# LEADERSHIP STYLES INFLUENCING EMPLOYEES' WORKING PERFORMANCE IN FINANCIAL SECTOR WITHIN PENINSULAR MALAYSIA

BY

KOH LEH HUI LAU JIA XIN LEW SHU DI NG KAH YUNG SAM KA YING

A research project submitted in partial fulfillment of the requirement for the degree of

BACHELOR OF COMMERCE (HONS) ACCOUNTING

UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF BUSINESS AND FINANCE DEPARTMENT OF COMMERCE AND ACCOUNTANCY

**AUGUST 2014** 

#### Copyright @ 2014

ALL RIGHTS RESERVED. No part of this paper may be reproduced, stored in retrieval system, or transmitted in any form or by any means, graphic, electronic, mechanical, photocopying, recording, scanning, or otherwise, without the prior consent of the authors.

#### **DECLARATION**

We	hereby	dec	lare	that:
----	--------	-----	------	-------

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.

(4) The word count of this research report is \_\_\_\_\_\_ 9859 words

Name of Student:	Student ID:	Signature:
1. KOH LEH HUI	10ABB06343	

3. LEW SHU DI 10ABB04131 4. NG KAH YUNG 10ABB04177

5. <u>SAM KA YING</u> 10ABB02456

10ABB04637

2. LAU JIA XIN

#### **ACKNOWLEDGEMENT**

We, Koh Leh Hui, Lau Jia Xin, Lew Shu Di, Ng Kah Yung and Sam Ka Ying, would like to take this opportunity to express our greatest gratitude for everyone who has contributed in our project.

Firstly, we would like express the deepest appreciation to our supervisor, Mr. Satchit Anantha a/l V.Krishnan, who was willing to spend his precious time to guide and assist us in identifying the weaknesses of this project. Besides that, sufficient recommendations were also given by Mr. Satchit. Hence, without his guidance and persistent help, our research project would not have been possible.

Moreover, we are also like to show gratitude to our lead lecturer of Research Methodology and Project, Ms. Lee Voon Hsien for providing us with so much useful information and guidance during the entire period in conducting our project. She has continually conveyed an excitement in regard to teaching this subject.

Additionally, we are grateful to all the respondents who were willing to spend their valuable time to help us in filling up and completing the survey questionnaires. Without their contribution, our research project would not have been completed.

Furthermore, we would like to delicate special thanks to our second examiner, Ms. Ng Shwu Shing for giving us suggestions and recommendations during VIVA presentation. Her suggestions and recommendations are indeed useful and helpful in enhancing this research project.

Lastly, we would like to show our gratitude to everyone who has contributed and helped us in completing this project. Thank you.

# TABLE OF CONTENTS

				Page
Copyright Pa	.ge			ii
Declaration .				iii
Acknowledge	ement			iv
Table of Con	tents			v-vii
List of Table	S			ix-x
List of Figure	es			xi
List of Apper	ndices .			xii
List of Abbre	eviations	S		xiii
Preface				xiv
Abstract				XV
CHAPTER	1	RESEA	ARCH OVERVIEW	
	1.0	Introdu	uction	1
	1.1	Backg	round of Study	
		1.1.1	Leadership	1-2
		1.1.2	Financial Service Sector in Malaysia	2-3
	1.2	Proble	m Statement	3-4
	1.3	Resear	ch Objectives & Research Questions	5
	1.4	Signifi	cant of Study	
		1.4.1	Practical	6
		1.4.2	Academic	7
	1.5	Chapte	er Layout	7
	1.6	Conclu	ısion	8

CHAPTER	2	LITERATURE REVIEW
	2.0	Introduction
	2.1	Path-Goal Theory of Leadership 9-12
	2.2	Review of Past Empirical Studies
		2.2.1 Employee Working Performance
		2.2.2 Leadership Styles
		2.2.3 Directive Leadership Style
		2.2.4 Supportive Leadership Style
		2.2.5 Participative Leadership Style
		2.2.6 Achievement-oriented Leadership Style 21-23
	2.3	Proposed Conceptual Framework
	2.4	Hypotheses Development
	2.5	Conclusion
CHAPTER	3	METHODOLOGY
	3.0	Introduction
	3.1	Research Design
	3.2	Data Collection Method
		3.2.1 Primary Data
	3.3	Sampling Design
		3.3.1 Target Population
		3.3.2 Sampling Frame and Sampling Location 28-29
		3.3.3 Sampling Elements
		3.3.4 Sampling Technique
		3.3.5 Sampling Size
	3.4	Research Instrument
	3.5	Variables and Measurement
	3.6	Data Analysis Technique
		3.6.1 Descriptive Analysis
		3.6.1.1 Reliability Analysis
		3.6.1.2 Normality Analysis

		3.6.2 Inferential Analysis	
		3.6.2.1 Pearson Correlation Coefficient	34-35
		3.6.2.2 Multiple Linear Regression Analysis	35-36
	3.7	Conclusion	37
CHAPTER	4	DATA ANALYSIS	
	4.0	Introduction	38
	4.1	Pilot Test	
		4.1.1 Reliability Test	39
		4.1.2 Normality Test	40
	4.2	Descriptive Analysis	
		4.2.1 Respondents' Demographic Profile	41-45
		4.2.2 Central Tendencies Measurement of Constructs	46
	4.3	Scale Measurement	
		4.3.1 Normality Test	47-48
		4.3.2 Reliability Test	48
	4.4	Inferential Analysis	
		4.4.1 Pearson Correlation Analysis	49-50
		4.4.2 Multiple Linear Regressions	51-54
		4.4.2.1 Test of Significance	54-55
	4.5	Conclusion	55
CHAPTER	5	DISCUSSION, CONCLUSIONS & IMPLICATIONS	
	5.0	Introduction	56
	5.1	Summary of Statistical Analysis	
		5.1.1 Descriptive Analysis	56-57
		5.1.2 Scale Measurement	
		5.1.2.1 Normality Test	57
		5.1.2.2 Reliability Test	58
		5.1.3 Inferential Analysis	
		5.1.3.1 Pearson Correlation Analysis	58

			5.1.3.2 Multiple Linear Regressions	59
	5.2	Discus	sion of Major Findings	
		5.2.1	Directive Leadership Style	60
		5.2.2	Supportive Leadership Style	61
		5.2.3	Participative Leadership Style	62
		5.2.4	Achievement-oriented Leadership Style	63
	5.3	Implic	ations of Study	
		5.3.1	Managerial Implications	64-65
	5.4	Limita	tions of Study	66
	5.5	Recom	mendations for Future Researches	67
	5.6	Conclu	usion	67
References				68-76
Annendices				77-95

#### LIST OF TABLES

		Page
Table 1.1	Past Studies on Leaderships	4
Table 1.2	Research Objectives and Research Questions	5
Table 3.1	Rule of Thumb	33
Table 3.2	Rule of Thumb (Pearson Correlation Coefficient)	35
Table 4.1.1	Reliability Test Results of Pilot Test	39
Table 4.1.2	Normality Test Results of Pilot Test	40
Table 4.2.1.1	The Age of Respondents	41
Table 4.2.1.2	The Gender of Respondents	42
Table 4.2.1.3	The Educational Level of Respondents	42
Table 4.2.1.4	The Income Level of Respondents	43
Table 4.2.1.5	The Sector of Respondents	44
Table 4.2.1.6	The Working Experience with the Current Employer of	
	Respondents	45
Table 4.2.2	Central Tendencies Measurement of Constructs	46

		Page
Table 4.3.1	Normality Test	47
Table 4.3.2	Reliability Test	48
Table 4.4.1	Table of Pearson Correlation	49
Table 4.4.2.1	Analysis of Variance	51
Table 4.4.2.2	Model Summary	52
Table 4.4.2.3	Parameter Estimates	53

#### LIST OF FIGURES

		Page
Figure 2.1	The Basic Idea of Path-Goal Theory	10
Figure 2.2	Major Component of Path-Goal Theory	11
Figure 2.3	Proposed Theoretical Models	14

#### LIST OF APPENDICES

		Page
APPENDIX A	Summary of Past Empirical Studies on Path-goal Leadership – Employees' Working Performance	77-80
APPENDIX B	Sources of the Items Adapted in the Survey  Questionnaire	81-83
APPENDIX C	Survey Questionnaire	84-88
APPENDIX D	Variables and Measurement	89
APPENDIX E	Permission Letter to Conduct Survey	90
APPENDIX F	Age Distribution of Respondents	91
APPENDIX G	Gender Distribution of Respondents	91
APPENDIX H	Education Level Distribution of Respondents	92
APPENDIX I	Monthly Income Distribution of Respondents	92
APPENDIX J	Working Sector Distribution of Respondents	93
APPENDIX K	Working Experience Distribution of Respondents 9	93
APPENDIX L	Distribution of Residuals for Working Performance 9	94
APPENDIX M	Residual by Predicted for Working Performance	94
APPENDIX N	Outlier and Leverage of Diagnostics for Working  Performance	95
APPENDIX O	Q-Q Plot of Residuals for Working Performance	95

#### LIST OF ABBREVIATIONS

DV Dependent Variable

Working Performance WP

IV Independent Variable

D Directive leadership style

S Supportive leadership style

Participative leadership style P

A Achievement-oriented leadership style

Avg Average

Multiple Linear Regression MLR

#### **PREFACE**

In terms of leadership styles, a wide variety exists for one to employ. There isn't firm consensus as to which styles prove to be the most effective. In the past few decades, a complex set of socio-economic pressures, such as the intensifying global economic competition, advances in technology and the shift to a service-oriented economy, have forced organizations to shift towards more decentralized structures where employees are encouraged to take on more responsibilities. Many theories and studies have revealed that leadership styles can have significant impacts on performance outcomes in different cultures and organizational settings, including financial institutes in the Asian context.

As Malaysia is transitioning towards a high-income and high value-added economy, it is essential to know which leadership styles will be able to improve the employees' working performance in the financial sector. Therefore, we came about to engage in the essential of leadership styles in influencing employees' working performance in the financial sector. According to the current economic issues and problem statements in the past studies, we have decided to choose the Path-goal theory of leadership styles, which are directive leadership style, supportive leadership style, participative leadership style and achievement-oriented leadership style as our research model.

In our research project, we had discussed the implications of Path-goal leadership styles on employees' working performance. Consequently, readers may have a better understanding on Path-goal leadership styles and how it can be used by managers to improve their employees' working performance.

#### **ABSTRACT**

This empirical study aims to provide more insight on the ideas of whether the pathgoal theory of leadership styles is able to influence employees' working performance and how leaders enhance their work group effectiveness as well as encourage work group member retention that will strengthen bottom-line performance. A sample of 385 respondents was chosen through convenience sampling technique. The data were collected from employees working in the financial service sector within Peninsular Malaysia through distribution of survey questionnaires. 385 set of survey questionnaires were distributed and 347 set of questionnaires were collected. However, only 329 questionnaires were completely filled up. Employees' working performance depends upon the leadership style that is applied by their superior. Pearson Correlation analysis and Multiple Linear Regression analysis were used to test the hypotheses. The results revealed employees' working performance was positively influenced by directive, supportive, participative and achievement-oriented leadership styles.

# **CHAPTER 1: RESEARCH OVERVIEW**

#### 1.0 Introduction

Initially, Chapter 1 will begin with the background of the study, followed by defining the problem statement, research objectives and research questions. Lastly, significant of study will also be provided at the end of this chapter.

#### 1.1 Background of Study:

## 1.1.1 Leadership

Leadership is discovered to be a very significant part in building an effective and successful organization. Due to the past complex challenges, leaders nowadays should be able to act differently according to the environment demands (Sakiru, D'Silva, Othman, DaudSilong & Busayo, 2013).

