

Self-efficacy as a Catalyst: The Link between Transformational Leadership and Job Performance

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Abstract

Several studies have examined the link between transformative leadership and professional success, but the role of self-efficacy in moderating this relationship has not been fully explored. This study aimed to examine the influence of self-efficacy on the association between transformational leadership and job performance using a sample of employees from various organisations. The data was analysed using SMART PLS4. The results illustrate that self-efficacy significantly moderates the relationship between transformational leadership and job performance. Specifically, individuals with higher levels of self-efficacy have more robust and favourable correlation between transformational leadership and job performance compared to those with lower levels. This study highlights the importance of self-efficacy in enhancing the impact of transformational leadership on job performance and provides valuable insights for organisations to improve their leadership practices and employee outcomes.

Keywords

Transformational leadership, job performance, self-efficacy, moderating effect, organisational effectiveness, employee engagement

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Introduction

In order to adapt to the ever-increasing complexities and rapid changes of the modern business world, leaders need team members who are fully committed to the achievement of the stated goals of the firm. Moreover, members must be prepared to put up some extra time and succeed above the bounds of what is required by the employer. Those involved need to make more of an effort because job descriptions do not work when duties are not dependent on one another and cannot cover every conceivable sort of action that would be required to complete the requested work. The job description, for instance, cannot lay out the specifics of when and how members will be asking for assistance from co-workers or others in need because these actions are voluntary (Ramhit, 2019). Because of this, leaders need to comprehend reasons for why people do a good job when given tasks related to their roles and what makes them eager to go above and beyond what is required by statutory agreements between employers and employees. Leaders have sway in the workplace because they set an example for subordinates and have a say over their careers. As a result, followers may mimic their leaders' actions. Every leader in an organisation, no matter their position, is capable of displaying transformative leadership (Schiuma et al., 2022). Transformational leaders may influence and motivate their teams to perform above and beyond by four distinct actions: 'idealized influence, inspirational motivation, intellectual stimulation, and individualized' concern (Bass, 1990). Many studies, both theoretical and empirical, have looked at the impact of transformational leadership and found that it improves and influences members' task performance mechanisms like self-efficacy (Hannah et al., 2016), 'leader-member exchange' (Malangwasira et al., 2014; Nohe & Hertel, 2017) and selfless actions (Yammarino & Dansereau, 2008; Ziegert & Dust, 2021).

Moreover, transformational leadership's positive effects on team members' productivity are communicated in a variety of subtle ways. Transformational leaders are capable of motivating their followers to complete assigned tasks and go above and beyond what was expected of them (Shamir et al., 1998), but previous studies mostly ignored this aspect of their effectiveness (Avolio & Bass, 1995). Since motivation is widely recognised as a key factor in shaping the actions of group members, it is essential to gain insight into the mechanisms that underlie the motivational process (Abas et al., 2019). In addition, prior study reveals a positive correlation between member motivation and performance (Cerasoli et al., 2014). However, research studying this motivating process is scarce (Fiset & Boies, 2019). Work involvement (Kahn, 1990; Soane et al., 2013) is an underappreciated process that should receive greater focus. Employees' emotional, cognitive and somatic manifestations, while on the job are referred to as 'work engagement', a motivational construct developed by Kahn in 1990. Family is another factor that can have influence on employee performance (Syed & Abidi, 2018). Furthermore, studies have shown a connection between employee enthusiasm at work and better productivity and teamwork (Rich et al., 2010). We study self-efficacy as a moderating factor that may improve team members' performance by encouraging their task engagement and provide motivation.

Research Gap

The previous research has extensively investigated the correlation between transformational leadership and job performance. However, there is a significant lack of comprehension regarding the intricate dynamics of mediating and moderating mechanisms, specifically within the framework of small and medium-sized enterprises (SMEs). Previous studies have shown that there is a positive correlation between transformational leadership and job performance. However, little focus has been given to the dual role of self-efficacy as both a mediator and a moderator in this relationship, particularly in the specific organisational settings found in SMEs.

In addition, whereas several studies have investigated how self-efficacy influences the relation between transformational leadership and job performance, only a limited number of studies have also considered its moderating implications. Gaining insight into the role of self-efficacy as both a mediator and a moderator in the context of SMEs is crucial for obtaining a thorough understanding of how transformational leadership affects job performance outcomes.

