

The Role of Transformational Leadership in Improving Employee Psychological Wellbeing: A Review

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Abstract. Employee psychological well-being is crucial in today's complex and ever-changing corporate environment. This is because technological advances, international competition, and changing consumer expectations have changed the labour market. This study aims to examine the role of transformational leadership in improving employees' psychological well-being. This research is a descriptive qualitative study that explores previous studies related to transformational leadership and employee psychological well-being. First, relevant studies were collected related to transformational leadership and employee psychological well-being and the possible impact of both constructs. After that, the author summarises the relevant studies and discusses the concepts of transformational leadership and employee psychological well-being and how they can be used in organisations. The next step is to express the author's views on the potential of transformational leadership and employee psychological well-being in organisations. Study results show that transformational leadership improves employee psychological well-being. Transformational leaders inspire and motivate their people, making them feel valued and invested in the company's objective. This boosts workplace motivation, self-esteem, and growth.

Keywords: Employee, Psychological Wellbeing, Transformational leadership

1. Introduction

In a business era that is constantly undergoing rapid changes and continuously adapting to various emerging dynamics, we can see that the work environment has undergone a significant transformation. Rapid technological developments, intensified global competition, and profound shifts in customer expectations and demands have all contributed to shaping organisations that have become increasingly complex and dynamic over time [1]. Amidst this uncertainty that surrounds the business world, the psychological well-being of employees has become a subject of deepening concern [2]. This is because it is increasingly recognised that psychological well-being is not just an additional factor in the world of work, but a key foundation underpinning the productivity, retention and overall well-being of organisations. In line with major changes in the business context, attention to employee psychological well-being has peaked, due to the understanding that employees who feel good mentally and emotionally will be more productive, more likely to remain in the organisation, and have the potential to contribute to the overall well-being of the organisation [3].

Employees' psychological well-being involves various important dimensions that include aspects such as being highly motivated in performing their duties, feeling deep job satisfaction, being positively and deeply engaged in their work, and having a positive sense of self in the context of the work environment [4]. When employees experience a state of comprehensive psychological well-being, they are more likely to manifest increased productivity, enhanced problem-solving inventiveness, and reduced rates of absenteeism [5]. Hence, it is imperative for businesses to possess a thorough comprehension of the diverse aspects that contribute to the psychological well-being in question. The leadership style employed in a business is a significant determinant of employees' psychological well-being [6]. An efficacious leadership style possesses the capability to exert a constructive impact, foster a conducive work environment, and empower people to experience a sense of worth, support, and empowerment [7]. In addition, possessing a comprehensive comprehension of how leadership may

mould and impact the psychological well-being of employees can serve as a crucial component in maximising organisational success.

One leadership approach that has attracted significant attention in this context is transformational leadership. Transformational leadership is a leadership paradigm that strongly emphasises the role of leaders as agents of positive change who play a central role in influencing organisational development [8]. Leaders who adopt transformational traits play a key role in inspiring, motivating, and providing the right direction for employees to reach their full potential [9]. Leaders with these transformational traits not only view employees as resources to be managed, but as individuals with unique values, visions and aspirations. They are able to create an atmosphere that motivates employees to actively participate in achieving organisational goals and develop their abilities personally. In addition, transformational leadership is also known to create and maintain a work culture that is inclusive, innovative, and orientated towards sustainable growth and development [10].

In other words, leaders who embrace this transformational approach not only change the organisation through structural or policy changes, but also change the minds and hearts of employees, directing them towards greater achievements, and helping to create a work environment that supports innovation and holistic individual development. Thus, the role and impact of transformational leaders in the ever-changing business world is crucial and cannot be ignored.

