

THE RELATIONSHIPS BETWEEN LEADERSHIP STYLES AND EMPLOYEE ENGAGEMENT IN MALAYSIAN HYPERMARKET AT CENTRAL REGION

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ABSTRACT

This quantitative correlational study investigates the dynamics between leadership styles specifically transformational, transactional, and laissez-faire and employee engagement within Malaysian hypermarkets situated in the central region. It encompasses both executive and non-executive staff across various branches and headquarters. By examining these relationships, the research seeks to discern how different leadership approaches affect the level of engagement exhibited by employees. Through this exploration, the study aims to provide insights into the views and experiences of hypermarket employees regarding their engagement in relation to the leadership they experience.

Keywords: Leadership styles, Employee engagement, Transformational leadership, Transactional leadership, Laissez-faire leadership, Hypermarket, Central region, Malaysia, Executive employees, and Non-executive employees

INTRODUCTION

This study aims to provide a comprehensive overview of research elements shaping the investigation, including the research background, problem statement, research questions, objectives, scope, significance, and the pertinent leadership styles. Specifically, the research seeks to explore the relationship between leadership styles and employee engagement within Malaysian hypermarkets situated in the central region. According to recent research by Jeremy, Melinde, and Ciller (2023), leadership styles significantly influence the dynamics between leaders and employees. Furthermore, contemporary scholars like Hernandez et al. (2022) emphasize that leadership is a skill that can be developed, rather than being an inherent trait. Additionally, studies by Bucic, Robinson, and Ramburuth (2021) highlight the importance of leaders adopting ambidextrous approaches that blend transactional and transformational leadership styles to foster team success and a positive work environment. Loyalty, as emphasized by Ibrahim and Falasi (2024), plays a crucial role in impacting employee engagement, leading to improved performance, reduced turnover, and enhanced teamwork.

Recent trends indicate fluctuations in employee engagement levels globally. According to the 2023 Global Employee Engagement Report by Hewitt, engagement levels have rebounded to an all-time high of 65 percent globally. However, within Malaysia, engagement levels remain relatively low compared to other Asian markets, with a decline to 59 percent in 2022 (Hewitt, 2023). Gallup's classification of employees into engaged, not engaged, and actively disengaged categories underscores the significance of employee engagement in organizational performance (Gallup, 2020). The concept of employee engagement, proposed by Kahn (1990) and elaborated upon by subsequent scholars like Leiter and Bakker (2017), emphasizes the importance of fostering rewarding and motivating environments within organizations to enhance engagement levels. Effective leadership, as highlighted by Bass and Avolio (2021), plays a pivotal role in shaping employee perceptions, satisfaction, and organizational

outcomes.

The prevalent issue addressed in this study is the high proportion of disengaged or not fully engaged employees in workplaces, as highlighted by Gallup (2017). The negative consequences of employee disengagement, including reduced productivity, increased absenteeism, and diminished organizational profitability, underscore the urgency of addressing this issue. Research by Shuck and Reio (2019) demonstrates the detrimental impact of disengaged employees on organizational performance and customer satisfaction. Thus, exploring factors influencing employee engagement, particularly leadership styles, is imperative for organizational success.

To address the research objectives, the study poses several research questions:

1. Is there a correlation between transformational leadership styles and employee engagement in Malaysian hypermarkets?
2. What is the relationship between transactional leadership styles and employee engagement in Malaysian hypermarkets?
3. How does laissez-faire leadership style influence employee engagement in Malaysian hypermarkets?

The research aims to achieve the following objectives:

1. Investigate the relationship between transformational leadership and employee engagement in Malaysian hypermarkets.
2. Examine the impact of transactional leadership on employee engagement in Malaysian hypermarkets.
3. Analyze the influence of laissez-faire leadership on employee engagement in Malaysian hypermarkets.

This study focuses on employees working in Malaysian hypermarkets within the central region. Both executive and non-executive employees are included, provided they have been employed for more than six months. Contract and part-time employees are excluded from the survey. Additionally, participants must work under the supervision of a leader within the hypermarket. The significance of this research lies in its potential contributions to enhancing leadership practices and improving employee engagement in Malaysian hypermarkets. By elucidating the relationship between leadership styles and employee engagement, the study offers practical insights for organizational leaders. Additionally, the findings may inform future research endeavors and assist organizations in optimizing leadership approaches to foster greater employee engagement and organizational success.

