely to cultivate strong Public Service Motivation among employees. This heightened motivation encourages employees to internalize organizational goals and public values, thereby strengthening overall organizational effectiveness.

Hypothesis 2: There is a direct effect between transformational leadership and public service motivation

Objective 3: To study the relationship between public service motivation and employee engagement in the Malaysian Public Sector

The findings of this study support the proposed hypothesis. The regression analysis results indicate that Public Service Motivation has a significant positive relationship with Employee Engagement. As shown in the model summary, the R value of 0.397 and R² value of 0.158 indicate that Public Service Motivation explains 15.8% of the variance in Employee Engagement. The ANOVA results further confirm that the model is statistically significant ($F = 15.335$, $p < 0.001$). In addition, the standardized beta coefficient ($\beta = 0.416$) demonstrates a moderate and positive effect of Public Service Motivation on Employee Engagement. These results suggest that employees who possess stronger public service values tend to be more dedicated, enthusiastic, and involved in their work.

This finding is consistent with prior empirical studies. Cooke, Brant, and Woods (2019) found strong support

for Public Service Motivation as an important personal resource that significantly enhances employee work engagement. Their study proposed two models, where Public Service Motivation acts both as an antecedent and as a mediator. However, their findings revealed that Public Service Motivation functions more strongly as a direct antecedent of employee engagement, which aligns with the results of the present study. Furthermore, in the context of developing countries, Hassan et al. (2022) examined the role of Public Service Motivation in relation to workplace spirituality and employee well-being among public higher education staff in Pakistan. Their findings showed that Public Service Motivation has a positive relationship with workplace spirituality, with job satisfaction acting as a mediating factor. This supports the notion that Public Service Motivation enhances employee engagement indirectly through improved psychological well-being, as engagement is closely linked to employees' emotional and mental states.

Hypothesis 3: There is a direct effect between public service motivation and employee engagement

Objective 4: To investigate whether public service motivation mediates the relationship between the transformational leadership and employee engagement in the Malaysian public sector

The first regression analysis examined the relationship between Transformational Leadership (TL) and Public Service Motivation (PSM) among MAIWP employees. The model yielded an R value of 0.677 and an R² value of 0.458, indicating that 45.8% of the variance in Public Service Motivation is explained by Transformational Leadership. The ANOVA results show that the regression model is statistically significant ($F = 27.249$, $p < 0.001$). Furthermore, the coefficient results in Table 4.16 indicate that Transformational Leadership has a significant positive effect on Public Service Motivation ($\beta = 0.312$, $p < 0.001$). This finding suggests that transformational leadership practices within MAIWP, such as inspirational motivation and ethical role modeling, significantly enhance employees' motivation to serve the public and uphold institutional values. The second regression analysis assessed the relationship between Public Service Motivation (PSM) and Employee Engagement (EE) among MAIWP employees. The model produced an R value of 0.397 and an R² value of 0.158, indicating that 15.8% of the variance in Employee Engagement is explained by Public Service Motivation. The ANOVA results confirm that the model is statistically significant ($F = 15.335$, $p < 0.001$). In addition, the coefficient results reveal that Public Service Motivation has a significant positive effect on Employee Engagement ($\beta = 0.416$, $p < 0.001$).

This implies that MAIWP employees who possess higher levels of motivation to serve the public and fulfill religious and social obligations tend to be more engaged in their work roles. To further verify the mediating role of Public Service Motivation, a Sobel test was conducted using the unstandardized coefficients and standard errors obtained from the regression analyses. The Sobel test produced a p-value of 0.00335, which is below the 0.05 significance level. This result indicates that Public Service Motivation significantly mediates the relationship between Transformational Leadership and Employee Engagement in MAIWP.

CONTRIBUTIONS OF THE STUDY

Theoretical Implications

This study strengthens theoretical understanding of transformational leadership by empirically demonstrating its role in enhancing employee engagement in public sector organizations. While prior leadership studies have predominantly focused on private-sector settings, the findings of this research support the applicability of transformational leadership theory in the public sector, where organizational goals are closely linked to public value and service outcomes. This supports earlier leadership theories which suggest that transformational leaders inspire employees by fostering shared vision, intellectual stimulation, individualized consideration, and inspirational motivation.

Second, this research enriches the employee engagement literature by integrating leadership style and motivational theory into a unified framework. Rather than viewing employee engagement solely as an outcome of job characteristics or organizational policies, this study highlights the importance of leadership-driven motivation in shaping engagement levels among public sector employees. The results suggest that employee engagement in public institutions such as MAIWP is not only influenced by structural factors but also by leaders'

ability to cultivate public service values and meaningful work.