There is a broad range of leadership definitions. Leadership is concerning on how a leader influences, encourages, and leads the subordinates to contribute towards the effectiveness and success of the firms of which they are member (McShane & Glinow, 2010, p.360). Leadership is more to a process where it influences and motivates others to work for the organizational objectives. Hence, it is crucial for managers and supervisors to know how to motivate their subordinates in achieving the goals (Malik, 2012).

Leadership has significant influences on employees' working performance. Voon, Lo, Ngui and Ayob (2011) revealed a capable leader will provides direction for the company and assists subordinated in accomplishing desired objectives. Leadership styles will control the employee behaviour towards the customer and product as well as influence the employee performance (Nwibere, 2013). There are various researches about leadership have been conducted and found that leadership is important in the prediction of employee attitudes, motivation and performance (Kelloway, Turner, Barling & Loughlin, 2012).

#### 1.1.2 Financial Service Sector in Malaysia

In the Ninth Malaysia Plan (2006-2010), the services sector has contributed the most to the Malaysian economic growth and increased the GDP to 58.0% in 2010. The strong performance of subsectors such as in finance, insurance, real estate and business services, wholesale and retail trade, accommodation and restaurants, as well as transport and communication has brought a rapid growth in this sector (Tenth Malaysia Plan, 2010).

According to Bank Negara Malaysia (2012), Malaysia is transitioning towards a highincome and high value-added economy according to the new Financial Sector Blueprint. The financial service sector is expected to grow from current GDP of 4.3 times to six times of GDP in 2020 according to the planned economy growth rate (Bank Negara Malaysia, 2012). Consequently, the financial sector in Malaysia is conceived to evolve beyond its role in order to be more competitive, dynamic, inclusive, diversified and integrated, hence it will be able to provide Malaysian with world class standard financial services.

#### 1.2 Problem Statement

Banking businesses in the past ten years have been encountered a situation characterized by persistence changes, such as, deregulation, fierce global competition and increased customer expectations have forced banks to develop and provide services of greater range and complexity (Pasiouras & Zopounidis, 2009; DeYoung, 2007). Further, the present expected results such as tailor-made solutions and quality services are not effectively achieved (Lee, Cheng, Yeung & Lai, 2011). Lee et al. (2011) have argued that employee behaviours could be effectively influenced appropriate leadership in operational teams in banks in order to improve the performance of banks. Therefore, only appropriate leadership styles will bring effective performance and job outcomes of employees (Limsila & Ogunlana, 2007).

Table 1.1: Past Studies on Leaderships

Past Studies	Country	Purpose
Malik, Aziz and Hassan, 2014		To investigate the relationship between Path-Goal Theory leadership behaviours and leader acceptance by the followers.
Malik, 2013	Pakistan	To study the relationships between leaders' behaviour and employees' job satisfaction: A Path-Goal Approach.
Malik, 2012		To study the relationship between manager's behaviours and subordinate job expectation based on Path-Goal Approach.
Dixon and Hart, 2010	U.S.	To examine the relationship between Path-Goal leadership styles, work group diversity, work group effectiveness and the employee's intention to resign.
Mahdi, Mohd and Almsafir, 2014		To study the impact of leadership behaviours on organizational commitment in plantation companies.
Kamisan and King, 2013	Malaysia	To analyze the difference leadership styles used by two managers in AirAsia and Malaysia Airlines.
Martin, Liao and Campbell, 2013	Dubai	To investigate the impacts on task proficiency and proactivity: Directive versus Empowering Leadership.
Oshagbemi, 2008	U.K.	To analyze how personal and organizational variables influence the leadership styles practiced managers.
Hartmann, Naranjo- Gil and Perego, 2010	Netherlands	To study the impact of leadership styles and managers' performance measures on work-related attitudes of employees.

Table 1.1 is the summary of past studies that have been carried out by different researchers about leaderships. However, there were no past research on the path-goal theory of leadership and its influences on employee working performance.

# 1.3 Research Objectives & Research Questions

Table 1.2: Research Objectives and Research Questions

General Objective:	<b>General Question:</b>
To identify the leadership styles that can	What are the leadership styles that can
improve employee working performance.	improve employee working performance?
Specific Objectives:	Specific Questions:
To examine whether directive leadership	Will directive leadership style influence
style will influence employee working	employee working performance?
performance.	
To investigate whether supportive	Will supportive leadership style affect
leadership style will affect employee	employee working performance?
working performance.	
To find out whether participative	Will participative leadership style
leadership style will influence employee	influence employee working
working performance.	performance?
To determine whether achievement-	Will achievement-oriented leadership
oriented leadership style will affect	style affect employee working
employee working performance.	performance?

Table 1.2 illustrates the research objectives and research questions of this study.

#### 1.4 Significant of Study

#### 1.4.1 Practical

This empirical study aims to provide more insight to the managers in financial service sector of Malaysia in which leadership styles are likely to have a greater influence on employee working performance. Hence, leaders will be provided with a better vision on a situation whereby different leadership styles can be utilized in a different way by matching his or her behavior with the characteristics of their subordinates along with working environment. Besides that, managers will be able to choose the right leadership style to improve employees' working performance in order to achieve organizational goals and objectives. In addition, this new insight will contribute to the ways on how leaders enhance their work group effectiveness as well as encourage work group member retention that will strengthen bottom-line performance. Moreover, this empirical study might be useful in other sectors that shared the similar operating environment even though this study is only focused on financial service sector.

#### 1.4.2 Academic

This empirical study can be used as an academic reference for future research on leadership as currently there are limited researches that had been conducted in Malaysia on "Directive Leadership Style", "Supportive Leadership Style", "Participative Leadership Style", and "Achievement-oriented Leadership Style" that could have significant impact on employees' working performance in Malaysia. Most of the past studies are focused on other leadership styles such as "Transactional Leadership Style", "Transformational Leadership Style" and "Laissez-Faire Leadership Style" and conducted oversea.

## 1.5 Chapter Layout

Chapter 2 includes the theoretical foundation used for this study and the reviews of prior empirical studies related to the independent variables. A research model will be constructed and four hypotheses will be developed during this research. Chapter 3 will includes the description on how this research is to be conducted in terms of research design, data collection methods, sampling design, research instrument, variables and measurement, and data analysis technique.

# 1.6 Conclusion

This chapter briefly discusses the introduction of path-goal theory of leadership style that influences on employees working performance. The problems encountered by researchers in the previous studies and the purpose to conduct this study were also highlighted in this chapter. Additional discussion on the literature review and theoretical foundation will be covered in Chapter 2.

## **CHAPTER 2: LITERATURE REVIEW**

#### 2.0 Introduction

Review of literature of past studies will be carried out in this chapter. Besides that, the conceptual framework as well as hypothesis will be developed to evaluate the relationship between the four independent variables and one dependent variable.

#### 2.1 Path-Goal Theory of Leadership

According to Robert House (1971), path-goal theory has been used by the most of the past studies to determine and explain the relationship between the leader's behaviour and employees' performances, satisfaction and motivation. Path-goal theory was derived from expectancy theory, introduced by Vroom's in year 1964. Martin Evan introduced this theory in 1970 and in the year of 1971, Robert House further develop this theory and then revised it in year 1996.

Obstacle(s) Subordinates Path Path Path-Goal Leadership Defines goals Clarifies path Removes obstacles Provides support

Figure 2.1: The Basic Idea of Path-Goal Theory

Adopted from: Northouse, P. G. (2007). Leadership: Theory and practice (4<sup>th</sup> ed.). California: Sage Publications, Inc.

Diagram 2.1, according to House and Mitchell (1974), states that leaders motivate their subordinates by removing the obstacles from the path to make the path clear, as well as coaching and leading them so that they can travel through it easily and achieve the goal (as cited in Northouse, 2007).

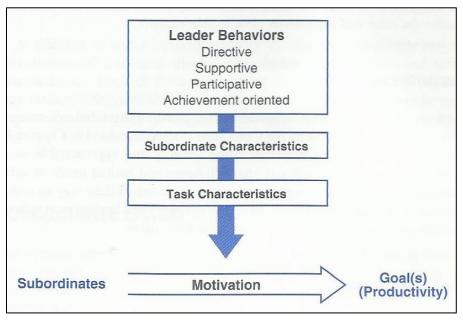


Figure 2.2: Major Components of Path-Goal Theory

<u>Adopted from</u>: Northouse, P. G. (2007). *Leadership: theory and practice* (4<sup>th</sup> ed.). California: Sage Publications, Inc.

Diagram 2.2 demonstrated the main items of path-goal theory which consist of behaviours of the leader, subordinate characteristics, task characteristics, as well as motivation. Path-goal theory proposes that each and every leader's behaviour has dissimilar influence on subordinates' motivation. The effectiveness of the leader's motivation towards their subordinates is depends on the subordinates as well as task characteristics (Northouse, 2007).

Path-goal theory helps to identify the outcome of the leadership style toward group cohesiveness (Aris & Kamarudin 2009). It was also used to define the employees' loyalty to their leader based on the leadership style (Polston-Murdoch, 2013). Besides that, path-goal theory also helps to recognize the result of the interaction among the leadership style and the turnover intention (Dixon & Hart, 2010). According to House (1971), Path-Goal Leadership Theory aims to clarify the practice of how leaders are

able to assist their followers along the path to their objectives (as cited in Fukushige & Spicer, 2011).

This theory includes four different types of leadership styles which are directive, supportive, participative and achievement-oriented leadership. Directive leadership provides psychological structure for the employees (Malik, 2012). Secondly, supportive leadership is based on the employees' satisfaction (Malik, 2012). Thirdly, participative leadership is when the leader encourages the employee to participate in decision making (Malik, 2012). Lastly, achievement-oriented leadership is the leadership style that sets a clear and achievable target or a goal for the employee to achieve (Malik, 2012). The objective of this study is to identify whether these four leadership styles have positive influences on the employees' job performances.

Path-goal theory has been chosen for this study is because Hunt (1996) argued that it has existed for about four decades and this theory is at present one of the main approaches to leadership that is enclosed by nearly all fundamental textbooks on management as well as organizational behaviour (as cited Malik, 2012). Path-goal theory also seeks in the explanation of the influences of leader behaviours on the motivation of their subordinate, satisfaction and performance (Howieson, 2008). Furthermore, path-goal theory has four situational characteristics, which are situation where employees lack of confidence, situation which is ambiguous, situation when the jobs are not challenging and lastly, situation where the rewards are not attractive to the employees. Each of the situational characteristic needs a different type of leadership style (Landrum & Daily, 2012).

#### 2.2 Review of Past Empirical Studies

#### 2.2.1 Employee Working Performance

McCloy, Campbell, and Cudeck (1994) described job performance as actions or behaviour that is related to the aims of the organization in question. Job performance is viewed as the contributions of employees to organizational effectiveness in which expectations are given associated with his or her task (Treadway, Ferris, Hochwater, Perrew é, Witt & Goodman, 2005).

Many researchers have used employees' job performance as an indicator in measuring organizational performance (June & Mahmood, 2011; Wall, Michie, Patterson, Wood, Sheehan, Clegg & West, 2004). According to Motowidlo (2003), although performance is often measured in the context of financial, it can also be determined through the mixture of individual's ratings by non-performers and selfratings as well as self-appraisal (as cited in Tabiu & Nura, 2013).

