

## THE EFFECT OF TRANSFORMATIONAL LEADERSHIP AND PERCEIVED ORGANISATIONAL SUPPORT ON WORK-LIFE BALANCE

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**Abstract:** *Purposes of this study are analyzing the influence of transformational leadership and perceived organisational support to work-life balance on banking employees in Padang. Respondents are 94 female employee at banks, survey was conducted as the sampling technique because Work-Life Balance is a social phenomenon that could be captured and generalized better by using a survey method. To answer the purposes of these study, the data were analyzed by using multiple linear regression using SPSS ver.16. The results revealed that transformational leadership has a positive and significant effect on the Work-Life Balance. The magnitude of the effect of transformational leadership and perceived organisational support, to the work-life balance is 49.8%.*

**Keyword:** *Transformational Leadership, Perceived Organisational Support and Work-Life Balance*

### INTRODUCTION

Increased workload requires employee to show their commitment to the organisation in a more tangible way (Ishaya and Ayman, 2008), thus it influences the work schedule of employee in organisation. Many of them have to work on Saturday and Sunday. There are differences in the pattern of working time, which is different from the standard, ie from 08.00 until 17.00 (Bharat, 2008). The consequence changing of working hours result more time spent at work, and reduce time in house, even many of the employee have to work on Saturday and Sunday. Despite the increased workload, employees are required to demonstrate their commitment to the organisation in a more tangible way (Ishaya and Ayman, 2008). As the consequence, the more time they spend at work, the less time they have at home, especially now when the development of technology and internet allows organisations to keep in touch with employees everytime (Morgan, 2003). This causes loss of separation between work life with family life, which then leads to an increase in stress reports and work imbalances (Bhagwagar, 2009).

In recent decades, the number of women workers is increasing and so are female employees in banking industry. Bank is categorized as high technology and high service company, so that the demand for work is very high, where female employee are very tied to working hours without distinction with male employee. This is what causes job stress on female employee being high, especially for those who have a family and children. although having to go out to work, there is no changing in the pattern of women's responsibilities in the

household (Singh, 2004). Women still remain responsible for household and parenting.

Although women have jobs outside the home, women still assume responsibility for housework, regardless of employment status. So many female employees who continue to face difficulties in balancing both (Hyman and Summer, 2004). Jobs that can be taken home produce greater flexibility and freedom, but it also makes employees work in a longer period of time, including weekends and evenings. The home environment also plays an important role in the quality of life. Working from home can also bring stress, when there are children to be taken care of (Valcour and Hunter, 2005).

The explanation above shows that the issue of work-life balance need to be considered. The ability to maintain a balance between work life, family life, and social becomes very important. Work-life balance is important because it will make employees become more motivated, productive, and reducing stress. Hill et al (2004) defines work-life balance as the individual's ability to balance commitments to family and work, as well as the responsibilities and other activities outside of work. Work-life balance is achieved when the right of employee inside and outside the work accepted and upheld as a norm that is mutually beneficial for businesses, individuals and communities.

Balancing career success with a personal life is believed to be beneficial for individual job satisfaction (Broers, 2005). Work-life balance will have a significant impact for companies with human capital-oriented (Forsyth and Polzer-Debruyne, 2007). According to Wayne, Shore, and Liden (1997), employee perceptions of organisational support

in pursuit for their work-life balance will effect on employee desire to get out of the organisation and also to their performance. There are many variables that can influence the creation of individual work-life balance, which is derived from factors of work, family and social environment, including the perceived organisational support (Thakur and Kumar, 2015). Perceived Organisational Support refers to the overall employee confidence related to the extent to which companies reward employee, cares about their well-being, and supports the social-emotional needs of employee by providing resources to help (Eisenberger, Huntington, Hutchison, and Sowa, 1986). Support from the organisation to create a work-life balance for their employee, is expected to help employee in achieving the work-life balance.

Pieterse, et. Al. (2010) suggested that leader who implements transformational leadership style can direct their subordinate to increase personal interest to influence ratings, ideals, interests, values, and motivating them to do the work much better results than expected. This study looks into the relationship of transformational leadership and perceived organizational support with work-life balance on female employee who worked at bank in Padang.