Third, the study contributes to Public Service Motivation (PSM) theory by positioning PSM as a mediating mechanism through which transformational leadership influences employee engagement. Earlier literature has established PSM as a critical psychological construct that drives public employees' commitment and performance (Perry & Wise, 1990). However, empirical studies examining PSM as an intervening variable remain limited, particularly in the Malaysian public sector. The findings of this study provide empirical support for the argument that transformational leaders enhance employees' intrinsic motivation to serve the public, which in turn strengthens their level of engagement at work.

Finally, by focusing on MAIWP, this study contributes context-specific theoretical insights to the Malaysian public administration literature. It confirms that transformational leadership and public service motivation are relevant and significant constructs in religious based public institutions, thereby extending the generalizability of leadership and motivation theories beyond Western and private-sector contexts.

Practitioners

First, the study highlights the critical role of transformational leadership in improving employee engagement among MAIWP employees. Leaders who demonstrate inspirational motivation, individualized consideration, intellectual stimulation, and idealized influence are more likely to foster a positive work environment that encourages employees to feel emotionally and psychologically connected to their work. Therefore, MAIWP management should prioritize leadership development programs that strengthen transformational leadership competencies among supervisors and managers at all levels.

Second, the study suggests that employee engagement in MAIWP can be enhanced by integrating leadership practices with motivational strategies. Management should create opportunities for employee participation in decision-making, encourage open communication, and provide constructive feedback. When employees feel valued, supported, and aligned with the organization's mission, their level of engagement is likely to increase.

Third, the findings emphasize the importance of public service motivation as a key mechanism through which transformational leadership enhances employee engagement. Leaders in MAIWP should actively reinforce public service values such as commitment to the public interest, compassion, and self-sacrifice. This can be achieved by clearly communicating the social and religious significance of employees' roles, recognizing contributions that align with public service values, and ensuring that organizational practices support fairness, integrity, and meaningful service delivery.

Furthermore, the results indicate that strengthening transformational leadership practices can help MAIWP address challenges commonly faced in the public sector, such as reduced motivation, work stress, and bureaucratic constraints. By fostering a supportive and inspiring leadership culture, MAIWP can improve not only employee engagement but also service quality and organizational effectiveness.

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APPENDIX

Table I The Relationship Between Transformational Leadership And Employee Engagement

No.	Respondent	Methodology	Result	Authors
1.	187 employees from the service in Trinidad	Quantitative method using surveys; tested using regression analysis	Positively related. Mediated by job resources	Balwant et al. (2020)
2.	76 employees in Yogyakarta social service	Questionnaire distributed, analyzed using path analysis	Positively influenced. EE negatively influences turnover intention. EE mediates TL	Nabillah & Wahyuningsih (2022)
3.	443 employees in China Great Bay Area	Survey-based study using SmartPLS for SEM analysis	Positively influences motivation, increases EE	Cheb & Cuervo (2022)
4.	100 employees	Quantitative study using survey questionnaire and SPSS/PLS analysis	TL significantly impacts EE, and feedback and recognition partially mediate the relationship	Valentina (2021)
5.	359 ICU nurses	SEM approach	TL improves organisational climate, enhances EE climate acts as mediator	Liang et al., 2025
6.		Survey questionnaire analyzed using correlation and regression techniques	TL positively correlates with EE, and more effective than transactional leadership	Hamman (2012)
7.	170 employees from private companies in UAE	Survey-based quantitative method; SEM analysis	TL significantly influences EE	Milhem et al., (2019)
8.	250 HR employees in South Korea	Quantitative research using questionnaires	Positively influences employee engagement, particularly via individualized consideration	Park (2019)
9.	347 R&D employees from manufacturing firms	Survey, data analyzed using regression and SEM	TL fosters employee engagement in creative tasks. EE partially mediates the effects	Azim et al., (2019)