#### 2.2.2 Leadership Styles

Gonos and Gallo (2013) claimed leadership is widely defined as the social influence process that occurs in certain conditions and inspiring others in attaining a defined objective or goal. Additionally, according to Skansi (2000), leadership is also defined as a management function and the process of influencing employees in order to accomplish the objectives of the organization through leading the employees and the social interaction in the organization. According to Mosadegh Rad (2003), viewed leadership style as a set of managerial behaviours, characteristics, attitudes, and skills based on reliability of employees in different situations, leadership interests, as well as organizational and individual values (as cited in Mosadegh Rad & Yarmohammadian, 2006).

Kozak and Uca (2008) found that leadership style can improve positive relationships with employees, enhance service performance and also assist in organizational climate improvement thus it can be viewed as an essential management tool. Kuoppala, Lamminpa, Liira and Vainio (2008) carried out a research showing that leadership is linked to job well-being. Job satisfaction can be improved and disability pensions and sickness absenteeism can be reduced by practicing a good leadership (as cited in Kara, Uysal, Sirgy & Lee, 2013). Path-goal theory proposes that when leader employ behaviours that paid-off for deficiencies and is instrumental to subordinate satisfaction, as well as individual and work unit performance, it will likely to increase the satisfaction of their followers (House, 1996, p.348) (as cited Kahai, Sosik & Avolio, 2004). Leaders who possess good leadership characteristics will promote the growth of firm and develop into an icon within the team because leaders are expected to act as a role model to the employee (Kamisan & King, 2013).

#### 2.2.3 Directive Leadership Style

Directive leadership will assigns precisely the task for subordinates and how the task should be completed. In other words, directive leader will inform subordinates about their task and the expectation from them. Besides that, he will explain the ways to complete the task and task schedules to subordinates. He also provides performance standards and sets clear rules and regulations as well as provides explicit expectations of performance for subordinates (Malik, Aziz & Hassan, 2014; Northouse, 2013). Directive behaviour is suitable when task assigned is complex or ambiguous, formal authority is strong and the subordinates are satisfied with their current job (Lussier & Achua, 2010).

Euwema, Wendt and van Emmerik (2007) have investigated the relationship between directive and supportive leadership with group organizational citizenship behaviour (GOCB). This research used the data from the database of an international consulting organization (Hay Group) in which the data were gathered from managers and team members in 33 countries. The hypotheses were tested with multi-level analysis and discovered that directive leadership is negatively related on GOCB where GOCB is most probably in affecting team performance.

Stoker (2008) has examined the influence of leader behaviour on the effectiveness of the members of a self-managing team (SMT) which consist of individual performance perceptions and emotional exhaustion. 154 questionnaires were distributed to the SMTs members in the Operations Division of a Netherlands bank. The data were tested with multilevel analysis by using the MLwiN computer package and the finding has revealed that directive leadership has a positive impact on perceived individual performance with the short team tenures.

Chi, Yeh and Liao (2008) have studied the effects of knowledge management (KM), leadership effectiveness (LE) and organizational culture (OC) on the organizational performance (OP). Leadership effectiveness consists of directive, supportive, participative and achievement-oriented leaderships. 11 questionnaires were sent to education experts from university principals and officers in higher education department in the Ministry of Education of Taiwan. The data were evaluated by Fuzzy Analytic Hierarchy Process to identify the relationship between KM, LE, OC and OP. The results showed that directive leadership has the greatest influence on organizational performance.

Mulki, Jaramillo and Locander (2009) have carried a research to identify which leadership style, directive leadership or caring leadership can build an ethical climate in organizations. This research also studied the influences of ethical climate on effort and employees' satisfaction with supervisor, where satisfaction with supervisor will influences employees' job satisfaction and job performance of employees will be direct and indirectly influences by job satisfaction. 572 survey packages which contained the questionnaire, letter from researchers and postage paid return envelope were sent to sales people of a large multinational pharmaceutical company in North America. The data were tested with Principal Components analysis and the results revealed directive leadership style is positively related to ethical climate that will indirectly improve the employees' job performance.

Ozşahin, Zehir and Acar (2011) have examined how learning orientation mediates the connection between three dimension-leadership model and company performance. Dimension-leadership model consists of relations-oriented leadership, task-oriented leadership or initiating structure leadership (directive leadership) and change oriented leadership. 127 firms that involved 343 middle and senior managers in manufacturing in Turkey were selected and agreed to answer the survey questionnaire. Data collected were analyzed with correlation analysis and regression analysis through the SPSS statistical packet program. The results revealed that learning orientation has positively mediated the relationship between relations-oriented and task-oriented leadership and company performance.

#### 2.2.4 Supportive Leadership Style

Supportive leadership style demonstrates concern for employees' wellbeing and personal needs. Supportive leader normally friendly and approachable as well as attend to the well-being and personal needs of the followers (Northhouse, 2013). A leader is believed to be a supportive leader when he concerns about subordinate wellbeing and being supportive to individuals (Malik et al., 2014). Therefore, this leadership style is adequate in the situation where the task is uncomplicated, formal authority is weak, and the work group does not provide job satisfaction (Lussier & Achua, 2010).

Stephen and Coote (2007) have studied the influences of manager actionable behaviours on rational behaviours and whether this form of relationship governance has performance implications. Manager-actionable behaviours consist of supportive leadership and behaviour-based monitoring. 143 questionnaires were posted together with prepaid envelopes to the project managers from 19 construction companies. The hypotheses were tested with a path analysis model. The results revealed supportive leadership is positively related to relational behaviours, relational behaviours is positively related to goal alignment and goal alignment has positive influence on financial performance.

Fernandez (2008) has determined the effective of task-oriented, relation-oriented (supportive) and development-oriented leadership behaviours on employee perceptions of job satisfaction and performance. The data were collected by U.S. Office of Personnel Management from the 2002 Federal Human Capital Survey however the data were tested with ordinary least squares regression and the result showed that all leadership behaviours are significant influences to the perceptions of performance.

Jaramillo and Mulki (2008) have conducted a study to examine how supportive leadership influences the effort of salesperson through mediator, which includes intrinsic motivation and self-efficacy that will directly influences their job performance. 572 survey packages that consist of questionnaire, letter signed by researchers and postage-paid envelope were posted to salespersons from a large multinational pharmaceutical company in North America. The data collected from the survey were tested with regression analysis. The results of this research illustrate the supportive leadership is significant influence on effort and effort has positive relationship with job performance.

Lee and Ahmad (2009) have investigated the association between the moderating effect of the organizational culture on leadership behaviour and organizational commitment as well as among organizational commitment and job satisfaction and work performance. The leadership behaviours are directive, participative and supportive. A total of 400 questionnaires were distributed through email and personally-administered to the part-time students and the working peers of researcher from Degree of Master of Business Administration in University of Malaya. The data were tested using correlation analyses and hierarchical multiple regression. The findings proved that the leader's supportive behaviour was related to organizational commitment and job satisfaction. However, it has no relationship with employee performance but supportive culture will have impacts on organizational commitment and job satisfaction.

Wendt, Euwema and van Emmerik (2009) have examined the relationship between directive and supportive leadership and work group cohesiveness which apply in different social cultures. The data is retrieved from a database where the data were collected from 29,868 managers and 138,270 relevant team members in 80 countries. The hypotheses are tested with multilevel analysis and the result has revealed supportive leadership has a positive influence on team cohesiveness whereby team cohesiveness will strongly enhance individual performance.

#### 2.2.5 Participative Leadership Style

Participative leadership style uses consultation with subordinates before major decisions are made. A participative leader seeks advice from followers, acquires their thoughts and views and combines their ideas into decision making (Northouse, 2013; House & Mitchell, 1974). Participative leadership is effective in circumstances where autocratic leadership was not accepted by employees, have internal locus of control, and employees have high work capability (Lussier & Achua, 2010).

Huang, Iun, Liu and Gong (2010) have studied the relationship between participative leadership behaviour and enhanced job performance using a motivational process or an exchange-based process. The data of this research is collected from a telecommunication firm in China. The questionnaires were distributed to 640 middle managers as well as 514 office supporting staff and front-line employees. Structural equation modelling analysis was conducted and the result has showed that participative leadership behaviour has significant relationship with task performance and organizational citizenship behaviour toward the companies.

Lee, Fu, Li and Chen (2011) have carried out a research to investigate the relationship between social capital, project leadership style, modularity, group member diversification and new product development (NPD) performance. There were four project leadership involved in this research, which were participating, selling, telling and delegating styles. 500 senior leaders of NPD groups from various manufacturing firms in Taiwan were selected to participate in answering the questionnaires. The hypotheses of this research were tested by using regressions with the Ordinary Least Squares estimation technique and the results showed that participating leadership style has significant positive impact on NPD performance.

Zehir, Ertosun, Zehir and Müceldili (2011) have carried out a study to examine influences of the relationship between three different organizational cultures, which are competitive, bureaucratic and community cultures, and three different leadership styles, which are participative, supportive and transactional leadership styles, to overall organizational performance. Survey questionnaires were distributed to the workers from various size manufacturing and service industry firms in Istanbul. A total of 295 questionnaires were collected and valid. The gathered data have been tested by using correlation analysis and regression analysis in SPSS software. The results have revealed that participative leadership is significantly and positively related with organizational performance.

Mehrabi, Safaei and Kazemi (2013) have examined the effect of leader's participative behaviours employee's perception of effectiveness and performance. Questionnaires were self-distributed to 83 employees of Kohdasht municipality. The data collected were tested with regressions test. The result showed that the leader's participative behaviour has a positive relationship towards employee's performance.

Mohammed, Nassar, Ghallab and Morsy (2013) have determined the effect of the decision-making styles used by management at main Assuit university hospital on technical nurses' job performance. 96 of technical nurses and 35 managers from medical and surgical units were involved in the sample of this study. Structured questionnaire form and technical nurses' performance evaluation sheet were the methods used to gather the data. One-way analysis of variance test (ANOVA) was used to test the data. The outcome of this research showed that all dimensions were affected except patient condition evaluation when the managers applied participative decision making style.

#### 2.2.6 Achievement-oriented Leadership Style

Achievement-oriented leadership style provides understandable and challenging targets for followers. This leadership style will establish a high quality of target for followers and continue to seek for improvement. Furthermore, the leader demonstrates a high level of confidence towards followers (Malik et al., 2014; Northouse, 2013). Hence, achievement-oriented leadership is suitable when followers have external locus of control, when autocratic leadership is being accepted, and when their ability is high (Lussier & Achua, 2010).

Awan and Zaidi (2009) have identified the relationship between Path-goal leadership styles, which are directive, supportive, participative and achievement-oriented styles, on employees' job expectancies that will influence performance. Questionnaires were distributed to the sample of the study, which were 1,020 teachers in Punjab. The data collected were tested with Pearson-Product Moment Correlation Coefficient and Regression Analysis techniques. The findings revealed all Path-goal leadership styles are positively related to the job expectancies where it will lead the employees to higher performance.

Woodbine and Liu (2010) implemented ERG theory as well as Path-goal theory in the studied of the effects of various leadership styles based on moral choice of internal auditors (Existence, Relatedness and Growth). 317 survey questionnaires were sent to internal auditors in Western Australia. Correlation analysis, regression analysis and Principal Component analysis were used to test the data and the result revealed auditors with high achieve-requirements would be encouraged by Standardachievement-oriented leadership approach as they can perceive clear performance standards and expect equitable performance assessment and advancement opportunities.

Wang and Poutziouris (2010) have conducted a study to discover the determinants of the leadership style and examine its influence on business performance and management system in the context of small company. A total of 30,000 questionnaires were posted and 5,710 responses were received. Multinomial logistic regression model was conducted and the result has revealed that achievementoriented style does relevant to sales expansion of top management, even though it is not a famous administration's pattern.

