

An Empirical Investigation of the Relationship Between Transformational, Transactional Female Leadership Styles and Employee Engagement

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Abstract

Purpose: Regardless of a developing number of research concentrated on the leadership of professional working gatherings with male leaders, interestingly, research on female leadership styles has gotten into little consideration. Main objective of this research is to explore the relationship between female transformational, transactional leadership styles and employee engagement among employees in Government-linked companies (GLCs) in Malaysia.

Design/methodology/approach: 175 questionnaires were distributed, out of which 113 were returned with complete responses. Statistically Package of Social Science (SPSS) version 23 has been used to analyze the data in this research.

Findings: From the findings, the result of the correlation test shows there are positive relationship between female transformational and transactional leadership styles and employee engagement.

Research limitations/implications: In this research paper, the actual number of population of female leader at Government Linked Company (GLC) cannot be found because of limited resources.

Practical implications: Results from this study rejected the notion that employees prefer male leaders than female. Gender stereotypes should be rejected based on this result. The results of this study can increase the confidence level of female leaders despite in managing their staffs according to their styles; either transformational or transactional.

Originality/value: Based on previous research, there is lack of research regarding female leadership style with employee engagement in Malaysia. Previous researches tend to study about the relationship between leadership styles in general. In order to fill the research gap, this research carried out.

Keywords: Female Leadership Styles, Transformational Leadership Styles, Transactional Leadership Styles, Employee Engagement

Introduction

Leadership has a close relation with employee engagement. According to Rittinger (2014), leadership can be defined as guiding and assist followers or employees to right path or journey as it is vital for any organization to get employee engagement in order to achieve its goals. While focusing about the style of female leadership styles (transformational and transactional), previous study stated that female leaders are better in communicate with their employees (Kompaso & Sridevi, 2010). In order to gain competitive advantage, an organization is struggling to get employee engagement. Rosenbusch and Townsend (2004) stated that in the 21st century, leaders confront with more complex demands compare with other leaders in the past. Young Entrepreneur Council (2017) stated that female have the capabilities to take risks, learn from the failure, deal with remarks, insults or stereotypes and have power to fight for what they believe in including never give up on how struggle and hard the challenge is. Due to the changing of demographic nowadays, it is necessary for any organization to consider women when they hunting for exceptional leaders (Heiß, 2011). Current survey by Commerzbank AG (2011) shows that 51% of the university graduates are from women and they are well-educated and skillful employees who will become a good leaders which is important to gain employee engagement.

In 2011, Malaysian government has declared that they have target for corporate sector that 30% of decision making position are represent by female by end of 2016 (Merican and Ghani, 2016). However, in the corporate sector, female are being far left behind to be equal with male (Merican and Ghani, 2016). There are many reason and perceptions by many parties that explains why are the female leadership are being left behind in corporate sector and in decision making position. Among obstacles that damage female leadership is the early understanding and belief that female are less competitive, less prolific or less competencies (Ceil, 2012). Meanwhile, according to Elmuti, et al. (2009), there are few past perceptions regarding leadership skill, efficiency and assertiveness that may prevent female leader ability to success in managements. Potential female leader's deficiency such as lacks of assertiveness, drive and/or competitive spirit has been focused by another body of work (Cook and Glass, 2013).

Apart from that, female leaders also tend to face gender stereotypes as they cannot be as effective as male leaders. According to Powell (2012), it is difficult for female leaders to be as effective as male leader when there are pre-judgements towards them and at the same time it lower their desirability as a leaders. Meanwhile, according to Rios (2015), a study that conducted by a body of research shows that the learning cycle of becoming leaders disturbed by society that continuous have subtle gender bias. According to Lacasce (2016), when female obtain the leader position, it is difficult for them to have respects from their subordinates because of the statement that female leader less effective than male leader. Furthermore, other stereotypes that have been faced by female leaders are their abilities to be a good leader. Most of the countries believe that female leader do not have capabilities of doing business (Elmuti, Jia, and Davis, 2009). Other than that, Stoker et al. (2012) stated that, female have to face the prejudicial evaluation of their

competencies as a leader and at the same time it leads to the decreasing of access to leadership role and more negative assessments.

