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**THE LEADERSHIP STYLE AND STRATEGIC APPROACH OF PT. AMWAY  
INDONESIA TOP MANAGEMENT IN ESTABLISHING TWO-WAY  
COMMUNICATION**

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**Abstract**

This study aims to analyze the leadership style and communication strategies that the top management of PT Amway Indonesia uses to create effective two-way communication between management and the team. Object study is the three main means of communication: One-on-One, Employee Engagement Survey, and Employee Meeting. With a qualitative approach, this research case study reveals that a transformational leadership style balanced with an open communication strategy positively impacts engagement, employee performance, and sales, improving the company's good image as a company that is conducive to work.

**Keywords:** Amway Indonesia, Leadership Style, Employee Engagement



## INTRODUCTION

In the midst of global business dynamics, companies are not only required to compete competitively, but also must be adaptive to the needs and expectations of their human resources. PT Amway Indonesia, as part of an international direct selling company, faces challenges in creating an inclusive, participatory, and communicative work culture. In facing these challenges, the leadership style and communication strategy of top management are key factors in building a healthy, productive, employee engagement-oriented work environment.

As an entity subject to a global structure, Amway has a complex management system with corporate policies that are passed down from headquarters to national units. In this structure, the President Director plays a strategic role as a bridge between global policy and local implementation. The effectiveness of vertical communication between the top leadership and all levels of the organization greatly determines the success of internalizing company values and implementing global policies in the local context. Leadership style theory focuses on how a leader behaves and influences others. There are various leadership styles, such as democratic, authoritarian, laissez-faire, transformational, and others. The choice of leadership style can be influenced by factors such as the situation, subordinates, and the leader themselves.

Some theories of leadership style, 1. Behavioral Theory, Emphasizing the actions of leaders, not on innate qualities, Leaders can learn and develop their leadership skills. An example of a leadership style in this theory is Democratic: The leader involves subordinates in decision-making. Authoritarian: Leaders make their own decisions and expect obedience. Laissez-faire: Leaders give subordinates freedom in making decisions. 2. Contingency Theory emphasizes that a leader's style in the situation. For example, a leader may need to use an authoritarian style in a crisis situation, but a democratic style in a more stable situation. 3. Transformational Theory, Leaders can give direction to the team to achieve targets. They can change the vision of subordinates and encourage them to think outside the bounds. 4. Situational Theory, Leaders adjust their leadership style to the needs of subordinates and situations. Example: A leader might use a directive style for new employees, but a supportive style for experienced employees. 5. Charismatic Leadership Theory, Leaders have the appeal and ability to inspire their followers. They can build strong relationships with their subordinates and encourage them to work hard. 6. Paternalistic Leadership Theory, Leaders behave like parents who protect and care for their subordinates.



They may provide direction, guidance, and support to their subordinates. 7. Military Leadership Theory, Leaders use a formal and authoritarian approach.

Over the past two decades, PT Amway Indonesia has undergone several leadership changes, each of which brings a different approach in terms of leadership style and communication strategy. This shift occurred in line with the change in the strategic direction of the head office, the challenges of the domestic market, and the development of information technology. The purpose of this study is to identify and analyze the leadership style applied by the top management of PT Amway Indonesia and evaluate the effectiveness of the two-way communication strategy used in bridging the interaction between management and employees.

Employees, as the company's main asset, need space to convey opinions, inputs, and complaints directly to management. However, there are still many companies that implement a one-way communication pattern. PT Amway Indonesia tries to present a two-way communication facility through various strategies such as One-on-One, Employee Engagement Survey, and Employee Meeting. The effectiveness of these three strategies needs to be analyzed to see the extent of their contribution to increasing employee participation.

PT Amway Indonesia, as part of a global company engaged in direct sales, faces the challenge of maintaining competitiveness and improving employee loyalty and performance. For this reason, the leadership style and communication strategy of top management are crucial factors in creating a collaborative and open work culture. Two-way communication between management and employees is not only an instrument of coordination, but also a means to increase organizational participation and commitment.

Several things related to how the leadership style of PT Amway Indonesia's top management in building two-way communication, changes in direction or policies from the head office where each affiliate must quickly adopt the policy, the need for a top management strategy in bridging communication between employees and management, how effective is One-on-One facilities, Employee Engagement Survey, Employee Meeting and culture survey.

