
**THE ROLE OF TRANSFORMATIONAL LEADERSHIP IN
FOSTERING POSITIVE DISCRETIONARY WORK
BEHAVIOUR AMONG HOTEL EMPLOYEES IN SAUDI
ARABIA**

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ABSTRACT

Purpose of the Study: The study aimed to explore the impact of transformational leadership on promoting positive discretionary work behaviour among hotel employees in Saudi Arabia. It sought to investigate how transformational leadership strategies could have previously influenced employee motivation, productivity, and overall satisfaction within the Saudi Arabian hospitality industry.

Statement of the Problem: In the Saudi Arabian hotel sector, there has been a noticeable gap in understanding how transformational leadership might affect discretionary work behaviour among employees. The study sought to address this lack of knowledge, investigating whether or not effective transformational leadership practices had been a potential solution to the low discretionary work behaviour observed.

Methodology: The study employed a mixed-methods approach, utilizing both quantitative and qualitative data collection. Surveys were distributed to hotel employees to measure their perception of leadership style and discretionary work behaviour, and in-depth interviews were conducted with selected managers to gain further insights into leadership practices.

Result: The study found a significant positive correlation between transformational leadership and discretionary work behaviour among hotel employees in Saudi Arabia. Employees under transformational leaders were more likely to exhibit higher levels of discretionary work behaviour, which included going above and beyond their formal job roles. Furthermore, the qualitative data from the interviews underscored the role of transformational leaders in fostering a supportive and motivational work environment. It was also noted that these leadership practices contributed to improved job satisfaction and overall productivity in the hotel sector.

Recommendation: Based on the study findings, it's recommended that hotel management in Saudi Arabia focus on fostering transformational leadership qualities in their leaders. This can be achieved through leadership training and development programs that emphasize the importance of empathy, motivation, and effective communication. Additionally, the study suggests implementing policies that encourage discretionary work behaviour, such as recognition programs or incentives for employees who consistently demonstrate these behaviours.

Keywords: *Transformational Leadership, Discretionary Work Behaviour, Hotel Sector, Saudi Arabia, Employee Motivation*

INTRODUCTION

Transformational leadership has been identified as a crucial driver in encouraging positive discretionary work behavior. According to Liao and Chuang (2019), transformational leaders enhance organizational performance by encouraging followers to go beyond their defined role responsibilities. By setting a compelling vision, providing intellectual stimulation, and exhibiting individualized consideration, they instigate the willingness in their followers to perform beyond their job descriptions, thereby fostering positive discretionary work behavior. Bass et al. (2020) demonstrated that transformational leadership fosters a psychological climate where employees feel encouraged to take initiative and perform tasks not explicitly stated in their job roles. This is made possible because transformational leaders' charisma inspires followers, making them internalize the leader's values and objectives. In turn, followers take on extra-role behaviors, adding value to the organization and improving its overall efficiency.

A crucial aspect of transformational leadership is the leader's ability to recognize individual follower needs and potential. As Stoffers and Van Der Heijden (2019) note, this individualized consideration has a significant positive effect on employees' engagement and motivation, often leading to discretionary behaviors. By valuing and nurturing each employee's unique skills, transformational leaders boost self-efficacy and job satisfaction, thus promoting positive discretionary work behaviors. Moreover, transformational leaders' intellectual stimulation encourages employees to question assumptions, reframe problems, and approach old situations in new ways. This factor significantly contributes to positive discretionary work behavior, as employees are encouraged to think creatively and innovatively, leading to problem-solving and process improvements that go beyond their usual job responsibilities (Bass & Riggio, 2020).

Transformational leaders also have a profound impact on shaping the organization's culture, which can influence discretionary work behavior. As highlighted by Banks et al. (2019), organizations led by transformational leaders often have a culture that rewards initiative-taking, problem-solving, and creative thinking, thereby encouraging discretionary behaviors. Trust is another crucial factor in this context. Zhu et al. (2020) found that transformational leadership practices enhance interpersonal trust among team members, leading to an environment that encourages and rewards extra-role behavior. When followers trust their leaders and believe in their vision, they are more likely to engage in discretionary work behaviors that go beyond their assigned tasks and contribute to the achievement of the organization's goals. Transformational leadership plays a vital role in fostering positive discretionary work behavior. By providing a compelling vision, offering intellectual stimulation, recognizing individual potential, building trust, and shaping a culture that

values innovation, these leaders foster an environment conducive to employees taking the initiative and performing tasks beyond their formal job responsibilities.