According to Utusan Online (2013), female subordinate prefer that their leader as a male compared to female leader as female leader are less professional and too emotional and tend to be bossier. In reality, based on complain from younger female, they are more feel unsecured when senior female becomes a leader (Buchanan, Warning, and Tett, 2012). Meanwhile, female leader more often oppose rather than supporting the advancements of female subordinates and female leader tend to emphasize of having masculine competencies and traits which can distance them from other female (Ellemers, Rink, Derks, and Ryan, 2012). Due to that, research conducted by recruiting experts, Hays concluded that in Asia, men still hold atleast 80% of the top jobs which covered top position including line of manager roles (Dhesi, 2017).

This study is aimed to identify whether the relationship between female leadership styles (transformational and transactional) as independent variable with employee engagement as dependent variable. According to Folkman (2017), as male leader become bolder, then the employee engagement increase meanwhile as female leader become bolder the level of employee engagement tend to decrease. In addition, in order to keep up a high level of engagement among employees, female leader are advised to use other leadership style instead of the transformational leadership style only.

Based on previous research, there is lack of research regarding female leadership style with employee engagement. Previous researches tend to study about the relationship between leadership styles in general and job satisfaction or with firm performance. There is lack of research regarding female leadership styles with employee engagement. In order to fill the research gap, this research carried out.

Literature Review

Female Transformational Leadership

Buil, Martínez and Matute (2018) defined transformational leadership as an approach where leaders play a part to motivate his or her employees to achieve organizational goals and company's welfare as well as to perform beyond that company's expectations which led to an effective and efficient management. According to Belasen and Frank (2012), transformational leadership is the changed process and the process to change the individuals. In other words, transformational leadership is future oriented compared to the present oriented and the strength of the organization can inspired the employer which employer can give commitment and creativity to the organization.

Besides that, this transformational leadership also contributes in order to increase motivation of employee and encourage increase mechanism in their achievement and performance. Females are able to be effective guides for their subordinates because based on previous research emphasized that female are better equipped for applying transformational styles (Nava, 2014). Transformational leadership is noticeably interactive. It was the style used by many of the female leaders who were ascending in the hierarchical positions and moving into work parts generally included by men. (Moore, Moore, and Moore, 2011).

Female Transactional Leadership

The transactional leadership existed between the leader and employee (McCleskey, 2014). Transactional leadership also refer to the most of the leadership model there are more focus on the exchange between their leader and subordinates. There are also the leader who use

transactional leadership tend to monitor and control their employee with economic and rational (Belasen and Frank, 2012).

According to the Spahr (2014), rewards and penalties can be measured via transactional leadership where it create a formal authority between employee and employer with the higher position. Leader who have transactional leadership basically involved in maintaining employee routine including individual management as well as group performance. Due to that, this leadership style is more prefers in managing crisis or emergency situation of an organization (McCleskey, 2014). Other than that, Sultana et.al (2015) clarified that this leadership style also called managerial leadership due to they stress on responsibility to the organization including administration responsibility, and group performance. Those who perform will be rewarded and those contribute to the failure will get punishment.

Employee Engagement

Employee engagement existed when an employer and employee has two ways of communication that led to the three prior criteria of successful organization which is work satisfaction, employee obligation and definitive citizenship lead (Sridevi, 2010). Variety of culture level burst engagement of an organization (Parent and Lovelace, 2015). When these employees combined their culture, organization will benefits especially for organization performance including style of the organization, HR practices and culture applied in the organization led to employee engagement level.

Employees who prepared mentally and physically is vital for the organization performance. When these employees is happy with their organization, they will retain their relationship with the organization. Employee engagement play important part for achieving company's profit and sustainability where employee who is unhappy will resulted less effort for any task given by the employer, turnover and also take it for granted for any occasion of business operation. These employee basically unethically avoid to participate in any event organized by the organization and do not care of organization vision and mission.

