Role of Resonant Leaders in Engaging Employees of Firms Facing Economic Crisis

Binita Tiwari, and Dr. Usha Lenka

Abstract— Intense competition has become a strategic challenge for organizations to engage and retain their human capital. Since leadership is found to be the key factor of engagement, yet there remains a lack of empirical research to link the type of leadership most likely to cause employee engagement. This paper investigates the impact of an emotionally intelligent resonant leaders role in developing employee engagement in Indian IT sector. A sample of 350 executives working in IT sector in Delhi and National Capital region of India were empirically tested to examine the proposed relationship using regression and correlation analysis. Correlation and regression results showed that resonant leadership style has a significant impact on employee engagement in Indian IT sector. It is found that the value of $R = .602$, and R-square $= .362$ shows that strategic leadership explains 36.2% of the variance in employee engagement. Large samples are needed to measure the generalizability of the findings and to check causality between the two variables. Results suggest that IT firms facing recession need to develop their leaders as emotionally intelligent leaders, who can generate a positive wave in the organization, provide direction to employees, generate genuine interest among employees to learn and grow. Resonant leaders develop commitment among employees by providing a vision and goal to them. Such leaders think strategically and frame policies in accordance with employees' needs and expectations to assure employee engagement. This is the first study that demonstrated the impact of resonant leadership style of managers working in Indian IT sector to generate employee engagement among their subordinates.

Keywords—change, employee engagement, resonant leader, strategy, talent management

I. INTRODUCTION

IN the era of 21st century, business is not confined to a particular region or country. Firms are looking for green pastures outside their terriority and compete with other firms of national and international repute to sustain in the long run.

Inspite of having optimum resources and human competencies, firms are unable to achieve business goals and objectives.

Moreover motivating, engaging, and retaining the human talent has become a great dilemma. Therefore, the challenge faced by the corporate board is not just to retain the human talent, but to motivate and engage them for business success and robust performance [2]. This needs an urgent call for strong leadership from the top management to engage and retain employees in accord with firms' vision and mission. Leaders are required to formulate strategic policies to make human talent globally competitive and more suitable to the changing demands of stakeholders. Past studies have illustrated the influence of different leadership styles on employee engagement [30]–[40]. Leadership styles such as transactional, transformational, and charismatic, influence employees as per different context and situations, but they are bound by firm rules and policies [41]. So leaders can't focus on the emotional and social aspect of employees to motivate and engage them physically, emotionally, cognitively, and behaviorally [33]. This gap is fulfilled by emotionally intelligent leaders encompassing both social and emotional competencies to provide vision, direction, and empowerment to employees. These leaders empathize and inspire employees for high performance by managing self and others' emotions [12]. They are categorized as primal and resonant leaders. Primal leaders are enthusiastic but cannot generate the same in employees. Whereas resonant leaders empathize and infuse positive emotions in employees to derive their best performances. Employees feel empowered to access opportunities, information, and resources, thus leading to high job satisfaction and engagement [20]–[25]. Since there is still a dearth of empirical study to examine the relationship and impact of resonant leadership on employee engagement, this paper fulfils the void by providing theoretical and empirical research. This paper is organized as follows: the first segment reviews the literature of resonant leadership and employee engagement, next section examines the relationship between these two variables; followed by results and managerial implications for future study.

II. LITERATURE REVIEW

A. Resonant Leadership

Resonant leaders express high level of emotional intelligence and are in tune with their employees' emotions. They empathize and manage their own and others' emotions to build cordial relations with each other [36]. Vision, overall positive mood, compassion, and altruism are the constituents of resonant leadership [4], [9], [10], [26], [37]. Vision involves a compelling sense of direction to achieve firms' defined objectives. Overall positive mood expresses an

Binita Tiwari, Research scholar is with the Department of Management Studies, Indian Institute of Technology, Roorkee, Uttrakhand-247667 (E-mail: tiwaribinita@gmail.com).

Dr. Usha Lenka, Assistant Professor is with Department of Management Studies, Indian Institute of Technology, Roorkee, Uttrakhand-247667, (Corresponding author email : ushalenka@gmail.com).

employee perception about their work and organization. Compassion is awareness about the feelings of others. Altruism is expressed through care, concern and well-being of self and others [5], [10], [26], [29]. These leaders focus on employees and their perceptions, intentions, and behaviors to achieve firms' mutual goals [8], [43]. They empower work environment to facilitate goal attainment and contentment through hope, mindfulness, and compassion [13]. Hope is being optimistic about future goals. Mindfulness is awareness about the present situations [19], [39]. By cultivating hope, mindfulness and compassion, such leaders reverberate positive emotions among employees and create a vibrant organizational climate [13], [36]. Theory of emotional contagion supports that resonant leaders generate positivity as emotions are contagious and resonates the same within their employees [15]. They exhibit interpersonal skills such as team support, mentorship, rapport building, and ability to engage others in organizational goals [5]. Such profound competencies motivate employees to aspire and bring their best in all situations for desired outcomes [4]. These leaders provide autonomy to employees to take decisions with optimal resources and create a meaningful life to mark an edge over their competitors [6], [37].