Ogbeide (2011) has conducted a study to identify the leadership styles possessed by foodservice managers and examined the impact of supportive, directive, participative and achievement-oriented leadership styles on motivation of employees for work effectiveness that will enhance organizational performance. 273 foodservice employees from a large public comprehensive university in the Midwestern part of United States were chosen to fill up the questionnaires. The hypotheses were tested with multiple regression analysis and the results showed that employees' motivation for work effectiveness has positively impacted by the supportive leadership style.

Malik (2013) conducted a research to find out the relationship of Path-goal leadership behaviours with employees' job satisfaction in Pakistan. There are four Path-goal leadership behaviours, which are directive, supportive, participative and achievementoriented. 200 questionnaires were distributed to middle and first line managers and 165 questionnaires were returned. Data of this study were analyzed via in Pearson correlation analysis, linear regression analysis and multiple regression analysis in the statistical package for the Social Science (SPSS 16). The result has showed Path-goal leadership behaviours influenced employee job satisfaction and the leader could enhance employee performance by choosing the right behaviour in accordance with the characteristics of followers along with their working environment.

## 2.3 Proposed Conceptual Framework

Leadership Style Directive H1 Supportive H2 **Employee Working** H3 Performance Participative H4 Achievement-oriented

Figure 2.3: Proposed Theoretical Model

Adapted from: Dixon, M.L. & Hart, L. K. (2010). The impact of path-goal leadership styles on work group effectiveness and turnover intention. Journal of Managerial *Issues, XXII*(1), 52-69.

Figure 2.1 is the framework developed and served as the foundation for this research purpose which includes four independent variables that consist of directive, supportive, participative and achievement-oriented, and one dependent variable, which is employee working performance.

## 2.4 Hypothesis Development

Hypothesis 1, (H1): Directive leadership style will positively influence employees' working performance.

Hypothesis 2, (H2): Supportive leadership style will positively influence employees' working performance.

Hypothesis 3, (H3): Participative leadership style will positively influence employees' working performance.

Hypothesis 4, (H4): Achievement-oriented leadership style will positively influence employees' working performance.

## 2.5 Conclusion

This chapter discuss about the review of the past literature and journal articles that related to the leadership style and the working performance. The hypothesis of the research and the conceptual framework also has been carrying out in this chapter. The next chapter will conduct the methodology of the study.

# **CHAPTER 3: METHODOLOGY**

#### 3.0 Introduction

Chapter 3 discusses the methodology for the research. The chapter will describe about the research design, data collection method, sampling design, research instrument, variables and measurement and data analysis technique.

## 3.1 Research Design

This study intends to determine which leadership styles from Path-goal theory will influence employees working performance in financial service sector in Peninsular Malaysia. Quantitative research methods were chosen because this study used formal questions and predetermined answer selection in survey questionnaires and administered to a large number of respondents. The main purpose of quantitative research methods is to help researchers to precisely predict the relationships between variables and validate the relationships through hypotheses testing (Hair, Wolfinbarger, Ortinau & Bush, 2010a).

This study is descriptive in nature as its major purpose was to describe the characteristics of an object, people, group, organization or environment. The descriptive study was conducted after the survey data were collected (Zikmund, Babin, Carr & Griffin, 2013).

#### 3.2 Data Collection Method

The survey questionnaires were distributed by self-administered to the employees working in the financial service sector within Peninsular Malaysia in order to gather primary data to examine the research questions and hypotheses developed in this study.

## 3.2.1 Primary Data

The survey of this study will be conducted by using primary data. One of the benefits of using primary data collection is cost effective. Furthermore, a big amount of data can be gathered within a short period of time as the questionnaires will be delivered and collected after the questionnaires have been filled. Moreover, primary data is always up-to-date compared to secondary data which used past statistics that might be outdated (Blumberg, Cooper & Schindler, 2011). In addition, the primary data is collected according to the purpose of a particular study and this will ensure the consistency of the data (Ghauri & Grønhaug, 2010).

On the other hand, the survey of this study will be a cross-sectional study where it will look at only one phenomenon at one point in time and the data also will be collected only once (Zikmund et al., 2013).

## 3.3 Sampling Design

### 3.3.1 Target Population

The research subject population of this study is the employees working in the financial service sector in Malaysia. According to the Malaysia Labour Force Analysis (2012), there are 322,900 employees in this industry during the year 2012 which consist of 147,600 males and 175,300 females.

# 3.3.2 Sampling Frame and Sampling Location

Choosing a sample is to predict the unknown characteristics of a population (Zikmund et al., 2013). Besides that, a sample is taken instead of the whole population because the costs of including all units will be prohibitive and timeconsuming (Ghauri & Grønhaug, 2010).

The sampling frame of this research is the employees working in the financial service sector within Peninsular Malaysia. Questionnaires were distributed among the states in Peninsular. There are 11 states in Peninsular Malaysia, which are Perlis, Kedah, Penang, Perak, Selangor, Kelantan, Terengganu, Pahang, Negeri Sembilan, Melaka and Johor. 35 respondents were drawn from each state of Peninsular to ensure the representative of the states.

### 3.3.3 Sampling Elements

The target respondents were the employees from financial service factor within Peninsular Malaysia.

## 3.3.4 Sampling Technique

Convenience sampling technique was used to select the sample of this research as it is the best way to collect data within the time constraint and it is also the most frequent used sampling method (Saunders, Lewis & Thornhill, 2012). Apart from that, a large amount of completed questionnaires can be obtained at a relatively low cost through convenience sampling (Hair et al., 2010a).

#### 3.3.5 Sampling Size

According to Saunders et al. (2012), the sample size for population range from 100,000 to 1,000,000 is 384 based on 5% margin of error. Therefore, 385 survey questions were distributed to the subordinates working in the financial service sector within Peninsular Malaysia where 35 questionnaires were distributed in each state.

#### 3.4 Research Instrument

Two types of questionnaire were used in collecting the data, which are descriptive survey questionnaires and predictive survey questionnaires. Descriptive survey questionnaires were used to collect general information and demographic profile of the respondents whereas predictive survey questionnaires were used to collect data which were used in hypotheses testing (Hair et al., 2010a). Closed-ended questions were used in the questionnaires distributed. A closed-ended question requires the respondent to choose from the predetermined answers provided in the questionnaire (Hair et al., 2010a).

30 questionnaires were distributed to the employees working in the financial sector to conduct pilot test before the distribution of questionnaires. The purpose of pilot test is to pre-test the questionnaires in order to improve the understandability of the questions, and therefore enhance its validity and reliability to minimize the risk where the full study will be fatally defective (Saunders et al., 2012; Zikmund et al., 2013).

#### 3.5 Variables and Measurement

This study consists of four independent variables (IVs), which are directive leadership, supportive leadership, participative leadership and achievement-oriented leadership. Meanwhile, the dependent variable (DV) of this research is employees working performance.

Directive leadership style was defined by Northouse (2013) as the leadership style that provides subordinates with the sufficient autonomy about what they are suppose to do including how to complete a task and the timeline for the completion. Besides that, supportive leadership style was described as the leadership style that is concerns about subordinates' welfare and personal needs (Northouse, 2013). Additionally, Northouse (2013) classified leaders that concern about the participation of employees in decision making process in order to integrate their ideas, suggestions and opinion into decision making, as the leaders with participative leadership style. Furthermore, leaders with achievement-oriented leadership styles will provide the subordinates with clear and challenging tasks to encourage continuous improvement (Northouse, 2013).

On the other hand, according to Northouse (2013), employee working performance was the extent to which an employee contributes to organizational effectiveness given the expectations related with his or her work role.

All independent variables and dependentt variable will be measured by using Interval data. Each independent variable is consists of 5 items adapted from past studies; hence there will be a total of 20 items for independent variables and it will be measured by using 5-point Likert scale ranging from "(1) Strongly Disagree" to "(5) Strongly Agree".

The dependent variable consists of 3 items, where the items will be measured by 5point Likert scale ranging from "(1) Does not meet standard" to "(5) Exceed standard", "(1) Low level" to "(5) High levels", and "(1) Less distribution" to "(5) High distribution".

# 3.6 Data Analysis Technique

The Statistical Analytical Software Enterprise Guide 5.1 (SAS) will be applied to code and process the data collected in this study.

## 3.6.1 Descriptive Analysis

Descriptive analysis is the initial transformation of data in order to provide information to describe the fundamental traits such as central tendency, distribution, and variability (Zikmund et al., 2013).

#### 3.6.1.1 Reliability Analysis

Reliability test is used to enhance the reliability and ensure the accuracy of the data (Zikmund et al., 2010). A pilot test was conducted to enhance the reliability in order to improve the understandability of the questionnaire (Saunders et al., 2012). Cronbach's Alpha is the most familiar method applied to measure reliability (Sekaran, 2003). Based on the Table 3.2, when the Cronbach's Alpha value is lower than 0.6, the reliability value is measured as poor; 0.6 to less than 0.7 is considered as questionable; 0.7 to less than 0.8 is considered as acceptable; 0.8 to less than 0.9 is considered as good and 0.9 or more is considered as excellent (Sekaran, 2003).

Table 3.1: Rule of Thumb

Cronbach's Alpha	Reliability value
Less than 0.6	Poor
0.6 to less than 0.7	Questionable
0.7 to less than 0.8	Acceptable
0.8 to less than 0.9	Good
0.9 or more	Excellent

Source: Sekaran, U., & Bougie, R. (2010). Research methods for business: A skill buildings approach (5<sup>th</sup> ed.). Chichester West Sunssex: John Wiley & Sons Inc.

#### 3.6.1.2 Normality Analysis

The key objective of normality test is to examine whether the expected probability distribution is normally distributed (Zikmund et al., 2013). The normality distribution can be described by two measurements which are Kurtosis and Skewness (Hair, Black, Babin & Anderson, 2010b). Kurtosis is used to determine the "peakedness" and "flatness" of the distribution compared to normal distribution while the balance of the distribution is use to explain by Skewness (Hair et al., 2010b). The data will be considered normally distributed when the Kurtosis and Skewness are within ±3 (Zikmund et al., 2013).

#### 3.6.2 Inferential Analysis

#### 3.6.2.1 Pearson Correlation Coefficient

The purpose of correlation coefficient is to evaluate the relationship between two variables (Zikmund et al., 2010). The value of correlation coefficient is ranging from -1 to +1 (Saunders et al., 2009). Based on the Table 3.3, the value of correlation coefficient between ±0.81 to ±1.00 indicates that the two variables have the strongest relationship. The value between  $\pm 0.61$  to  $\pm 0.80$  indicates that the two variables have strong relationship with each other, and the value between ±0.41 to ±0.60 signifies there is a moderate relationship between the two variables. On the other hand, the value between ±0.21 to ±0.40 indicates that the relationship between the two variables are weak and value range from ±0.00 to ±0.20 shows there is a weak to no relationship between two variables.

Table 3.2: Rule of Thumb (Pearson Correlation Coefficient)

Correlation Coefficient	Strength Description
±0.81 - ±1.00	Strongest
±0.61 - ±0.80	Strong
±0.41 - ±0.60	Moderate
±0.21 - ±0.40	Weak
±0.00 - ±0.20	Weak to No Relationship

Source: Hair, J. F., Wolfinbarger, M. F., Ortinau, D. J. and Bush, R. P. (2010b). Essentials of marketing research (2<sup>nd</sup> ed.). New York: McGraw-Hill.