## **THEORY AND DEVELOPMENT OF HYPOTHESIS**

### ***Work-Life Balance***

*Work-life balance* have a crucial influence on employee attitudes toward the organisation and also on the employee life (scholaris and Marks, 2004: 54). It is possible to examine the trends of work-life balance and that impact in affecting employee welfare and the results of their work (Guest, 2002). Defining work-life balance is difficult, considering in which there are several dimensions. The Work Foundation defines Work-life balance as individuals who have control over when, where, and how they work, which leads to the ability to enjoy an optimal quality of life. Meanwhile, Hill et al., (2004) defines work-life balance as the individual's ability to balance commitments to family and work, as well as the responsibilities and other activities outside of work. Work-life balance is achieved when the right to live whole lives at work and outside the work accepted and upheld as a mutually beneficial norm for businesses, individuals and communities.

*Work-life balance* in the workplace can be seen from several indicators, namely: (1) flexible time, (2) day-off, (3) shorter working time, (4) work sharing, (5) work from home, (6) break time from work, and (7) flexible benefits.

### **Transformational leadership**

Burns (in Cloud & Mahmood, 2010) states that leadership is the most frequently observed and the least understandable in the world. By the early 1900s, the leadership is often equated with someone who is doing a great job (Reardon, Reardon, & Rowe, 1998). Such leaders implement an optimistic attitude based on the experience and determination. They use their power to influence others. In the 1950s, concern began to experience a shift to determine the nature of the leaders and their conformity with the place where they work. Furthermore, starting in the 1980s, the focus of research shifted into how a leader can be someone who is visionary. Such leaders can inspire others through insight and authority altogether. In a further development, leadership is directed to a function that could affect the success of the organisation, the leadership of proactive and effective in responding to changes (Reardon et al., 1998). Therefore, the application of appropriate style of leadership is important for organisations to help employees to achieve Work-life balance.

Transformational leadership is the type of leadership that is superior. In subsequent studies, Bass (1997) suggests that an inspiring leader prioritizes his or her competence to create pride and respect. In doing so, transformational leaders seek to reduce the fear and shame of their subordinates in speech to express their opinions.

Wu et al. (2007) explains that transformational leadership can make employees become more motivated to get involved in the changes made by the organisation through the announcement of a clear vision. Thus, the implementation of transformational leadership in the organisation is expected to help strengthen the positive impact on Work-life balance of employees.

Bass (1990) defines transformational leadership as leadership that broadening and enhancing the employee interests, awareness and acceptance of the organisation's goals and mission of the organisation, and encourage employee to look beyond their self-interest. The study categorizes the transformational

leadership in four characteristics, namely individual consideration, intellectual stimulation, inspiring motivation and charisma.

Ismail et al. (2011) suggested that one of the main characteristics of a transformational leader is directing their subordinates, including in creating Work-life balance. Based on this expectation with the implementation of transformational leadership, it might affect the Work-life balance.

#### **Perceived Organisational Support**

Companies usually appreciate of dedication and employee loyalty. Employees who are emotionally committed to the organisation show a good performance, rarely absent, and the intention to leave the company is also reduced (Mathiew and Zajac, 1990). In contrast, employee in general also pay attention to the organisation's commitment for them. When a person is treated well by the company, the norm requires them to be kind to the company in return. Where organisational support is increasing, it can make employee feel have an obligation to contribute and care about the well-being of the organisation and assist the organisation in achieving its goals (Eisenberger et al., 2002).

Theory of perceived organisational support (Eisenberger, Huntington, Hutchison, and Sowa, 1986) argued that in order to measure the readiness of the organisation to appreciate the excess work effort and to achieve the needs of socio-emotional, employees build common beliefs associated extent to which the organisation values their contributions and cares about their welfare. Perceived organisational support is employee perceptions of what their organisation respect and care about them.

Perceived organisational support influenced by individual experience as well as observations about how the organisation treats their employee in daily. In this case, the organisation's attitude towards the ideas which are given by the employee, the employee

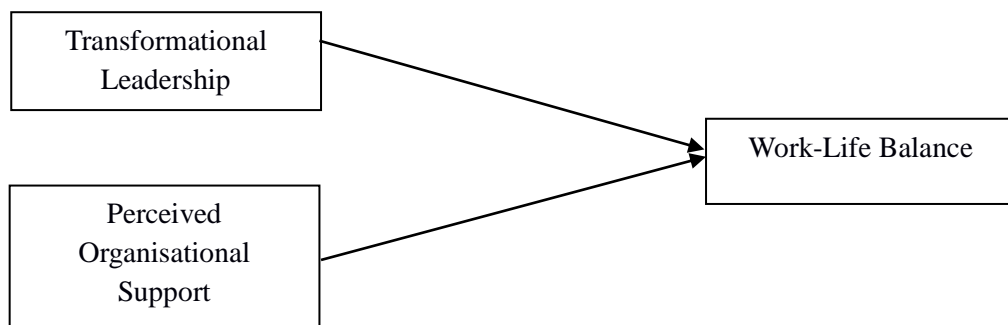
response to solve the problem, and the company's attention to the welfare and health of employees are primary concern of employee (Allen & Brady, 1997).