B. Employee Engagement

Employee engagement is an emotional and intellectual bond of employees with their job, peers, subordinates and supervisors [11]. Engaged employees manifest physical, cognitive, emotional, and behavioral involvement in accomplishing tasks. *Physical engagement* is expressed with passion and energy to perform a task. Cognitive engagement concerns employees' beliefs about their supervisors, work environment, and organization. Emotional engagement is expressed through pride, enthusiasm, and commitment towards organisation. Behavioral engagement is expressed through employees' discretionary efforts for business success [23]. Top management support, meaningful work, and autonomy to express opinions promote employees' self-efficacy and sense of belongingness with organization [21]. Herzberg's two-factor theory suggests that intrinsic motivators such as autonomy, recognition, and meaningful work enhance an employee's willingness to engage in work [14], [16]. Theory of social exchange states that employees have a sense of obligation to repay the firms that values them. Such employees express themselves with vigor, dedication and absorption. Vigor is reflected as high energy and mental resilience. Dedication exhibits inspiration, passion, and pride. Absorption is employees' deep involvement in work [32], [32]. They perceive fairness in distribution of rewards, performance appraisals, and improved interpersonal relations with supervisors [18]. Cordial relationships between employees and supervisors clarify their tasks and future expectations. Employees feel empowered and follow a strategic roadmap to achieve business objectives. They align their personal goals with business objectives and develop personal, social, and professional competencies accordingly [1]. Professional competencies are clusters of knowledge,

analytical and technical skills to perform functional roles. Social competencies reflect a persons' ability to build strong rapport and interpersonal relationships. Personal competencies include personal traits and qualities of individuals for a viable business. Engaged employees say positive about their organization and exert extra efforts for business success. They build a strong internal and external brand image and promote firms as talent magnets [28].

III. RESONANT LEADERSHIP AND EMPLOYEE ENGAGEMENT

Resonant leaders empathize and infuse positive emotions in employees to drive their best efforts to accomplish goals. They invest relational energy to stimulate employees' emotional resilience. Such leaders collaborate with employees and construct a sense of meaningful work, reduce stress and improve their overall well-being [7]. They encourage employees to self- control their emotions, and build strong interpersonal relationships [4], [13]. They align employees' personal vision, values, and aspirations with firms' vision. They empathize with employees and nurture their needs and expectations to build cordial interpersonal relationships. They encourage employees to solve complex problems and participate in decision making. They express confidence in their abilities to achieve organizational goals. Such leaders spread a feel good factor in work environment and provide flexibility to explore new ideas in performing tasks. They persuade employees to achieve shared goals and provide constructive feedback for their growth and development [22]. Employees perceive fairness in firms' decisions and feel positive and energetic about their organization for whom they have been employed. They feel emotionally attached and work passionately to achieve desired outcomes. They view ambiguous events as opportunities and invest discretionary efforts to accomplish tasks. They reflect positive behaviours and feel engaged and committed towards their organization [24]. Engaged employees perceive psychological satisfaction when they are recognized and appreciated. Thus we proposed that

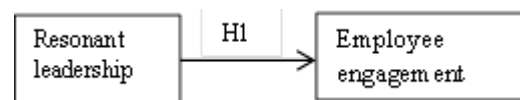*Hypothesis 1*: Resonant leaders have an impact on employee engagement in organization (Fig. 1).

Fig.1 Hypothesized model

IV. METHODOLOGY

A. Sample

Data is collected from the executives of Pharmaceuticals companies in Delhi and National Capital region of India. A self-designed questionnaire assessing resonant leadership style and employee engagement measures were distributed to a random sample of 150 respondents. A total of 126 surveys were returned with response rate of 84%.

Descriptive statistics of the sample is provided in Table 1. The sample population consisted 65.1% of male and 34.9% of female employees. A total of 61.1% of the participants were between the age of 25 and 35 years. All respondents have completed the questionnaire anonymously as part of the engagement survey in their firms.

TABLE I
CHARACTERISTICS OF THE PARTICIPANTS

Item	Category	Frequency	%
Gender	Male	82	65.1
	Female	44	34.9
Age	24 years and younger	35	27.78
	25– 35 years	77	61.11
	36–44 years	11	8.73
	45 years and above	3	2.38

B. Measures

Resonant leadership scale is self-designed questionnaire consisting of 28 items developed with the help of literature [3], [38], [9]. Sample items are "My manager develops a vision of my future in the organization", "My manager motivates me to attain my personal goals", "My manager speaks positive about the mission, vision, and future plans of organization", "My manager makes me cheerful and in good spirits to work here". The reliability of resonant leadership (Cronbach's alpha) was found to be 0.96.

