Impact of Leadership Style on Employee Engagement in Civil Society Organizations in Mandalay Region

Nu Nu Lwin[1]

Abstract

This paper aims to identify the effective leadership style in civil society organizations (CSOs) since CSOs becomes increasingly important in contributing development outcomes of the country. With this aim, this paper studies the effect of leadership style on employee engagement in CSOs in Mandalay region through identifying the employee's perception on the leadership style of the leading person and their engagement in CSOs. The study found that absorption dimension of employee engagement can be achieved through democratic and laissez faire leadership styles whereas vigor dimension of employee engagement is supported by democratic and autocratic leadership styles. On the other hand, dedication of employees can be harnessed with democratic leadership style. For supporting employee engagement, the results of this study provide the important implication in CSOs to practice appropriate leadership styles in accordance with the different requirements and situation of the organizations.

Keywords: Leadership style, autocratic, democratic, Laissez-Faire, employee engagement, vigor, dedication, absorption, civil society organization

I. INTRODUCTION

The success of an organization is reliant on the leader's ability to optimize human resources. Leadership is a social influence, that is, the process of moving a group of people in some direction through non-coercive means. Good leader understands the importance of employees in achieving the goals of the organization, and that motivating the employees is of paramount importance in achieving these goals.

Employee are the most important asset of every organization that determine the sustainable and effective growth of organization. Therefore, employee engagement become a critical indigent of the organization success. An organization with high employee engagement outperforms those with low employee engagement. Employee engagement is the emotional and intellectual commitment to the organization or the amount of discretionary effort exhibited by employee in their job.

---

[1] Nu Nu Lwin, Dr. Professor & Had, Department of Management Studies, Yangon University of Economics

Leadership is found as a significant antecedent of engagement and performance. According to Bass (1997), for any organization to survive in a dynamic and competitive business environment, it has to adopt the best leadership styles. This is because, employees' perception on leadership styles greatly affects the performance and engagement of the employee to achieving the organizations goals (Jaskyte, 2004).

Nowadays, the role of civil society organizations (CSOs) in sustainable development of a country is increasingly recognized in all over the world. For civil services, many people are driven by a strong sense of altruism and religious faith to give back to their communities and across different sectors. In Myanmar, the remarkable growth of civil service engagement can be seen through the powerful outpouring of volunteer action after Cyclone Nargis in 2008. With the influx of international non-government organizations (INGOs) recently entering or expanding operations in Myanmar, domestic civil society are facing a big challenge in retaining their skilled and talented human resources as INGOs look for local partners, skilled staff, training participants, and practical advice. It makes CSOs to spend more time and budget for recruiting, training and developing human resources.

Due to the social supporting nature of CSOs, the realization of their goals is mainly related with the engagement of employee at work while different dimensions of employee engagement can be achieved with the relevant leadership styles based on the leaders and followers' characteristics, dispositions, behavior perceptions, attributions and the context where in the process of influencing occurs.

There is a long and rich history of civic engagement in Myanmar, but little research has been done to explore the many facets of civil services and how it can best contribute to development outcomes. The study aims to examine the leadership styles of CSOs and their impact on different dimensions of employee engagement in CSOs.

Objectives of the Study

This paper specifies the following objectives to reach the aim of the study.

- To identify the prominent leadership style in CSOs in Mandalay region, and
- To exmine the effect of leadership styles on employee engagement in CSOs in Mandalay region.

Expected Outcomes

This study is expected to promote a better understanding of leadership styles and employee engagement in Myanmar, in order to demonstrate the universality, scope and reach of civil service activities along with new trends in the country to a bright future. By suggesting how employee engagement can be taken forward, it is hoped this study will also provide an alternative vision of a better society and tangible suggestions on how the power of CSOs can be harnessed for positive development outcomes across the country.

II.   BACKGROUND OF CIVIL SOCIETY ORGANIZATIONS (CSOS)

Civil society structures in Myanmar traditionally existed at the local level within religious groups, emerging from Buddhist and Christian-led social welfare activities and focusing on poverty, health, and the daily needs of communities. There are three types of civil society organizations in Myanmar: community-based organizations, and local and international nongovernment organizations (NGOs).