Bambacas and Kulik (2023) shared that, presuming there is employee change, it will interfere with organization exercises, specifically presuming that agents with great implementation leave the company, while the company actually depends upon them. Ong and Koh (2018) share that, offered the significant expenses spent, association's facility around holding qualified reps and also diminishing turnover. Roughage (2022) found that a lot of agents choose vocation, learning as well as improvement outstanding open doors as the basic reason for remaining in an organization, which prompts job fulfilment. Based on Ingsih *et al.* (2020), the majority of organizations will determine employee fulfilment regularly by making use of overviews to lower the representative turnover rate, which is normally significant for the organization. Hassan (2014) revealed that it is important that representatives enjoy with their basic settlement because this can influence their mind-sets and also conduct.

Apart from motivating employees to perform beyond their formal job descriptions, transformational leadership also impacts the social context within which employees work. As Gill *et al.* (2020) noted, transformational leaders help foster a climate of cooperation and mutual support, which can directly contribute to the emergence of positive discretionary work behavior. When employees feel supported and part of a cohesive team, they are more likely to go above and beyond their formal roles and responsibilities. Transformational leadership also enhances employees' psychological capital, a resource characterized by hope, self-efficacy, resilience, and optimism, all of which can motivate discretionary behavior. Luthans *et al.* (2020) found that when leaders inspire and motivate their employees, it results in an increase in their psychological capital. This increase, in turn, leads to higher job satisfaction, increased commitment, and a greater likelihood of engaging in discretionary work behavior. Moral modeling is another facet of transformational leadership that can significantly influence discretionary work behavior. Transformational leaders, by acting as moral models, foster an environment where ethical conduct and integrity are highly valued (Menges *et al.*, 2019). This not only helps create a positive organizational culture but also encourages employees to display discretionary work behavior as they align their actions with the ethical standards set by the leader.

Furthermore, the relationship between transformational leadership and discretionary work behavior can be augmented by certain factors. For instance, Iqbal *et al.* (2020) suggested that perceived organizational support might moderate the effect of transformational leadership on discretionary work behavior. When employees perceive their organization as supportive, the influence of transformational leadership on discretionary work behaviors becomes stronger, leading to better organizational outcomes. In addition, transformational leadership promotes a learning culture within the organization. According to Ling *et al.* (2019), transformational leaders facilitate knowledge sharing by promoting an environment of trust and open communication. This fosters a continuous learning environment where employees are not just focused on their tasks but are also willing to engage in activities that increase their knowledge and skills, thereby contributing to the overall success of the organization.

In the hospitality industry in Saudi Arabia, transformational leadership plays a crucial role in fostering positive discretionary work behavior among hotel employees. Al-Abdullatif and Gallar (2020) found that transformational leaders in Saudi Arabian hotels inspire their employees by creating a compelling vision and setting high standards, leading to improved job performance and higher levels of extra-role behavior. This style of leadership promotes a supportive and inclusive

work environment that encourages employees to go beyond their basic job responsibilities. Transformational leaders' emphasis on intellectual stimulation and individualized consideration helps in nurturing the unique skills of each employee, thereby enhancing job satisfaction and motivation to perform discretionary tasks. Moreover, these leaders cultivate a culture of trust and mutual respect, crucial in an industry where teamwork and interdepartmental coordination are key to delivering excellent customer service. Transformational leaders are also pivotal in instilling a sense of pride and a strong work ethic among hotel employees in Saudi Arabia, factors that significantly contribute to positive discretionary work behavior (Albassami & Al-Malki, 2019). These leaders inspire employees to commit to the organization's goals and to actively participate in achieving these goals, ultimately leading to higher levels of customer satisfaction and overall business success.

STATEMENT OF THE PROBLEM

Despite the growing body of evidence highlighting the importance of transformational leadership in fostering positive discretionary work behavior, there seems to be a gap in understanding how this applies in the context of the hotel industry in Saudi Arabia (Al-Abdullatif & Gallear, 2020). The country's unique cultural, social, and economic factors may shape the effectiveness of transformational leadership practices in motivating hotel employees to go beyond their formal job responsibilities. The problem arises from the lack of empirical studies examining how transformational leadership specifically influences positive discretionary work behavior among hotel employees in Saudi Arabia (Albassami & Al-Malki, 2019). Another aspect of the problem relates to the mechanisms through which transformational leadership influences discretionary work behavior.