In addition, the current research mainly focuses on multinational organisations, neglecting the contextual elements that could impact the efficacy of transformational leadership strategies in SMEs. It is important to study the role of self-efficacy in the relationship between transformational leadership and job performance in SMEs. This is because SMEs face unique challenges and dynamics, such as limited resources and the need for flexibility. Understanding how self-efficacy affects this relationship can help improve our theoretical understanding and provide practical strategies for enhancing organisational effectiveness in the SME sector.

Hence, there is a need for empirical investigation that methodically examines the intermediary and regulatory functions of self-efficacy in the connection between transformational leadership and job performance, particularly in the context of SMEs. By addressing this research gap, we can gain a more comprehensive understanding of the fundamental factors that influence performance outcomes in SMEs. Additionally, this research can offer practical insights for leaders and managers who want to enhance their leadership practices in these contexts.

Significance of Research

The research has great importance as it can enhance both theoretical understanding and practical implementation in the field of organisational behaviour and leadership, specifically in the setting of SMEs. This study seeks to enhance our comprehension of the factors that contribute to employee effectiveness in SMEs by analysing the correlation between transformational leadership, self-efficacy and job performance. These insights can be used to create better leadership strategies that are specifically designed for the unique problems and dynamics of SMEs. This will eventually improve organisational performance and promote sustainable growth. Moreover, the results of this study could have wider consequences for leadership theory and practice in other organisational contexts, providing useful insights into the significance of self-efficacy in enhancing leadership effectiveness and employee performance.

Review of Literature

Like visionary leaders, transformational leaders inspire their teams to achieve remarkable results. Leaders with vision are transformational because they inspire followers to act on that vision. He can motivate his team with his vision and charisma as a leader. Leaders who transform their followers' perspectives and behaviours are called transformational (Asrar-ul-Haq & Kuchinke, 2016). Leaders with transformational skills inspire their teams to succeed (Abdulrab et al., 2020). To achieve organisational objectives, transformational managers inspire and back their teams. Leaders who adopt a transformative stance are able to shift their outlook on the workplace for the better. Leadership that transforms followers into doers is essential to the success of any organisation (Herminingsih, 2021). Followers find satisfaction in a transformational leader because they feel like they are part of the leader's larger goal (Abdulrab et al., 2020; Manzoor et al., 2019). Leaders motivate their teams to achieve greater success by raising morale, motivation, belief, awareness and teamwork. Barnes contends that effective change leaders are well versed in their organisation's objectives and strategies for achieving them (Abdulrab et al., 2020). According to the research of Lai et al. (2020), transformational leadership facilitates self-regulation by inspiring followers to act constructively. Also, effective leadership is characterised by transformation (Ali Larik & Karim Lashari, 2022). By highlighting the flaws in the current system to their followers and outlining an inspiring future for the business, leaders with a transformational style can bring about lasting change. 'Idealized influence, inspirational motivation, intellectual stimulation, and individual consideration' are the four pillars on which transformational leadership rests (Abdulrab et al., 2020). They caused believers' worldviews to shift, and they pushed members to prioritise the group over their interests. Employees' devotion to the organisation as a whole is impacted by transformational leaders (Dabas, 2021; Donkor et al., 2022). They found that workplaces with a positive culture had a significant impact on employee engagement and retention. Culture plays a significant impact on organisational transformation (Das & Roy, 2019; Saad Alessa, 2021). Leaders are often looked to for input from their teams when making important decisions. They argue that workers are more committed and satisfied in a welcoming environment.

Theoretical Framework of the Study

Transformational Leadership

It may be more advantageous and helpful to increase one's capacity to motivate colleagues through the application of transformational leadership. Transformational leadership is a leadership approach that involves inspiring and motivating employees to perform beyond their expected level of performance. This type of leadership is characterised by leaders who encourage and challenge their employees to exceed their own self-interests and focus on achieving a collective goal. Through transformational leadership, leaders can create a platform in which employees are more motivated and committed to their work, resulting in improved job performance.