#### 3.6.2.2 Multiple Linear Regression Analysis

Multiple Linear Regression (MLR) analysis is a statistical technique used to analyze the linear association between several independent variables and a dependent variable by predicting coefficients in the equation for a straight line through multiple regression equation (Zikmund et al., 2010). The purpose of MLR analysis is to estimate the changes in the dependent variable in response to the changes in the independent variables (Hair, Black, Babin & Anderson, 2010b). MLR analysis is used in this research because it is able to evaluate the linear relationship between one dependent variable and four independent variables. Normally, the regression analysis is computed by using multiple regression equation so as to expect the values of dependent variable and independent variables (Saunders et al., 2009).

2014

Beta coefficient explains the change in the dependent variable for each component change in the independent variable. Beta coefficient values range from -1 to +1. A positive beta indicates that the increasing in the size of an independent variable will increase the size of the dependent variable. Meanwhile, a negative beta indicates that the increasing in the size of an independent variable will decrease the size of the dependant variable (Hair, et al., 2010a).

F value is the result by comparing the changing amount in the dependent variable is able to describe with the independent measures to the total variations in the dependent measure. A larger F value shows that the regression model has more explained variance than error variance (Hair, et al., 2010a).

R-square value explains the strength of the relationship between all the independent variables and dependent variable in the equation. The higher the R-square, the stronger the dependent variable is influenced by independent variables (Hair, et al., 2010a).

In this study, the multiple regression equation is formed as below:

$$Y = b_0 + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + \varepsilon$$

Where,

Y = DV = Employees' working performance

 $X_1 = IV 1 = Directive leadership$ 

 $X_2 = IV 2 = Supportive leadership$ 

 $X_3 = IV 3 = Participative leadership$ 

 $X_4 = IV 4 = Achievement-oriented$ 

Source: Developed for the research.

# 3.7 Conclusion

The methodology of the study and the data analysis methods have carry out in this chapter. Chapter 4 would discuss about result obtained from survey done.

# **CHAPTER 4: DATA ANALYSIS**

### 4.0 Introduction

Chapter 4 discuss about the results of 329 questionnaires that have been analyzed. There are 385 questionnaires have been distributed to the employees in financial sector within Peninsular Malaysia. 38 questionnaires were not collected and 18 questionnaires are not useable because of the incomplete information. The data of questionnaires was analyzed by using SAS software and the result is presented with Multiple Linear Regression and Pearson Correlation.

## 4.1 Pilot Test

### **4.1.1 Reliability Test**

Table 4.1.1: Reliability Test Results of Pilot Test

Variables	Number of Items	Cronbach's Alpha
Directive Leadership (IV)	5	0.913256
Supportive Leadership (IV)	5	0.899244
Participative Leadership (IV)	5	0.926317
Achievement Oriented Leadership (IV)	5	0.924245
Working Performance (DV)	5	0.926418

Source: Developed for research

This pilot test was performed to enhance the reliability of questionnaire (Saunders, et al., 2009). Based on Table 4.1.1, Cronbach's Alpha of directive, supportive, participative, achievement oriented and working performance were 0.8 and above which means the reliability level was in good and excellent level. All items in each of the variables were stable and thus this analysis was reliable (Sekaran, 2003).

# **4.1.2** Normality Test

<u>Table 4.1.2: Normality Test Results of Pilot Test</u>

Variable	Items	Skewness	Kurtosis
	D1	-0.7019489	1.31431618
	D2	0.40389062	-0.5668436
Directive Leadership (IV)	D3	-0.7530747	0.97644804
(11)	D4	0.07354005	-0.796384
	D5	0.03955322	-0.0823895
	<b>S</b> 1	-0.178371	0.009552
	S2	-0.0673534	-0.1784579
Supportive Leadership (IV)	<b>S</b> 3	-0.5493477	0.38236105
(1 * )	S4	-0.7810328	0.89344222
	S5	-0.5140524	0.93389602
	P1	-0.2612205	0.26907888
	P2	-0.3851599	0.5562421
Participative Leadership (IV)	P3	0.29107477	-0.5544033
(1 )	P4	-0.155426	0.09007342
	P5	0.20141718	-0.4528316
	A1	-0.2664559	0.94456086
Achievement Oriented	A2	0.07354005	-0.796384
Leadership	A3	-0.0502541	-0.6986475
(IV)	A4	-0.611848	0.23677003
	A5	0.08605128	-0.357469
W 15 °	WP1	1.21983023	1.65487915
Work Performance (DV)	WP2	0.69224172	0.05464901
(D <b>V</b> )	WP3	0.82203909	0.25127601

Source: Developed for research

Table 4.1.2 states data were normally distributed. Referring to Zikmund et al. (2010), the values of skewness and kurtosis which fall within the range of ±3 are considered as normally distributed.

# **4.2 Descriptive Analysis**

## 4.2.1 Respondents' Demographic Profile

Table 4.2.1.1: The Age of Respondents

Age	Frequency	Percentage
Below 20	16	4.86
20 – 29	115	34.95
30 – 39	108	32.83
40 – 49	56	17.02
50 and above	34	10.33
Total	329	100

Source: Developed for research

Table 4.2.1.1 illustrate the part of the target respondents were in the age group between 20 to 29 years old which was 34.95% while 32.83% of the total respondents were in the age group between 30 to 39 years old, then age group of 40 to 49 years old which was 17.02%. 10.33% of the respondents were 50 years old and above. Lastly, the age group of 20 years old and below was formed by 4.86% of total respondents.

Table 4.2.1.2: The Gender of Respondents

Gender	Frequency	Percentage
Male	146	44.38
Female	183	55.62
Total	329	100

Table 4.2.1.2 reveals that 44.38% of 329 respondents were male and the remaining 55.62% were female.

Table 4.2.1.3: The Educational Level of Respondents

Educational Level	Frequency	Percentage
Secondary	106	32.22
Diploma	83	25.23
Degree / Professional Qualification	108	32.83
Post Graduate	26	7.9
Others	6	1.82
Total	329	100

Source: Developed for research

Table 4.2.1.3 shows that educational level of respondents. Largest proportion comprised 32.83% of Degree/ Professional Qualification and second highest educational level of respondents was Secondary level, which occupied 32.22%. In addition, 25.23% of the respondents were holding a Diploma qualification, followed by 7.9% of Post Graduate and 1.82% of other qualifications.

Table 4.2.1.4: The Income Level of Respondents

Income Level	Frequency	Percentage
RM 1,000 and below	15	4.56
RM 1,001 – RM 2,000	40	12.16
RM 2,001 – RM 3,000	91	27.66
RM 3,001 – RM 4,000	93	28.27
RM 4,001 – RM5,000	44	13.37
RM 5,001 and Above	46	13.98
Total	329	100

Table 4.2.1.4 reveals that income level of respondents. Most of the respondents earn in the range from RM 3,001 to RM 4,000 and RM 2,001 to RM 3,000, which were 28.27% and 27.66% respectively. The lowest level falls into a monthly income of RM 1,000 and below which was 4.56%. Meanwhile, 12.16% of the respondents earns from RM 1,001 to RM 2,000, followed by 13.37% which earns monthly income within the range from RM 4,001 to RM 5,000. Finally, 13.98% of the respondents earn income of RM 5,001 and above per month.

<u>Table 4.2.1.5: The Sector of Respondents</u>

Sector	Frequency	Percentage
Commercial Banking	139	42.25
Islamic Banking	83	25.23
Insurance Company	24	7.29
Financial Company	59	17.93
Others	24	7.29
Total	329	100

Table 4.2.1.5 reveals that 42.25% of the respondents were from Commercial Banking which has the highest percentage among all sectors. The second highest proportion was 25.23% which was from Islamic Banking and followed by Financial Company, 17.93%. Lastly, the respondents from Insurance Company and others sector were both 7.29%.

Table 4.2.1.6: The Working Experiences with the Current Employer of Respondents

Working Experiences	Frequency	Percentage
Less than 3 years	98	29.79
3 – 6 years	73	22.19
7 – 10 years	56	17.02
More than 10 years	102	31.00
Total	329	100

Table 4.2.1.6 illustrates the majority of target respondents have more than 10 years working experiences with the current employer which was 31%. This is followed by 29.79% of the respondents who have less than 3 years of working experiences with the current employer. Furthermore, 22.19% and 17.02% were fall into a working experience range between 3 to 6 years and 7 to 9 years respectively.

#### **4.2.2** Central Tendencies Measurement of Constructs

Table 4.2.2: Central Tendencies Measurement of Constructs

Variables	Items	Mean	Standard Deviation
	D1	4.0334347	0.6640421
Discretion I and ambig	D2	4.0455927	0.6633160
Directive Leadership (IV)	D3	4.0729483	0.6857639
(1V)	D4	3.9969605	0.7220334
	D5	4.0759878	0.6512191
	<b>S</b> 1	3.7264438	0.8178272
0 4 1 1 1	S2	3.7021277	0.7978793
Supportive Leadership	<b>S</b> 3	3.6686930	0.8353609
(IV)	S4	3.7325228	0.8345840
	S5	3.9088146	0.8287230
	P1	3.6565350	0.7851294
	P2	3.7537994	0.7829310
Participative Leadership	P3	3.7720365	0.8444632
(IV)	P4	3.6778116	0.8515553
	P5	3.6990881	0.8359486
	A1	3.9057751	0.8041035
Achievement-oriented	A2	3.9148936	0.7643286
Leadership	A3	3.7689970	0.8272121
(IV)	A4	3.7598784	0.8153078
	A5	3.7142857	0.8284993
W 1' D C	WP1	3.7629179	0.6973548
Working Performance	WP2	3.7659574	0.7345538
(DV)	WP3	3.8632219	0.7002721

Source: Developed for the research

The mean values were calculated by using the average results from the five-point Likert scale which range from "1 = strongly disagree" to "5 = strongly agree". According to table 4.2.2 reveals the item of D5 owns the highest mean value at 4.0759878 while item P1 has a lowest mean value at 3.6565350. Through the result shows that majority of the respondents chose to be neutral or agree to every variable. Besides that, item of D5 also obtain a lowest standard deviation which is 0.6512191 whereas item of P4 is the highest standard deviation among all the items at 0.8515553.

# **4.3 Scale Measurement**

# **4.3.1 Normality Test**

Table 4.3.1: Normality Test

Variable	Item	Skewness	Kurtosis
	D1	-0.4139984	0.50662581
D: .: I 1 1:	D2	-0.477337	0.9780829
Directive Leadership	D3	-0.3851911	0.13419794
(IV)	D4	-0.3877338	-0.0014452
	D5	-0.2848493	0.31936754
	S1	-0.5340093	0.41135047
	S2	-0.3907806	0.18371132
Supportive Leadership	<b>S</b> 3	-0.5448264	0.55002568
(IV)	S4	-0.1919617	-0.2287001
	S5	-0.5396373	0.37070115
	P1	-0.6802904	0.64831767
	P2	-0.5726068	0.52942374
Participative Leadership	P3	-0.5864797	0.49050752
(IV)	P4	-0.6115011	0.50159182
	P5	-0.6464933	0.83565737
	A1	-0.6771537	0.83759173
Achievement Oriented	A2	-0.596791	0.79430147
Leadership	A3	-0.5549271	0.57041622
(IV)	A4	-0.4493039	0.17841039
	A5	-0.6545256	0.77395967
Working Performance	WP1	-0.1824088	-0.0860197
(DV)	WP2	-0.1588157	-0.2478429
(D))	WP3	-0.1800608	0.14622399

Source: Developed for research

Referring to the Zikmund et al. (2013), the data collected is considered normally distributed when the value of Skewness and Kurtosis for each item is within  $\pm 3$ . Table 4.3.1 shows the values of Skewness and Kurtosis were within  $\pm 3$ . Therefore, the normality assumption has been met.