The community-based organizations are formal or informal voluntary associations formed in a local to perform social and religious functions, including health, education, and social services. Local NGOs typically originate from cities, townships, or population centers and maintain connections with communities. These groups are usually unregistered and have paid and skilled staff, and are increasingly connected to regional and national NGO networks, and/or with international NGOs. Several large NGOs are registered with government ministries and work with the government and development agencies to implement projects in diverse sectors, including health care, rural development, education, and agriculture. This study mainly focusses on community-based organizations and local NGOs operated in Mandalay region.

In Myanmar, Sustainable Development Goals (SDGs) have become priorities for the Government and progress is underway. In recent decades, Myanmar is rapidly growing economy in ASEAN with average annual growth rate of 6.8% and annual per capita income of USD1210 in 2018. (ADB, 2019). While Myanmar has been recognized as prospering economy with increasing foreign and local investment and trade, Myanmar remains low on the Human Development Index, ranking 145 out of 189 countries and territories and is ranked below the average of countries in East Asia and the Pacific (UNDP 2019).

The challenge for Myanmar is to enable growth at the same time that it tackles vulnerabilities, building resilience against economic shocks, natural disasters, conflict and civil

unrest. CSOs have a crucial role to play for realizing SDGs through promoting social cohesion and peace in a sustainable, equitable and inclusive manner that protects, respects and promotes the rights of all people equally, and thereby contributes to its development objectives.

III.   THEORETICAL BACKGROUND

In any organization context, the successful leaders design a healthy work environment that engages employees to be successful in their work as well as encouraging them to remain in the organization. Effective leadership can mobilize adequate employee engagement that offers competitive advantage in an organization.

Leadership Style

Leadership is the process of motivating, influencing and directing others in the organization to work productively in the pursuit of organization goals. It is also believed that leadership is the ability to persuade others willingly to behave differently for achieving the task set for them with the help of the group (Armstrong, 2003).

Leadership style can be defined as the manner and approach of providing direction, implementing plans, and motivating people. (Newstrom & Davis, 1993). The personal background of the leader such as personality, knowledge, values and experiences shape their feelings about specific leadership styles. Different environment, situation and preference of their subordinates, also figure the leaders to practice different leadership styles. There are different leadership styles such as autocratic (authoritarian), bureaucratic, participative or democratic, coercive, transactional, transformational, and Laissez-Faire. In this study, focus is on three types of leadership styles: Autocratic, Democratic, and Laissez-Faire.

Autocratic Leadership: It defines to a leader who stresses his or her absolute authority that he will take rigorous control over subordinates and demand complete followership from them. The characteristic of authoritarian leadership demonstrated the following four behaviors: control and domination, underestimating the ability of subordinates, building a lofty image of the leader and instructing subordinates in a didactic style. This approach to leadership generally results in passive resistance from team-members and requires continual pressure and direction from the leader in order to get things done.

Democratic Leadership: It also known as participative leadership conducted in groups where members take a more participative role in the process of making decision. Democratic

leadership is able to influence people in a consistent manner and conducive to basic democratic principles and processes, such as self-determination, inclusiveness, and participation and serious thought. A democratic leader facilitates the team for initiating any task and provides them freedom to achieve the task at their own freewill through mutual understanding. Participation of the members is always facilitated by a good democratic leader and he will be ultimately responsible for all outcomes.

Laissez-faire Leadership: In this style, leader does not intervene in the affairs of followers and shows little control very slightly on the group. Leader's participation is very low in the activities determined by group members. The Laissez-faire leader believes in freedom of choice for the employees, offers no positive or negative direction nor do they interfere at any time leaving followers alone so they can do as they want. This style of leadership can lead to chaos and inefficiency and can be dismissed out of hand as useless.

Employee Engagement

Employee engagement is a workplace approach that is designed to ensure employees have the positive attitudes and behavior towards their work and organizational values (Robinson et al., 2004). Employee engagement also leads to something known as discretionary effort that goes above and beyond the employee's work description or minimum expectations for performance. It is critically important for any business organizations as it leads to increased customer satisfaction, higher revenue, growth in profits and long-term success of the organization. According to Schaufeli (2012), there are three dimensions of employee engagement which ae vigor, dedication, and absorption.

Vigor: Vigor demonstrates a willingness to invest effort in one's work, an ability to avoid fatigue and persistence in completing a job. It reflects higher level of energy and mental resilience in work. An employee who feels great vigor while working is highly motivated by the content of the job that he or she is performing (Mauno, Kinnunen & Ruokolainen, 2007).

