

Examining the role of Leadership Communication for Multigenerational Engagement

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Abstract: Sustainable Digital transformation in the automotive sector necessitates leadership communication to maintain employee engagement amidst rapid technological shifts. With increasing generational diversity at workplace, there is a need for leaders to adapt their communication style by adopting a more transparent approach and use digital communication while managing Gen Zs. Knowledge sharing and psychological empowerment serve as a mechanism to influence employee engagement through leadership communication. This systematic literature review examines the role of leadership communication in fostering employee engagement, with knowledge sharing and psychological empowerment as mediating variables and generational differences as a moderating variable. The study addresses the research problem: *How does leadership communication facilitate leaders in managing a multigenerational workforce to increase employee engagement through knowledge sharing and psychological empowerment?* The study contributes to the existing body of knowledge by examining the influence of leadership communication through psychological empowerment, knowledge sharing on employee engagement, within the Indian automotive sector. Building on the social exchange theory the study highlights the role of transformational leadership in fostering higher levels of employee engagement. By incorporating generational differences as a moderating factor, the study further contributes to understanding how leadership communication and its effects may vary across a multigenerational workforce.

Keywords: *Digital Transformational Leadership; Leadership Communication; Psychological Empowerment; Knowledge Sharing; Employee Engagement.*

Introduction

Increased emphasis on workforce diversity has shaped the dynamics of workplace environments in the recent years. Effective Leadership has emerged as a critical factor in harnessing the benefits of diversity through an inclusive culture. Leadership communication plays a major role in managing a diverse and multi-generational workforce. Existing research indicates that unconscious bias can impact communication patterns, decision-making and collaboration efforts of leaders resulting in disengagement among certain group members. With increasing digital transformation and hybrid work modes, transparency in leadership communication influences the perceived quality of leader-member conversations. The adoption of digital tools can lead to generational disparities, with older employees potentially facing challenges in adapting to new technologies, which can result in misperceptions and stereotypes. Leadership communication facilitates remote working, builds trust and strong relationship leading to higher employee engagement of employees [1] Digital Technologies improve agility and communication that can enhance the effectiveness of its workforce by streamlining communication. Such agile practice can lead to better engagement of workforce [2]

The socio-technical process of digital transformation required transformational leadership, clear communication, and cultures of trust and learning to foster employee engagement. Different generations are influenced by socio-technological conditions affecting communication styles, work ethics and leadership expectations [2]. The adoption of the UNSGDs contribute to creating a safe and conducive work environment. The leader's role in building a sustainable organisation through an inclusive culture and

innovation contributes towards Sustainable Development Goal 9 (SDG-9), "Industry, Innovation and Infrastructure. The study attempts to address the following problem statement, How does leadership communication facilitate the leader to manage a multigenerational workforce to increase employee engagement through knowledge sharing and psychological empowerment? The study addresses the following research questions : RQ1. How does leadership communication using digital tools influence sustainable employee engagement in a multigenerational workforce through knowledge sharing and psychological empowerment? and RQ2 : To what extent do generational differences moderate the relationship between digital leadership communication and employee engagement in a multigenerational workforce?

Related work

Leadership Communication and Employee Engagement

Leadership communication, particularly through transformational leadership behaviors, significantly influences employee engagement, satisfaction, and overall well-being by fostering a sense of belonging, trust, and inclusivity. Effective communication from leaders enhances work relationships, helps employees feel valued, and creates a supportive organizational culture, which are all crucial for engagement and satisfaction, especially in virtual and hybrid work environments. Effective internal communication plays a significant role in improving employee well-being by cultivating trust between the employer, employees, and among colleagues [3]. Leadership communication, with emotional intelligence (EI), enhances employee engagement across different generations in a multigenerational workforce. Digital Transformational Leadership has a significant positive effect on Employee Engagement, Pay Satisfaction, and Organizational Commitment. Automotive companies should focus on enhancing digital leadership skills among their leaders [4]. Leadership can foster inclusive, sustainable remote working practices aligned with UN SDGs 5 (gender equality), 10 (reduced inequalities) and 11 (sustainable cities and communities) Generational theories provide a lens through which to examine interactions between different generational cohorts.