Female Transformational, Transactional Leadership Style with Employee Engagement

In the study of leadership style adoption in leaders to improve employee engagement, it is clear that the relation involves supervisor/employee relationships on employee's performances. (Gigaba, 2015). In the view on his research, Kark (2004) found that female in management area use a style of leadership that is more pertained, more open and which enforce co-worker engagement. Rohmann and Rowold (2008) agree and bring up that female leaders show concern for the well-being of their supporters and the objective of their devotees. The care and interest female leaders show, combined with their commitment to 'going the additional mile,' is returned by their subordinates. For instance, adherents of a transformational leader are more willing to put additional work effort to finish a special project or meet an approaching due date (Walters, 2015). According to Powell, Butterfield, Bartol (2008), female leader are more likely use contingent reward behavior which is one of the dimension in the transactional leadership style and female leader also use fewer leadership style in management by expectation behavior. Then, in other research also shows that female leader that has been use transactional leadership is better in order giving reward to their employee has a positive result (Schmidt, 2006).

Theoretical Framework and Hypothesis Development

In consistent with the findings in Literature Review, this research proposed a theoretical framework as below.

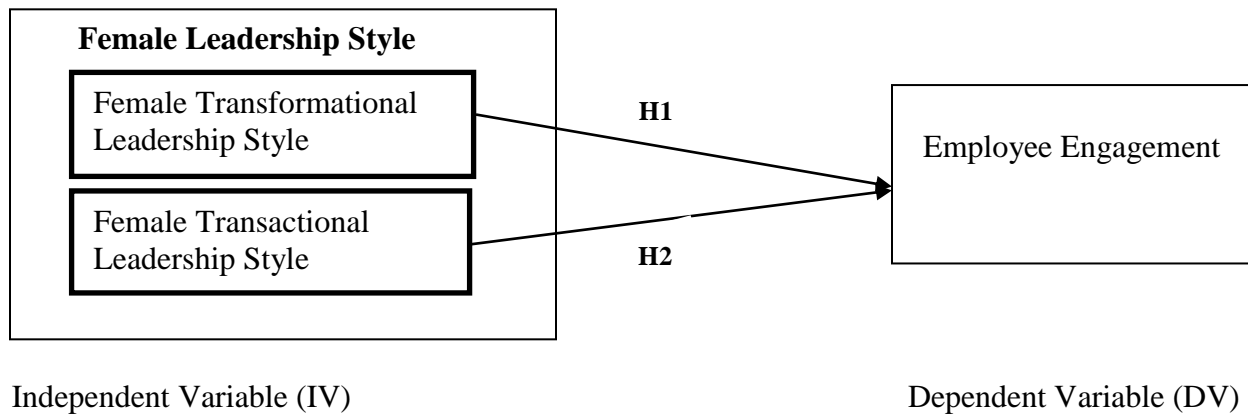


Figure 1: A Propose Research Framework on Female Transformational and Transactional Leadership Style

This framework consists of Independent Variables and Dependent Variables to measure in terms of transformational and transactional. This study highlights on female leadership style. Then, this Independent Variable measures the perception of employee engagement.

Below hypotheses developed based on the dependent and independent variables:

- H1: There is a positive relationship between female transformational leadership styles with employee engagement.
- H2: There is a positive relationship between female transactional leadership styles with employee engagement.

Method

The sample consisted of 113 Malaysian employees who are under female leaders from Government Link Companies. A convenience sampling method was used whereby research questionnaires were distributed to offices of Government Link Companies (GLC) in Kuala Lumpur. Since the actual number of population of female leader at Government Linked Company (GLC) cannot found because of limited resources, researches approached each potential respondent, ask for their participation if they are working with female leaders and wait for the respondents to complete the questionnaire. Out of 175 questionnaires were distributed, out of which 113 were returned with complete responses. The data was analyzed using Statically Package of Social Science (SPSS) software version 23.

Findings

Reliability Analysis

Table 1: Variables Reliability Results

Variables	Cronbach's Alpha	Total of Question
Female Transformational Leadership	0.923	8
Female Transactional Leadership	0.729	6
Employee Engagement	0.914	8

For the reliability of the first independent variable which is Female Transformational Leadership, the Cronbach's Alpha Coefficient as computed for the 8 item (N=8) is 0.923 that relatively high internal consistency.

