

Continuous Growth through Transformational Leadership and Employee Engagement: A Case Study of an IT Company in Sri Lanka

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Abstract: Information Technology is an evolving industry in the world. V S Information Systems (PVT) Ltd. (VSIS) is a start-up IT company established in 2009 and a subsidiary of VS group. They have been in the IT industry known as a systems integrator and fallen under the top five industry leaders in Information and Communication Technology solutions. The company has demonstrated continuous growth significantly as an outcome of its operations during the last few years. Many factors consider continuous growth through the dimensions of revenue growth, total assets, and the number of employees. The company has predominantly achieved success through transformational leadership and employee engagement as key drivers. A qualitative research approach explored how the company's continuous growth has been influenced by transformational leadership and employee engagement. The study's conceptual indicator framework was designed by taking considerable success factors directing towards continuous growth. Market competition played a moderating factor in this successful journey as an external feature. Secondary data such as financial statistics, employee information, asset details, and awards were collected under company-approved sources. Ten in-depth interviews representing key personnel of the company and four focus group discussions representing diverse workgroups were carried out to gather insights into the company's continuous growth. Location visits, internal documents, and image repositories can collect physical information. The authors have discussed vital learning points in this article to benefit HR professionals who intend to drive a company to the next level of success.

Keywords: *Continuous Growth, Employee Engagement, Transformational Leadership*

Introduction

System integration is the process of incorporating all physical and virtual elements of a system in an organization. Physical features consist mainly of computer hardware and machinery systems, whereas virtual elements consist of databases, applications, and software. The process of integrating these elements to work or deliver as a single system is system integration. This process is essential for business to business (B2B) and internal operations within an enterprise. The key reason for applying system integration in an enterprise is to improve the quality and productivity of their process. A reliable partner with

technical expertise and social awareness to join in such projects delivers a huge advantage.

The ICT industry in Sri Lanka is its fourth-largest exporter earner. Mainly software products and services contribute to serving most of the world's geographical locations, specifically North America, Australia, East Asia, and Africa. More than 300 ICT companies and service providers fall into this category. The Information Technology industry is rapidly growing in Sri Lanka as ICT fulfills a broader spectrum of areas. Sri Lanka is the first South Asian nation who become a state party to the Budapest Convention of Cybercrime which was led

by the Information and Communication Technology Agency (ICTA) of Sri Lanka. IT is an evolving industry in the world. V S Information Systems (Pvt) Ltd. (VSIS) is a start-up IT company established in 2009 and a subsidiary of VS group from 2009. They have been in the IT industry for more than 11 years now. They are systems integrators and have fallen under the top five industry leaders in ICT solutions providers. They have done several implementations, considering the first implementation in Sri Lanka.

Theme of the Case Study

The theme of this case study is transformational leadership towards continuous organizational growth. Starting as a small player among existing industry giants, VSIS rose over ten years to a competitive position. They have achieved significant growth in revenue, employment, recognition, and expansion in different IT segments. Today (2021), VSIS is a five billion rupees' company. The success story of the VSIS journey is intended to uncover the critical success factors that have driven the company for its continuous growth in the last decade. By competing with existing market leaders in the Sri Lankan IT industry, VSIS has succeeded in getting into those established players within a short period.

Objectives of the Study

Authors have identified a uniform development of VSIS in revenue and employment growth in its young journey of 10 years. The focused objective of this case study is to identify the critical success factors lying behind the continual development of this company. Therefore, the objectives are as follows.

1. To identify how V S Information Systems was able to perform continuous growth from 2013 to 2019
2. To explore transformational leadership and employee engagement in the company
3. To explain whether continuous growth is influenced by transformational leadership and employee engagement

Scope of the Study

The scope of the case study is to evaluate the continuous growth of V S Information Systems (Pvt) Ltd. from 2013 – 2019. The unit of analysis considered in this case study report is V S Information Systems (Pvt) Ltd., an IT company. Therefore, each department in VSIS, such as sales and marketing, engineering, human resources, finance, logistics, project management, and quality assurance, is considered. VSIS is under VS group and managed as a separate entity. Mr. Prasanna Wijeratne, Director, and Mr. Saman Silva, Director, have initiated the company with the idea, and both carry more than 20 years of industry experience.

Literature Review

Continuous Growth

Organizational growth drives the business to sustain changes, government regulations, or economic fluctuations in the market irrespectively. Continuous growth assists and enhances the survival capability of an organization. The challenge is not initiating a company but leading it to grow (Monteiro, 2019). Continuous growth is required for long-term existence in every market. Many factors can measure steady performance, and financial performance takes the priority out of them. It indicates how successful the organization operates in the market and how strong its cash flow is. It is merely the operational capability rather than profit-making. While gross profit and net profit are equally crucial for the long-time journey, organization performance can be demonstrated by total revenue

growth, net income growth, total asset growth, market share, and overall success or performance as key objective indicators (Allen & Helms, 2006). Total assets are the resources of a company. It is a mix of current assets and non-current assets. Assets are an investment that the company has already paid, expecting a higher return. When total assets are higher in a company, it is considered as they are in a better position to invest.

Goals of the organization, organizational restructuring, market-oriented activities, and business relationships contribute to the organization's growth. Leadership styles, strategic thinking, decision making, and market approach considerably impact continuous organizational growth (Littunen & Virtanen, 2009). Employee growth is another factor used to measure continuous growth in an organization. When the organization increases its opportunities, it also needs to increase its capacity. Hence, employee growth demonstrates the growth of an organization. Low employee turnover and employee retention are also considered critical supportive characteristics. The continuous growth of a company is strongly connected with employees. Employees' performance, capability, capacity, and commitment considerably impact the company's growth. A healthy cycle and a mix of employees should implant in an organization to keep it running for continuous growth (Breugh, 2013). Barney (1991) argues that physical capital includes company equipment, location, material technologies, and human capital.