Additionally, it might enhance one's sense of personal strength (Khan et al., 2020; Thomas & Velthouse, 1990). The four pillars upon which transformative leadership is founded are idealised influence, inspirational motivation to raise confidence, intellectual stimulation and individual concern (Bass, 1990; Khan et al., 2020). An ideal leader is the one who efficiently provides a clear sense of direction while also inspiring his or her followers with inspiring mental images of achieving that mission. Inspiring leadership can be characterised as a leadership style that considers employees' emotions, fosters their self-belief and promotes transparent communication and constructive feedback. Taking each follower into account on an individual basis is an example of a leader's consideration. A few examples of what might fall under this category are training, coaching, assigning assignments in accordance with individual skills and monitoring results (Khan et al., 2020; Zwingmann et al., 2014). Training enhances employee motivation (Gandhi & Kannad, 2020). The leader's intellectual stimulation of his team is the result of his efforts to inspire them to be more adaptable and receptive to adopting innovative technical techniques in response to a wide range of circumstances. As such, it might be helpful to find ways to work around the multiple stages at which cues and barriers appear (Bednall et al., 2018; Khan et al., 2020). When the stakes are greater and the work is more significant, employees are more likely to need a transformative leader (Thomas & Velthouse, 1990).

Transformational leadership is an approach in which leaders motivate, inspire and encourage their subordinates to go beyond their own self-interest and achieve collective goals by creating a vision for the future, developing individualised consideration and providing intellectual stimulation. This leadership style has been widely studied and is illustrated by a positive relationship with job performance.

The research conducted by Avolio and Bass (2008) found that there is a significant and positive relationship between transformational leadership and job performance. This type of leadership challenges individuals to exceed their self-interests and focus on achieving common goals, which creates a motivating and committed work environment resulting in improved job performance. Similarly, Scordato et al. (2013) found that transformational leadership is positively related to job performance because it fosters creativity, innovation and a sense of vision and purpose among subordinates. A meta-analysis conducted by Eliyana et al. (2019) also found a significant and positive relationship between transformational leadership and job performance, as this leadership style leads to increased job satisfaction, commitment and motivation. However, other factors such as self-efficacy may moderate this relationship. Self-efficacy refers to an individual's belief in their ability to achieve a specific goal or task. A study by Chan (2020) and Muliati et al. (2022) found that the relationship between transformational leadership and job performance is stronger for individuals with high levels of self-efficacy than those with low levels. Therefore, it is important to consider the influence of self-efficacy and other factors when examining the relationship between transformational leadership and job performance. Overall, the literature suggests that transformational leadership is an effective approach to improving job performance by inspiring and motivating followers to achieve collective goals.

Job Performance

In order to sustain high levels of efficiency and operational efficacy, businesses must make sure their employees are completely devoted to the job at hand. Work engagement was developed by Kahn (1990) as a way to evaluate an employee's level of mental involvement in their job. Employees who are fully invested in their work 'employ and express their preferred selves in task behaviors that generate work-and-others links, individual presence (physical, cognitive, and emotional), and active, complete performances' (Buil et al., 2019; Huang et al., 2019). Meaningful work, a secure work environment and accessibility are all factors in employee satisfaction (Das & Roy, 2019; Huang et al., 2019).

Leaders who can transform their teams focus on the individual members, make an effort to learn about their circumstances and comfort them when they become emotionally invested in their work. These kinds of affirming actions help team members feel more secure and inspire them to be their best selves while they're working. Previous studies suggested, for instance, that followership of a leader with transformative qualities would be more likely to feel supported by their superiors. Therefore, members may sense psychological safety and, in turn, be more likely to completely show themselves at work if they are given individualised consideration (Bacha, 2014; Chen et al., 2018; Obasan Kehinde & Hassan Banjo, 2014; Pongpearchan, 2016; Widodo, 2020).

Self-efficacy

The favourable effects of self-efficacy on performance have been documented in psychological studies for decades (Lisbona et al., 2018; Salanova et al., 2022; Talsma et al., 2019). Despite 'their capacity', and based on each member's unique set of ideas about the group's needs and capabilities, transformational leaders cultivate deep interdependent relationships with their collaborators by shrinking the space between them (Bass, 1990). Having faith in one's leader, open lines of communication and mutual empathy all work together to boost followers' confidence in their abilities through a combination of second-hand experience and social pressure (Salanova et al., 2022; Walumbwa et al., 2011). In this way, a leader's actions can shape followers' thoughts, feelings and actions. Recent research by Legood et al. (2016) and Salanova et al. (2022) demonstrates that leaders' trustworthy behaviour affects organisational trust by way of followers' trust in their leaders and their leaders' trustworthiness judgements. Recent studies have shown that followers can be influenced by a leader's positive attitude through factors like their own sense of competence (Salanova et al., 2022; Stetz et al., 2006). The notion that one's organisation has a transformational leader who promotes trust, empathy and honesty (social persuasion) may help followers feel more confident in their abilities. Afsar and Masood (2018), Avolio et al. (2009), Dvir et al. (2002), Kark et al. (2003) and Salanova et al. (2022)—all found that the leader's positive behaviours predicted the self-efficacy of team members (Barsade, 2002; Salanova et al., 2022). Emotional contagion processes in organisations are influenced by both bottom-up and top-down factors, including intra-individual