Prior studies have established empirical support for the notion that transformational leadership has a substantial role in enhancing the psychological well-being of employees. In a study conducted by [11], the focus was on investigating the relationship between transformative leadership and the psychological well-being of employees inside a medium-sized German firm operating in the lighting industry. According to the author, managers play a crucial role in the realisation of a compassionate work organisation. The objective of transformational leadership is to analyse and identify leadership characteristics that enhance employees' understanding of the significance and worth of task results through the communication of a vision for the future, the provision of practical action plans, and the provision of personalised assistance. The present study found that both transformational leadership and gender exerted a notable influence on transformational leadership, however psychological well-being, social capital, and age did not demonstrate a significant impact. The variables of psychological well-being and social capital were found to exert a substantial influence on psychological well-being, whereas transformational leadership, age, and gender were not observed to have a significant impact. Hence, it is advantageous for organisations to allocate resources towards the development of social capital and prioritise the consideration of gender dynamics inside the workplace. Given the potential variability in the underlying mechanisms influencing employees' psychological well-being across different organisations, it is advisable for each entity to undertake a mental risk assessment in order to detect potential indicators of concern and subsequently implement appropriate measures.

[12] did a study with the objective of doing a meta-analysis on the association between transformational leadership and well-being within the service industry. Additionally, the study aimed to examine how employee gender and service sector act as moderators in influencing the strength of this relationship. The results of this study indicate that male employees and individuals employed in sectors outside of healthcare reported higher levels of felt well-being when leaders exhibited transformational leadership behaviours. The aforementioned studies provide empirical evidence supporting the existence of a favourable correlation between transformative leadership and the well-being of employees. The research also emphasises the utilisation of a convergent mixed methods approach as a valuable methodological strategy for studying lexical and statistical data. [13] conducted a comprehensive literature analysis in the public sector to address two specific research inquiries: (a) To what extent does transformative leadership have a predictive effect on employee well-being? If this is the case, what are the methods and timing of this prediction? The study revealed that there is a positive correlation between transformational leadership and positive indicators of well-being, whereas there is a negative correlation between transformational leadership and negative indicators of well-being, such as poor well-being. Nevertheless, new research indicates that the correlation between these variables is not always straightforward. Furthermore, other mediating variables have been identified, indicating that in numerous instances, there exists an indirect impact of transformative leadership on the well-being of employees. While certain boundary circumstances have been explored, additional investigation is necessary about moderators. This study highlights the significance of advancing in this field by employing more rigorous research methodologies to establish causality, clearly describe outcome variables of interest, examine distinct dimensions of transformational leadership, and explore more intricate relationships.

Some of the previous research above suggests that leaders who adopt this transformational leadership style often create work environments that support professional development, provide positive feedback and facilitate productive collaboration. However, while there is strong evidence, there are still many elements that require deeper understanding.

One aspect that deserves deep attention is the diversity of the context in which organisations operate. Work environments can exhibit enormous variations, and these differences can be influenced by a variety of factors

such as the type of industry, the unique culture of the organisation, as well as the geographical location in which the organisation operates [14]. In some cases, what is considered effective in one context may not produce the same results in a different context. It is crucial to recognise that the effectiveness of transformational leadership in improving the psychological well-being of employees is largely dependent on several contextual factors. The potential influence of transformational leadership on cultivating a favourable atmosphere for the psychological well-being of employees may depend on the distinct dynamics present in a specific industry, the cultural values embraced by an organisation, and the particular nuances prevalent in a given geographical context [15]. Further investigation is necessary to examine the specific role and impact of transformational leadership on the improvement of employees' psychological well-being, taking into account the various contextual variables that may be present. The complexity of these several components requires further investigation. This will aid organisations in developing a more thorough understanding of how to effectively execute leadership techniques in different situations.

The primary objective of this study is to address the existing vacuum in knowledge by conducting a comprehensive investigation of the impact of transformational leadership on the psychological well-being of employees across various organisational settings. This study aims to conduct thorough studies to enhance understanding of the ways in which transformational leaders may effectively support employees in navigating the complexities of a dynamic work environment. Furthermore, the outcomes of this investigation will also offer pragmatic recommendations for organisations in the cultivation and reinforcement of transformative leadership. Therefore, it is possible for organisations to provide a conducive work environment that promotes the psychological well-being of their employees. This, in turn, yields several advantages for all stakeholders involved, such as increased productivity, enhanced employee retention, and improved organisational sustainability in an era characterised by ongoing transformations.