LITERATURE REVIEW

Fiedler (1964) introduced the Contingency Theory of Leadership, which outlines how a leader's personality impacts group performance. This theory emphasizes the importance of situational factors in determining leadership effectiveness. Fiedler developed the Least Preferred Co-worker (LPC) scale to measure three situational variables: leader-member relations, power position, and task structure. These variables are linked to task-motivated and relationship-motivated leadership styles. Northouse (2023) further elaborated on the Contingency Theory,

emphasizing the dynamic relationship between leadership style and organizational context. According to Northouse, effective leadership requires adaptability to different situations, with leaders employing directive and supportive components as needed. The theory categorizes leadership styles into selling, participating, delegating, and telling.

Kahn (1990) proposed the Personal Engagement and Personal Disengagement Theory, which explores individuals' cognitive, emotional, and physical behaviors in the workplace. Personal engagement involves active participation in tasks and positive connections with work, roles, and others, while personal disengagement entails withdrawal and defense mechanisms. Kahn emphasizes the importance of psychological safety and availability in influencing employee behaviors and role performance. Psychological safety fosters interpersonal relationships and organizational norms, while availability reflects individuals' ability to adjust role performance based on work and non-work environments.

Employee engagement, as described by Macey and Schneider (2008), pertains to employees' voluntary behavioral traits and their alignment with organizational goals and strategies. It reflects a positive attitude towards work and active involvement in organizational tasks. Engagement contributes to organizational effectiveness and competitive advantage, as engaged employees are more committed and productive. Various scholars, including Leiter and Bakker (2010), emphasize the significance of employee engagement in enhancing organizational performance. Gallup (2006) highlights the distinction between engaged, not engaged, and actively disengaged employees, with engaged employees demonstrating passion and commitment to their work.

Transformational leaders, as characterized by Bass (1990), inspire and empower followers through visionary leadership. The four elements of transformational leadership—inspirational motivation, idealized influence, individualized consideration, and intellectual stimulation—motivate and engage employees (Bass & Avolio, 1995). Research by Shuck and Herd (2012) suggests a significant positive relationship between transformational leadership and employee engagement, with transformational leaders fostering high levels of motivation and commitment among followers.

Transactional leadership, according to Burns (1978), revolves around exchanges between leaders and followers, with leaders providing rewards and recognition in exchange for followers' compliance. Transactional leaders focus on contingent reward, management by exception (active), and management by exception (passive) behaviors (Bass & Avolio, 1995). While transactional leadership can influence follower behavior, it may limit employees' commitment and engagement due to its transactional nature.

Laissez-faire leadership, characterized by a hands-off approach and minimal intervention, tends to undermine employee engagement and performance (Bass, 1997). Leaders adopting this style avoid responsibility, fail to provide guidance, and neglect to build relationships with employees. Research suggests a negative correlation between laissez-faire leadership and employee attitudes, efforts, and performance (Deluga, 1992).

Leadership plays a crucial role in fostering employee engagement and organizational success. Transformational leaders inspire and motivate employees, while transactional and laissez-faire leaders may hinder engagement due to their transactional or hands-off approach. Understanding the relationship between leadership styles and employee engagement is

essential for organizations seeking to enhance workplace dynamics and performance.

RESEARCH FRAMEWORK AND METHODOLOGY

The research framework shows the relationship between independent variables which is a transformational leadership style, transactional leadership style, and laissez-faire leadership style and employee engagement considered to be the dependent variable.