Transformational Leadership

Transformational leadership is all about inspiring and influencing followers and employees towards achieving a vision or a set of goals. They display idealized influence through their behavior and expressing their beliefs (Charbonneau, 2004). Idealized influence affects trust and

honesty. It encourages employees to have faith in the leadership. Since leaders are powered legally, employees should know that they do not misuse their power. Trust has a direct impact on employee contribution. Hence, leadership trust acts as a social bond with employees (Yang, 2016). Transformational leaders serve as role models. Their characteristics tend to persuade employees to emulate. They influence and motivate employees to perform better through developing themselves (Sattayaraksa & Boon-iit, 2018). Transformational leaders inspire their followers to achieve superior accomplishments. They use the emotional experience to motivate followers through compelling vision (Hoption et al., 2013). Proper visionary thinking gathers employees around the leadership, and they will be a part of the success as well. It enriches employees' job satisfaction (Gillespie & Mann, 2004). Exceeding expectation is a part of the process which transformational leaders follow. They encourage followers to get into the target without stopping. It boosts the self-interest of going beyond (Rafferty & Griffin, 2004).

Transformational leadership motivates and encourages followers to make their own decisions. They further encourage them to be and think independently. The 'Think out of the box' concept is all about creativity. Performing the same task differently releases multiple outputs which differ from each other. Creativity makes people free from stress. Imagination and stimulating thinking lead employees to be innovative. Innovation is key to success, and transformational leaders highly encourage innovation (Bolkan & Goodboy, 2010). Intellectual stimulation enhances the decision-making ability of followers. Then addressing problems and responding to them becomes easier without panicking (Loon et al., 2012). New problem-solving approaches make employees empathetic

and emphasize rational solutions for issues (Bass, 1999). Individualized consideration is being responsive to followers. It further requires active listening to employees' ideas. Leadership should be continuous in a company. Transformational leaders coach and mentor employees while developing a second level of leaders (Singh & Krishnan, 2008). In mentoring, leaders listen actively and understand employees' comments and concerns (Jung et al., 1995). Transformational leaders tend to delegate responsibilities to their followers and empower them with authority to make them practice. They provide the opportunity to learn through experiences.

Employee Engagement

Employee engagement is a workplace approach committed to its best to its goal and values. It is a motivational emotion that leads to organizational success. Employee engagement is based on the trust of both parties of employee and employer. It is a two-way commitment and communication. This approach increases the possibility of the business's success while contributing to the organization and individual performance and productivity (Smith & Bititci, 2017). It is further considered as being a member of the team. Focused on clear goals, supported in developing new skills, being trusted, and empowered, and recognized for achievement are also included in employee engagement. The working environment makes a significant impact on employee engagement. A comfortable and supportive atmosphere makes employees contribute to their fullest capacity (Anitha, 2014). According to Lappalainen et al. (2019), engaged employees are energized to contribute to the company and see unexpected requests as challenges rather than threats.

Employee engagement has become an essential indicator in gauging work satisfaction. Organizations with higher

employee engagement strive for customer satisfaction, increasing productivity and operational efficiency. Increase organizational profitability, and such employees maintain lower absenteeism and a lower turnover. The positive interpersonal relationship and collaboration between the team and departments can place everyone in the same position. This relationship makes an engagement with employees as well as with the company. Hence, it contributes to organizational growth (Shahidan et al., 2016). Training will keep employees' knowledge updated, and it helps to develop their careers as well. These offered training make employees feel their value and asset to the company. While it supports providing a better service with more accuracy, it motivates the employees to contribute more than expected (Mohanty & Arunaprasad, 2020).

Market Competition

Competition is applicable for every industry and every segment. Due to technological innovation, competition in the information technology industry has increased more than ever. Innovation is the central aspect of these rivalries in market dynamics. Exact imitations and weaker patent protection have impacted Research & Development (R & R&D) encouragements. It might offer unexpected importance and requirement of revealing small players in the market, and the competition can become more robust. It caters to cheap products to sustain in the market, leading to a lack of innovation. It will damage the market in the long run, especially industries such as IT. However, if R&D is failed to exhibit their performance in time, proving that it is only a cost without any return, R&D might not be selected as an influencing factor (Aghion, Harris, Howitt, & Vickers, 2001). Market competition plays a crucial role in the productivity level of the market. When the competition is higher, more productive work is released. Competition

improves quality as well as efficiency. Competitors want to beat the other party. Hence, they want to provide their best to survive and sustain themselves in the market. Several studies and theoretical models have validated the relationship between market competition and efficiency (Griffith, 2001).

Market competition makes a direct impact on managerial decisions. Meanwhile, it influences the company's profitability as well. Management decisions are taken by considering most of the interrelated factors especially, external factors, which do not have proper control. Therefore, decisions are brought upon them. Studies have suggested that market competition has a positive influence on managerial incentives. It can act as a compliment (Karuna, 2007). It is further elaborated that market competition significantly impacts managerial incentives and organizational slack. If a company operates perfectly concerning market competition, the scope for corporate space should be minimum. While challenging the market competition, companies might have minimized their cost to survive in the market (Schmidt, 1997).

Consumer behavior change has also contributed to increasing market competition. To sustain the competition, small players offer IT services at a lower price to get into the market and gain experience and exposure. However, industry experience, professional qualification, and brand reputation also contribute to meeting the demands of challenging competition. Different strategies can be played by various market leaders and active emergent entrants. Business relationships can make an impact to initiate and sustain in any segment. Since the references have a considerable influence to gain more businesses, new entrants are always challenging to support industry leaders.