This research is novel because it looks at how transformational leadership style affects employees' good-bad feelings in different types of organisations. They not only looked at the relationship, but also examined how different workplace situations could affect it. By understanding these differences, the research seeks to provide more detailed information on how transformational leadership affects employee well-being in different types of companies.

2. Method

This paper offers the results of a descriptive-qualitative study that reviews the existing literature on transformational leadership and employee psychological well-being. Firstly, it is a compilation of research on transformational leadership and employee psychological well-being, and the consequences of these activities. In addition, the purpose of this section is to provide a summary of relevant scholarly papers that explain the fundamentals of transformational leadership and employee psychological well-being and their possible applications in various organisational contexts. A comprehensive search was conducted using Google Scholar and the Google search engine to find relevant publications and data published between 2010 and August 2023. Transformational leadership and employee psychological well-being, and suitable combinations of the above were selected as keywords to ensure the search for relevant research.

This research focuses on transformational leadership and employee psychological well-being. This research intends to analyse the effectiveness of transformational leadership and employee psychological well-being across a range of organisational contexts (not specifically referring to any particular organisational unit). The research will analyse the existing literature to determine what theories, methodologies and results have been published on the topic. This research aims to explain how transformational leadership can bring about employees' psychological well-being by describing the framework, benefits, and barriers of applying transformational leadership styles in organisational contexts.

Summarising the contents of the papers selected as targets, and organising them by year, measurement graphs, frequency differences, and percentages based on the general characteristics of the research subjects were obtained. In addition, the relationships between variables related to transformational leadership and employees' psychological well-being across different organisational contexts were analysed.

The main criterion for article selection was how well employees' psychological well-being is when organisational leaders implement transformational leadership style practices. All publications published between 2000 and 2023 that were accessible through Google Scholar and the Google search engine were included in the analysis of the current review. In addition, peer-reviewed literature on the topic written in English was also included in this study. Conference papers, non-peer-reviewed articles, and publications not written in English were also included in this study due to the quality of discussion and appropriateness of the topic.

216 papers were selected for additional review after an initial evaluation of 1009 published article titles. After duplicates were removed, abstracts of 116 papers were selected for screening. After screening, the full articles of the remaining 33 publications were selected, while the abstracts of the remaining 83 publications were ignored. After carefully reviewing the publications, 27 studies that did not fulfil our inclusion criteria were eliminated. The remaining 56 articles were considered in this study for high-quality data analysis. Each of them is shown in Figure 1.

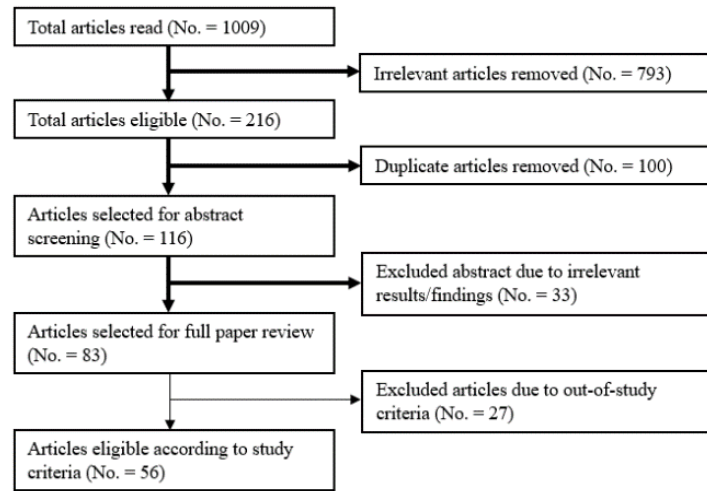


Figure 1. Review process adapted for the transformational leadership and psychological well-being of employees in organisations

3. Result and Discussion

Employee psychological well-being is one of the key pillars that has a significant impact on the long-term success and sustainability of an organisation. The concept embraces crucial aspects of an employee's experience at work, extending into their psychological, emotional and mental domains [16]. More than just a set of aspects, psychological well-being is an integral foundation that not only encompasses high feelings of motivation and job satisfaction, but also leads to deep engagement in every task performed by employees. In the increasingly competitive and dynamic context of today's business world, the importance of understanding employees' psychological well-being as a key element in achieving organisational excellence has become even more fundamental. Psychological well-being that permeates the organisational structure results in individuals who are more inspired, skilled, and have the capacity to face challenges with high creativity and resilience [17].