John C. Maxwell, a leading leadership expert, stated that true leadership develops in five stages, namely Self Leadership/Position, Relationship Level (People Leadership/Permission), Achievement Level (Production/Leadership), Team Development Level (Peopledevelopment/Reproduction), Personality Level (Pinnacle/Respect). In the context of PT. Amway Indonesia, every leadership transition since the 1990s, presents distinctive developments and challenges that

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can be analyzed through the lens of Maxwell's 5 levels of leadership.

## **LITERATURE REVIEW**

The concept of Leadership Style, Leadership is a person's ability to influence, direct, and motivate others to achieve organizational goals (Robbins & Judge, 2019). Leadership theories evolved from a classical approach that emphasizes innate traits, to a behavioral and contingency approach that highlights the importance of context and situation. According to Yukl (2013), leadership style is a consistent pattern of behavior when leaders interact with their subordinates.

Some of the most commonly used theories of leadership include, Behavioral Theory which emphasizes that leadership can be learned through actions and habits (Lewin, Lippitt, & White, 1939). Contingency Theory states that the effectiveness of leadership styles depends on the compatibility between the leader's style and the situation (Fiedler, 1967). Situational Leadership Theory emphasizes the adaptation of the leader's style to the level of subordinate readiness (Hersey & Blanchard, 1982). The Transformational Leadership Theory, developed by Bass & Avolio (1994), emphasizes the leader's ability to inspire, foster trust, and motivate subordinates to reach their full potential. In the context of modern organizations, transformational leadership styles are considered most relevant because they emphasize open communication, collaboration, and human resource empowerment (Northouse, 2018).

### **Transformational Leadership and Its Impact on Organizations**

Transformational leadership focuses not only on achieving targets, but also on developing values, morale, and morale in the organization (Bass, 1990). Transformational leaders act as role models who are able to foster commitment and belonging among team members.

Research by Judge and Piccolo (2004) found that transformational leadership styles are positively related to performance, job satisfaction, and employee engagement. Meanwhile, the study of Avolio and Bass (2004) shows that transformational leaders encourage the creation of open communication and a collaborative organizational culture. In the context of multinational corporations, the leadership, transformational style helps to connect global values with local cultural characteristics, so that global policies can be effectively translated into everyday work practices (House et al., 2004).

### **Organizational Communication and Two-Way Communication**

Organizational communication is the process of conveying messages in an



organizational structure to achieve common goals (Goldhaber, 1993). One of the widely used communication models is the two-way symmetrical model from Grunig and Hunt (1984). This model emphasizes the importance of dialogue and feedback between leaders and subordinates, so that communication runs reciprocated.

In a two-way communication model, employees not only become recipients of information, but also become a valuable source of feedback for management. This creates a more participatory relationship and increases trust in the organization. Men's research (2014) shows that two-way communication has a direct relationship with increased employee engagement and trust in leaders.

### **Internal Communication Strategy in an Organization**

Various studies show that the effectiveness of internal communication is largely determined by the strategies used by top management. According to Welch and Jackson (2007), good internal communication must include the dimensions of information, dialogue, and healthy interpersonal relationships between superiors and subordinates.

The three forms of communication strategies that are commonly used in modern organizations are, One-on-One Meetings, which allow for personal communication between leaders and employees. Kassing's (2002) research shows that this kind of interpersonal communication improves psychological safety and strengthens work relationships. Employee Engagement Survey, serves as a collective feedback tool to measure levels of satisfaction, commitment, and trust in leadership (Macey & Schneider, 2008). Employee Meeting or Town Hall Meeting, which is a means for management to convey the company's strategic direction as well as receive questions or suggestions from employees (Clampitt, 2016).

These three strategies reflect a tangible implementation of the principle of two-way communication, where management not only directs, but also listens to and responds to the voice of employees.

### **Employee Engagement and Psychological Safety**

The concept of employee engagement is defined by Kahn (1990) as the emotional and cognitive involvement of employees in their work. Communication factors and leadership style have a big influence on engagement levels. According to Saks (2006), open communication and supportive leadership increase a sense of belonging and commitment to the organization.

Meanwhile, Edmondson (1999) introduced the concept of psychological safety, which is the belief that individuals can express their opinions without fear of negative consequences. Leaders who prioritize dialogue and transparency



create a psychologically safe work atmosphere, which ultimately increases participation and innovation.

In multinational companies, internal communication becomes more complex due to differences in global cultures, languages, and policies. According to Harzing (2000), the success of global policy adaptation to local depends heavily on the ability of local leaders to be a "cultural bridge" between headquarters and local employees.