INDEPENDENT VARIABLES

DEPENDENT VARIABLE

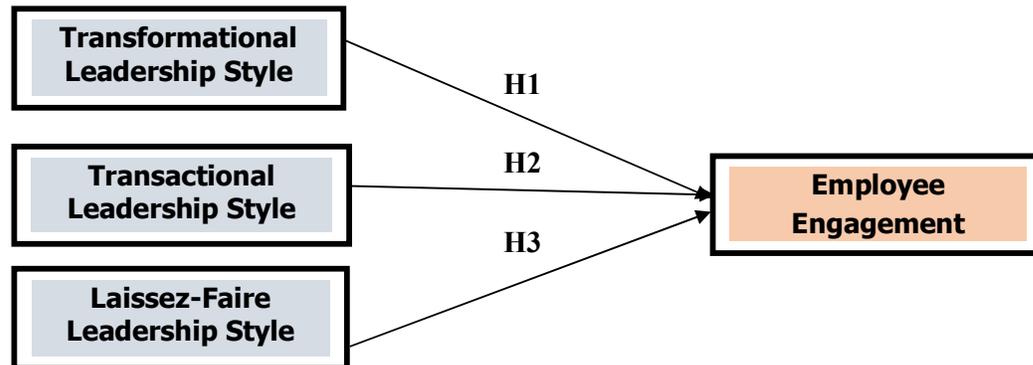


Figure 3.1: Research framework of leadership styles and employee engagement.

Source: Adopted from Moody (2012)

3. Theoretical Framework and Research Design

The theoretical framework of this study is based on theories related to leadership styles and their impact on employee engagement, particularly drawing from contingency theory and personal engagement theory. The research aims to explore the relationship between independent variables, namely transformational leadership style, transactional leadership style, and laissez-faire leadership style, and the dependent variable, employee engagement.

According to Bass and Avolio (1995), leadership styles encompass transformational, transactional, and laissez-faire behaviors. Transformational leaders inspire and empower employees without controlling them (Rainey, 2009). Transactional leaders focus on fulfilling followers' needs through exchanges (Bass, 1990b), while laissez-faire leaders refrain from decision-making (Bass, 1990b).

Kahn (1990) proposed that psychological meaningfulness, availability, and safety contribute to employee engagement levels. Actively disengaged employees negatively impact workplace outcomes (Gallup, 2006), such as retention and turnover (Hughes & Rog, 2008).

Dependent Variable

Employee engagement is the dependent variable in this research, representing employees' emotional and cognitive attachment to their work.

Independent Variables

The independent variables include transformational, transactional, and laissez-faire leadership styles.

Research Hypotheses

The research hypotheses are as follows:

Transformational Leadership Style and Employee Engagement

Transformational leadership positively influences employee engagement levels (Shuck & Herd, 2012). Leaders who support follower performance and organizational goals enhance

engagement (Papalexandris & Galanaki, 2009).

H1: There is a positive relationship between transformational leadership style and employee engagement.

Transactional Leadership Style and Employee Engagement

Transactional leadership involves exchanges to satisfy followers' needs (Avery, 2004). Leaders who maximize rewards and focus on short-term results may positively impact engagement (Avery, 2004).

H2: There is a positive relationship between transactional leadership style and employee engagement.

Laissez-Faire Leadership Style and Employee Engagement

Laissez-faire leaders' lack of involvement may negatively affect engagement (Bass, 1997). Employees may feel unsupported and disengaged due to leaders' avoidance of responsibilities (Bass, 1997).

H3: There is a positive relationship between laissez-faire leadership style and employee engagement.

Research Design

A quantitative approach using a questionnaire is employed to collect data. The study targets employees in Malaysian hypermarkets. Hypotheses are tested using the Multifactor Leadership Questionnaire (MLQ-5X) and the E3® Employee Engagement Survey.

Sampling Design

Convenient sampling is used due to the specific population of Malaysian hypermarket employees. A sample size of 150 questionnaires is distributed to ensure statistical validity.

Data Collection Process

Data collection occurs from January to March 2022 through questionnaire distribution among employees. The quantitative approach allows for mathematical and statistical analysis.

Instrument and Measurement Design

The instruments used include the MLQ-5X and the E3® Employee Engagement Survey. Closed-ended questions on a Likert scale ensure data consistency and reliability.

Data Analysis Procedure

Data analysis involves validity and reliability tests, descriptive analysis, and statistical analysis using SmartPLS Version 3.2.7 and SPSS 24 to examine the relationship between variables.