However, it should be noted that to achieve optimal levels of psychological well-being, organisations must be committed to creating a work environment that supports individual development, recognises and addresses factors that can be disruptive, and values employees' integral role in the achievement of organisational goals. Moreover, a deeper understanding and critical approach to psychological well-being is becoming increasingly important amidst the ever-increasing pressures of the modern workplace, where factors such as technological change, global competitive pressures and volatile market dynamics continue to influence and create complex challenges for organisations and their employees [18].

In the relentless pursuit of achieving and maintaining employees' psychological well-being, the role of leaders within the organisational structure hangs in the balance. The understanding and implementation of transformational leadership is emerging as a critical factor that has far-reaching implications for the formation of a work environment that can effectively support and maintain employees' psychological well-being. Transformational leadership is not just a conventional leadership approach; it is a form of leadership that plays a critical role in creating an organisational culture that promotes psychological well-being [19]. How transformational leaders interact and communicate with their employees can have a very significant impact on employee perceptions and performance in the work environment.

When leaders adopt an effective transformational approach, they are able to inspire, motivate and direct employees to reach their full potential [20]. This creates a ripple effect involving better levels of psychological well-being, higher productivity, deeper job satisfaction, and more stable employee retention. However, achieving these outcomes requires a deep understanding of how transformational leadership principles can be appropriately applied in unique organisational contexts. Therefore, exploring and critically analysing the way transformational leadership interacts with internal organisational dynamics is an important element in the effort

to create a work environment that supports employees' psychological well-being and makes them valuable assets in the face of change and competition in the ever-changing business world [21].

Leaders who espouse a transformational approach emerge as very different and far more complex entities than conventional leaders in a number of aspects [22]. One of the main differences that emerges is the presence of a series of key characteristics that underlie the transformational leadership style. Among them, there is a very crucial dimension, namely the extraordinary ability to inspire and motivate the individuals under their leadership. Transformational leaders manifest themselves as people who have an unrivalled vision of a desirable future [23]. This vision is not merely a rhetorical exposition, but rather a potent perspective that empowers individuals to guide the entire business towards their desired trajectory. Nevertheless, what distinguishes transformational leaders from other leaders is their exceptional capacity to effectively articulate their vision, so inspiring and compelling individuals in their vicinity.

Transformational leaders have the ability to not only lead by personal demonstration, but also serve as catalysts for instilling profound levels of enthusiasm and dedication inside their team members [24]. They possess the capacity to motivate individuals to beyond their personal boundaries and attain levels of achievement that surpass commonly anticipated norms. A critical understanding of these characteristics is therefore crucial in the quest to recognise and maximise the impact of transformational leadership in an organisational context.

From the perspective of the importance of psychological well-being in the workplace, the role and impact of transformational leadership has become a profound and relevant debate. One of the key dimensions in this debate is the recognition of the highly positive impact that transformational leaders can have in the context of employees' psychological well-being. First of all, transformational leaders often serve as unrivalled role models for their team members [25]. They do not simply deliver messages about the importance of integrity, high work ethics and solid values; they, with consistency and clarity, radiate these characteristics through their daily actions and behaviours. In this regard, transformational leaders create an environment that permeates with a high sense of acceptance, appreciation, and motivation, making employees feel recognised, accepted, and naturally motivated to follow in the footsteps and examples set by their leaders.

Not only that, transformational leaders are also able to create a kind of collective synergy among their team members [26]. This not only creates a progressive work culture, but also promotes psychological well-being through a deep sense of involvement in shared efforts and a shared understanding of the organisation's vision and goals. In this context, the role of transformational leaders becomes increasingly important as a pillar in creating a work environment that supports employees' psychological well-being, which in turn, impacts higher productivity, job satisfaction and employee retention.