Dedication: Dedication represents a strong psychological involvement and high responsibility to their work with great work ethic. Employee in dedication are able to provide high commitment to the organization by a sense of significance, enthusiasm, inspiration, pride, and challenge (Schaufeli et al., 2002).

Absorption: Absorption is characterized as employees are highly concentrated, satisfied, being immersed and happily engrossed in work (Schaufeli and Bekker, 2004). Consequently,

everything else around is forgotten and time seems to fly. This type of engagement is more likely to happen in work situations that are characterized by high challenge or skill utilization.

Engaged employees feel satisfied and they are more productive and more willing to exert effort on their job. Besides, they will try their best to achieve certain objectives and provide high commitment to the organization.

IV. EMPIRICAL ANALYSIS

Methodology and Data

To explore the effect of leadership styles on employee engagement, the study is conducted based on the responses of 120 employees from 30 CSOs operated in Mandalay Region during the period of May 2019. The number of CSOs operating in Myanmar is not available while the estimations are widely varied among the sources. In Mandalay Region, the number and size of CSOs is still rather limited and most organizations are active in health and education, providing direct support to people in need. The source of data for the number and profile of CSOs in Mandalay Region is from the Directory of Civil Society Organizations (2019) published by People in Need Myanmar's Civil Society Support Programme.[2] Each of the leadership style: Autocratic, Democratic and Laissez-Faire is measured with a 8-item multifactor leadership questionnaire. To assess the employee engagement using three sub scales of vigor, dedication, and absorption, it refers to the Utrecht Work Engagement Scale (UWES). For each dimension, 4 items are used, totally 12 items. Leadership styles and employee engagements are measured by using structured questionnaire designed with 5-point Likert Scale ranging from 1 (very disagree) to 5 (Agree). Questions on background of respondents are included, such as: age, gender, education, position level, and length of service under the current leader.

Data Analysis

Statistical analysis is performed using SPSS 22.0 software including reliability analysis and comparison of different leadership styles in predicting employee engagement. The multi-level regression analysis is used to test the effect of leadership styles on employee engagement. Reliability of the collected data is firstly investigated using Cronbach's α.

---

[2] People in Need is a Czech non-governmental organization started working in Myanmar to provide relief and development assistance to members of civil society groups while defending human rights and democratic freedom.

Empirical Results

Out of 150 questionnaires fully filled for the purpose of the analysis, 142 valid questionnaires are used. The participant's profile is presented in Table-1. The majority of respondents (83.1%) are under 35 years old. Males are 17.6% and 82.4% are female. Among the respondents, 97.2% have a degree in which 11.3% possesses post-graduate education and only 3% have high school level education. In terms of position, 72.5% of the respondents are working in operation level. The majority of respondents (77.5%) have less than 2 years length of service working under the current leader.

Table-1:   Demographic Profile of Respondents

Sr. No.	Demographics Variables	Frequency	Percentage
1	**Age:** 25 or younger	41	28.9
	26 – 35 years	77	54.2
	36 – 45 years	19	13.4
	46 – 55 years	4	2.8
	Older than 55 years	1	0.7
2	**Gender:** Male	46	32.4
	Female	96	67.6
3	**Education**: High Scholl	4	2.8
	Graduate	122	85.9
	Post-Graduate	16	11.3
4	**Position:** Operation Level	103	72.5
	Middle Level	39	27.5
5	**Service Year under Current Leader:**		
	Less than 1 year	76	53.5
	1 to 2 years	34	24.0
	2 to 3	13	9.2
	3 to 4 years	8	5.6
	4 to 5 years	3	2.1
	Over 5 years	8	5.6

Source: Survey Data (May, 2019)

The mean value, standard deviation and Cronbach's α of each variable are described in Table-2. Both leadership styles and employee engagement are considered reliable as the value of Cronbach's α more than 0.70 criterion.

As presented in Table-2, democratic leadership has the largest mean value followed by autocratic leadership with implication that in the perception of subordinates, their leaders practice democratic leadership style prominently. It can be concluded that most of the leaders practice democratic leadership style although autocratic leadership style is also moderately applied in CSOs in Mandalay. According to the results, it can be said that laissez-faire leadership styles is not seen to be practiced in CSOs.