Case Framework and Methodology

Considering preliminary discussions author has identified that 'transformational leadership' has contributed immensely to the VSIS's successful journey, and employee engagement and service quality are supported, vital drivers. Market competition is considered the moderator of this journey of the outcome of continuous business growth of VSIS.

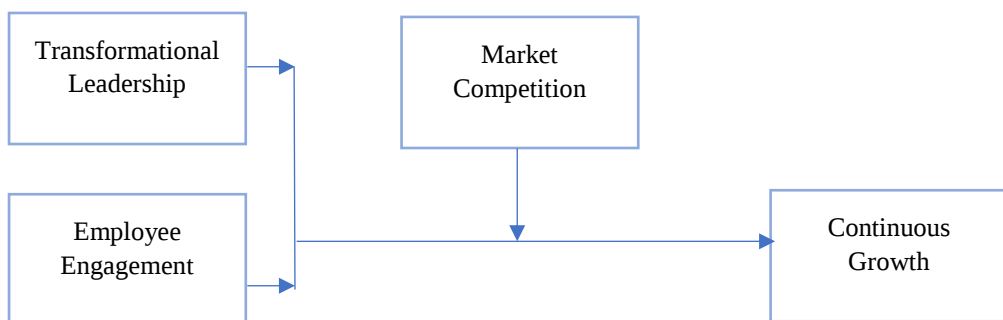


Figure 1: Case Framework
Source: Authors, 2021

Data Collection

The data collection and research method are entirely based on a qualitative research approach. As the first step, the authors have had a few discussions with company employees to gather major success events in VSIS, the causes of such events, and the company's success. These preliminary discussions have helped the authors identify the draft conceptual background and plan for areas to explore via in-depth interviews and focus group discussions, which are the primary data of this case study. Primary data is critical in qualitative research, and authors have managed to cover every aspect of the company, from top-level management to executive-level employees. A carefully designed interview guide and a questionnaire are used as guidelines to conduct these in-depth interviews and focus group discussions. The authors have conducted ten in-depth interviews and four focus group discussions.

Secondary data is collected from various sources which contain information on the company. VSIS, under VS group, functions as an independent firm. By being a private limited, they do not maintain annual reports. However, information and statistics such as annual performance reports, organizational growth, and employees' growth are reported, maintained, and presented in board meetings. History of the organization, assets acquisitions are documented in the Administration department. The VSIS branding department holds significant events, awards, and achievements. The Human Resource (HR) department maintains employee growth and turnover. The employee handbook, ISO policy, risk

management procedure, annual holiday calendar, organizational chart, etc., are available on the Human Resource Management (HRM) site. The Company website has published major projects, achievements, partnerships, solutions offering, company basic information, and more. Social media and professional networks such as Facebook and LinkedIn provide more publicly available information.

Analysis and Results

Continuous Growth

By 2009, the Sri Lankan IT industry was in the growth stage. Still, with a handful of reputed IT companies, the market has a vacuum for fast-moving and energetic young players. Financial performance is one of the critical indicators exercised to measure organizational performance. Since it is all about numbers, it is easier to get the figures and calculate. The initial investment to VSIS was forty million rupees from a neutral party named VS group. While the most challenging year of the VSIS operation, management wanted to hold into the business without focusing on profits in their first year. However, making each stakeholder delighted, the first year was a success from their maximum contribution and dedication. As Director – Sales and Marketing said, *"it was a plus year; I can remember we took the dividends as well."* According to MD, *"VSIS from year one has been successful, profitable. Beyond that, no new equity has come in, it's only the retained profit that has been capitalized"*. The company achieved 279 million of revenue in the first year, even though they have not defined a specific number. Figure 2 shows the profitability has increased from 2013.

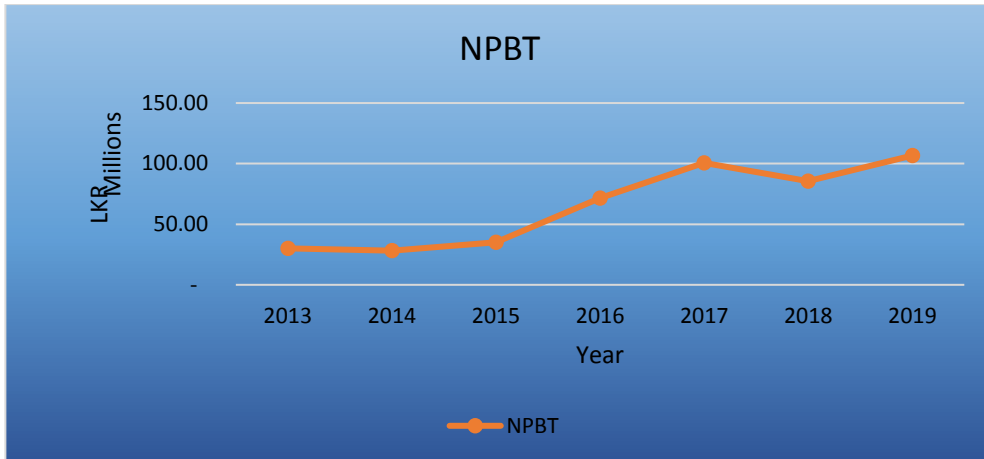


Figure 2: Net Profit Before Tax of VSIS from 2013

Source: VSIS Financial Statements (2021)

VSIS achieved beyond what they had planned in their first year. Mr. Silva, one of the co-founders, mentioned, *"If I can recall right, this 240 million, but it was profitable. That's the biggest plus. Because when we were planning at the initial stage, we never planned for a plus first year"*. It helped to benchmark themselves in the market then. Based on the financial performance, Today, VSIS

has become a five billion company. For the last 11 years, they have increased their revenue with their plans and decisions. Gradually they entered to participate with HP enterprise business and Cisco for networking business. Progressively they increased their income annually. Figure 3 shows the revenue growth for the last five years.