and inter-individual elements as well as leader–follower dynamics. Several studies have examined the relationship between transformational leadership and employee performance, with some suggesting that self-efficacy plays a moderating role. Specifically, employees with high self-efficacy tend to respond more positively to transformational leadership, experiencing higher levels of job satisfaction, motivation and performance (Latip et al., 2022; Liu et al., 2017), while those with low self-efficacy may struggle to internalise leadership values and goals, potentially weakening the relationship between leadership and performance (Wang et al., 2014). Therefore, self-efficacy should be considered an important factor in the relationship between transformational leadership and employee performance.

- H_1 : Transformational leadership influences job performance of the employee.
- H_2 : Transformational leadership influences self-efficacy of the employee.
- H_3 : Self-efficacy significantly influence the job performance of the employee.
- H_4 : Self-efficacy significantly moderates the relationship between transformational leadership and job performance.

Methodology

As stated in the introduction, this study's primary goal is to assess job performance in SMEs, and the study outlines the measures that need to be taken. Transformational leadership influences self-efficacy and job performance moderated by self-efficacy among the employees. Leadership traits take into account the use of the leadership skill proposed. Transformational leadership skill sets were analysed through an interpretive lens to identify patterns among leaders' skills (Guzmán et al., 2020; Mumford et al., 2007). Following is an explanation of the connection and structure of each stage. Based on a survey of the literature found in the relevant publication databases, this study outlined the transformational leadership skills that influence self-efficacy and job performance from WoS and Scopus-indexed journals. Transformational leadership was also highlighted as a factor in developing job performance in the workplace. Based on what we know about the importance of transformational leadership skills in SMEs, the study proposes to hypothesise that these abilities will be the primary factor in shaping self-efficacy and job performance.

In order to foster each attribute, it is crucial to determine which abilities should be developed (Guzmán et al., 2020; Kane et al., 2018). Using the framework developed by Mumford et al. (2007), the study determined the connection between these leadership abilities and the traits of job performance. Taking their cue from the word 'complex', which means to be divided into a specific number of components, the authors of this work dubbed the process by which leadership skills are built across all levels of an organisation (Sousa et al., 2019). Convenience sampling was used to access 10 SMEs across different parts of India (emphasising TIRE 3 cities) and 50 samples were taken randomly from each SME, so making it a 500 sample size for data analysis. The choice to choose a sample size of 500 for structural equation modelling with partial least squares (SEM-PLS) analysis is based on various crucial factors. First, having a sample of this size guarantees enough statistical power,

which is important for accurately identifying real effects and reducing the chances of making type II mistakes. When using SEM-PLS to analyse complicated models with several variables and pathways, it is important to have a greater size of samples to ensure that the statistical results are valid and reliable.

Furthermore, the accuracy and reliability of estimates in SEM-PLS analysis are strengthened by a larger sample size, which minimises the impact of random fluctuations and improves the consistency of parameter estimates, such as path coefficients and correlations between latent variables. A sample size of 500 is crucial as it enhances the generalisability of study findings, enabling broader inferences and applicability to similar groups or circumstances. In addition, the generous size of the sample allows for subgroup analysis and investigation of moderation effects, enhancing the level of understanding gained from the study. The selected sample size fulfils the suggested requirements, which include a minimum of 10–15 observations per indicator variable. This ensures sufficient coverage of both model indicators and latent components. In organisational behaviour research, choosing a sample size of 500 for SEM-PLS analysis achieves a good balance between statistical rigor, model complexity and generalisability. This ensures that the study findings are robust (Shehawy & Ali Khan, 2024; Suhluli & Ali Khan, 2022).