### **4.3.2 Reliability Test**

Table 4.3.2: Reliability Test

Variable	Number of Item	Cronbach's Alpha
Directive Leadership (IV)	5	0.726343
Supportive Leadership (IV)	5	0.843710
Participative Leadership (IV)	5	0.877067
Achievement Oriented Leadership (IV)	5	0.856789
Working Performance (DV)	3	0.743733

Source: Developed for research

Cronbach's Alpha mainly examines the reliability of directive, supportive, participative, achievement oriented and working performance. According to the rule of thumb, level of reliability should have minimum of 0.7 and above so to considers reliable (Zikmund et al., 2013). Referring to Table 4.3.2, all of the variables were considered reliable as the results of test were more than 0.7.

# **4.4 Inferential Analysis**

## **4.4.1 Pearson Correlation Analysis**

Table 4.4.1: Table of Pearson Correlation

Variables	D_Avg	S_Avg	P_Avg	A_Avg	WP_Avg
	1.00000	0.58561	0.51023	0.59539	0.62714
D_Avg		<.0001	<.0001	<.0001	<.0001
S_Avg	0.58561	1.00000	0.73530	0.78365	0.78166
	<.0001		<.0001	<.0001	<.0001
P_Avg	0.51023	0.73530	1.00000	0.72086	0.72817
	<.0001	<.0001		<.0001	<.0001
A_Avg	0.59539	0.78365	0.72086	1.00000	0.80549
	<.0001	<.0001	<.0001		<.0001
WP_Avg	0.62714	0.78166	0.72817	0.80549	1.00000
	<.0001	<.0001	<.0001	<.0001	

Source: Developed for the research

Where: **D\_Avg** = Directive Leadership Average;

**S\_Avg** = Supportive Leadership Average;

**P\_Avg** = Participative Leadership Average;

**A\_Avg** = Achievement-oriented Leadership Average and

**WP\_Avg** = Working Performance Average

Pearson Correlation Analysis was used in this research. It determines the direction, strength, and significance of the bivariate relationships among all the variables in the research (Sekaran, 2003).

Referring to Table 4.4.1, independent variables such as D\_Avg (r=0.62714, p<0.0001), S\_Avg (r=0.78166, p<0.0001) and P\_Avg (r=0.72817, p<0.0001) have strong relationships with the dependent variable, which is WP\_Avg. Independent variable, which is A\_Avg (r=0.80549, p<0.0001) has a very strong relationship with the dependent variable, WP\_Avg.

According to rule of thumb, the Multicollinearity problem exists if the correlation coefficient value is more than 0.90 (Saunders et al., 2009). Based on Table 4.11, problem of multicollinearity would not occur among the independent variables as the correlation coefficient values were all in the range within 0.62714 to 0.80549 which were lower than 0.90.

## **4.4.2 Multiple Linear Regressions**

Table 4.4.2.1: Analysis of Variance

Source	DF	Sum of Squares	Mean Square	F value	Pr > F
Model	4	81.84912	20.46228	229.00	<.0001
Error	324	28.95088	0.08935		
Corrected Total	328	110.80000			

Source: Developed for research

Multiple Linear Regression (MLR) analysis is a statistical method to test the relationship between directive, supportive, participative, achievement oriented and working performance (Saunders et al, 2009). According to the rule of thumb, the probability (p-value) must be less than 0.05 in order to be considered as statistically significant (Hair, Money, Samouel & Page, 2007). Based on Table 4.4.2.1, the F value was 229.00 and p-value was less than 0.05 which means the independent variables were significant associated with dependent variable.

Table 4.4.2.2: Model Summary

Root MSE	Dependent Mean	Coeff Var	R-Square	Adjusted R-Square
0.29892	3.80000	7.86638	0.7387	0.7355

Table 4.4.2.2 illustrates the R-square was 0.7387, which represents that 73.87% of the changes in all the independent variables were able to explain the changes in employee working performance. In other words, 26.13% of the changes in employee working performance can be explained in term of factors. The greater is the R-square value, the stronger is the connection between both independent and dependent variables (Hair et al, 2007).

Table 4.4.2.3: Parameter Estimates

Variable	DF	Beta	Standard	t	Pr >	Tolerance	Variance
Variable D	Dr	Deta	Error	Value	t		Inflation
Intercept	1	0.24604	0.14561	1.69	0.0920	-	0
D_Avg	1	0.19583	0.04538	4.32	<.0001	0.60679	1.64801
S_Avg	1	0.23212	0.04573	5.08	<.0001	0.31254	3.19956
P_Avg	1	0.16360	0.03866	4.23	<.0001	0.40379	2.47656
A_Avg	1	0.33681	0.04520	7.45	<.0001	0.32106	3.11473

Where: **D\_Avg** = Directive Leadership Average;

**S\_Avg** = Supportive Leadership Average;

**P\_Avg** = Participative Leadership Average;

**A\_Avg** = Achievement-oriented Leadership Average and

**WP\_Avg** = Working Performance Average

Based on Table 4.4.2.3, the equation of the model can be formed as below:

$$WP = 0.24604 + 0.19583 D + 0.23212 S + 0.16360 P + 0.33681 A$$

Where: WP= Working Performance;

D= Directive Leadership;

S= Supportive Leadership;

P= Participative Leadership and

A= Achievement-oriented Leadership.

Table 4.4.2.3 proves that the employee working performance has the strongest impact by achievement-oriented leadership style ( $\beta$ =0.33681), followed by supportive leadership style ( $\beta$ =0.23212), directive leadership ( $\beta$ =0.19583), and participative leadership style ( $\beta$ =0.16360).

#### 4.4.2.1 Test of Significance

H<sub>1</sub>: There is a significant relationship between directive leadership style and employees' working performances. (Reject H<sub>0</sub> if p<0.05)

Table 4.4.2.3 shows the significant value of the directive leadership style is <0.0001 which is lower than the p-value of 0.05. Thus,  $H_1$  is supported and WP will increase by 0.19583 for every increase in directive leadership style.

 $H_2$ : There is a significant relationship between supportive leadership style and employees' working performances. (Reject  $H_0$  if p<0.05)

From Table 4.4.2.3, the significant value of supportive leadership style is <0.0001 which is less than the p-value of 0.05. Therefore, the  $H_2$  is supported whereas WP will increase by 0.23212 for every increase in supportive leadership style.

# H<sub>3</sub>: There is a significant relationship between participative leadership style and employees' working performances. (Reject $H_0$ if p<0.05)

Based on Table 4.4.2.3, the significant value for participative leadership style is <0.0001 which is less than the p-value of 0.05. Thus, the H<sub>3</sub> is supported and WP will increase by 0.16360 for every increase in participative leadership style.

# H4: There is a significant relationship between achievement-oriented leadership style and employees' working performances. (Reject H<sub>0</sub> if p < 0.05)

Referring to Table 4.4.2.3, the significant value for achievement-oriented leadership style is <0.0001 which is lower than the p-value of 0.05. Thus, the H<sub>4</sub> is supported and WP will increase by 0.33681 for every increase in achievement-oriented leadership style.

### 4.5 Conclusion

This chapter discussed about the result which generated by SAS from different data analysis which includes descriptive and inferential analysis. Following chapter which is chapter 5 will discuss about the summary, discussions of major findings, implication of the study, limitation and recommendations.

# **CHAPTER 5: DISCUSSION, CONCLUCION AND IMPLICATIONS**

#### 5.0 Introduction

All relevant data regarding the research questions and hypotheses were justified and examined in chapters 4. This chapter begins with previous statistical analysis summary. The major findings of the hypotheses' results will be discussed, followed by the implication of study, limitations and recommendations of the research and lastly will be the conclusion of the entire research.

# 5.1 Summary of Statistical Analysis

# **5.1.1 Descriptive Analysis**

385 questionnaires were distributed to the target respondents, 329 questionnaires were completely filled up for the research. The majority of the respondents were from the age group within 20 to 29 years old which was 34.95% whereas the age group of 20 years old and below has the lowest percentage among all age groups, which was 4.86%. The majority of the respondents were female which contributed total respondents of 55.62%.

Besides that, the largest proportion of the respondents held a degree or a professional qualification which was 32.83% of the population whereas respondents who were holding other qualifications have a lowest percentage of 1.82%. The highest percentage for the monthly income received by the respondents was RM 3,001-RM 4,000 which is 28.27%. The least percentage for the monthly income received by respondents is RM 1,000 and below which is 4.56%.

The majority of the respondents (42.25%) are working in a Commercial Banking, followed by Islamic Banking (25.23%) and Financial Company (17.93%). In addition, 7.29% of the respondents are from Insurance Company and 7.29% of the respondents are from others sector. Last but not least, most of the respondents (31%) had 10 years working experiences with the current employer. 29.79% of the respondents' working experiences with the current employer are within 3 years. Finally, 22.19% of the respondents have 3-6 years and 17.02% of the respondents have 7-10 years working experiences with the current employer.

#### **5.1.2 Scale Measurement**

#### **5.1.2.1 Normality Test**

According to Zikmund et al. (2013), if the values of Skewness and Kurtosis for each item is within  $\pm 3$ , the data is consider as normally distributed. Referring to the table above, the results showed that the data was normally distributed since the values of Skewness and Kurtosis was in the range  $\pm 3$ .

#### **5.1.2.2** Reliability Test

Cronbach's Alpha was used to test the reliability of each of the items in the five variables. The values of Cronbach's Alpha should have a minimum of 0.7 or above to consider the reliability of the variables (Zikmund et al, 2013). The results from the table above reveal that the values of Cronbach's Alpha were above 0.7 which means that the reliability of five variables can be examined.

### **5.1.3 Inferential Analysis**

#### **5.1.3.1 Pearson Correlation Analysis**

The purpose of Pearson Correlation Analysis was used to test the significant relationship of the variables. Based on the outcome, independent variables (Directive Leadership, Supportive Leadership, Participative Leadership, and Achievementoriented) are positively correlated with the dependent variable (Working Performance). Besides, the Multicollinearity problem does not exist as the correlation coefficient values were smaller than 0.9.

#### **5.1.3.2** Multiple Linear Regressions

There was a significant relationship among independent variables and dependent variable since F value was 229.00 and p-value was below 0.05. Besides that, the value of R-square 0.7387 (73.87%) indicates that the assumption of the changes in all independent variables are able to describe the changes in dependent variable can be made. Moreover, achievement-oriented leadership had the strongest impact on the employees' working performance ( $\beta$ =0.33681), followed by supportive leadership  $(\beta=0.23212)$ , directive leadership  $(\beta=0.19583)$  and the participative leadership had the least impact on the working performance ( $\beta$ =0.16360).

# 5.2 Discussion of Major Findings

### **5.2.1 Directive Leadership Style**

In this research, result was found that the directive leadership style had a significant relationship with employees working performance (dependent variable). The Multiple Linear Regression showed P-value <0.0001 which is less than 0.05. Thus, Hypothesis 1  $(H_1)$  is supported and Hypothesis 0  $(H_0)$  is rejected.

H<sub>0</sub>: There is no significant relationship between directive leadership style and employees working performance.

H<sub>1</sub>: There is a significant relationship between directive leadership style and employees working performance.

The result is supported with the previous past studies reviewed in Chapter 2. Study of Özşahin, Zehir and Acar (2011), stated that task-oriented leadership (directive leadership) had significant influence on firm performance. This research was done by using factor analysis, reliability analysis, correlation analysis and regression analysis through SPSS statistical packet program. In study of Stoker (2008), stated that there is significant positive influence of directive leadership on perceived individual performance and the data was tested with multilevel analysis by using MLwiN computer package.

## 5.2.2 Supportive Leadership Style

The research found that supportive leadership style had a significant relationship with employees working performance (dependent variable). The Multiple Linear Regression showed P-value <0.0001 which is less than 0.05. Thus, the Hypothesis 2  $(H_2)$  is supported and Hypothesis 0  $(H_0)$  is rejected.