Besides the important aspects already mentioned, the role of transformational leaders reaches deeper and essential areas in shaping employees' psychological well-being. One element that stands out in transformational leaders is their exceptional ability to communicate a vision that is not only powerful, but also inspiring about the future of the organisation [27]. They are not just leaders who have a vision, but who exemplify that vision in their every action and word.

In practice, transformational leaders are able to embrace the role of a narrator who projects a highly evocative and inspiring image of how the future will be better. They not only present a vision, but are also able to paint a deep picture of how each individual in the organisation can contribute to the journey towards this envisioned future. The result was a very clear and shared goal for the entire team [28].

Employees who feel deeply connected to this vision feel that their work has a deeper meaning. They don't just see their work as a series of routine tasks, but as part of a larger journey towards positive change and outstanding achievement. This sense of connection to the vision also acts as a powerful motivational driver, helping employees to overcome obstacles and challenges that may arise in their journey towards the desired future. Therefore, the transformational leader's ability to communicate and ground the organisation's vision is crucial in shaping sustainable psychological well-being and positively impacting both the individual level and the organisation as a whole [29].

Apart from the attributes that have been emphasised, transformational leaders also have a very important role in stimulating the spirit of critical thinking and creativity among their employees. They are not just leaders who encourage independent thinking, but are also able to create an atmosphere where challenging and innovative questions are encouraged and rewarded. By adopting this approach, transformational leaders initiate a deeper and more layered thought process, inviting employees to think beyond just performing routine tasks.

Effective leaders in this approach not only manage or supervise, but also encourage employees to explore more creative thinking, challenge the status quo, and develop innovative solutions to organisational challenges [30]. The result is a work environment where employees' contributions are appreciated, and this can contribute significantly to increasing their job satisfaction. When employees feel that their critical thinking and creativity are valued and supported, they tend to feel more connected to their work, feel more meaningful in their roles, and ultimately, attain a more stable and positive psychological well-being. Therefore, the presence of

transformational leaders who are able to motivate employees to think more critically and creatively is not only a strategic advantage for organisations, but also an important element in shaping strong and sustainable psychological well-being. By making room for innovative thinking and encouraging creativity, transformational leaders help organisations face changes and challenges in a more adaptive and competitive way [31].

Beyond conventional leadership approaches, transformational leaders often practice highly individualised attention to each member of their team. They manifest a highly proactive role in understanding the needs and aspirations that are unique to each individual under their care. In practice, these leaders do not just act as signposts or supervisors, but also as mentors and facilitators of personal and professional growth for their employees. They invest in providing valuable guidance and provide the necessary resources to help each individual grow and develop personally and contribute more fully in the work environment. Transformational leaders are also there to provide support when needed, creating a space where employees feel heard and empowered. In practical application, the dynamic between leaders and employees tends to develop into a close bond, characterised by a substantial degree of trust and genuine concern [32].

Transformational leaders foster an environment in which employees experience a profound sense of acceptance and empowerment via the establishment of close and meaningful connections [33]. This phenomenon fosters heightened levels of job satisfaction and contributes to enhanced psychological well-being. Leaders who possess a profound comprehension of the persons operating under their guidance are able to effectively address the psychological and emotional requirements of their employees in a highly personalised and significant manner. Hence, the capacity of transformational leaders to establish personalised and compassionate connections is not just an efficacious leadership strategy, but also a pivotal determinant in cultivating enduring psychological well at both the individual and organisational levels. Transformational leaders play a crucial role in fostering an organisational climate that cultivates a sense of worth, encouragement, and optimal growth among employees [34].

Nevertheless, it is crucial to bear in mind that the transformational leadership method is not a universally applicable solution that can be implemented in all circumstances or with all persons. The efficacy of a leader who adopts the principles of transformational leadership is significantly impacted by a multifaceted assortment of contextual elements. These elements encompass, yet are not restricted to, the prevailing corporate culture, evolving job demands, and the distinct attributes of individual employees within the firm.

Given the multifaceted and ever-changing nature of these issues, leaders who embrace a transformational approach are required to exhibit a considerable level of adaptability in their leadership style. It is vital for individuals to comprehend that a methodology that proves successful in a particular scenario may not yield the desired outcomes when applied in a dissimilar context. Hence, it is imperative for a leader to possess proficient adaptability abilities in order to effectively practise transformational leadership, enabling them to navigate diverse scenarios with agility and appropriateness.