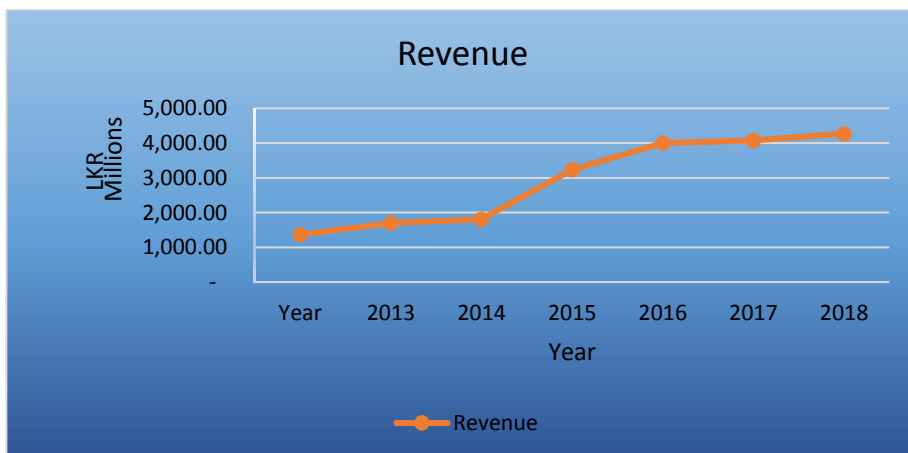


Figure 3: Revenue Growth of VSIS

Source: VSIS Financial Statements (2021)

Considering the high number of employees and as VSIS wanted to expand their warehouse capacity, both warehouse and logistic departments were moved to a different nearby location in 2017. In 2019, the network department was separated from the main building as VSIS expanded networking capabilities and capacities to sever overseas business opportunities. As Ms. Nadeesha Wickramasinghe, Manager - HR, commented, *"we have separated our logistics department in a separate place and networking department another place. For the moment, we are operating*

in four buildings". Along with these expansions, VSIS spent a lot to cater to employee requirements and provide required facilities. Separate departments such as Project Management (PM), Quality Assurance (QA), and BCP (Business Continuity Plan) are formed to streamline the processes further. In the beginning, there was only a single board room used for each meeting, even for internal discussions. At present, there are six meeting rooms across all four locations. Figure 4 shows the location expansion of VSIS.



Figure 4: Location Expansion of VSIS

Source: VSIS HRM System (2021)

For any company, employees are the most significant assets. They do contribute to bringing the company to success. Human capital is an essential factor for organizational performance. Especially, skilled and professional employees support the company's success in every aspect. Human resource management is a practice in which organizations keep practicing maintaining a healthy pool of resources. It concentrates on recruitments, retention, as well as employee management. It is always encouraged to appreciate employees' support given towards the company. As human beings are emotional species, it makes people energized.

However, when VSIS management gets the opportunity, they appreciate their employees. In a discussion on employees' contribution, Director – Engineering mentioned that *"we always treat our employees as our biggest asset in the organization. We listen to them, and we take their feedback; I would say, so the company's major success is our employees. There are a significant set of people."* From 2009 to 2021, the number of employees has increased from 20 to 250+ employees. Some employees have currently worked at VSIS from its start. Figure 5 shows how the number of employees has risen.

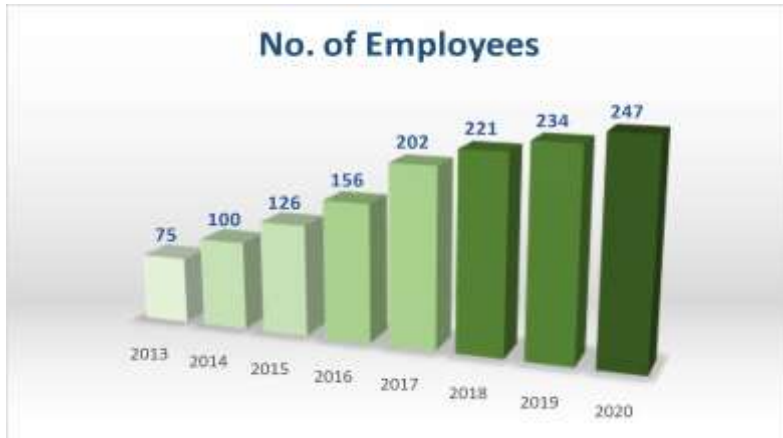


Figure 5: Employee Growth from 2013 to 2020

Source: VSIS Financial Statements (2021)

Employee retention is a critical subject for every organization. However, there are advantages and disadvantages to employee retention. From an HR point of view, a company should have a mix of new people and existing people. When new people come, they are new to its culture and environment. Hence, they can bring beneficial new ideas. The management always encourages rationalized ideas as they can change the existing thinking patterns. However, when

employees decide to leave the company, if they are value creators and the company may explore their requirements, as a company, VSIS tries to keep them. According to Ms. Nadeesha Wickramasinghe, Manager - HR words, "when it comes to the retention, we need old blood as well as new blood. So, we should have new people as well as we need old blood as well." Figure 6 shows the number of recruitments and off-boarded employees for the last five years.