The data collection method used in this project entails developing a well-organised questionnaire using Google Forms, a tool renowned for its user-friendly interface and reliable data management features. Before initiating data collection, ethical approval was sought from the appropriate institutional review board, ensuring compliance with ethical guidelines and the well-being of participants. Participants received an information sheet that outlined the study's objectives, voluntary nature of participation, steps to ensure anonymity and contact details for the researchers. Before proceeding with the questionnaire, each participant was required to provide informed consent. The data collection process was carried out online, where participants accessed the survey link provided through email or other appropriate ways. Participant responses are kept confidential, and data is securely saved on devices protected by passwords. After gathering the data, it was analysed using SEM-PLS to investigate the connections between the variables of interest. In general, the process of collecting data places a high importance on maintaining ethical standards, protecting the confidentiality of participants and implementing strict protocols for managing data. This is done to ensure that the study findings are valid and reliable.

Results and Discussion

An in-depth review would modify the data from the questionnaire to make sure the questions asked are clear and easy to understand for the responders. As part of the review and editing process, the surveys would also be coded for further input. Interpretation of the data is done using statistical methods. SMART PLS4 makes an effort to reformat data so that it may be more readily read and analysed as shown in Figure 1. In this work, we used SMART PLS4 to insert the coded questionnaire data into a spreadsheet and perform statistical analyses, including correlation and regression. The components of transformational leadership, self-efficacy and organisational

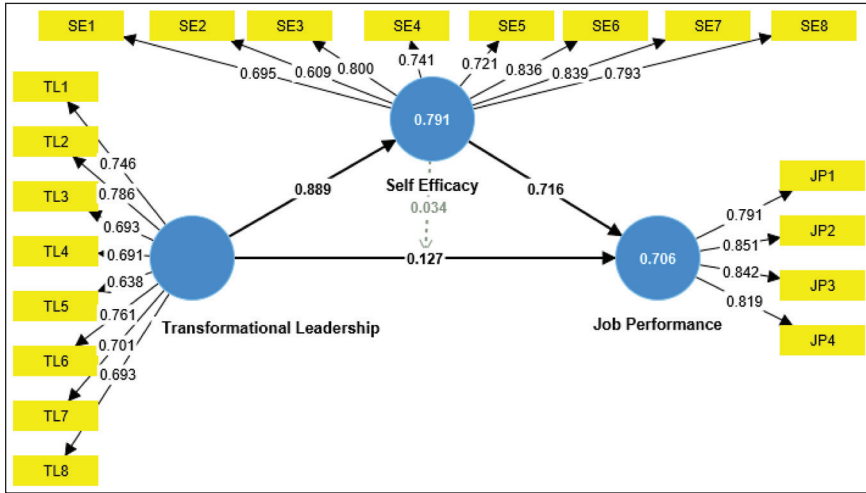


Figure 1. Structural Equation Model.

Table 1. Construct Reliability and Validity Overview.

	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	AVE
Job performance	0.845	0.846	0.896	0.683
Self-efficacy	0.892	0.898	0.914	0.574
Transformational leadership	0.863	0.866	0.893	0.511

AVE: Average variance extracted.

performance are presented during the development of a SmartPLS model in order to effectively map all of these (Ammad et al., 2021; Vijayabanu & Arunkumar, 2018).

The mathematical formula is calculated using the following formula:

$$\alpha = \frac{k}{(k-1)} \times \left(1 - \sum \frac{si^2}{st^2} \right)$$

where *k* is the number of items in the construct, *si*² is the variance of item *i* and *st*² is the total variance of all items.

Construct validity is typically assessed using factor analysis, which involves calculating factor loadings for each item and assessing the overall structure of the construct. Other methods, such as convergent and discriminant validity, can also be used to evaluate construct validity. The specific formula for these methods varies depending on the technique being used.

Using the Cronbach alpha test, the constructions' dependability has been evaluated. The Alpha Reliability results are reported in Table 1. In the present investigation, the construct's reliability ranges between 0.892 and 0.845. Results suggest that the dependability of all constructs is much higher than 0.8, indicating that

Table 2. Construct Discriminant Validity.

	Job Performance	Self-efficacy	Transformational Leadership
Job performance	0.856		
Self-efficacy	0.837	0.758	
Transformational leadership	0.773	0.719	0.715

good reliability is achieved. In addition to establishing the reliability of the measures, validity is also determined, establishing both convergent and discriminant validity. When concepts that ought to be connected are, in fact, related, convergent validity is demonstrated. The construct validity of the measures under consideration is confirmed by the unifactoriality of variables and constructs. Convergent validity is demonstrated if the AVE for the constructs is at least 0.50. Job performance is a unidimensional construct; hence, convergent validity has been established. In addition, AVE is calculated, and the results indicate that convergent validity is established for all constructs because the AVE statistics for all components are larger than 50.