An instance where a leadership style characterised by high levels of authority and transformative qualities may prove useful is during emergency scenarios that necessitate prompt decision-making and immediate action [35]. Nevertheless, when operating inside a collaborative framework or within an organisational culture that promotes equality, employing such a methodology could potentially yield adverse outcomes and have a negative impact on interpersonal dynamics. Therefore, a successful transformational leader must be able to combine elements from different leadership styles and adapt them to the needs and context at hand. So, while transformational leadership can be a very powerful tool in shaping psychological well-being in the workplace, awareness of its complexities and flexible adaptation skills remain key to ensuring that this approach is applied wisely and effectively in a variety of diverse situations.

Fundamentally, the role that transformational leadership plays in enhancing employees' psychological well-being is a crucial element that cannot be ignored or underestimated. Leaders who are able to embrace the role as agents of positive change in the organisation, able to inspire, motivate, and create a work environment that supports individual development, have a very significant positive impact on employees' psychological well-being. In this context, transformational leadership becomes a key pillar that forms the basis of a productive, creative and high-performing work environment. It creates an atmosphere where employees feel supported and empowered to reach their full potential, where innovative ideas are encouraged, and where high motivation is the norm.

3.1 Transformational Leadership Value for the Whole

The results of investing in transformational leadership not only create benefits for the individual employee or the organisation, but also have a positive impact that reaches further into society as a whole. By creating a work environment that encourages individual development and enhances psychological well-being, organisations can act as entities that contribute to the building of stronger and more sustainable communities [36]. Therefore, appreciation and commitment to transformational leadership development should not only be seen as an expense, but as a strategic investment in long-term well-being and success. It is a wise and critical

step in creating a work environment that supports, empowers and stimulates individual development, which in turn, creates widespread positive impact within the organisation and society at large.

In an ever-evolving business era with increasingly complex dynamics, there is a need to place a deeper and critical emphasis on the role played by transformational leadership. In the context of this ever-changing and challenging work environment, the role of leaders who adopt a transformational approach becomes even more crucial in guiding organisations and employees towards a successful and sustainable future. Despite the possibility of challenges and changes that could come at any time, transformational leadership emerges as a solid and indispensable foundation in achieving and maintaining optimal employee psychological well-being [37]. Achieving high psychological well-being is not a one-time achievement, but an ongoing effort that requires commitment and a sustained approach from the entire organisation [38].

In this context, the role of transformational leaders emerges as a key element that shapes a productive, creative and high-performing work climate. With their ability to inspire, motivate and create an environment that supports individual development, transformational leaders play an important role in creating an adaptive and psychological well-being-oriented organisational culture. Therefore, in the face of the uncertainties and dynamics inherent in the modern business world, the role of transformational leaders cannot be ignored. On the contrary, this role should be considered highly valuable and strategic in ensuring that the organisation and its employees are able to face the various challenges that arise and take appropriate steps towards a successful and sustainable future:

- a. **Establishment of a Positive Organisational Culture:** Transformational leaders play a central role in shaping a positive organisational culture. They create an environment where integrity, hard work, co-operation and innovation are valued. Such a culture supports employees' psychological well-being as it creates an atmosphere where individuals feel respected and empowered.
- b. **Encourages Individual Growth and Development:** Transformational leadership pays attention not only to performance results but also to the personal and professional development of employees. They give individualised attention and provide constructive feedback to help employees grow. In this kind of environment, employees feel valued and supported in reaching their full potential.
- c. **Presents an Inspiring Vision and Goals:** One of the key strengths of transformational leaders is their ability to communicate an inspiring vision. This helps direct employees' focus towards something bigger than day-to-day tasks. Employees who feel connected to this vision tend to feel more meaningful in their work and have high intrinsic motivation.
- d. **Creating Social Support and Collaboration:** Transformational leaders are known for their ability to foster a culture of collaboration and social support within teams. Individuals cultivate robust interpersonal connections that serve as a valuable source of assistance and solace when confronted with challenging circumstances and demanding situations. Additionally, the use of this strategy has the potential to mitigate workplace conflicts, hence exerting a detrimental influence on individuals' psychological well-being.
- e. **Reducing Stress and Emotional Fatigue:** Transformational leadership is also a significant factor in assisting employees in effectively coping with work-related stress and strain. Leaders have the ability to mitigate the adverse effects of work-related stress on the psychological well-being of employees through the provision of essential support, guidance, and resources.