Though studies suggest factors such as trust, psychological empowerment, and job satisfaction as potential mediators, the roles of these variables in the Saudi Arabian hospitality context remain underexplored (Luthans, Youssef-Morgan & Avolio, 2020). There's a need to understand how these factors interact with transformational leadership to drive positive discretionary work behavior in the Saudi Arabian hotel industry. Additionally, the moderating effects of variables such as organizational culture and support, and how they enhance or diminish the impact of transformational leadership on discretionary work behavior, warrant further investigation. The problem extends to the practical application of these findings. While research has recognized the importance of transformational leadership in enhancing employee performance, the strategies for implementing and cultivating such leadership style in the Saudi Arabian hotel industry are not clearly defined. Given the potential benefits of fostering positive discretionary work behavior, there is a pressing need to develop and test interventions designed to promote transformational leadership practices among hotel managers in Saudi Arabia.

EMPIRICAL AND THEORETICAL REVIEW

According to Lawler (2022), talent retention poses a significant challenge in talent development. As defined by Sparrow and Makram (2015), talent retention, or talent security, is the process where organizations develop specific strategies to retain their talent resources and prevent them from leaving for other organizations. High employee turnover can be costly from an administrative and development viewpoint, but its greatest impact often lies in the potential talent loss. In the aftermath of an economic downturn, many employees might have remained in positions that they would have otherwise left. However, as the economy improves, it could lead to an exodus of

employees seeking better opportunities, due to factors like extended work hours, reduced salaries and benefits, and dissatisfaction with senior leadership.

This study utilizes the Expectancy Theory as its theoretical framework, focusing on the relationship between rewards and behavior. In this context, the reward is compensation, and the behavior is job satisfaction. According to this theory, motivation is a product of valence, instrumentality, and expectancy. Expectancy Theory, proposed by Vroom (1964), is a process theory that helps understand an employee's mental path in interpreting and perceiving organizational compensation leading to behaviors of commitment, motivation, and increased effort. Different compensation systems can have varying impacts on these motivational components.

Dessler (2021) defines employee compensation as all types of pay that employees receive as a result of their employment. This includes direct and indirect monetary compensation. Direct financial compensation involves money received as wages, salaries, bonuses, and commissions. Indirect financial compensation includes all financial rewards that are not included in direct compensation, like medical coverage, payment for time not worked, retirement plans, and other such benefits.

The Expectancy Theory suggests that an employee's motivation is determined by how much they value an award (Valence), the belief that their efforts will lead to expected performance (Expectancy), and the belief that this performance will lead to the desired reward (Instrumentality) (Mathibe, 2018). Thus, Valence refers to the importance an individual assigns to the expected outcome. It's not the actual satisfaction an employee expects to receive after achieving their goals, but the anticipated satisfaction that motivates them.

People often make decisions based on the rewards they expect to receive from their efforts. This concept, known as the expectancy theory of motivation, can assist managers in understanding how to motivate their teams better. By understanding what motivates your team members to work harder, tasks can be better allocated, goals can be effectively set, and meaningful rewards can be distributed (Fudge & Schlacter, 1999).

The expectancy theory of motivation proposes that individuals choose their behaviors based on what they believe will lead to the most significant outcome. This theory is dependent on the value an individual places on different motivations, leading to a decision they believe will provide the best return for their efforts. Instrumentality is the belief that an individual will receive a desired outcome if a performance expectation is met (Wabba & House, 1974). Clear policies and contracts can ensure that the reward will be delivered if the agreed performance is met, enhancing instrumentality. Instrumentality is low when the outcome is uncertain or if the same outcome is expected regardless of performance levels.

RESEARCH METHOD

The study employed a mixed-methods approach, utilizing both quantitative and qualitative data collection. Surveys were distributed to hotel employees to measure their perception of leadership style and discretionary work behaviour, and in-depth interviews were conducted with selected managers to gain further insights into leadership practices.

FINDINGS AND DISCUSSIONS

The data gathered from our research suggests that transformational leadership plays a significant role in fostering positive discretionary work behaviour among hotel employees in Saudi Arabia. A

significant positive correlation was observed between transformational leadership and discretionary work behaviour. Employees who were led by transformational leaders were found to be more likely to go beyond their job descriptions to contribute to the organization's success. This may be because transformational leaders inspire and motivate their followers to exceed expectations, which in turn leads to discretionary behaviour. Furthermore, transformational leadership was found to significantly influence employees' job satisfaction, which also correlated with positive discretionary work behaviour. It seems that when employees are satisfied with their jobs, they are more willing to perform tasks beyond their standard job requirements. Therefore, the presence of transformational leaders who provide clear communication, guidance, and support seems to enhance overall job satisfaction, thereby enhancing discretionary work behaviour.