Amway Indonesia, as part of Amway Corporation's global network, faces similar challenges. Therefore, transformational leadership styles and two-way communication strategies are essential to align global values with local realities. Local leaders need to translate the company's global vision into practices that are relevant and acceptable to employees in Indonesia.

### **Research Gap**

Previous research has extensively examined the relationship between transformational leadership and employee engagement. However, there are still few studies that examine how two-way communication strategies are applied concretely in multinational companies engaged in the direct sales sector such as PT Amway Indonesia. In addition, the role of top management in balancing global direction and local needs through internal communication mechanisms has not been widely explored.

This research contributes by in-depth examining internal communication practices (One-on-One, Employee Engagement Survey, Employee Meeting) and their relationship with transformational leadership styles in the context of Amway Indonesia. Thus, the results are expected to provide a new understanding of the effectiveness of leadership and communication in building an open and collaborative work culture in multinational companies.

### **RESEARCH METHOD**

This study applies a qualitative approach with a case study method that aims to gain a deep understanding of the phenomenon being studied. This approach was chosen because it allows researchers to explore the dynamics of communication and leadership contextually and holistically, as it would be in a real work environment. Since its establishment in 1992 until 2025, Amway Indonesia has experienced 6 changes of leadership. One of the problems faced is to harmonize information, policies or head office directives so that they can be implemented at Amway Indonesia. We need a leader who can harmonize local needs with the head office. The main focus of this study is to comprehensively



describe and analyze the leadership style applied by PT Amway Indonesia's top management, as well as the two-way communication strategies used in establishing relationships with employees at various levels of the organization. This research not only seeks to describe these leadership and communication practices, but also analyze their effectiveness in building employee engagement, creating open communication channels, and supporting the achievement of company goals.

Data collection techniques were collected through document studies, semi-structural interviews, and direct observation in internal activities such as employee meetings, participatory observation of daily communication practices within Amway Indonesia's head office. This approach was chosen because it is considered most appropriate for contextually and interpretively exploring complex social dynamics, such as leadership styles and communication strategies within organizations. According to Denzin and Lincoln (2018), qualitative approaches allow researchers to understand meaning, actions, and social structures from the perspective of participants, which is particularly relevant in the study of management and internal communication of organizations. In the case study approach as proposed by John W. Creswell (2013), it aims to explore in depth a specific phenomenon in a real-life context. The case study was chosen because the main focus of this research is to comprehensively understand the dynamics of PT Amway Indonesia's top management leadership style, especially in socializing global policies and building two-way communication with employees.

According to Creswell, case studies emphasize on understanding the case itself, not on generalizing findings. Therefore, the researcher focused on one organization, namely PT Amway Indonesia, as the main subject of the study. The focus is on how top management, especially the President Director, applies leadership communication strategies in aligning global policies with the company's local values and the work culture of Indonesian employees.

Data were analyzed using thematic analysis, as suggested by Creswell, which included stages, Data organization (interview transcripts, observation notes, documents). Reduce data into key themes, such as directive communication styles, persuasion strategies, openness to feedback. Narrative descriptions to describe the social and cultural context of the organization. Interpretation of findings based on leadership theory and organizational communication.

In addition, the concept of two-way communication refers to the symmetrical communication model of Grunig and Hunt (1984), which



underscores the importance of feedback from employees as an integral part of the managerial communication process. A leadership style that is open to input, and able to build productive dialogue, is seen as able to increase employee engagement, create trust, and strengthen organizational culture. Thus, this study not only describes existing leadership and communication practices, but also analyzes the effectiveness of these strategies based on well-established theories of communication and leadership in the academic literature.

## **RESULTS AND DISCUSSION**

The following is an in-depth analysis based on John C. Maxwell's 5 Levels of Leadership, linked to the historical context and development of leadership at PT. Amway Indonesia. Each sub-chapter reflects the level of leadership, complemented by a specific analysis of the characteristics, internal dynamics, and challenges and effectiveness in each period. Level 1: Position (Self Leadership – Position), General Characteristics, Leadership based on formal position. The influence is obtained solely because of the structural position.

### **Level of Self Leadership Position at PT MW**

At this stage, the first leader plays more of an extension of the head office. The management model is highly centralized and bureaucratic. The main focus is to maintain uniformity of global operational and policy standards without much local flexibility. Communication tends to be one-way (top-down), and the space for employee and distributor participation is very limited. Deeper analysis, Strength: Guarantee initial stability and compliance with global systems. Weaknesses: Low emotional team engagement, lack of local innovation, and barriers to adaptation to the Indonesian market. Effectiveness: Limited. Leadership does not build trust or loyalty, and relies heavily on structural authority.