DATA ANALYSIS AND RESULTS

Data Collection and Response Rate

Sample size from G*Power 3.1.9.2 calculated which is a power analysis based on the power of 0.95 and with the three predictors, the total sample size minimum 119 suggested in this research. Further, the data collection began on 7th October 2023 and took four weeks to complete. Furthermore, the data collection was started in the fourth week of October 2023 until the third week of December 2023. Meanwhile, the questionnaires distributed to a total of 150 pieces to the respondents and returned questionnaires were 127, but only 123 questionnaires were usable and valid to use, because the other four (4) questionnaires were not filled in or not completed by the respondents. Meanwhile, the response rate data are 82% and the detail data is presented in the table 4.1 below.

Table 4.1: Distribution and Collection of Questionnaire

No. of sets distributes	No. of sets completely answered	No. of sets unusable	No. of sets not returned	Response Rate % (usable)
150	123	4	23	82%

Demographic Profile of Respondents

The demographic profile of respondents includes education, gender, age, status and working experience or year of services of the 123 respondents. Therefore, the demographic profile of the selected respondents will be explained further in this section.

Table 4.2: Demographic Profile

Demographic Variables	Categories	Frequency	Percentage (%)
Gender	Male	102	82.9
	Female	21	17.1
Age	17-29	14	11.4
	30-39	21	17.1
	40-49	25	20.3
	Above 50	63	51.2
Marital Status	Single	28	22.8
	Married	95	77.2
Education	SPM/STPM	114	92.7
	Diploma	5	4.1
	Degree	4	3.2
	Professional	0	0
Year of Services	Less than 1	1	0.80
	1-5 years	22	17.9
	6-10 years	17	13.8
	More than 10 years	83	67.5

Sample size (S) = 123

The table 4.2 demographic profile of respondents shows that there are 102 male respondents involved in this research which the percentage is 82.9%. Meanwhile, 21 female respondents, which the percentage is 17.1%. Meanwhile, in term of an age of the respondents is shown in this research, which age of above 50 years old is the highest range of respondents' age that participated in this research, with the percentage 51.2%, and with 63 respondents' age of above 50 years old. Meanwhile, the second highest in the age between 40-49 years old, and only 25 respondents, of which the percentage is 20.3% are involved in this research. The third highest is the age between 30-39 years old, which the percentage 17.1% and only 21 respondents. Meanwhile, the lowest percentage is 11.4%, which only 14 respondents in the age between 17-29 years old. According to the table shows that 28 respondents are single, in which the percentage is 22.8%. The married respondents show the percentage is 77.2%, which the respondents are 95 people.

Besides that, for the education section, the analysis revealed that 114 or 92.7% respondents are SPM/STPM level is the highest education level in this research study. The percentage of 4.1% or 5 respondents is diploma level. Meanwhile, the lowest percentage is 0.0%, which 0 respondents are at professional level. Meanwhile, 3.2% or 4 respondents are in degree level in this research. Besides that, the total respondents that work at Malaysian hypermarket in central region less than one (1) year 1 respondents or the percentage are 0.80%. The highest 67.5% and 83 total respondents involved in this research have been working in Malaysian hypermarket at central region for more than ten (10) years. The 17 respondents or the percentage is 13.8% have worked for six (6) to ten (10) years. The remaining 22 respondents have worked for one (1) to five (5) years and the percentage is 17.9%. In summary, the age above 50 years old, the total experience more than ten (10) years, the education with SPM/STPM level, a married category, and 102 respondents or employees from the male category from respondents' profile showed the highest percentage of respondents involved in the study.

Measurement Model

In this study, to assess the frequency, measurement and structural model the Smart Partial Least Square (PLS) software 3.0 is used to test all the variables and the SPSS version 24 is used to test all the variables in this research study. Further, the research includes the internal consistency reliability (composite reliability), indicator reliability (squared standardized outer loading), discriminant validity (Fornell-Lacker criterion), and convergent validity (average variance extracted or AVE) (Hair, Ringle, & Sarstedt, 2011). Besides that, it is considered acceptable if the loading value below 0.7, and the item should be deleted or dropped if the loading value less than 0.5. Chin (1998) explained that the manifest variables with outer loading that considered as highly satisfactory if outer loading that is higher than 0.7. Before the hypothesis testing can be done both on the assessment validity of the measurement model must be examined in the study. Besides that, by examining the two types of validity includes the discriminant validity and convergent validity measured the measurement model as stated in Figure 4.1.