Employee Engagement scale is self-designed questionnaire consisting of 17 items developed from extant literature [17], [27], [31], [35]. Sample items are "In my organization, I feel valued and appreciated by my colleagues", "I pay a lot of attention in performing tasks", "I am eager to learn and develop technical skills to achieve my job goals". The reliability of employee engagement (Cronbach"s alpha) was found to be 0.92. Likert's five point scale ranging from "1" (strongly disagree) to "5" (strongly agree) was used to measure the responses.

C. Data Analysis

Statistical analysis of data was done using SPSS program, version 20.0. The hypothesis outlined for the relationship between resonant leadership and employee engagement was analyzed using Pearson correlations and regression analysis.

V. RESULTS

Descriptive statistics and Pearson correlations of the scales are stated in Table 2. The mean of resonant leadership was found to be 56.85 (SD=3.15). The mean of employee engagement was found to be 72.95 (SD=3.30). The output show that resonant leadership is positively related to employee engagement, with a coefficient of $r = .68$, which is also significant at $p < .001$.

Results in Table 3 indicate that the null hypothesis is rejected and the alternative hypothesis is accepted as there is a variation in the level of influence caused by resonant leadership on employee engagement. The value of R is .68, representing a significant correlation between resonant

leadership and employee engagement. The value of R-square is .43, which tells that resonant leadership can account for 43.0% of the variation in employee engagement. For these two values, the probabilities are .000 and thus it is concluded that the resonant leadership makes a significant contribution ($p < .001$) to employee engagement.

TABLE II
DESCRIPTIVE STATISTICS, AND PEARSON CORRELATIONS OF THE SCALES

Scale	Mean	SD	1	2
1. Resonant leadership	56.85	3.15	-	.68**
2. Employee engagement	72.95	3.30	.68**	-

**Correlation is significant at the 0.01 level (2-tailed), SD = standard deviation

TABLE III
REGRESSION ANALYSIS WITH RESONANT LEADERSHIP AS INDEPENDENT VARIABLE AND EMPLOYEE ENGAGEMENT AS DEPENDENT VARIABLE

Model	Unstandardized Coefficients		Standardized Coefficients	t	p	R	R Square
	B	s.e.	Beta				
1 (Constant)	5.86	.32		29.87	.000		
Resonant leadership	3.12	.06	.68	42.81	.000	.68	.43

*p < 0.05; s.e. = standard error

VI. DISCUSSION AND CONCLUSION

In the middle of recent talent shortages, leaders are the key foundation for building positive work structures, motivating employees, and facilitating secure relationships. Previous studies have demonstrated the role of resonant leaders in building positive work environment and retaining a satisfied nursing workforce in healthcare industry [42]. The role of resonant leadership, however, had received little attention in Pharmaceutical industries. This study highlights a significant relationship between resonant leadership and employee engagement in India Pharmaceutical industries. This implies that resonant leaders set defined objectives and inspire employees to achieve goals by demonstrating genuine commitment towards their well-being. These leaders empathize with employees and create a conducive work environment to help them stay focused even in times of ambiguous events. They enhance employees' self-efficacy through satisfaction of their needs for autonomy, competencies, and secure relationships. They ensure unanimity of purpose and help employees in resolving divergent views for a common solution. They support employees emotionally and psychologically and build strong rapport to promote a friendly and cooperative work environment. Such leaders manage self and others' emotions and are aware of their strengths and weaknesses. They motivate employees to view challenging tasks as opportunities to grow. Proper training, workshops and action learning make employees eager to learn and adopt the change. Such leaders encourage employees' independent decision-making, and calculated risk taking, and treat their mistakes as opportunities

to learn. They acknowledge and reward employees' strengths, accomplishments, and overall development. Employees perceive the importance of their role and assure their contribution in business success. They feel a sense of belongingness towards their organization and are less likely to leave their jobs. As a result, employees feel engaged and committed towards their organization.

This study demonstrated that resonant leadership has a significant impact on employee engagement in Indian Pharmaceutical industries. Firms facilitating the development of resonant leadership and employee engagement would realize an increase in the retention of their knowledge workers. Focused attention on employee engagement would also yield benefits in terms of increased productivity and improved performance.

For future research, large samples can be used as to generalize the findings with other similar groups in Indian Pharmaceutical industries. Also, to check whether causal relationships exist among resonant leadership and employee engagement, longitudinal research is recommended.

VII. Managerial Implications

This study suggests implications for Indian Pharmaceutical industries to consider the role of resonant leaders in contributing positive work conditions to promote employee engagement. Leader-employee relationship is at the core of firms' everyday practice to achieve competitive advantage in the marketplace. Increasing talent shortages drives top management to develop employees' personal, professional, and social competencies for viable business. Employee engagement thrives when relationships between managers and employees in the work setting are collaborative and demonstrate high levels of assurance and autonomy. Resonant leaders empathize with employees and assure that their contribution get acknowledged and valued. Employees perceive satisfaction and ultimately engage in organizational work-settings. Therefore, the role of resonant leader is instrumental in building cordial relationships among employees, and engaging them for positive business outcomes.

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