Table-2:   Descriptive Statistics

Variables	Mean	Std. Div.	Cronbach's α
Autocratic	3.61	0.90	0.793
Democratic	3.99	0.83	0.896
Laissez-Faire	2.63	1.05	0.907
Vigor	3.59	0.93	0.879
Dedication	3.83	0.94	0.894
Absorption	3.07	1.04	0.853

Source: Survey Data (May, 2019)

The means for the employee engagement show that the dedication has the highest value with 3.83 followed by vigor and absorption dimensions. The high mean value in dedication suggests that employees in CSOs are dedicated to their organizations with motivated acts such as working hard and giving the best that one can at work. According to the nature of work, they experience a sense of significance, enthusiasm, inspiration, pride and challenge. Relatively high mean value in vigor dimension highlights the characteristics of employee in CSOs as high levels of energy and mental resilience while working, and persistence even in the face of difficulties. However, the low score of absorption suggests that the nature of CSOs cannot much stimulate the interest and concentration on the job.

To examine the effect of leadership style on employee engagement, the mean value of each engagement dimension is regressed with three styles of leadership. The results of multiple regression analysis are presented in Table-3.

According to the results, all model can moderately explain about the variation of leadership styles since the value of R-square is around 25 percent except dedication dimension

which has only about 18 percent.[3] The results imply that each style of leadership is accounted for 25 percent of variance in vigor and absorption dimensions and 18 percent of variance in dedication dimensions of employee engagement. The overall significance of the model, F-value, is highly significant at 1 percent level in all models, thus, it ensures the valid of the models.

Table-3: **The Effect of Leadership Style on Employee Engagement**

	Vigor			Dedication			Absorption		
	B	**SE**	**β**	**B**	**SE**	**β**	**B**	**SE**	**β**
Autocratic	.397*	.089	.353	.255	.089	.236	.197**	.080	.195
Democratic	.356*	.086	.347	.275**	.086	.280	.205*	.078	.222
Laissez-Faire	.083	.082	.085	.170	.082	.182	.314*	.074	.357
R^2	.277			.203			.268		
Adj. R^2	.258			.182			.249		
F-Statistics	14.798***			9.830***			14.159***		

Source: Survey Data (May, 2019)

Note: * * Significant at 1% level, * Significant at 5% level

The results of regression analysis highlight the facts that the effect of democratic leadership style on all dimensions of employee engagement at 1 percent significant level in dedication and 5 percent significant level in vigor and absorption. The results suggest that democratic leadership style can create better dedication of employees than other two engagement.

The results also suggest that autocratic leadership style positively affects absorption dimension at 1 percent level and vigor dimension at 5 percent level. It can be concluded that a leader who supports employees for the achievement of their objectives makes ensure the stability of work and organization, favor positive individual operation-oriented behaviors.

Moreover, Laissez-Faire leadership style have significant and positive effect on absorption at 5percent level. It highlights an important implication that although Laissez-Faire leadership is usually not preferred by the organization, this type of leadership can bring high efficiency for the employees who have high motivation and can work totally on their validation.

---

[3]   In social science predicting human behavior, according to Gary (1986), the low R-square value does not imply that the model is not fit and conclusions can be done based on the significance of coefficient regardless of R-square value.

<div align="center">

V. **CONCLUSION**

</div>

The study is conducted with the aims to examine the leadership styles of CSOs and their impact on different work engagement of CSO employees working in Mandalay Region.

Summary of Findings

The study shows that the leaders in CSOs mainly practice democratic leadership style while autocratic leadership is also applied based on needs of the organization and situation and preference of their subordinates. Among different dimensions of employee engagement, dedication and vigor have been prominently seen in CSOs in Mandalay Region.

The results highlight the importance of practicing relevant leadership styles in ensuring appropriate employee engagement in CSOs. (Table-5) Democratic leadership style spurs all dimensions of employee engagement. The right to participate in decision making create personal satisfaction and motivation to skill improvement, booster individual sense of proud and meaning to their work, all these factors lead to higher level of employee engagement in all dimensions.

<div align="center">

Table-4: **Leadership Style and Employee Engagement**

</div>

	Vigor	**Dedication**	**Absorption**
Autocratic Leadership	★		★★
Democratic Leadership	★	★★	★
Laissez-Faire Leadership			★

Source: Survey Data (May, 2019)

Autocratic leadership lead to absorption and vigor dimensions of employee engagement. In practice, autocratic leader supports employees for the achievement of their objectives and thereby, promote stability of work and organization that favors positive work-oriented behavior of employees.