Convergent Validity

Convergent validity used to measure the same concept from the various construct, it is including the Composite Reliability (CR) and Average Variance Extracted (AVE). As stated in Table 4.3, it shows the results of the outer model measurement. The result shows that Average Variance Extracted (AVE) are more than 0.5. According to the model, the AVE value is between 0.567 to 0.789 and this is acceptable convergent validity (Hair, Sarstedt, Hopkins, & Kuppelwieser, 2014). Further, the items which item of employee engagement the AVE is 0.567, laissez-faire leadership 0.789, transactional leadership 0.568, and transformational leadership 0.728 shows in Table 4.3. In this study, it shows that this model has a good reliability with the CR is between 0.791 to 0.939 (Hair *et al.*, 2014). Therefore, all the items with the minimum value is 0.70 and items must be more than 0.70 for Composite Reliability (CR) (Hair *et al.*, 2011). Meanwhile, item TCLS2 of Transactional Leadership and items LFLS3 of Laissez-Faire Leadership were deleted due to the value is less than 0.5 or low factor loading, and items TCLS4, item EE1, EE4, EE5, EE7, and item LFLS1, LFLS4 were deleted due to the value AVE not satisfied the minimum requirement of AVE value, and the cut off point for AVE must be above 0.5 that shows in Table 4.3.

Table 4.3: Internal Consistency Reliability and Convergent Validity

Construct	Item	Loading	CR	AVE
Employee Engagement	EE10	0.759	0.939	0.567
	EE11	0.705		
	EE12	0.805		
	EE13	0.817		
	EE14	0.85		
	EE15	0.805		
	EE16	0.789		
	EE17	0.761		
	EE2	0.687		
	EE3	0.66		
	EE6	0.722		
	EE8	0.685		
	EE9	0.655		
Laissez-Faire Leadership	LFLS2	0.879	0.871	0.789
	LFLS5	0.889		
Transactional Leadership	TCLS1	0.735	0.791	0.568
	TCLS3	0.739		
	TCLS5	0.782		
Transformational Leadership	TFLS1	0.878	0.922	0.728
	TFLS2	0.837		
	TFLS3	0.832		
	TFLS4	0.862		
	TFLS5	0.847		

Discriminant Validity

In this study, the assessment includes two measurement criteria which are by the Fornell & Larcker's (1981) criterion and the Heterotrait-Monotrait Ratio Correlations (HTMT) used to assess the discriminant validity of the study. Besides that, table 4.4 shows that the AVE square root is more than the square correlations latent variable with other variables, which each factor exceeded the corresponding squared correlation between factors. Meanwhile, table 4.5 shows that Heterotrait-Monotrait Ratio Correlations (HTMT) indicate that all the values passed (Henseler, Ringle & Sarstedt, 2015).

Table 4.4: Discriminant Validity: Fornell-Larcker Criterion

Construct		EE	LFLS	TCLS	TFLS
EE	Employee Engagement	0.742			
LFLS	Laissez-Faire Leadership	0.338	0.877		
TCLS	Transactional Leadership	0.486	0.301	0.745	
TFLS	Transformational Leadership	0.579	0.396	0.637	0.844

Besides that, the results are shown in table 4.5 and indicate that all the values passed (Henseler, Ringle & Sarstedt, 2015). Further, table 4.5 also show that the HTMT used to assess the

discriminant validity in the study and the values close to 1.0 (Henseler, Ringle & Sarstedt, 2015). Further, the researchers present the new Heterotrait-Monotrait Ratio Correlations (HTMT) (Henseler, Ringle & Sarstedt, 2015).

Further, the new HTMT based on a comparison of the Heterotrait-Monotrait Correlations and the Heterotrait-Heterotrait Correlations, and it is identifying a lack of discriminant validity because evidenced by their high sensitivity rates. Henseler, Ringle, & Sarstedt (2015) indicated that HTMT.85 achieves the lowest specificity rates of all conditions and it is the most conservative criterion and can point to discriminant validity problems in the research situations. Meanwhile, HTMT.90 indicate that discriminant validity has been established.

