

Impact of Relational Leadership on Employee Engagement: Basis for Action Plan

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Abstract. This study examines the influence of relational leadership on employee engagement in six companies within Jiangsu Province, China. The research includes 156 participants, representing diverse organizational backgrounds. The study uncovers valuable demographic insights, highlighting the importance of age diversity, gender balance, employee retention, and department-specific training for workforce planning and talent development. The findings emphasize strong support for visionary, empowering, inclusive, caring, and ethical leadership attributes. Relational leadership significantly impacts productivity, job satisfaction, organizational commitment, motivation, workplace relationships, autonomy, and empowerment, emphasizing the role of trust, support, collaboration, and emotional connection. The proposed action plan, rooted in relational leadership, aims to enhance employee engagement by fostering collaboration, well-being, commitment, motivation, relationships, and autonomy. Recommendations focus on creating age-diverse teams, recognizing long-serving employees, customizing training programs, investing in leadership development, and implementing the relational leadership action plan.

Keywords: Action Plan; Employee Engagement; Leadership Attributes; Relational Leadership

1. Introduction

In the field of enterprise management, leadership style has consistently been a topic of significant interest among scholars and practitioners. Western leadership theory classifies leaders into three main styles: authoritative, guiding, and charismatic. Authoritative leaders exert control by empowering subordinates, which may lead to obedience and dependency among employees. Guiding leaders focus on employee autonomy, improving work efficiency and innovation. This style fosters employee motivation, autonomy, and a sense of belonging. Charismatic leaders use personal charm to stimulate employee

interest, creating trust and long-term commitment. This leadership style encourages continuous improvement and goal achievement.

Relational leadership is a process that centers on building a unique relationship between leaders and subordinates based on mutual respect, trust, and cooperation. This approach emphasizes leaders considering their subordinates' needs and interests, helping them realize their self-worth, and achieving organizational goals together. This article refers to relational leadership as a style characterized by equality, mutual respect, and trust, which helps employees fulfill their potential and positively contribute to the organization.

China's evolving economic and social landscape presents new challenges for enterprises, including expanding workforces and increasing employee expectations. As organizations seek higher levels of employee engagement, relational leadership has emerged as a relevant leadership style. This people-centered approach prioritizes equality, trust, and respect, shifting the focus from command and control. Studying the mechanism by which relational leadership influences employee engagement holds great significance for enhancing interpersonal relationships, organizational performance, and competitiveness. Relational leadership can enhance employees' perception of organizational support, addressing their social and emotional needs, and acting as a mediator for promoting employee engagement.

The study on the "Influence of Relational Leadership on Employee Engagement in China" is of great significance for several compelling reasons. Firstly, China stands as one of the world's largest and most dynamic economies, hosting a diverse range of industries and enterprises. As businesses in China expand both domestically and globally, effective leadership strategies are essential for maintaining a motivated and engaged workforce. While traditional hierarchical leadership styles have been common in Chinese organizations, there is a growing recognition that relational leadership, which emphasizes building trust, collaboration, and interpersonal relationships, can be a more effective approach in today's fast-paced and globally connected business environment. Exploring how relational leadership impacts employee engagement in the unique cultural and economic context of China can provide valuable insights for both domestic and international organizations operating in the country.

Secondly, employee engagement is a critical factor for organizational success and competitiveness. Engaged employees tend to be more committed, productive, and innovative, leading to better overall performance and business outcomes. In the context of China's rapid economic development and increasing competition, organizations are increasingly recognizing the importance of fostering high levels of employee engagement to stay competitive and achieve sustainable growth. Understanding how relational leadership practices, which emphasize building strong interpersonal connections and empowering employees, can influence employee engagement is vital for organizations seeking to thrive in this dynamic business environment. Therefore, this research topic holds significant implications for Chinese enterprises and their leaders as they seek effective strategies to maximize the potential of their workforce and drive business success.

In summary, as China's business landscape evolves, the role of leadership in enhancing employee engagement becomes increasingly important. Relational leadership, characterized by equality, trust, and respect, offers a unique approach to fostering engagement. Understanding the relationship between relational leadership, organizational support, and employee engagement is crucial for organizations aiming to improve interpersonal dynamics, organizational performance, and competitiveness.

2. Methodology

In the context of the study on the influence of relational leadership on employee engagement, a descriptive quantitative research design was employed to systematically examine and quantify the key variables and attributes under investigation. A descriptive quantitative research design is a structured approach used to collect and analyze numerical data to describe the characteristics, behaviors, or phenomena within a specific population or sample (Domingo, 2023a; Domingo, 2023b; Domingo, 2023c).