Eisenberger et al, (2002) recommends eight items to measure the level of perceived organisational support, such as:

1. Organisation appreciate the contribution of employee
2. Organisation appreciates the extra effort of employee
3. Organisation pay attention to employee's complaints.
4. Organisation pay attention to the employees welfare
5. Organisation will help employee who could not do the job well when it comes to work-related.
6. Organisation is concerned with general satisfaction of the employee's job.
7. Organisation show a great attention to employee.
8. Organisation is proud of employee success in work.

#### **Conceptual framework**

There are many variables that can influence the creation of individual work-life balance, one of them perceived organisational support. Organisational support refers to employee's with regard to how far the company respects to their employee, care about employee welfare, and support the social-emotional needs of employee by providing resources to help. However, the effect of organisational support will be stronger if supported by leadership in the organisation. Employee reactions to what happens in the company, influenced by transformational leadership. Here is the conceptual framework of this study:



**Figure 1. Conceptual Framework**

### Hypothesis

The hypothesis of this study are:

- H1. Transformational Leadership influences The Work-Life Balance
- H2. Perceived organisational support has a positive influence on Work-Life Balance

### RESEARCH METHODS

The population observed in this study were female employee who work at banking sector in Padang. The number of respondents to the survey research needed is at least 30 people (Hair, Black, Babin, and Anderson, 2010). This research used survey method which has generalization as its advantage, so the more respondents used will be better (Kerlinger & Lee, 2000). Therefore, this time the researchers tried to get more respondents than the minimum requirement so the precision in this research could be better. The respondents used for this research are 94 respondents. The sampling technique is based on non-probability sampling method, which is accidental sampling technique. It is a method that used based on the chance in sample selection.

### Operational Definition of Variables

To give an explanation of the variables used in this research, the following is formulated operational definitions of each variable in this study:

#### 1. Work-Life Balance (Y)

*Work-life balance* is defined as the individual's ability to balance commitments to family and work, as well as the responsibilities and other activities outside of work. The indicators used for the variable Work-life balance are:

1. Flexible time
2. Day-off
3. Shorter working time
4. Work sharing
5. Work at home
6. A break from work
7. Flexible benefits

2. Transformational leadership (X1)  
Transformational leadership can direct their subordinates to increase personal interest to organization by influencing their ratings, ideals, interests, and values, and to motivate them to do a job with a much better result than expected. The indicators used for the variable transformational leadership are:
  1. individual consideration
  2. Individual stimulation
  3. Inspiring motivation
  4. Charisma
3. *Perceived Organisational Support* (X2)  
Support organisation is the employee' perceptions of what the organization respect and care about them. The indicators used for the variable Perceived Organisational Support are:
  1. Organisation appreciate the contribution of employee
  2. Organisation appreciates the extra effort of employee
  3. Organisation pay attention to employee's complaints.
  4. Organisation pay attention to the employees welfare
  5. Organisation will help employee who could not do the job well when it comes to work-related.
  6. Organisation is concerned with general satisfaction of the employee's job.
  7. Organisation show a great attention to employee.
  8. Organisation is proud of employee success in work.

### RESULTS AND DISCUSSION

#### Multiple linear regression

To find out how much the regression coefficient of each independent variable and how the direction of the impact on the dependent variable, it can be seen from the analysis of data obtained by multiple regression using SPSS version 16, as in the following table:

**Table 1. Result of Multiple Regression Research Variables**

		Coefficients <sup>a</sup>				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.878	.316		2.777	.007
	KepTrans	.394	.097	.388	4.083	.000
	POS	.409	.098	.395	4.155	.000

a. Dependent Variable: WLB

Source: Primary Data, 2016

Based on the regression results from Table 1 above, it can be determined multiple linear regression equation in this study as follows:

$$Y = 0.878 + 0.394X_1 + 0.409X_2 + 0.316$$

Information:

- Y: Work-Life Balance
- X1: Transformational Leadership
- X2: Perceived Organisational Support

Interpretation on the regression equation obtained is as follows:

- 1) Constant value of 0.878 with a positive sign meaning that even though there is no leader who has a transformational leadership style and perceived organisational support is felt by female employee at bank in Padang and support in maintaining work-life balance, female employee still to have and maintain work-life balance in her life.
- 2) The regression coefficient of transformational leadership (X1) of 0.394 and is positive, it indicates that the greater adoption of transformational leadership is perceived by female employee, It will increase the chance to achieve their work-life balance.
- 3) The regression coefficient of perceived organisational support (X2) of 0.409 is positive, it indicates that the greater of perceived organisational support given by the company to the female employee, it will increase the achievement of work-life balance in their lives.
- 4) The error value of 0.316 indicates that the equation obtained still has an error rate in terms of predicting how much influence

the perceived transformational leadership and organisational support to work-life balance of female employee at bank company in Padang.

#### Hypothesis test (t test)

The t-test conducted to determine whether the hypothesis made by the author can be accepted or not by looking at the sig. value on the coefficient table which can be seen in Table 1 above.

In the table above can be seen the t test results of each independent variable on the dependent variable as follows:

1. From the obtained data processed Transformational Leadership (X1) influential significant influence on the work-life balance in the banking employees in Padang. Based on Table 1 was obtained sig 0.000<0.05.. This means that Ho is rejected and Ha accepted. So it can be conclude that transformational leadership has a significant effect on work-life balance for female employee who works at bank in Padang.
2. From the obtained data processed perceived organisational support (X2) influential significant influence on the work-life balance in the banking employees in Padang. Based on Table 1 was obtained sig 0.000<0.05. This means that Ho refused Ha accepted. Thus the perceived organisational support has a significant effect on the work-life balance for female employee who works at bank in Padang.

## Discussion

### First Hypothesis (transformational leadership has a positive influence on Work-Life Balance)

Ismail et al. (2011) suggested that one of the main characteristics of a transformational leader is directing subordinates, including in creating a work-life balance. Based on this expectation with the implementation of transformational leadership can contribute to work-life balance of employees.

From the results of data processing, it is known that sig. Transformational leadership on work-life balance shows the value of 0.000. Therefore sig.  $0.010 < 0.05$ , thus it can be concluded that the first hypothesis can be accepted. So we can say, that the variable of transformational leadership has a positive and significant effect toward work-life balance on female employee who worked at bank in Padang. This is because the transformational leadership involves a strong interest and a clear vision, commitment directs employee through personal identification and engagement, and became a symbol of support for the organisation.

### Second Hypothesis (Perceived Organisational Support has a positive influence on Work-Life Balance)

Theory of perceived organisational support (Eisenberger, Huntington, Hutchison, and Sowa, 1986) argued that in order to measure the readiness of the organisation to appreciate the excess work effort and to achieve the needs of socio-emotional, employees build common beliefs associated extent to which the organisation values their contributions and cares about their welfare. Perceived organisational support is employee perceptions of what their organisation respect and care about them.

Results of the study to test the effect of Perceived Organisational Support to the work-life balance showed sig. value of 0.000 which is smaller than the value  $\alpha$  sig. 0.05, thus it can be concluded that the second hypothesis is accepted. So we can say that the variables of Perceived Organisational Support has a positive and significant effect toward work-life balance on female employee who worked at bank in Padang. This study is in line with research conducted by Nielson, Carlson & Lankau (2001), which according to research results Nielson, et. al, Perceived Organisational

Support significant effect on the work-life balance.

This means that the Perceived Organisational Support can make female employee involved in an organisation is willing to accept the demands of the job that provide work-life balance for them.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusion

The conclusion of the research on the influence of transformational leadership and Perceived Organisational Support to the work-life balance is as follows:

1. Variable transformational leadership has a significant effect on work-life balance where sig. value  $0.000 < 0.05$ .
2. Perceived Organisational Support variables have a significant effect on work-life balance where sig. value  $0.000 < 0.05$ .

### Recommendations

Based on the results of research on the influence of transformational leadership and Perceived Organisational Support to the work-life balance, the authors suggest:

1. In leading a company, leader should apply a leadership style that leaders can assist employee in achieving work-life balance.
2. For organisations that employ women as employee, it should provide great support to them in order to create work-life balance that might be good for the organisation itself.

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