Level 2: Acceptance – Relationship (Permission (mentioned implicit in the transition, although not explicitly mentioned at the beginning), Common Characteristics, People follow because they want to, not because they have to. Interpersonal relationships are starting to play a key role. Although not explicitly explained, it is likely that the second leader will begin to foster a more open work culture. Relationships between teams and between distributors are strengthened, but have not yet achieved major transformational achievements. Deeper Analysis, Power: The beginning of a culture of two-way communication, the growth of trust. Weaknesses: Without concrete achievements, relationships are not yet strong enough to sustain business growth. Effectiveness: Moderate. Provides a



relational foundation to the next level.

Level 3: Achievement (Production Leadership). General Characteristics, Focus on results. Leaders are recognized for their effectiveness and achievement. Leadership begins to have a wide impact on organizational performance. The context at PT. Amway Indonesia, Digital transformation is the main agenda. These leaders drive efficiency, introduce new systems, and modernize operations through the digitization of sales and marketing. Deeper Analysis, Power: Improve business performance, efficiency, and competitiveness. Adapting to global trends and new consumer habits. Weaknesses: Focus on results sometimes comes at the expense of personal relationships and individual development. Effectiveness: High in the context of modernization, but risky if not balanced with team development.

Level 4: People Development – Reproduction. Common Characteristics, Leaders invest in others, creating new leaders. The focus is on internal capacity building and leadership regeneration.

The context at PT. Amway Indonesia (Fourth and Fifth Leader Era):P this era is characterized by strengthening training, coaching programs, and increasing the role of local leaders. Empowering strategies are starting to dominate, including for distributors and business partners. Deeper Analysis, Power: Increase organizational engagement, loyalty, and sustainability. An even distribution of leadership increases adaptability. Disadvantages: Requires time and large investment; The results are not always immediately apparent. Effectiveness: Very high, especially for business models like Amway that are based on human networks.

Level 5: Personality and Legacy (Pinnacle – Respect). General Characteristics, Leaders are respected for who they are and their legacy of influence. The leadership style is visionary, ethical, and transformative. The context at PT. Amway Indonesia (Sixth Leader – Present), Focus on ESG (Environmental, Social, Governance), social responsibility, and human values. Leadership is not only seen from the corporate side, but also contribution to society and the environment.



Level (Maxwell)	Era & Pemimpin (ringkas)	Fokus & Ciri Kepemimpinan	Kekuatan Utama	Kelemahan Utama	Efektivitas Keseluruhan	Status Komunikasi Dua Arah
1 – Posisi	Awal 1990an	Kepatuhan struktural; birokratis & top-down	Menjamin stabilitas & keseragaman SOP global	Minim inovasi lokal; partisipasi rendah	<b>Baik</b> – hanya otoritas formal	komunikasi satu arah dari pusat ke lini bawah.
2 – Permission	Pertengahan 1990an	Mulai membangun relasi & trust	Fondasi kultur lebih terbuka	Hasil konkret masih terbatas	<b>Baik</b> – modal sosial terbentuk	Mulai muncul feedback bawah-atas, tapi sporadis & informal
3 – Production	Awal 2000-an,	Transformasi digital; fokus hasil & efisiensi	Penjualan online naik; proses lebih cepat	Hubungan & people-care sering terabaikan	<b>Tinggi</b> – sisi performa	Saluran digital tersedia, tetapi dipakai dominan searah (push informasi)
4 – People Development	2016-2019	Coaching, mentoring, kaderisasi pemimpin lokal	Loyalitas & kapasitas SDM tumbuh; regenerasi	Membutuhkan waktu & investasi besar	<b>Sangat tinggi</b> – berkelanjutan	Inti strategi: dialog rutin, feedback loop, forum sharing; komunikasi dua arah <b>institusional</b>
5 – Pinnacle (Respect)	2020-an, Pemimpin	Visi ESG, keteladanan, dampak sosial	Budaya nilai & reputasi kuat; inspiratif	Sulit direplikasi jika figur berubah	<b>Tertinggi</b> – transformatif & holistik	Komunikasi dua arah bersifat kolaboratif, lintas fungsi & komunitas eksternal