Laissez-Faire leadership has significant positive impact on absorption of the employee at work. This style provides a little supervision or no directions and gives employees authority to determine goals, make decisions, and resolve issues on their own. This style can be applied if employees are greatly experienced, highly educated, and skilled.

Implications

  The results of this study contribute to theory as well as practical implications. As for theory, the study highlights that to be engaged employees in the works, all dimensions of engagement are necessity applied on different situations from day-to-day operations to the identification themselves with the organization and job. In fact, organizational and job identification of the employees supports their day-to-day tasks as well as experiencing day-to-day tasks strengthen their identification with organization and job. Thus, all leadership styles reinforce all dimensions of employee engagement in working environment.

  For practical implication in operation of CSOs in Myanmar, all leadership styles are practical tools to nurture engaged workforce and to retain their skilled and talented employees. The important implication for CSOs is to practice appropriate leadership styles as relevance to the prevalent situations and needs of the employees in order to foster all dimensions of employee engagement in their organization.

  To realize the organizational goals of CSOs under the context of high competition of INGOs for experienced and talented human resources, the management of CSOs should apply different leadership styles as necessary in order to boost employee engagement as it does not need to spend too much budget on nurturing and retaining valuable human resources in the organization.

Suggestions for Future Research

  This study is conducted based on three leadership styles namely Autocratic, Democratic and Laissez-Faire and three dimensions of employee engagement: vigor, dedication, and absorption. Further studies based on different leadership styles such as transformational, transactional, bureaucratic, coercive and different types of employee engagement such as affective (emotional), behavioural (physical) and cognitive (intellectual) can be more beneficial in understanding on the effects of leadership styles on employee engagement in CSOs. Moreover, this study only focuses on CSOs in Mandalay Region. Future researcher can widen the scope of their research by including CSOs in other regions or comparison among CSOs in Myanmar for more comprehensive results for leadership style and employee engagement in CSOs.

REFERENCES

Armstrong, M. (2004). *Human Resource Management Theory and Practice*. London, UK.: Bath Press Ltd.

Asian Development Bank (2019). *Key Indicators 2018*. Manila, Philippines: ADB.

Bass, B.M. (1997). "Concepts of Leadership". In Vecchio, R.P. (ed). *Leadership: Understanding the Dynamics of Power and Influence in Organizations*. Notre Dame, France: University of Notre Dame Press.

Jaskyte, K. (2004). Transformational Leadership, Organizational Culture, and Innovativeness in Nonprofit Organizations, *Nonprofit Management and Leadership*, 15 (2), 153-168.

Mauno, S., Kinnunen, U. & Ruokolainen, M. (2007). Job Demands and Resources as Antecedents of Work Engagement: A Longitudinal Study. *Journal of Vocational Behavior*,70, 149-171.

Newstrom, J.W., Davis, K. (1993). *Organizational Behavior: Human Behavior at Work*. New York, NY: McGraw-Hill.

People in Need Myanmar (2019). *Directory of Civil Society Organizations*. Retrieved from <https://issuu.com/peopleinneedmmr/docs/cso-la_directory_profiles_csos>.

Robinson, D., Perryman, S. and Hayday, S. (2004). *The Drivers of Employee Engagement*. IES Report No. 408, Brighton, UK.: Institute of Employment Studies.

Schaufeli, W.B. (2012). Work Engagement: What do we know and where do we go? *Romanian Journal of Applied Psychology*, 14(1), 3-10.

Schaufeli, W. B., & Bakker, A. B. (2004). Job Demands, Job Resources, and Their Relationship with Burnout and Engagement: A Multi-Sample Study. *Journal of Organizational Behavior*, 25, 293-315. doi: 10.1002/job.248.

Schaufeli, W. B., Salanova, M., Gonzalez-Roma, V., & Bakker, A. B. (2002). The Measurement of Engagement ad Burnout: A Two-Sample Confirmatory Factor Analytic Approach. *Journal of Happiness Studies*, 3(1), 71-92. doi:10.1023/A:1015630930326.

United Nations Development Programme (2019). *Human Development Report 2019: Beyond income, beyond averages, beyond today: Inequalities in Human Development in the 21st Century*. New York, NY: UNDP.