The study's primary aim was to describe and measure the relational leadership attributes within Chinese enterprises and assess their impact on employee engagement. To achieve this, the researcher employed a set of research objectives, which included describing the inclusive, empowering, caring, ethical, visionary, and intuitive qualities of leadership within these enterprises and evaluating how these attributes influenced aspects of employee engagement

such as productivity, job satisfaction, organizational commitment, employee motivation, workplace relationships, autonomy, and empowerment.

The researcher used survey questionnaires tailored to the research objectives to collect data.

2.1. Sampling Procedure

The study utilized total enumeration sampling. This approach ensured a comprehensive and diverse sample of respondents from various organizational backgrounds within the province.

By including employees from multiple companies, the study aimed to capture a broader range of perspectives and experiences related to relational leadership and employee engagement within Jiangsu Province. This diverse respondent pool enhances the study's ability to draw meaningful conclusions and insights that can be applied more broadly across the region's business landscape. Additionally, involving all 156 employees from these companies ensures a comprehensive and inclusive workforce representation, minimizing potential selection biases and providing a holistic view of the research topic.

2.2. Respondents

The study's respondents were the employees from six companies located in Jiangsu Province, China. These companies collectively employed 156 individuals, all of whom participated as respondents in the research.

2.2.1 Research Site

The choice of Jiangsu Province, China, as the research locale for this study, holds significant relevance and merit. Jiangsu Province is strategically situated in eastern China and is known for its economic significance and cultural diversity. Jiangsu Province is one of China's most economically prosperous regions, with a diverse industrial landscape. It encompasses thriving sectors such as manufacturing, technology, and services.

Table 1 Number of respondents

Companies	Number of employees
1. Jiangsu Dacheng Automobile Club Co., Ltd.	48
2. Jiangsu Times Architectural Design Co., Ltd.	28

3. Jiangsu Renren Human Resources Co., Ltd.	18
4. Jiangsu Suxin Pharmaceutical Co., Ltd.	42
5. Jiangsu Green Carbon Nano Technology Co., Ltd.	7
6. Jiangsu Alcon Biomedical Technology Co., Ltd.	13
Total	156

3. Results and Discussion

3.1. Profile of the respondents.

The age distribution of respondents is diverse, with the "31 to 40 years old" category being the most prominent. This suggests a significant portion of the workforce is in the age range of their thirties to early forties. Additionally, the presence of employees in their fifties and sixties highlights the importance of understanding the perspectives of different age groups for effective workforce planning and talent development.

The data indicated that male respondents are the majority, comprising over 64% of the sample. This distribution has implications for gender diversity and inclusion initiatives within these organizations, emphasizing the need to promote gender balance and equal opportunities for both men and women.

The analysis of years in service reveals that a significant portion of the workforce has been with the companies for a moderate duration, specifically in the "6 to 10 years" category. Long-standing employees, with "21 years and above" of service, also constitute a substantial group. The presence of these experienced employees highlights the need for retention, succession planning, and recognition of their contributions.

The breakdown of positions or designations within the organizations reveals that IT support professionals form the most substantial group. Recognizing their critical role and providing training and development opportunities is essential. Similarly, production workers, administrative staff, HR staff, customer service representatives, and department heads are significant groups, each with its unique role and training needs.

The analysis of department or unit of work shows that the "Operations and

Production" department is the largest. Their efficiency is crucial for the delivery of products and services. The IT department is the second most prominent, indicating the growing importance of technology. The HR department plays a pivotal role in employee management and development, and the finance and accounting department ensures fiscal health. These insights are essential for tailoring training and development programs to meet the specific needs of different departments.

3.2. Relational leadership attributes of the leaders of enterprises in China.

The results indicated a strong endorsement of visionary leadership. Respondents highly value leaders with a clear and ambitious vision (3.94), remarkable intuition (3.82), and the ability to inspire employees (3.73).

This agreement highlights how important these leadership qualities are for making the company successful and making employees feel like they have a strong purpose (Kurucz, et al., 2017).

Empowering leadership is greatly appreciated, with strong agreement (3.86) that leaders who grant autonomy and trust and provide mentorship are highly valued. Additionally, there is agreement (3.12 and 3.09) regarding the importance of leaders who delegate authority and foster accountability. The grand mean effectively condenses the shared viewpoint of the respondents, affirming their agreement regarding the pivotal role of empowering leadership attributes in the organizational context (Cheong et al., 2019).

Inclusivity is emphasized, with strong agreement (3.79) that leaders who create a collaborative and harmonious work environment are valued. There is also agreement (3.83) regarding leaders who ensure equal opportunities and fairness. The promotion of diversity and feedback-seeking also received agreement scores (3.37 and 3.09). This agreement highlights how much the organization values leaders who genuinely support inclusivity. It shows that these inclusive leadership qualities are crucial for creating a fair and harmonious environment (Booyesen, 2013).