Figure 6: Number of Recruitments and Off-boarded Employee from 2016 to 2020

Source: VSIS HRM System (2021)

Transformational Leadership

Leaders are the frontline players of an organization. They guide the employees to follow. According to their thinking, decisions, and management only, a company goes further. Proper leadership is mandatory for a successful company. Only under their light employee can achieve and take the company up the ladder. Each director of VSIS has different characteristics and different personalities. Multiple perceptions open to revolutionary decisions, making the company unique from other competition. With the influence of VSIS management, by the time they celebrate their first anniversary, VSIS could win the award of an emerging business partner of the year for HP enterprise business. Since VSIS maintains a friendly environment, employees can easily interact with the directors. The flat hierarchy they used to have, has shortened the distance between employees and the management. Therefore, employees are guided by the administration, and they provide the necessary advice. Assistant Manager - Technical Services said, *"because we have a flat hierarchy, low-level employees can access higher management without any issues. So, they are getting influenced by the high management"*.

Executing through trust and respect

VSIS has always been a trusted partner to work with and a trusted employer to be employed. The management is open with their employees, and whenever their thinking, strategies, and plans are changed, they keep employees informed. According to the MD, Mr. Gunasekera, they have seen that as a plus in their journey. In his own words, *"we will always be very open with the employees. If there is an issue, I think employees will also get to know that there is an issue and how do we sort out that issue, has been one of the key strengths for us"*.

Throughout the journey, the management has earned the trust and respect of people. It says that 'VSIS is a people's company. If it is not the trust they have built, people will not join them when they start. The most appropriate example to ensure their respect for other people and tolerate others' opinions is weekly board meetings. Five directors might have five different perceptions of the same situation in the forum itself. They might have different solutions to address the same. However, they finally came to a single solution, and whenever they decided to implement that, all five directors acted as one team. According to MD, *"one other thing that we have always decided this, we will all be united in whatever we do. We will have differences, but once we agree, we go after that very interestingly."*

Leading through inspirational behavior

Different personalities and characteristics have contributed to VSIS to bring to its current success level. Five directors act as role models to their employees in another proper way. Their elements have influenced their employees to bring out their qualities and capabilities. While leaders' direct employees to move forward, they take the frontline and become role models. They want their employees to follow and become the next level of leadership. People filled with knowledge and experience are similar to a filled pot. When a filled pot shakes, it pours water; similarly, a knowledgeable and experienced leader talks, he shares his knowledge, experience, and ideas. VSIS has created a culture where each employee can reach them easily. Employees do not want to make appointments to meet them. According to Manager - Business Development, *"here we have an open-door policy to talk, this is how we have to grow, this is where my idea came, and this is why we are doing this, this is the way that we have started here, this is by how we are moving in this ladder."* Therefore,

it is evident that leadership has contributed to developing their employees by their characters. The HPE Manager Recognition Award was won by Director – Sales and Marketing in 2014, and as he has acted as a role model, an employee received the same award in 2019.

Demonstrating visionary leadership

A compelling vision motivates leadership as well as employees to drive towards it. Shareholders might keep tracking the progress of achieving the vision. According to one of the co-founders, the Director – Sales and Marketing mentioned that they want to be the number one systems integrator in the South Asian region. He further elaborated that *"we want to be the number one SI in the region. It has not changed"*. With a deeper understanding of the industry, VSIS leadership understood that customers should also focus on compliances and processes while they get recognized by customers. After achieving the ISO, they renewed it for years by aligning with its standards. VSIS considered them as opportunities for their development and improvements without avoiding challenges. Changing their business strategy from trading business to enterprise sales was a challenge. Management is prudent that it would make them challenging their cash flow as the cash flow of the trading business is shorter, and payments of project business are milestone-based, which takes a long cycle. They managed to open the first HP Experience Center in South Asia in Sri Lanka.

Exceeding expectations

Sales teams are given a revenue target to achieve. If they have not reached their target numbers, the company will take preventive actions while addressing root causes. Therefore, from a sales angle, it is evident that employees have exceeded

management's expectations. As Director – Sales, and Marketing mentioned with an appreciation of their employees, *"for employees, we give numbers, the targets in sales. I see some people are brilliant, and they do than I expect. They exceed my expectations. They overcome the situation without our help, many situations where people exceed expectations"*. Few VSIS employees have exceeded management's expectations and are recognized for meeting international standards. Leaders should motivate them to exceed the anticipation for the benefit of the employees. VSIS management demonstrates that from their action. They advise employees to take the risk, accept challenges, and face the change while they already have experienced them all and are ready to help. During the Covid pandemic, when the Western province was under quarantine curfew, each director physically attended the workplace with special permission. Certain situations, breakdowns, and critical implementations were mandatory to perform and address. Employees were ready to come to work physically by exceeding the management's expectations, and they did. The MD of VSIS mentioned, *"the pandemic, none of the technicians, and the technical stuff mentioned, they can't go to customer sites. We have had people who have got infected, but none have complained. They have given more than 100% in that sense"*.

Innovation

Out-of-the-box thinking leads to addressing each problem innovatively. Leadership in VSIS always motivates their employees to make their own decisions. Even though it affects the company if something goes wrong, the administration considers it is part of a learning curve. Meanwhile, management wants employees to take the initiation. According to Manager - HR, *"the initiation should come from the employee. Management has given that environment."*

we have that opportunity. So, we have to get that opportunity, they have already given the opportunity, that we have to initiate". Innovative thinking makes a difference in the market and the industry. It is highlighted from every aspect of the business.