Table 4.5: Discriminant Validity: Heterotrait Monotrait (HTMT) Criterion

	Original Sample (O)	Sample Mean (M)	Bias	Lower- limit confidence interval (LLCI) 5.00%	Upper- limit confidence interval (ULCI) 95.00%
Laissez-Faire Leadership Employee Engagement	0.416	0.424	0.008	0.265	0.544
Transactional Leadership Employee Engagement	0.581	0.588	0.007	0.441	0.720
Transactional Leadership Laissez-Faire Leadership	0.430	0.456	0.025	0.253	0.625
Transformational Leadership Employee Engagement	0.855	0.853	-0.001	0.718	0.94
Transformational Leadership Laissez-Faire Leadership	0.496	0.506	0.01	0.335	0.629
Transformational Leadership Transactional Leadership	0.851	0.850	-0.001	0.713	0.93

In this study, the measurement model that can determine in this study exhibited that confirmed and acceptable discriminant validity and convergent validity. Further, based on the assessment

done, to estimate the structural model, the reliability and discriminant validity test displayed that the measurement model was valid in the study.

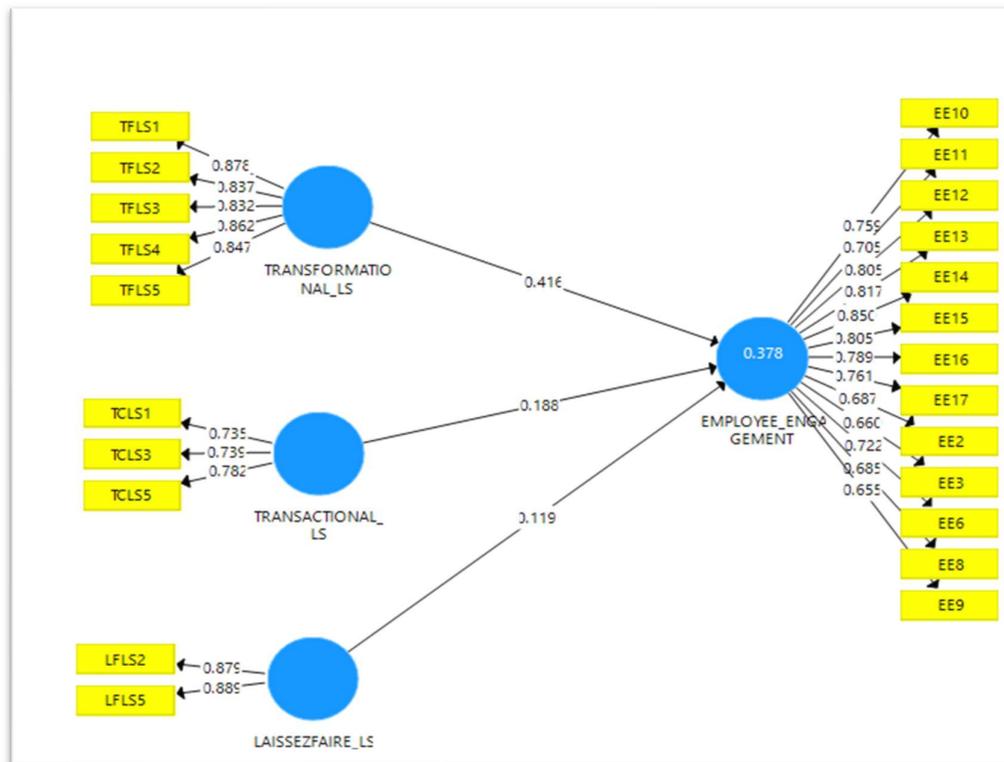


Figure 4.1: Measurement Model (Outer Model)

Structural Model Evaluation

In this research, the function of t-value is to show the path and constructs between the items and to specify how the latent variables are related to each other in this research. Further, because to estimate the structural model and in order to generate the t-value of the five hundred (500) resample of bootstrapping is used and conducted in this research.