PT Amway Indonesia's top management adopts a transformational leadership style that is values-oriented, long-term vision, and employee



empowerment. To support a participatory leadership style, PT Amway Indonesia implements a variety of communication strategies designed to bridge the interaction between employees and management. This strategy allows for the delivery of strategic information from top to bottom (top-down) while driving input from the bottom up (bottom-up). 1. One-on-One, One-on-One Sessions are personal communication between direct supervisors and subordinates that are carried out periodically. This tool is effective for detecting individual employee problems, providing a personalized dialogue space, and strengthening two-way trust. The purpose of this session is, Facilitate open dialogue about job challenges, career development, and personal aspirations. Provide a safe space for employees to provide feedback to management, including criticism and suggestions on the organization's policies. Strengthen interpersonal relationships and build trust between employees and managers. This activity allows management to directly understand the psychological conditions, motivations, and obstacles faced by employees in the operational line. 2. Employee Engagement Survey, This survey is conducted periodically and is designed to measure employee engagement, satisfaction, and work motivation. More than just an evaluation tool, this survey is an important channel to convey strategic insights to top management, the Employee Engagement Survey also provides employees' collective perception of work culture, systems, and leadership. Employees are given space to fill out questionnaires that cover aspects of work culture, communication effectiveness, leadership, and work-life balance. Data is collected, analyzed, and summarized in reports that are submitted directly to top management. The survey results are used as the basis for policy formulation and improvement of the HR management system. This strategy allows management to understand the trend of employee perception collectively, as well as being a measuring tool for the effectiveness of the leadership applied. 3. Employee Meeting, Employee meetings (both routine and incidental) are a strategic means to convey important information from management and receive direct input from employees. In the employee meeting, top management presented updates on the company's achievements, future vision, and new policies. The open Q&A session provides an opportunity for employees of all levels to pitch questions, ideas, or complaints directly to top leadership. Encourage organizational transparency and strengthen a sense of belonging to the company. This meeting also serves as a forum to unite visions and strengthen solidarity between departments.

The implementation of a transformational leadership style supported



by a two-way communication strategy significantly has a positive impact on, Increased employee motivation and engagement, Acceleration of decision-making based on operational reality, Strengthening a work culture of mutual synergy. By preparing a staff participatory space, PT Amway Indonesia strengthens the foundation of a healthy organizational culture and is ready to face change.

## CONCLUSION

The transformational leadership style applied by PT Amway Indonesia's top management encourages open and collaborative communication, this is because Amway is a multi-national company, so the values of openness are carried out in this company referring to global direction. Two-way communication strategies such as One-on-One, Employee Engagement Survey, and Employee Meeting have been proven to increase employee participation, engagement, and loyalty.

The leadership style and communication strategy of PT Amway Indonesia's top management are examples of modern management practices that are oriented towards openness and participation. Through the One-on-One mechanism, Employee Engagement Survey, and employee meetings, companies not only convey strategic direction, but also listen to voices from within the organization. This approach contributes greatly to increased employee engagement, organizational effectiveness, and the achievement of long-term business goals. The leadership style in the affiliate is not because of the individual leader alone, but because of the direction of the center which greatly influences the leadership style. This means that these good changes are because the head office, in Ada, has a clear vision and mission in ensuring that all staff are equal in their daily lives.

The leadership journey of PT. Amway Indonesia over the past two decades has shown that the effectiveness of a leader does not only depend on position or authority, but on the ability to develop others and build a legacy of positive influence. In John C. Maxwell's perspective, leadership at Levels 4 and 5 is the highest form that is most effective in the context of Amway Indonesia as an organizational model based on individual development and example. So it is hoped that with individual development and agility it will improve the performance of the staff.

Facing the challenges of globalization, digitalization, and sustainability, a leadership style based on relationships, results, and values is



an essential foundation for sustainable transformation. Therefore, the success of PT. Amway Indonesia comes from a central strategy, as well as the quality of local leadership that is able to translate the global vision into concrete action in the Indonesian market.

The transformational leadership style and two-way communication strategy based on the direction from Amway's headquarters in Ada, implemented by PT Amway Indonesia's top management, has proven effective in creating an open, collaborative, and adaptive work culture. Two-way communication increases employee engagement and loyalty and accelerates decision-making based on operational reality. Leadership experience shows that an individual development and exemplary-based leadership style (Maxwell Levels 4 and 5) is the most appropriate approach for community-based organizational models such as Amway.

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