The formula for CDV can be expressed mathematically as

$$CDV = \sqrt{AVE_i} > r_{ij}$$

where CDV is the construct discriminant validity, AVE_i is the 'average variance extracted' for construct i and r_{ij} represents the 'correlation coefficient' between construct i and construct j .

'Discriminant validity' measures the degree to which sufficiently diverse constructs are weakly associated with one another. If the 'square root of AVE' by each concept is greater than the 'inter-correlations' between other constructs, 'discriminant validity' is proven. Table 2 examines AVE square roots and inter-construct relationships.

In SmartPLS, hypothesis testing is primarily done using the bootstrapping method. The basic formula for hypothesis testing in SmartPLS using bootstrapping is as follows:

$$t = \frac{(\beta - 0)}{SE(\beta)}$$

where t is the t value, β is the estimated path coefficient and $SE(\beta)$ is the standard error of the path coefficient. The null hypothesis is that the true path coefficient is zero (i.e. no relationship between the two constructs), while the alternative hypothesis is that the true path coefficient is not zero (i.e. there is a significant relationship between the two constructs). 'If the t value is greater than the critical value (usually 1.96 for a significance level of 0.05), the null hypothesis is rejected, and the alternative hypothesis is accepted, indicating a significant relationship between the two constructs' (Sheffet, 2016).

The proposed study model's construct linkages (paths) are shown in the structural model. H_1 examines the relationship between self-efficacy and job performance.

The findings showed that PS is significantly impacted (total effect) by self-efficacy (= 0.716, $t = 5.956, p = .000$), supporting H_1 . H_2 assesses the influence of transformational leadership on employee performance. The findings demonstrate that TL has a significance on JP (= 0.729, $t = 11.134, p = .00$). H_3 is, therefore, supported. H_3 determines if TL and JP have a favourable relationship. The findings demonstrated that TL significantly affects JP (= 0.889, $t = 40.515, p = .000$). H_3 is consequently accepted.

Simple Slope Analysis

Further slope analysis as shown in Figure 2 is used, which is the path coefficient (β) or regression weight between two variables in the model. The ‘path coefficient’ represents the strength and direction of the relationship between the two variables. Hence, it is used to understand the strength and direction of the relationship between the variables in the model.

The mathematical formula for slope analysis in SmartPLS 4 is as follows:

For the relationship between two latent variables, Y and X , the slope (b) can be calculated as

$$b = \frac{\sum[(X_i - X_{\text{mean}}) \times (Y_i - Y_{\text{mean}})]}{\sum[(X_i - X_{\text{mean}})^2]}$$



Figure 2. Moderation Effect of Self-efficacy on Transformation Leadership.

Source: SEM-PLS Output.

where X_i is the value of the X variable for observation i , X_mean is the mean value of the X variable across all observations, Y_i is the value of the Y variable for observation i and Y_mean is the mean value of the Y variable across all observations.

In slope analysis, a graph is created that shows the slope of the line between two variables, indicating the direction and magnitude of the relationship between them. Table 3 demonstrates that self-efficacy moderates the relationship between transformational leaderships, but it may also be claimed that it enhances the association, as depicted in Figure 2 by the less steep angle of the lines. The proposed hypothesis H_4 is therefore acceptable.

Table 4 represents that the statistical analysis results reveal key insights into the relationships between job performance, self-efficacy and transformational leadership. The R -square values indicate that a substantial portion of the variance in both job performance and self-efficacy is explained by the predictors in the model, with approximately 72.7% of the variance in job performance and 76.5% of the variance in self-efficacy accounted for. The adjusted R -square values, which consider the number of predictors in the model, remain high, suggesting robust explanatory power. Furthermore, the f -square statistics highlight the effect sizes of self-efficacy and transformational leadership on the dependent variables. Specifically, self-efficacy demonstrates a medium effect size on job performance, indicating a moderate impact, while transformational leadership exhibits a large effect size on self-efficacy, suggesting a substantial influence. Notably, the absence of an f -square value for transformational leadership in relation to job performance

Table 3. Hypothesis Testing.