Testing Predictive Accuracy and Relevance

Table 4.6 shows the (Q^2) the Q square of variables and the value of (R^2) the Coefficient of determination in this study. Cohen (1988) stated that the R^2 value of endogenous latent variables measured as 0.26 is substantial, meanwhile the value 0.13 considered moderate, and value 0.02 to be weak. Besides that, the R^2 was examined to measure the predictive accuracy in the structural model and also represents the variance compared to the total variance of the constructs linked to it. Table 4.6 shows that the Q^2 value of employee engagement is 0.186. Results indicated that transactional leadership, transformational leadership, and laissez-faire leadership have predictive relevance towards employee engagement in the structural model, as the Q^2 value is a positive value. Meanwhile, the Q^2 or Q square was measured to determine the predictive relevance in the structural model (Stone, 1974). Hair *et al.*, (2014) explained that if the value larger than 0 showed that exogenous construct has predictive relevance over endogenous construct. In the study, the blindfolding procedure the Q^2 can be estimated and applied to endogenous constructs that have a reflective measurement (Hair *et al.*, 2014).

Table 4.6: Determination of Coefficient (R2 and Predictive Relevance (Q2)

Endogenous Constructs	R ²	AVE	Q ²	f ²
Employee Engagement	0.364	0.562	0.186	
Laissez-Faire Leadership		0.782		0.018
Transactional Leadership		0.567		0.032
Transformational Leadership		0.726		0.14

Path Coefficient

In the study, it is exploratory the relationship between the independent variables and a dependent variable by using Smart PLS. Further, the data of the t-statistic can be found after bootstrapping procedures were conducted. Furthermore, based on the result of the acceptance and rejection, the proposed hypothesis is determined in the study.

Hypothesis Testing

Table 4.7: Hypothesis Testing

Hypothesis	Relationship	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Values	P-Values	Decision
H1	Transformational Leadership Employee Engagement	0.410	0.39	0.119	2.859	0.086	Supported
H2	Transactional Leadership Employee Engagement	0.198	0.227	0.117	1.964	0.038	Supported
H3	Laissez-Faire Leadership Employee Engagement	0.115	0.11	0.070	1.621	0.051	Not Supported

H1: There is a positive relationship between transformational leadership style and employee engagement.

Table 4.7 the hypothesis testing shows that the result indicates that there is a positive relationship between two variables, and as the result is Standard Deviation = 0.119, t-value = 2.859, at p-value 0.086 H1 is supported.

H2: There is a positive relationship between transactional leadership style and employee engagement.

Table 4.7 the hypothesis testing shows that the result indicates that there is a positive relationship between two variables, and as the result is Standard Deviation = 0.117, t-value = 1.964, at p-value 0.038. H2 is supported.

H3: There is a positive relationship between laissez-faire leadership style and employee engagement.

Table 4.7 the hypothesis testing shows that the result indicates that there is a negative relationship between two variables, and as the result is Standard Deviation = 0.070, t-value = 1.621, at p-value 0.051. H3 is not supported.

DISCUSSION AND CONCLUSION

The research study objective is to identify whether the independent variables which are transformational leadership style, transactional leadership style, and laissez-faire leadership style have a significant or not significant relationship with the dependent variable which is employee engagement. There are three research questions that needed in this study;

- i) Is there any relationship between the transformational leadership style used by the leaders and the engagement among their employees in Malaysian hypermarket at central region?
- ii) Is there any relationship between the transactional leadership style used by the leaders and the engagement among their employees in Malaysian hypermarket at central region?
- iii) Is there any relationship between the laissez-faire leadership style used by the leaders and the engagement among their employees in Malaysian hypermarket at central region?

There were 123 valid respondents which are the employees in Malaysian hypermarket central region. This research has focused on employees in Malaysian hypermarket based at central region.

Based on research objectives, three hypotheses were developed and were tested as a direct relationship. Further, the three hypotheses of direct relationship consist of (H1) there is a positive relationship between transformational leadership style and employee engagement, (H2) there is a positive relationship between transactional leadership style and employee engagement, and (H3) there is a positive relationship between laissez-faire leadership style and employee engagement.

The results of the study display that H1 were supported and H2 also were supported and have a positive relationship. Meanwhile, the H3 were not supported and have a negative relationship.