The point that needs to be underlined is that the importance of transformational leadership in improving employees' psychological well-being is a very significant contribution to the company. Transformational leaders are responsible for establishing a conducive work environment that fosters positivity. Additionally, they possess the ability to inspire and motivate employees, enabling them to achieve their utmost capabilities. Furthermore, these leaders offer the essential assistance required to surmount obstacles and difficulties. By engaging in this practise, individuals not only enhance their personal well-being but also contribute to the long-term success of the company through the promotion of productivity, work satisfaction, and staff retention. Consequently, the allocation of resources towards the cultivation and reinforcement of transformational leadership not only holds significance for the well-being of employees, but also for the overall prosperity and enduring nature of the company.

4. Conclusion

The role of transformational leadership in enhancing employees' psychological well-being inside the workplace is of considerable importance. Transformational leaders play a crucial role in cultivating a work environment that fosters employee value, motivation, and alignment with the organization's vision and objectives. This is achieved through their capacity to inspire, motivate, and establish a positive work culture. The aforementioned phenomenon exerts a favourable influence on various aspects, including job satisfaction,

motivation, engagement, and individual growth. In light of the above elucidation, the recommendations that can be proffered encompass:

- a. **Leadership Development:** It is imperative for organisations to allocate both time and resources towards the development of transformative leadership. This encompasses many initiatives such as training, mentorship, and leadership development programmes, which aim to provide leaders with the essential abilities required for transformative leadership.
- b. **Employee Engagement:** Facilitating employee engagement in organisational change and decision-making processes holds significant importance. The facilitation of engagement can be achieved through the practise of transformational leadership, which involves actively listening to and valuing the ideas of employees, while also playing an active part in the pursuit of the organization's vision.
- c. **Support for Mental Health:** It is imperative for organisations to offer robust assistance in promoting the mental well-being of their personnel. This include the provision of mental health services, the mitigation of excessive work pressure, and the promotion of a harmonious work-life equilibrium.
- d. **Evaluation and Feedback:** Regular evaluation of the implementation of transformational leadership is crucial. Employees have the ability to offer comments pertaining to their encounters with the leader as well as the leadership programme. This approach facilitates the identification of areas that require enhancement.
- e. **Contextualisation of Leadership:** The effectiveness of transformational leadership may vary across different circumstances and enterprises. Hence, it is imperative for leaders to possess the capability to adapt their leadership approach in order to effectively address the unique requirements and intricacies of their respective organisations.

Organisations can foster a conducive work environment that facilitates people' maximum potential by placing emphasis on transformational leadership and attending to employees' psychological well-being. This is not just a financial commitment to the workforce, but also a strategic investment in the enduring prosperity and viability of the institution.

The limitation of this study lies in generalisability. Research into the role of transformational leadership in enhancing employees' psychological well-being may have limitations in terms of generalisability. The effectiveness of transformational leadership may vary across different industries, organisation sizes, and cultural contexts. Therefore, findings from one particular study may not be directly applicable to all organisations. Future research that will examine similar topics should be mindful of long-term effects. Research should explore the long-term effects of transformational leadership on employees' psychological well-being. Understanding whether these effects are sustained over time and how they evolve can provide valuable insights for organisations.

As a side note, the novelty of this study lies in its comprehensive approach in investigating the impact of transformational leadership on employees' psychological well-being across different organisational settings. This research not only seeks the relationship between transformational leadership and employee well-being, but also explores the contextual nuances that might influence the relationship. By acknowledging contextual differences in work environments, this research aims to provide a deeper understanding of how transformational leadership affects employee well-being across different organisational settings.

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