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	t-Statistics (O/STDEV)	p Values
Self-efficacy → job performance	0.716	0.722	0.120	5.956	.000
Transformational leadership → job performance	0.729	0.728	0.066	11.134	.000
Transformational leadership → self-efficacy	0.889	0.891	0.022	40.515	.000
Self-efficacy × transformational leadership → job performance	0.163	0.150	0.074	2.167	.020

Table 4. Model Fit and Size Effect.

	R-square	R-square Adjusted
Job performance	0.727	0.718
Self-efficacy	0.765	0.761
f -Square	Job Performance	Self-efficacy
Job performance		
Self-efficacy	0.167	
Transformational leadership	0.168	3.246

implies its exclusion from explaining variance in job performance. Overall, these findings underscore the significant roles of self-efficacy and transformational leadership in shaping organisational outcomes, shedding light on the mechanisms driving job performance and highlighting avenues for further exploration in leadership research.

The literature analysis highlights the significance of transformational leadership in motivating teams to accomplish exceptional outcomes. Transformational leaders have a significant impact on the way their followers think and act, creating a strong sense of purpose and dedication among team members. Furthermore, the review highlights the beneficial influence of self-efficacy on performance, indicating that individuals with elevated levels of self-efficacy are more likely to respond favourably to transformational leadership.

The statistical findings support the argument by demonstrating substantial correlations between transformational leadership, self-efficacy and work success. The significant *R*-square values for work performance and self-efficacy imply that the predictors in the model can account for a considerable proportion of the variability in these variables. The substantial impact of transformational leadership on self-efficacy provides additional evidence to support the literature's assertion that transformational leaders play a vital role in bolstering the confidence and talents of their followers.

Furthermore, the strong correlation between transformational leadership and job performance, as demonstrated by the *t* statistics and *p* values, highlights the efficacy of transformational leadership in influencing organisational results. The presence of self-efficacy moderates the connection between transformational leadership and work performance, indicating that those with greater self-efficacy are more inclined to experience positive outcomes from transformational leadership practices, resulting in improved performance.

Hence, the discussion emphasised the alignment between the observed results and the theoretical framework outlined in the literature study, underscoring the significance of transformational leadership and self-efficacy in fostering organisational achievement. Furthermore, it is important to recognise the constraints of the study, such as possible factors that may influence the results or the applicability of the findings to different situations.

Conclusion

In conclusion, this study aimed to examine the moderating role of self-efficacy in the relationship between transformational leadership and job performance. The findings indicated that self-efficacy plays a significant moderating role in this relationship. The results revealed that individuals with high levels of self-efficacy exhibit higher levels of job performance when exposed to transformational leadership as compared to low-self-efficacy individuals.

This study contributes to the existing literature by highlighting the importance of self-efficacy in the leadership–performance relationship and sheds light on the significance of considering the role of self-efficacy in leadership development programs and initiatives. The results have practical implications for organisations

as they suggest that fostering employees' self-efficacy can improve their job performance in response to transformational leadership.

Self-efficacy can act as a moderator between transformational leadership and job performance. However, it is important to note that moderation is a complex process, and the relationship between self-efficacy, transformational leadership and job performance may vary across different organisations, industries and cultural contexts. Additionally, other factors, such as situational factors, personality traits and cognitive processes, may also play a role in this relationship.

Therefore, while self-efficacy is a significant moderating factor in the relationship between transformational leadership and job performance, it should not be viewed as the only factor. Further research is needed to fully understand the complexities of this relationship and to develop a more comprehensive understanding of how transformational leadership and self-efficacy interact to influence job performance.

The study's implications are manifold: practically, organisations stand to benefit from cultivating transformational leadership among managers, fostering a culture of high performance and engagement. Managerially, focusing on developing transformational leadership skills and bolstering employees' self-efficacy can lead to improved job performance and organisational success. Organisational implications underscore the importance of selecting and nurturing transformational leaders at all levels, integrating transformational leadership principles into leadership development initiatives and embedding them into organisational culture. Additionally, the study highlights the need for further research into the mechanisms underlying the relationships between transformational leadership, self-efficacy and job performance, suggesting avenues for exploring additional factors and conducting longitudinal studies to deepen our understanding of these dynamics over time. Overall, the study underscores the potential for organisations to harness transformational leadership and self-efficacy as strategic levers for driving performance and achieving long-term success in today's competitive landscape.

Declaration of Conflicting Interests

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