The relationship between leadership styles and employee engagement.

H1: There is a positive relationship between transformational leadership style and employee engagement.

In this study, in order of the respondents in this study the findings discovered the perception of the relationship between transformational leadership and employee engagement. The findings displayed there is a relationship between transformational leadership style and employee engagement. In this study, in Malaysian hypermarket at central region area perceived transformational behavior vital in creating a helpful or a constructive environment for employees to engage. If transformational behaviors of leaders increased, the engagement levels also increased. In this study, the results showed leaders can build a positive relationship and positive influence with employees or workers in the organization when leaders have with an

effective behavior. Employees in Malaysian hypermarket at central region displayed that under the transformational leadership style, the dimensions consist of the intellectual stimulation, idealized influence, inspirational motivation, and individualized consideration characteristics have positive relationship with employee engagement.

H2: There is a positive relationship between transactional leadership style and employee engagement.

In the study, the findings indicated that there is a relationship between transactional leadership style and employee engagement. Besides that, under the transactional leadership, the contingent reward behaviour had a higher score for Malaysian hypermarket at central region employees. The result showed that the connection between contingent reward behaviors and transformational leaders, and similar results showed in this study (Bennet, 2009). In this study, employees in Malaysian hypermarket at central region perceived transactional behaviour vital in fostering engagement if leaders provide incentives or feedback for employees that performed tasks.

H3: There is a positive relationship between laissez-faire leadership style and employee engagement.

The results revealed a negative correlation between laissez-faire leadership style and employee engagement. Besides that, under the laissez-faire leadership, employees in Malaysian hypermarket at central region perceived laissez-faire leadership as an identifiable barrier for employee engagement.

In this study, employee engagement decreased because of the passive behavior characteristics of the leader or manager. Besides that, leaders or manager avoids making decisions and avoids getting involved when important issues arise can lead to unknown expectation from employees. Robbins & Judge (2007) mentioned that the laissez-faire leadership is ineffective in the workplace, and this is also the findings supported in the research.

Implications

Based on this study, the results displayed that the transformational leadership is effective in increasing employee engagement in the workplace in Malaysian hypermarket at central region.

The result showed the transactional leadership had to influence employee engagement in the workplace. Meanwhile, for contingent reward have a positive impact on employee engagement also revealed in the study. Besides that, the implication could affect employee collaboration and knowledge transfer if the leaders who continue to use management by exception characteristics. Meanwhile, as obstacle to employee engagement in Malaysian hypermarket at central region that showed from the result in this study is related or linked to laissez-faire leadership. The implication also affects or give impact to the organization and Workgroup because the leaders showed the ineffective behaviors in the workplace and lead the employee not engage in the workforce.

Limitation of Study

In this research, the small sample size with a total of 123 and respondents was selected from Malaysian hypermarket at central region and this is found as limitation. Further, the second limitations were the employee's location because the sample was collected only at central region, the findings may not be generalized to employees in Malaysian hypermarket at other

region. Furthermore, the third limitations related to time limitation in this study, because some of the Malaysian hypermarket employees at central region took more than two weeks to return the questionnaires.

Recommendations for Future Research

Future research may or could add more independent variables due to there might be strong element that improve employee engagement in Malaysian hypermarket at central region. Further research the number of samples should be larger sample of employees in each region at Malaysia, because a limitation of this study was the small sample size in Malaysian hypermarket at central region.

Conclusion

In conclusion, as perceived by Malaysian hypermarket at central region employees it is displayed a better understanding of the relationships between leadership styles and employee engagement at workplace. Three hypotheses were tested and developed as a direct relationship. Meanwhile, the findings of the study display that H1 and H2 were supported and have a positive relationship. Meanwhile, H3 were not supported and have a negative relationship in this study. The data presented employee engagement in Malaysian hypermarket at central region increased as managers displayed the leadership styles which is transformational leadership behaviors, and employees also perceived the transactional leadership positive when leaders acknowledge employees and increasing engagement in the workplace. Meanwhile, the passive laissez-faire leadership behaviors displayed employee engagement decreased with this leadership behaviour in this research.

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