Caring attributes in leaders are highly valued, with strong agreement (3.78) for leaders who show concern for employee development and approachability. There is also agreement (3.18 and 3.14) for leaders who demonstrate genuine care and encourage work-life balance. These findings underscored the deep importance of compassionate leadership qualities, not only in creating a positive workplace culture but also in improving employee welfare (Tomkins & Simpson,

2015).

Ethical leadership is highly regarded, with strong agreement (3.69 and 3.73) for leaders who uphold ethical standards and prioritize transparency and honesty. There is also agreement (3.22 and 3.24) for leaders who evaluate social and environmental impacts and enforce ethical codes of conduct. This result serves as a robust confirmation of the unanimous consensus on the indispensable role played by ethical leadership in upholding integrity within the organization (McCann & Holt, 2009).

3.3. Impact of Relational Leadership on Employees' Engagement

Relational leadership significantly enhanced employee productivity by fostering trust, collaboration, and clear communication, as indicated by high mean scores, with the second indicator receiving the highest score (3.75). These findings emphasize the crucial role of emotional engagement and motivation in improving productivity. The grand mean serves as a reaffirmation of this consensus, emphasizing the indispensable role of relational leadership in enhancing employee engagement and, consequently, catalyzing improvements in productivity (Kahn & Heaphy, 2013).

Relational leadership plays a vital role in enhancing job satisfaction by creating a positive work atmosphere and fostering employee dedication. The fifth indicator (4.00) received the highest score, underlining the importance of valuing employee opinions. This highlights the significance of care, support, and collaboration in increasing overall job satisfaction (Wong & Laschinger, 2013).

Relational leadership cultivates strong emotional bonds, trust, and care among leaders and employees, resulting in increased organizational commitment. The first and fourth indicators received the highest scores (3.72) and highlight the significance of emotional connections and transparent communication in enhancing commitment. This consensus underscores the importance of relational leadership in nurturing emotional bonds, trust, care, and employee involvement to enhance organizational commitment (Choi, Tran & Park, 2015).

Relational leadership significantly boosts employee motivation by providing inspiration, feedback, recognition, and support. The first indicator scored the highest (3.70), emphasizing the importance of leadership in motivating employees through encouragement. Feedback, recognition, involvement, trust,

and purpose all contribute to higher motivation (Walumbwa & Hartnell, 2011).

Relational leadership fosters positive workplace relationships, collaboration, and camaraderie. The fourth indicator (3.68) received the highest score, emphasizing the importance of creating a supportive work environment. Additionally, trust, conflict resolution, and active encouragement of team-building contribute to improved relationships (Nicholson & Kurucz, 2019).

Relational leadership significantly enhances employee autonomy and empowerment by fostering accountability, trust, and initiative. The fourth and fifth indicators received the highest scores (3.72 and 3.69), highlighting the significance of a relationship-based approach in promoting autonomy, responsibility, and growth. This consensus emphasizes the pivotal and transformative role of relational leadership in promoting autonomy and empowerment, which ultimately leads to increased job satisfaction, motivation, and engagement (Burhan & Khan, 2023).

3.4. Proposed action plan to improve the employee engagement of employees through the context of relational leadership

The proposed action plan aims to enhance employee engagement through relational leadership principles. It focused on key strategies, including fostering collaboration and communication to boost productivity, prioritizing well-being and recognition for improved job satisfaction, promoting employee development and involvement in decision-making to strengthen organizational commitment, inspiring and supporting employees for enhanced motivation, nurturing positive workplace relationships through effective communication and conflict resolution, and empowering employees through autonomy and support. These strategies aim to create a motivating and collaborative work environment, benefiting both employees and the organization, with regular evaluations to ensure adaptability and effectiveness.

4. Conclusions

Emphasizing the significance of age diversity, gender balance, retention of experienced employees, and the implementation of tailored training programs aligned with department-specific needs, the findings contribute to the cultivation of a more inclusive and efficient workforce, aligning with organizational goals. The study also identifies key leadership attributes crucial for organizational

success, including visionary, empowering, inclusive, caring, and ethical leadership. Notably, relational leadership emerges as a pivotal factor influencing various aspects of employee engagement, such as productivity, job satisfaction, commitment, motivation, and workplace relationships. Rooted in relational leadership principles, the proposed action plan aims to enhance employee engagement by fostering collaboration, well-being, organizational commitment, motivation, positive relationships, and autonomy. This approach seeks to create a motivating and adaptable work environment, ultimately benefiting both employees and the organization.

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