Further, it is an approach to attract customers as well. Being different is always a plus to the company. As Director – Engineering mentioned, *"We encourage our presales people, think differently, think of solution scalability, the total cost of ownership, then maybe it should be a superior solution, compared with the competitor solutions. Your ability to convert that opportunity always depends on your creativity"*. The first SD-WAN solution implemented in Sri Lanka to one of the leading banks is a result of the innovative thinking of VSIS. Most of the people do the same routine job. It is a personal capability to make that enjoyable by binding creativity. In VSIS, there is room and opportunity for creativity in many paths. Employees can make their job creation. As Director – Sales and Marketing said, *"We want people to be innovative and creative. And it is being paid off as well. When we understand people as very creative and innovative, we give them a path in the company. They will be the people who will drive this company"*. Director – Sales and Marketing's words endorse, VSIS has offered such employees a path. There are designations such as 'evangelist' for people dedicated to a creative route.

Coaching and Mentoring

The leadership of VSIS is very open and approachable. A responsible leader would create a second layer of management. It will go hand in hand to develop the company. The best way to learn leadership is to learn from their behavior and applications. As Director – Engineering, Mr. Wijeratne said, *"we are forming a second tier for the management. We*

observe the employees and identify suitable candidates for that. And give opportunities them to prove their fitness to management positions". Coaching and mentoring are essential for a company. It helps the company to run smoothly even when the leadership is absent. It is considered as some kind of a backup plan. It ensures business continuity as well. VSIS management looks at coaching and mentoring as an important event. They continuously keep doing that for the next tier of the management. However, they expect the second tier to transfer the same to the following levels. Mr. Priyanga Gunasekera, the MD, confirmed the importance of coaching and mentoring in his words, *"there is a tier that generally interacts with us, and there is a tier that interacts with the people who interact with us. Definitely, at a second-tier level, we do mentor, coach, because that's part of our job and then, part of developing the next level of leaders who can take on"*.

Delegation

Delegation is harder for average managers and leaders. Yet, good leaders tend to delegate to their employees. It is a win-win situation for both parties. When a company expands, it is harder to handle all operations by the management. They need to focus on strategic thinking and decisions for the future. Hence, delegation is required. On the other hand, delegation is a plus factor to the employees. It makes it easier to work with external parties when they know the employee has the authority. Employees feel it as recognition. Then they do not want to go after leaders to get things done. As per Manager - Finance, *"I trust my management, I have been delegated responsibility. So, I feel there is a recognition for me"*. Explaining the reasons for delegating authority, Director – Sales and Marketing said, *"I don't believe in diluting the authority. People have to grow. Growth is always dependent on decision-making. If I keep that*

decision-making to myself, my guy won't develop. If he doesn't develop, even though we delegate the responsibility, we keep an eye on that". One good example of delegating authority was allowing employees to manage and front-end Citrix cyber security forum.

Employee Engagement

Employees are one of the critical factors in organizational performance. Human resources have become crucial in the modern world. VSIS believes that it should provide the environment for employees to be engaged with the company. Based on employee engagement, employees are energized and tend to deliver their best support to the company disregarding their scope of work. In VSIS, it is demonstrated in many ways. When there is a requirement or urgency, they do not stick with 8 to 5 working hours to meet a strict deadline. They work overnights and sometimes during the weekends to meet deadlines. When such situations take place, management appreciates them and recognizes such employees. There were situations where engineers had to come physically even during the quarantine curfew period. Even under such a condition, not a single engineer resist attending work. It was a highly regarded matter in the company. Specific customers have requested engineers to go under PCR tests before entering the premises. Though it is a hassle-filled task, no one refused to perform the test. Pandemic made the employee engagement consolidated than ever. Management focused on employees' health and proposed more facilities such as Working from Home facility, temperature check, availability of hand sanitizers, face masks to employees. Since the management is concerned about their employees' health, employees tend to work harder.

Knowledge is the most valuable item for technical staff. What VSIS has done is they have encouraged employees to learn more and more and also provide paid training facilities for employees. It is an opportunity for employees to improve their knowledge and become true technical professionals. Since VSIS management is well aware of the employees and their behavior, management identifies them and recognizes them from their previous experience. These employees do not hesitate to contribute even on holidays. With the interest of employees, some of the employees consider VSIS as their second home. Some of the employees spend most of their hours at VSIS. It is because they think of it as their own business. Engagement begins with communication. VSIS leadership encourages employees to talk to each other. They open their forums to listen to what employees have to say. When employees are engaged with the company, it is difficult for them to be manipulated. Most of the employees feel that this is the place that feeds their families. Performance evaluation is an annual task performed by the HR division. During the evaluation process also, employees can share their suggestions. In some companies, such situations are discouraged by releasing a lower rate for their feedbacks. Since VSIS leadership adheres to a fair process and encourages honesty, individuals can share their thoughts.

Hassle-free surrounding

The working environment is a vital component for any employee in any industry. Especially the employees in the IT industry should have flexibility and freedom. Since they are not limited to a specific period to support, especially the engineers and technical support staff, they should have a flexible environment. As Manager - Customer Care mentioned, "it

is a nice environment. Most people are amicable. There is excellent freedom here. Understanding is there it's very nice to work here". Confirming that further, Assistant Manager - Technical Services mentioned, *"our company has a friendly working environment, any of our employees can directly access our directors at any time, whenever they are free. Not even directors, the other managers also can be directly accessed, and employees can express their issues and whatever the problems they have".* VSIS always maintains a clean and tidy environment for employees to work with a relaxed mind.

Supportive leadership

Effective leadership acts as a supportive factor for employee engagement. Through the inspiration of leadership, employees get motivated. It is also a responsibility of leadership to encourage employees to achieve goals and objectives and compliment their achievements. Since VSIS is a service-oriented company, the management expects employees to provide 100% satisfied customer service. When they offer their best service, in return, management appreciates them. The administration does not consider it their job or assigned task to perform. As the Assistant Manager - Technical Services mentioned, *"a customer always expects our 100% and our employees always managed to give their best to the customer as well. Our employees are giving their best to the customers, and sometimes they are giving more than what they should, and the company appreciates that."* VSIS management guides and pushes employees to get the best while contributing the best. They make sure to pick and draw the hidden capabilities of employees. Being in the industry, employees never thought they could win an award for delivering services and support with the competition. However, leadership made it a reality.