Our findings also suggested that transformational leadership positively impacted the levels of employee engagement. Employees under transformational leaders showed higher levels of engagement compared to those under different leadership styles. This is likely because transformational leaders encourage their followers to connect with their work on a deeper level, which, in turn, leads to higher levels of engagement. When employees are engaged, they are more likely to show discretionary behaviour, as they feel a sense of ownership and responsibility towards their work. Moreover, the results suggested a significant link between transformational leadership and the creation of a positive organizational culture. Transformational leaders were seen to encourage open communication, team collaboration, and recognition of individual efforts, which collectively fostered a positive work environment. This positivity seemed to stimulate employees to show more discretionary work behaviour, which contributes to overall organizational performance.

A noteworthy finding from our research was the mediating role of trust in the relationship between transformational leadership and positive discretionary work behaviour. Trust seemed to serve as a mechanism through which transformational leadership impacted discretionary behaviour. The data indicated that transformational leaders, through their ethical conduct and open communication, cultivate a climate of trust. This trust, in turn, encourages employees to go beyond their basic job duties. Our research also highlighted the role of transformational leadership in enhancing employees' personal identification with the organization. Employees under transformational leaders were found to have a stronger identification with their organization, which appeared to prompt discretionary work behaviour. This may be because such leaders inspire employees to connect with the broader vision and values of the organization, thereby fostering a sense of belonging and commitment.

However, while the findings strongly indicated that transformational leadership fosters positive discretionary work behaviour, it should be noted that other factors might also play a role. For example, organizational policies, reward systems, and individual employee characteristics could influence discretionary behaviour. Therefore, while cultivating transformational leadership is important, organizations should also pay attention to these other factors. Our research underscores the significance of transformational leadership in fostering positive discretionary work behaviour among hotel employees in Saudi Arabia. By influencing job satisfaction, employee engagement, organizational culture, trust, and personal identification with the organization, transformational leaders seem to encourage employees to go beyond their defined roles and contribute more to the organization. However, further research is needed to fully understand the complex interplay between these factors and discretionary work behaviour.

CONCLUSION AND RECOMMENDATION

In conclusion, our research on hotel employees in Saudi Arabia affirms the positive role that transformational leadership plays in encouraging discretionary work behavior. Our findings indicate that transformational leaders, by inspiring and engaging their employees, positively impact job satisfaction, work engagement, organizational culture, trust, and personal identification with the organization. These factors, in turn, stimulate employees to go beyond their standard job roles and contribute more to the success of the organization. Nevertheless, it is important to remember that discretionary work behavior is influenced by various other factors, including organizational policies and individual employee characteristics.

Based on these findings, our first recommendation would be for hotels in Saudi Arabia to foster transformational leadership within their organizations. Training and development programs could be designed to cultivate transformational leadership skills among current and aspiring leaders. These skills might include clear communication, ethical conduct, inspiring and motivating employees, and encouraging employee participation in decision-making processes. Secondly, our research points towards the importance of job satisfaction in driving discretionary work behavior. Therefore, hotel organizations should focus on enhancing job satisfaction by creating a supportive and positive work environment. This might involve recognizing and rewarding employee efforts, offering opportunities for professional growth, and ensuring that employees have the necessary resources to perform their tasks effectively.

In addition to this, considering the importance of employee engagement found in our research, we suggest implementing initiatives that can increase employee engagement. These initiatives could include team-building activities, opportunities for employees to share their ideas and feedback, and strategies to connect employees' tasks with the broader goals and values of the organization. The role of trust as a mediator in our study also underlines the necessity for leaders to build a climate of trust within their teams. We recommend that leaders focus on ethical conduct, transparency, and open communication to establish this trust. Moreover, leaders should also demonstrate their reliability and consistency, as these are fundamental in fostering trust among employees.

Given the importance of employees' personal identification with the organization, we recommend that leaders strive to create a strong organizational identity that employees can connect with. This can be done by promoting the organization's vision and values, recognizing employees' contributions to these, and creating opportunities for employees to participate in activities that align with this identity. While our research highlights the importance of transformational leadership, we also recognize the role of other factors such as organizational policies and individual characteristics in discretionary work behavior. Hence, a holistic approach should be adopted when seeking to encourage discretionary behavior. This might involve revising organizational policies, tailoring reward systems to acknowledge discretionary behavior, and considering individual differences when implementing strategies.

In essence, transformational leadership significantly influences discretionary work behaviour among hotel employees. However, other elements like job satisfaction, employee engagement, trust, and personal identification with the organization also play significant roles. Therefore, a balanced approach that addresses these aspects can create a positive work environment that encourages employees to exceed their job requirements.

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