For the reliability of the second independent variable which is Female Transactional Leadership, the Cronbach's Alpha Coefficient as computed for the 6 items (N=6) is 0.729, which is above 0.7. Then, there are the acceptable values of internal consistency.

For the reliability of the dependent variable which is Employee Engagement, the Cronbach's Alpha Coefficient as computed for the 8 items (N=8) is 0.914 that relatively high internal consistency.

Correlation Analysis

Table 2: Correlation Summary

		Correlations	
		Female Transformational Leadership Style (IV1)	Employee Engagement (DV)
IV 1	Pearson Correlation	1	.812**
	Sig. (2-tailed)		.000
	N	113	113
IV2	Pearson Correlation	1	.716**
	Sig. (2-tailed)		.000
	N	113	113
DV	Pearson Correlation	.812**	1
	Sig. (2-tailed)	.000	
	N	113	113

** . Correlation is significant at the 0.01 level (2-tailed).

Table 2 shows that the p-value for the female transformational leadership style and the employee engagement is 0.000 which less than 0.01. It indicates that the result is significant at level 1%. Hence, hypothesis 1 is accepted. The p-value for the female transformational leadership style and the employee engagement also 0.000 which less than 0.01. It indicates that the result is significant at level 1%. Hence, hypothesis 2 also accepted.

Discussion and Conclusion**There is a Positive Relationship between Female Transformational Leadership Style and Employee Engagement**

Based on the result, employees are engaged under female leaders who used transformational styles. It is consistent with Walters (2015) that has been mention in the literature review and the hypothesis is accepted. According to Poddar et.al (2012), a study by previous researcher found that the administration culture and style of the leader have a strong relation with degree of the employee engagements. Their overall research found that majority of leader use transformational leadership style meanwhile transactional leadership style fall under two most common style that leader use. Meanwhile Nava (2014) stated that females are able to be effective guides for their subordinates because based on previous research emphasized that female are better equipped for applying transformational styles. Caballero (2013) explained that transformational leadership provide employee better treat and need including attention, better in giving instruction and advise employee who have personal problem or work problem.

There is a Positive Relationship between Female Transactional Leadership Styles and Employee Engagements

Based on the result, employees are engaged under female leaders who used transactional styles. It is consistent with Schmidt (2006) that has been mention in the literature review and the hypothesis is accepted. According to Belasen and Frank (2012) leader who use transactional leadership monitor and control their employee with economic and rational. Meanwhile McCleskey (2014) found that transactional leadership is useful in managing crisis or issue that arise in the organization as what the organization plan to have. Other than that, William (2012) research resulted with female leaders engage in transactional leadership which is the contingent reward behavior and individualized judgements. Batista et.al (2013) found that in order to gain compliance from the subordinates, transactional leader use conventional reward and punishment. In addition, Gigaba (2015) report that for successful performances, objectives of the reward, expectation that clear as crystal, prepares sufficiently resources, leave mutually agreed objectives and prepares various types or reward is related to the contingent reward.

It can be seen that the research results of this research shows that there is a positive relationship between independent variables (female leadership; transformational and transactional) with dependent variable (employee engagement). The results show the statement saying that it is difficult for female leaders to be as effective as male leader is not totally true. Employees in this study engaged with their female leaders tell us that gender is not the issue to engage. Employees still engage eventhough they are working with female leaders who used transformational and transactional styles. Both have strong (positive) relationship with employee engagement. The relationship between the two independent variables (transformational and transactional) and employee engagement; the difference in terms of correlation is small.

In the perspective of working environment, the employee shows positive working ethics towards the female leadership style. It can be elaborated that a female leader can synchronize significantly between their career enhancement and responsibility towards the workers. As the attitude of the female leaders have been shown in a positive way, the employee could unlock the talent in themselves to develop their working skills in order to reach the level of excellent on contributing to the companies. The combination of female transformational and transactional leadership style with employee engagement finally gives the results of benefitting and

advantaging those companies for whom they work for. The objectives of getting positive results were achieved in order of the research of the leadership and engagement.

Due to its limitation in sample size, for future research, bigger sample size which will cover all states in Malaysia is necessary in order to do comparison and prove this study.

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