Relationship among Teams and Departments

People are emotional species, and they depend on the relationship. Since we live in a society where everyone is connected, we must rely on each other. Everyone has unique qualities and capabilities. Each department depends on sales, pre-sales, engineering, project management, finance, sales, and marketing. Therefore, people should maintain a friendly relationship with each other. The events, functions, parties, gatherings, and CSR projects have brought co-workers and departments together to work with each other and introduce themselves. According to Manager - Business Development, *"what do you call to engage with each other and even with the one chance to move family come and talk to company friends. And various kinds of activities beach parties, sometimes 'paduru party,' sometimes just cocktail party what do you call 100% dancing parties".*

Discussion of Findings of the Case

Reaching Continuous Growth

Continuous growth is a motivational factor for an organization to drive the organization further. Monteiro (2019) says continuous growth ensures the survival capability of the company. VSIS has demonstrated continuous growth throughout these 11 years. As per Allen and Helms (2006), financial performance is the main factor in measuring continuous growth. VSIS has increased its revenue from 1.4 billion rupees to 4.2 billion rupees from 2013 to 2019. Further, they have increased their net profit from 30 million rupees to 106 million rupees from 2013 to 2019. For a start-up company, it is substantial growth within a short period. Further, they have started the company in one location, and now they have distributed their employees among four

capacities. They are receiving the bulk orders, and they have to locate their inventory in a separate location.

Strategic decision-making is vital in a performing company. Littunen and Virtanen (2009) state that leadership styles, strategic thinking and executing, and market approach contribute to the continuous growth of a company. VSIS has made multiple strategic decisions based on market conditions, customers' requirements, and technology diversity. Approaching enterprise solution business from trading business is one critical decision that immensely impacted its growth. While a company expands, it needs more resources. According to Breugh (2013), employee growth is another factor that indicates a company's continuous growth. VSIS has increased its number of employees from 75 to 247 from 2013 to 2020. It is a 37% increment for the last five years, and employees' performance has taken the company this far. For better management and monitoring purposes with the employee growth, several departments were structured further. As per Barney's argument (1991), with the growth of several employees, to cater to employee growth and consider the separation of departments, the company expanded their employees in four locations.

Transformational Leadership Towards Continuous Growth

Transformational leadership style inspires and influences followers and employees towards achieving a vision or a set of goals. Trust is crucial in bonding two people or parties to achieve a common destination. According to Charbonneau (2004), transformation leadership shows the idealized influence by expressing their beliefs through their behavior. According to Yang (2016), trust in leadership acts as a social bond with employees. VSIS management has embedded trust from their day-to-day activities and through

their behavior. They have created a culture where anyone can come and discuss their problems in terms of the environment or the processes the company has. It ensures the trust which employees have kept in their leadership. VSIS management is active listeners. Considering the relevance of the suggestions brought up to them, they take action. They have received the same respect they extend towards employees. Since leadership act as a role model, as per Sattayaraksa and Boon-iit (2018), they influence and motivate employees to perform better by developing themselves. They encourage employees to emulate.

VSIS management has demonstrated decision making, accepting challenges, and confidence in presentation through their actions and behavior. Hopton et al. (2013) say transformational leadership motivates employees towards a compelling vision, using their enthusiastic experience. Similarly, VSIS management changes its approaches and strategies by restructuring, reorganizing, and introducing new schemes or policies in the organization. It leads employees to adapt to the changes and face them successfully without struggling. As per Gillespie and Mann (2004), visionary leadership gathers employees around them, and employees will become a part of their success. It enhances the job satisfaction of employees. Some employees have been with VSIS by being a part of their success. Exceeding expectation is a part of the process which transformational leaders follow. They encourage followers to get into the target without stopping. It boosts the self-interest of going beyond (Rafferty & Griffin, 2004).

Transformational leadership encourages employees to be and think independently. Think out of the box concept is all about creativity. As Bolkan and Goodboy (2010) state, they highly encourage innovation. As an IT company, VSIS should be

creative in its solutions. The management has facilitated a demo environment, spare parts, and facilities to improve their employees' innovative ideas. According to Loon et al. (2012), intellectual stimulation enhances the decision-making ability of followers. They demonstrate the same in VSIS, management delegates responsibilities to their employees with necessary authorities. It makes sure that the employees are capable enough to drive their own decisions. VSIS management encourages employees to perform the project implementations and day-to-day tasks differently. They have been given the freedom to try multiple approaches to accomplish their troubleshooting processes. What the management want is employees to take the initiation. They recognize the employees for their exceptional and successful attempts as a motivation. Transformational leaders are characteristic of suggesting new problem-solving approaches and emphasizing rational solutions for problems (Bass, 1999). According to Singh and Krishnan (2008), transformational leaders coach and mentor employees to develop them. VSIS creates a second management level with transformational leadership characteristics by sharing their experiences and creating a suitable platform. In mentoring, leaders listen actively and understand employees' comments and concerns (Jung et al., 1995). according to the culture that VSIS management has created, any employee can meet the Board of Directors and provide feedback or suggestions for the company's betterment.