Leadership influences performance of employees through the mediating effect of employee engagement. Charismatic leadership based on the Transformational Leadership Theory, helps to establish strong bonds with employees, facilitating higher engagement and outcome. Such an approach also contributes to higher motivation and loyalty. [5]

Knowledge Sharing (KS), and Psychological empowerment (PE)

Shift towards sustainable and digital practices in organizations is transforming employees’ mindsets and work performance. Based on the Social Exchange Theory (SET), knowledge sharing (KS), and psychological empowerment (PE) are key predictors for employee engagement in digital workplace [5]. The findings of Chae & Zhu (2024) identified that knowledge sharing and psychological empowerment significantly mediate the relationship between transformational leadership and work engagement. The findings indicate that empowering employees psychologically plays a more substantial role in translating transformational leadership into work engagement. The study established that transformational leadership enhances work engagement through the dual mediation of knowledge sharing (behavioral dimension) and psychological empowerment (attitudinal dimension) [6]. However, there is a further need to examine this relationship across different generations and in the Indian Automotive sector. The following Table 1, summarizes findings of major empirical research on transformational leadership and employee engagement :

Table 1. Major research findings

Study (Citation)	Primary Industry Context	Identified Mediating Variables	Key Performance Outcomes
Hizam et al. (2023)	Malaysian higher education sector	Knowledge sharing; Empowerment	Employee engagement & performance

(Chae & Zhu, 2024)	Service and education industries in China	Mediating role of attitudinal (Knowledge sharing) & behavioral (Psychological Empowerment)	Work engagement.
Wu & Lee (2020)	Healthcare work-group settings	Intrinsic motivation; leadership-related mechanisms; knowledge sharing is examined in the model	Knowledge sharing and employee engagement
Hooi & Chan (2023)	Malaysian management-level companies	Workplace digitalisation and organisational culture	Employee engagement and performance
Sidik et al. (2025)	Modern digital organisational environments	Leadership transformation and adaptability	Employee engagement and performance
(Jonathans et al., 2026)	Sales Team in Automotive sector	Organizational Commitment	Employee Engagement
Mphaluwa et al. (2025)	Employees in private SMEs	Employee Engagement	Employee Performance

Key Contribution

The study contributes to the existing body of knowledge by examining the relationships between digital transformational leadership, employee psychological factors such as employee engagement specifically within the automotive sector [4]. The study would highlight the important of transformational leadership in influencing both attitudinal (psychological empowerment) and behavioral (knowledge sharing) aspects of their teams to improve engagement. The research provides actionable insights for organizational leaders to design adaptive communication strategies that improve engagement, collaboration, and workforce alignment during digital transformation initiatives.

Method, Experiments and Results

The study adopted a structure systematic review process for achieving the objectives of the study. Systematic Literature review synthesizing existing research empirically or theoretically addressing, (a) Leadership Communication in Digital Workspace, (b) Knowledge Sharing and Phycological empowerment as a mechanism and ©Employee Engagement for sustainable practices. (d) Multigenerational workforce as a moderator. Studies on leadership, use of digital tools and multi-generational workforce, with a preference for research in India and other economies to ensure contextual relevance. Peer-reviewed journal articles, books, and conference proceedings published primarily between 2015 and 2025, ensuring contemporary relevance.

Discussions

Findings suggest that younger employees require different leadership approaches, emphasizing flexibility, ethical considerations, and technological integration to maintain engagement and retention. Organizations need to adapt leadership practices to better accommodate the expectations of Gen Z. The review of literature and the findings presented in table 1, indicate that leadership significantly influences employee engagement. Knowledge sharing and empowerment can act as a mechanism to influence the impact of leadership communication on employee engagement. Psychological empowerment enhances employee engagement, which in turn positively affects knowledge sharing behavior (Kosar & Naqvi, 2015). The synthesis of current literature supports the extension of Social Exchange Theory, confirming that digital leadership acts as a critical organizational resource that fosters employee engagement and commitment through mechanisms like empowerment and affective commitment.

Conclusions

1. The study address they research question on, 'How does leadership communication facilitate the leader to manage a multigenerational workforce to increase employee engagement through knowledge sharing and psychological empowerment?'
2. Through Review of Literature of research on leadership, employee engagement, knowledge sharing and empowerment the study examines the mediating effects.
3. Digital Communication of transformative leaders influence employee engagement through knowledge sharing and psychological empowerment.
4. Many studies rely on cross-sectional survey data, that limits the ability to establish causal relationships over time. A significant portion of research is confined to specific sectors or single-company case studies.

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