10.	230 employees from production media industry	SEM using AMOS, data from structured questionnaires	TL acts as a mediator between EE and performance. Significant positive mediation effect found	Al Marshoudi et al., (2023)
11.	12 participants (employees from U.S. organization)	Qualitative method using phenomenological interviews	Leadership behaviours (supportive and communication traits), influence EE	MCrae (2019)
12.	322 public sector	Quantitative method	Transformational leadership negatively influences turnover intention, EE affective commitment, and psychological climate mediate the relationship	Gyensare et al., (2017)
13.	162 Gen-Y employees in Jakarta	Quantitative survey, regression analysis	Intellectual stimulation and inspirational motivation had significantly predicted EE	Setiono et al., (2019)
14.	400 Malaysian hospitality employees	Online survey; PLS-SEM analysis	Only idealized influence and inspirational motivation significantly predicted EE	Teoh et al., (2022)
15.	240 hospitality nurses (Iran)	Stratified random sample MLQ & engagement scale	TL component are positively and significantly related to overall work	Hayti et al., (2014)
16.	ICT professional in Ethiopia & SouthKorea	Cross-national survey; SEM & mediation analyses	Full TL profile positively predicted EE, which in turn improved innovation and performance	Gemeda & Lee (2020)
17.	378 bank employees in Indonesia	Survey, regression and mediation testing	TL (all dimensions) increased EE, greater innovative behavior)	Ariyani & Hidayati (2018)
18.	315 middle managers in Kenyan energy parastatals	Correlational survey; regression and moderation analysis	Idealized influence strongly correlated with EE	Otieno et al., (2019)
19.	484 academics (Bangladesh, n=243), (Thailand, n=241)	PLS-SEM on survey responses	TL positively influenced psychological empowerment	Farzana et al., (2024)
20.	Airline crew	Empirical research	TL and organisational culture strongly enhance	Dagar & Sisodia (2025)

			crew engagement	
21.	Public-sector contracting employees (U.S. government contractors)	Survey and mixed methods	TL strong positive effect in EE than transactional leadership	Boyd (2024)
22.	Indonesian organisational staff	Survey, SEM (AMOS)	Employee engagement fully mediates the positive effects of both knowledge management and transformational leadership on productivity	Laras et al., (2024)
23.	Greek hospitality & tourism employees	Survey; hypothesis testing	All tested hypotheses supported; transformational leadership positively affects EE	Skandalis & Ghazzawi (2024)

Table II The Relationship Between Transformational Leadership and Public Service Motivation

No.	Respondent	Methodology	Result	Authors
1.	510 public sector employees (Denmark)	Quantitative approach using SEM	TL significantly influences PSM through the mediation of psychological needs (autonomy, competence, relatedness)	Jensen & Bro (2018)
2.	276 nurses in Thailand	Questionnaire-based survey; Multiple Regression Analysis	PSM mediates the relationship between TL and job performance	Trichandhara et al., (2022)
3.	210 public servants (Sarawak)	Quantitative; Stratified sampling, correlation & regression	Intellectual stimulation and inspirational motivation were strongly associated with motivation including PSM elements	Bunsu (2016)
4.	409 public service employees (Denmark)	Qualitative interviews; thematic analysis	TL enhances PSM by helping employees see “contribution to society”	Andersen et al., (2018)
5.	200+ school teachers (Pakistan)	Survey-based quantitative; SEM & mediation analysis	PSM mediates TL innovative behavior & job performance; positive relationship	Mahmood et al., (2020)
6.	Public managers in Italy (Case Study)	Theoretical analysis (Literature Review)	TL leverages intrinsic motivation to strengthen PSM	De Gennaro (2019)

7.	409 public service employees	Multilevel quantitative; multilevel analysis	TL enhances innovative & citizenship behavior mediated via job autonomy (supports PSM outcomes)	Nordin et al., (2024)
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Table III Psm Mediates the Relationship Between Transformational Leadership and Employee Engagement

No.	Respondent	Methodology	Result	Authors
1.	208 public-sector employees in Vietnam	Quantitative' dyadic data, SEM	PSM mediates between TL and performance	Tran & Hong (2024)
2.	316 public-sector employees	Quantitative, SEM	PSM moderates the indirect relationship between TL and EE via	Alamri (2023)
3.	School teachers in Pakistan	Quantitative survey method, SEM	PSM mediates the relationship between TL and job performance/ innovative behavior	Mahmood et al. (2020)
4.	General workforce	Quantitative. Survey-based	TL significantly influences EE. EE acts as a mediator to performance	Evelyn & Hazel (2015)
5.	Vietnamese public-sector employees	Quantitative, SEM, cross sectional	PSM mediates between TL and job-related outcomes (performance, satisfaction) power distance moderates this effect	Nhat Vuong et al., (2023)
6.	318 administrative & diplomatic officers (Malaysia)	Quantitative, survey method, SEM using SmartPLS 3	PSM mediates the relationship between TL and EE	Zahari (2023)
7.	Employees from Indonesian organizations	Quantitative, SEM	TL positively affects performance via EE and job satisfaction as mediators	Radia & Sudiro (2020)
8.	Public-sector workers (Belgium)	Quantitative survey, regression analysis	TL enhances PSM through satisfaction of autonomy, competence and relatedness	Vandenabeele (2014)
9.	U.S. federal employees	Quantitative, SEM	TL positively impacts PSM and mission valence, which in turn affect performance	Cailier (2014)