H<sub>0</sub>: There is no significant relationship between supportive leadership style and employee working performance.

H<sub>2</sub>: There is a significant relationship between supportive leadership style and employees' working performances.

The result is consistent and aligned with the previous studies (Fernandez, 2008), which showed the result of relation-oriented leadership (supportive leadership) was positively linked to the performance of employees and the data of this research was tested by using ordinary least squares regression. In addition, Wendt, Euwema and van Emmerik (2009) also had the same result but in this study, the supportive leadership influenced performance through the team's cohesiveness. The data of this study was tested with the multilevel analysis.

# 5.2.3 Participative Leadership Style

Participative leadership has a significant relationship with employees working performance (dependent variable) in this research. The Multiple Linear Regression showed P-value <0.0001 which is less than 0.05. Thus, Hypothesis 3 (H<sub>3</sub>) is supported and Hypothesis 0 (H<sub>0</sub>) is rejected.

H<sub>0</sub>: There is no significant relationship between participative leadership style and employees working performance.

H<sub>3</sub>: There is a significant relationship between participative leadership style and employees working performance.

Mehrabi, Safaei and Kazemi (2013), the result showed that there is a significant influence among participative behavior of leader and employees' working performance. The result was tested by using regression test and Pearson correlation test. Besides that, study of Mohammed, Nassar, Ghallab and Morsy (2013) stated that the decision-making styles (participative leadership) have significant influence toward employees working performance which has used one-way analysis of variance test (ANOVA) to test the data at main Assuit University Hospital.

## 5.2.4 Achievement-Oriented Leadership Style

Achievement-oriented leadership has a significant relationship with employees working performance (dependent variable). The Multiple Linear Regression showed P-value <0.0001 which is less than 0.05. Therefore, Hypothesis 4 (H<sub>4</sub>) is supported and Hypothesis 0 (H<sub>0</sub>) is rejected.

H<sub>0</sub>: There is no significant relationship between achievement-oriented leadership style and employees working performance.

H<sub>4</sub>: There is a significant relationship between achievement-oriented leadership style and employees working performance.

This result was supported by the past studies in Chapter 2 such as Woodbine and Liu (2010) and Wang and Poutziouris (2010) which proves achievement-oriented leadership has a significant influence toward performance. In the study of Woodbine and Liu (2010), correlation analysis, regression analysis and Principal Component analysis were used to test the data which high achievement-oriented approach will bring good performance. Whereas from the research conducted by Wang and Poutziouris (2010), the data was tested by multinomial logistic regression model which has got the positive relationship between achievement-oriented leadership and working performance.

# **5.3 Implications of Study**

### **5.3.1 Managerial Implications**

Generally, the main objective of this study is to examine the influence of different type of leadership styles which include directive, supportive, participative and achievement-oriented leadership toward working performance of employees in financial sector within Peninsular Malaysia. Based on the previous studies, it is a need for every leader to understand the leadership styles in order to guide their employees and to achieve organizational objectives and goals. Employees' performance is important because it will influence the reputation and growth of the company.

Among the four leadership styles in the financial sector, achievement-oriented leadership style has the greatest influence on employees and it will lead employees to perform well in their position. This leadership is essential as it will set a higher standard of goal for the employees to accomplish. Meanwhile, employees' performance will be improved continuously and they will be able to handle complex task in the future. When the employees are able to achieve better quality of job, it will definitely have a positive impact towards the overall performance of the company, therefore, the managers will assign more tasks to the employees, as a result, the employees will feel that they are being trusted by the manager.

In addition, supportive leadership style has been found to have the second strongest impact towards the employees working performance in this research. The leaders who have supportive leadership will more concern about the employees' wellbeing and personal needs. This leadership style will makes the leaders to be more friendly and approachable for employees. Hence, this will influence the employees to put more effort when performing their tasks hence better result can be achieved.

Next, participative leadership style is found to have a significant relationship with the employees' working performance. Participative leaders are concerned in encouraging their employees to take part in decision making process through consultation and obtain their opinions. The leaders will then take their suggestions into decision making. Therefore, employees will have freedom of speech and will not to be discriminated in the company thus they will be more loyal and put more effort in enhancing the performance of the company.

Lastly, directive leadership style also found to have a significant relationship with the performance of the employees. Nevertheless, this leadership style is not appropriate to apply on employee because directive leader have a strong formal authority and enforce employees to achieve the goal. Besides that, employees with the directive leadership will not perform better than the previous leadership styles as directive leader will set the standards of performance and provides clear expectations for the employees.

# **5.4 Limitations of the Study**

Throughout this research, there were a numerous limitations that need to be considered. Firstly, the target respondents in this study were focused only in Peninsular Malaysia due to the budget constraint. Therefore, the results and findings may not be adequate to represent the whole population in Malaysia who are working in the financial sector.

Secondly, the questionnaires that were distributed to the target respondents were closed-end questions. The closed-end questions will limit target respondents in expressing their opinions as they are forced to select the answers provided in the questionnaires. Hence, the limited choices of the answer in the questionnaire may not a good suggestion for the target respondents to choose according to their own feeling.

Additionally, the questionnaires were distributed during the working hours due to the time constraint. Consequently, the target respondents might fill up the questionnaire without thinking in depth and therefore this may affect the credibility and accuracy of the information collected from the target respondents.

Lastly, job performance of the employees may also be affected by factors other than leadership style, such as the working environment, pay, promotion and employees' welfare.

### 5.5 Recommendations for Future Researches

The future research should be conducted in both Peninsular Malaysia and East Malaysia instead of only focused in Peninsular Malaysia because it can enhance the reliability of the findings for the research as the data is collected from a wider range of geographical area. Researchers are also recommended to use open-ended questions instead of closed-end questions. This is because opened-ended questions will enable target respondents to answer the question based on their own opinions.

Moreover, other variables such as working environment, pay, promotion and employees' welfare should be taken into consideration in the study as it may has significant influence on the employees' working performance. Lastly, future researchers may broaden their research population to other sectors as well such as manufacturing sector and education sector.

#### 5.6 Conclusion

The general objective of this research is to examine the relationship between the four independent variables which consist of directive, supportive, participative and achievement-oriented leadership and the dependent variable, employees working performance. According to the Multiple Linear Regression test, all of the independent variables have significant influence toward employees working performance. Lastly, the future researchers should take note of the limitations that revealed in this study and they should apply the recommendation in future research to prevent the same limitations.

#### **REFERENCES**

- Aris, A., & Kamarudin, M. F. (2009). The impact of path-goal leadership behaviour on group cohesiveness: A Japanese electronic company and Singapore electronic company in Johor. Journal of Human Capital Development, 2(1), 1-12.
- Awan, R. & Zaidi, N. R. (2009). A study of path-goal relations between leaders of college principals and their subordinates in Pakistan. Journal of College *Teaching & Learning, 6*(7), 31-40.
- Bank Negara Malaysia (2012). Press statements. Retrieved 13 February, 2014, from http://www.bnm.gov.my/index.php?ch=8&pg=14&ac=2373
- Blumberg, B., Cooper, D. R., & Schindler, P. S. (2011). Business research methods (3<sup>rd</sup> ed.). UK: McGraw-Hill Education (UK) Limited.
- Chi, H. K., Yeh, H. R., & Liao, L. H. (2008). Applying fuzzy analytic hierarchy process to explore the university organizational performance in Taiwan. The *Journal of Human Resource and Adult Learning, 4*(1), 39-46.
- DeYoung, R. (2007). Safety, soundness and the evolution of the U.S. banking industry. Economic Review, 92(1/2), 41-66.
- Dixon, M. L., & Hart, L. K. (2010). The impact of path-goal leadership styles on work group effectiveness and turnover intention. Journal of Managerial *Issues*, *XXII* (1), 52-69.
- Euwema, M. C., Wendt, H., & van Emmerik, H. (2007). Leadership styles and group organizational citizenship behavior across cultures. Journal of Organizational Behavior, 28(8), 1035-1057.

- Fernandez, S. (2008). Examining the effects of leadership behavior on employee perceptions of performance and job satisfaction. Public Performance & *Management Review*, 32(2), 175-205.
- Fukushige, A., & Spicer, D. P. (2011). Leadership and followers' work goals: A comparison between Japan and the UK. The International Journal of Human *Resource Management*, 22(10), 2110-2134.
- Ghauri, P., & Grønhaug, K. (2010). Research methods in business studies (4<sup>th</sup> ed.). England: Pearson Education Limited.
- Gonos, J., & Gallo, P. (2013). Model for leadership style evaluation. *Management*: *Journal of Contemporary Management Issues*, 18(2), 157-168.
- Hair, J F., Wolfinbarger, M. F., Ortinau, D. J., & Bush, R. P. (2010a). Essentials of marketing research (2<sup>nd</sup> ed.). New York: McGraw-Hill/Irwin.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, P. E. (2010b). Multivariate data analysis (7<sup>th</sup> ed.). Upper Saddle River, New Jersey: Prentice Hall, Inc.
- Hair, J. F., Money, A. H., Samouel, P., & Page, M. (2007). Research methods for business. Chichester: John Wiley and Sons.
- Harris, L. C., & Ogbonna, E. (2001). Leadership style and market orientation: An empirical study. European Journal of Marketing, 35(5/6), 744-764.
- Hartmann, F., Naranjo-Gil, D., & Perego, P. (2010). The effects of leadership styles and use of performance measures on managerial work-related attitudes. European Accounting Review, 19(2), 275-310.
- House, R. J. (1971). A path goal theory of leader effectiveness. Administrative *Science Quarterly*, 16(3), 321-339.
- House, R. J. (1996). Path-goal theory of leadership: Lessons, legacy, and a reformulated theory. *The Leadership Quarterly*, 7(3), 323-352.

- House, R. J., & Mitchell, T. R. (1974). Path-goal theory of leadership. Journal of Contemporary Business, 3, 81-98.
- Howieson, W. B. (2008). A quantitative evaluation of the reformulated 1996 pathgoal theory of work unit leadership via structural equation modeling. Doctoral Dissertation, University of Edinburgh.
- Huang, X., Iun, J., Liu, A., & Gong, Y. (2010). Does participative leadership enhance work performance by inducing empowerment or trust? The differential effects on managerial and non-managerial subordinates. Journal of Organizational Behavior, 31(1), 122-143.
- Jaramillo, F. & Mulki, J. P. (2008). Sales effort: The intertwined roles of the leader, customers, and the salesperson. Journal of Personal Selling & Sales Management, 28(1). 37-51.
- June, S., & Mahmood, R. (2011). The relationship between person-job fit and job performance: A study among the employees of the service sector SMEs in Malaysia. International Journal of Business, Humanities and Technology, 1(2), 95-105.
- Kahai, S. S., Sosik, J. J., & Avolio, B. J. (2004). Effects of participative and directive leadership in electronic groups. Group Organization Management, 29(67), 67-105.
- Kamisan, A. P., & King, B. E. M. (2013). Transactional and transformational leadership: A comparative study of the difference between Tony Fernandes (Airasia) and Idris Jala (Malaysia Airlines) leadership styles from 2005-2009. *International Journal of Business and Management*, 8(24), 107-116.
- Kara, D., Uysal, M., Sirgy, M. J., & Lee, G. (2013). The effects of leadership style on employee well-being in hospitability. International Journal of Hospitability *Management*, *34*, 9-18.