Employee Engagement Towards Continuous Growth

Employee engagement is essential for organizational growth. When employees are engaged with the organization, they provide their maximum contribution even without a management request. According to Smith and Bititci (2017), leadership

influences employee engagement. The trust they have created makes employees seek the practicality of the promises they keep. They support the growth of the company wholeheartedly. The new skills planned to develop and their goals enhance the engagement with the company. VSIS has proved their honesty, and they have ensured their trustworthiness to employees by their behavior. They have delivered what they have promised to the employee. According to Anitha (2014), the working environment significantly impacts employee engagement. VSIS has created a flexible culture that provides employees the freedom to focus on their work. The necessary facilities are provided which are required. The office layout is designed according to the requirements of the departments, which integrate closely with each other. As Lappalainen et al. (2019) say contribution and commitment of engaged employees are higher and want to accept challenges for their development. The commitment during the Covid-19 pandemic has proven that engaged employees are ready to take challenges as they tend to learn anything which can lead them to develop themselves.

Employees' engagement binds with their satisfaction. As per Shahidan et al. (2016), the relationship between employees influences employee engagement. When employees have supportive colleagues and staff, it is easier to provide their effort quickly. By nature, VSIS has a friendly culture. They call it the 'VSIS family.' There is more bond that has gone beyond work relationships. It is encouraged by the management itself. Hence, employees contribute to the company, assuming it is their own company. According to Mohanty and Arunaprasad (2020), training will enhance employee engagement while keeping their knowledge updated. Meanwhile, it develops their career as well. VSIS is spending a significant amount of money

on employees' training. They do see it as an investment rather than an expense. It motivates employees as they feel the company spends on them and are treated special. Rather than technical pieces of training, they send their employees for leadership building boot camps. The training cost of VSIS has increased annually, and they have spent 58 million rupees for training in 2019.

Conclusion

VSIS was able to perform continuous growth in the last five years. Continuous growth is a survival factor of a company. When a company has constant growth in terms of finances, it can seek new opportunities and investments. Continuous growth acts as a motivational factor for the company to drive further. VSIS has a constant growth from year one. For the past 11 years, they have become a four-billion-rupee company. VSIS has changed its business strategy mainly from trading business towards project and solution business proportionately. As they were initially located in a single building, they have expanded into four buildings. The number of employees has become almost 250. They have implemented the first project in Sri Lanka in certain key technologies. Therefore, it demonstrates continuous growth and exceptional performance in their respective segment.

The role of transformational leadership is explored in the continuous growth of VSIS. Transformational leaders inspire their followers through their behavior. By nature, these leaders are trustworthy and respectful to their employees. They further motivate employees to develop themselves by encouraging them to learn and explore and delegating authority to employees. VSIS is such a platform for employees to perform well for their benefit by creating themselves and for their betterment. VSIS management has influenced their employees to achieve vision or goals and provide adequate

confidence to perform beyond expectations through consulting and knowledge sharing. VSIS has implanted a flexible and open culture where employees can work with ease and make their suggestions proposed and issues informed. The management of VSIS has more than 20 years of industry experience and exposure. Hence, employees can get more practical knowledge from them. The management conducts coaching and mentoring programs for their second management level as a practice. Apart from that, they advise and suggest their opinions to employees when they have a chance. VSIS management has delegated authority to employees to practice proper decision-making and bearing responsibilities. It leads employees to learn them through practical perception.

Employee engagement is explored in the continuous growth of VSIS along with transformational leadership. Employee engagement is critical for the continuous development of a company. When employees are engaged with the company, they are energized to contribute at their maximum capacity even without a request from the management. Employee engagement, working environment, leadership, a co-worker relationship, and career development are added proportionately. The freedom available in VSIS has made employees work with a relaxed mindset, and the management has provided the necessary facilities to perform their tasks well. It is kind of a 'family' environment that VSIS has. Therefore, the relationship within the teams and between departments are friendly. They conduct annual gatherings, evening parties, trips accompanying families to put their employees at ease and give them a break from their stressful jobs. Further, VSIS continuously offers local and foreign training to their employees to ensure their knowledge is up-to-date.

Implications

This case has demonstrated a few critical practices which should be applied in a corporate where appropriate. Trust and respect are two qualities that a leader should have. Through trust, the confidence of employees is developed. A good leader should actively listen to their employees because employees might be best in their respective subject matters. Respecting others' ideas and suggestions leads to broadening the view.

Consequently, leaders get the same respect back. Leadership should demonstrate being passionate about the desire, drive to achieve the goals and target. Management of an emerging company should be dedicated to achieving goals. Motivating employees by their behavior and being a role model is more practical than advising them. A compelling and achievable vision takes us to where we intend to move. Employees should be guided to develop themselves. It makes a win-win situation for both parties. Creativity and innovation are keys to changing the future. Hence, company leadership should always encourage creative and innovative employees to do better for future opportunities. Innovation is key to success. They are addressing the same problem with different lenses delivering multiple solutions. Leaders should be open-minded. Delegation improves the quality of decisions employees make and puts management at ease while focusing on strategic decisions.

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Employees are the biggest asset of an organization. They should be looked after with good care. An appropriate working environment should be provided to employees based on their job roles. Humans are emotional species; they love to be appreciated and recognized. Recognizing appropriate employees is vital to building a good relationship with them. Employees should be continuously trained and keep their knowledge up to date. This study further helps organizations understand that employees will be motivated to achieve more and give their best to the company by creating an environment of caring. Additionally, organizations can stabilize their set processes and work towards one goal as a team by adhering to the set work standards. Most importantly, the study concludes that rewarding employees for jobs well done encourages employees to do better in their future work.

Conflict of Interest/Disclosure of the Company Details

The authors declare that there is no conflict of interest regarding the publication of this article with company details. In addition, the authors have entirely observed the ethical issues, including plagiarism, informed consent, misconduct, data fabrication and falsification, double publication and submission, and redundancies.

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