- Kelloway, E. K., Turner, N., Barling, J., & Loughlin, C. (2012). Transformational leadership and employee psychological well-being: The mediating role of employee trust in leadership. Work & Stress, 26(1), 39-55.
- Kozak, M. A., & Uca, S. (2008). Effective factors in the constitution of leadership styles: A study of Turkish hotel managers. Anatolia: An International Journal of Tourism and Hospitality Research, 19(1), 117-134.
- Labour Force Survey Analysis (2012). Department of Statistic, Malaysia. Retrieved 10 2014. March from http://statistics.gov.my/portal/download\_Labour/files/labour \_force/Labour\_Force\_Survey\_Report\_Malaysia\_2012.pdf
- Landrum, N. E., & Daily, C. M. (2012). Corporate accountability: A path-goal perspective. International Journal of Business Insights & Transformation, *4*(3), 50-62.
- Lee, H. Y., & Ahmad, K. Z. (2009). The moderating effects of organizational culture on the relationships between leadership behavior and organizational commitment and job satisfaction and performance. Leadership Organization Development Journal, 30(1), 53-86.
- Lee, L. Y., Fu, C. S., Li, S. M., & Chen, S. M. (2011). The effects of a project's social capital, leadership style, modularity, and diversification on new product development performance. African Journal of Business Management, 5(1), 142-155.
- Lee, P. K. C., Cheng, T. C. E., Yeung, A. C. L., & Lai, K. (2011). An empirical study of transformational leadership, team performance and service quality in retail banks. Omega, 39(6), 690-701.
- Limsila, K., & Ogunlana, S. O. (2009). Performance and leadership outcome correlates of leadership styles and subordinate commitment. *Engineering*, Construction and Architectural Management, 15(2), 164-184.

- Lussier, R. N., & Achua, C. F. (2010). Leadership: Theory, application, and skill development (4<sup>th</sup> ed.). USA: South-Western Cengage Learning.
- Mahdi, O. R., Gulam Mohd, E. S., & Almsafir, M. K. (2014). Empirical study on the impact of leadership behavior on organizational commitment in plantation companies in Malaysia. Procedia-Social and Behavioral Sciences, 109, 1076-1087.
- Malik, S. H. (2012). A study of relationship between leader behaviors and subordinates job expectancies: A path goal approach. Pakistan Journal of Commerce & Social Sciences, 6(2), 357-371.
- Malik, S. H. (2013). Relationship between leader behaviors and employees' job satisfaction: A path-goal approach. Pakistan Journal of Commerce and Social *Sciences*, 7(1), 209-222.
- Malik, S. H., Aziz, S., & Hassan, H. (2014). Leadership behavior and acceptance of leaders by subordinates: Application of path goal theory in telecom sector. *International Journal of Trade, Economics and Finance, 5*(2), 170-175.
- Martin, S. L., Liao, H., & Campbell, E. M. (2013). Directive versus empowering leadership: A field experiment comparing impacts on task proficiency and proactivity. Academy of Management Journal, 56(5), 1372-1395.
- McCloy, R. A., Campbell, J. P., & Cudeck, R. (1994). A confirmatory test of a model of performance determinants. Journal of Applied Psychology, 79(4), 493-505.
- McQuarrie, F. A. E. (1989). Path-goal theory, feedback, and participation: Their application in the management of journalists. Canada: Simon Fraser University.
- McShane, S. L., & Glinow, M. A. V. (2010). Organizational behavior (5<sup>th</sup> ed.). New York: McGraw-Hill/Irwin.

- Mehrabi, J., Safaei, N., & Kazemi, A. (2013). Studying the effect of leader's participative behaviors on employee's effectiveness perception and performance. International Journal of Academic Research in Business and *Social Sciences*, *3*(1), 140-152.
- Mohammed, A. S., Nassar, M. E., Ghallab, S. A., & Morsy, S. M. (2013). Nurses managers' decision making styles and it's effect on staff nurses' job performance. Journal of American Science, 9(12), 170-179.
- Mosadegh Rad, A. M., & Yarmohammadian, M. H. (2006). A study of relationship between managers' leadership style and employees' job satisfaction. Leadership in Health Services, 19(2), xi-xxviii.
- Motowidlo, S. J., & van Scotter, J. R. (1994). Evidence that task performance should be distinguished from contextual performance. Journal of Applied Psychology, 79(4), 475-480.
- Mulki, J. P., Jaramillo, J. F., & Locander, W. B. (2009). Critical role of leadership on ethical climate and salesperson behaviors. Journal of Business Ethics, 86(2), 125-141.
- Northouse, P. G. (2007). Leadership: Theory and practice (4<sup>th</sup> ed.). California: Sage Publications, Inc.
- Nwibere, B. M. (2013). The influence of corporate culture on managerial leadership style: The Nigerian experience. International Journal of Business and Public *Administration*, 10(2), 166-187.
- Ogbeide, G. A. (2011). Leadership styles for foodservice managers. *Journal of* Culinary Science & Technology, 9(3), 177-192.
- Oshagbemi, T. (2008). The impact of personal and organisational variables on the leadership styles of managers. The International Journal of Human Resource Management, 19(10), 1896-1910.

- Özşahin M., Zehir C., & Acar A. Z. (2011). Linking leadership style to firm performance: The mediating effect of the learning orientation. Procedia Social and Behavioeal Sciences, 24, 1546-1559.
- Pasiouras, F., & Zopounidis (2009). Empirical research in the EU banking sector and the financial crisis. *Omega*, 38(5), 239-240.
- Polston-Murdoch, L. (2013). An investigation of path-goal theory, relationship of leadership style, supervisor-related commitment, and gender. Emerging Leadership Journeys, 6(1), 13-44.
- Rafferty, A. E., & Griffin, M. A. (2006). Refining individualized consideration: Distinguishing developmental leadership and supportive leadership. Journal of Occupational and Organizational Psychology, 79(1), 37-61.
- Sakiru, O. K., D'Silva, J. L., Othman, J., DaudSilong, A., & Busayo, A.T. (2013). Leadership styles and job satisfaction among employees in small and medium enterprises. International Journal of Business and Management, 8(13), 34-41.
- Saunders, M. N. K., Lewis, P., & Thornhill, A. (2009). Research methods for business students (5<sup>th</sup> ed.). England: Pearson Education Limited.
- Saunders, M. N. K., Lewis, P., & Thornhill, A. (2012). Research methods for business students (6<sup>th</sup> ed.). England: Pearson Education.
- Sekaran, U. (2003). Research methods for business: A skill building approach (4<sup>th</sup> ed.). USA: John Wiley & Sons, Inc.
- Sekaran, U., & Bougie, R. (2010). Research methods for business: A skill buildings approach (5<sup>th</sup> ed.). Chichester West Sunssex: John Wiley & Sons Inc.
- Skansi, D. (2000). Relation of managerial efficiency and leadership styles- empirical study in Hrvatska Elektroprivreda. Management, 5(2), 51-67.
- Stephen, A. T. & Coote, L. V. (2007). Interfirm behavior and goal alignment in relational exchanges. Journal of Business Research, 60(4), 285-295.

- Stoker, J. I. (2008). Effects of team tenure and leadership in self-managing teams. Personnel Review, 37(5), 564-582.
- Tabiu, A., and Nura, A. A. (2013). Assessing the effects of human resource management (HRM) practices on employee job performance: A study of Usmanu Danfodiyo University Sokoto. Journal of Business Studies Quarterly, *5*(2), 247-259.
- Tenth Malaysia Plan (2010). The Economic Planning Unit Prime Minister's 12 Department Putrajaya. Retrieved February, 2014, from https://www.pmo.gov.my/dokumenattached/RMK/RMK10\_E.pdf
- Treadway, D. C., Ferris, G. R., Hochwater, W., Perrewe , P., Witt, L. A., & Goodman, J. M. (2005). The role of age in the perceptions of politics-job performance relationship: A three-study constructive replication. Journal of Applied Psychology, 90(5), 872-881.
- Voon, M. L., Lo, M. C., Ngui, K. S. & Ayob, N. B. (2011). The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia. International Journal of Business, Management and Social Sciences, 2(1), 24-32.
- Wall, T. D., Michie, J., Patterson, M., Wood, S. J., Sheehan, M., Clegg, C. W., & West, M. (2004). On the validity of subjective measures of company performance. Personnel Psychology, 57(1), 95-118.
- Wang, Y., & Poutziouris, P. (2010). Leadership styles, management systems and growth: Empirical evidence from UK owner-managed SMEs. Journal of *Enterprising Culture*, 18(3), 331-354.
- Wendt, H., Euwema, M. C., & van Emmerik, I. J. H. (2009). Leadership and team cohesiveness across cultures. The Leadership Quarterly, 20(3), 358-370.

- Woodbine, G. F., & Liu, J. (2010). Leadership styles and the moral choice of internal auditors. Electronic Journal of Business Ethics and Organization Studies, *15*(1), 28-35.
- Zehir, C., Ertosun, Ö. G., Zehir, S., & Müceldili, B. (2011). The effects of leadership styles and organizational culture over firm performance: Multi-national companies in Istanbul. Procedia- Social and Behavioral Sciences, 24, 1460-1474.
- Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2013). Business research methods (8<sup>th</sup> ed.). USA: South-Western Cengage Learning.

# **APPENDICES**

Summary of Past Empirical Studies on Path-goal Leadership-Employees' Working Performance APPENDIX A

		Directive L.	Directive Leadership Style	
Author	Country	Purpose	Data	Major Findings
Euwema,			Data from the database (Hay Group)	
Wendt &	33	To investigate the relationship between directive and	were used where the data were	Directive leadership has a negative influence on
van		supportive leadership with group organizational	collected from 20,336 managers and	GOCB where GOCB is most likely in affecting
Emmerik	commiss	citizenship behaviour (GOCB).	95,893 team members in 33	team performance.
(2007)			countries	
		To examine the relationship between leader behaviour	154 sets of questionnaire were	Directive landership has simificant influence on
Stoker	Notharlanda	and the effectiveness of the members of a self-	distributed to the team member of	precised in dividual merchanness with the short
(2008)	Inclinentations	managing team (SMT) in terms of perceived	SMTs within the Operations	perceived may judgi periormance with the short
		individual performance and emotional exhaustion.	Division of a large bank	rediffications.
		To identify the effects of knowledge management	Questionnaires were sent to 11	
Chi, Yeh &		(KM), leadership effectiveness (LE) and		education experts from university Directive leadership has the greatest influence on
Liao (2008)	ITAINAII	organizational culture (OC) on organizational	principals and officers from the	organizational performance.
		performance (OP).	Ministry of Education.	
Mulki, Jaramillo &		To identify which leadership style, directive	572 survey packages were sent to	Directive leadership style is positively related to
Locander	U.S.	leadership or caring leadership can build an ethical	pharmaceutical company in North	ethical climate that will indirectly improve the
(2009)		climate in organizations.	America.	employees' job performance.
Özsahin,	Turkey	To examine the dimensions of learning orientation	127 firms were selected and agreed	Learning orientation is positively related to
Zehir &		effect to the relationship between leadership style and	to fill out the research questionnaire.	relations-oriented and task-oriented leadership on
Acar		fim performance.		the firm performance.
(2011)				

		Supportive L	Supportive Leadership Style	
Author	Country	Purpose	Data	Major Findings
Stephen & Coote (2007)	U.S.	To identified the influences of manager actionable behaviours on rational behaviours and whether this form of relationship governance has performance implications.	143 questionnaires were posted to the project managers from 19 construction companies.	Supportive leadership is positively related to relational behaviours, relational behaviours are positively related to goal alignment and goal alignment has positive influence on financial performance.
Femandez (2008)	U.S.	To determine the effective of task-oriented, relation- oriented and development-oriented leadership behaviours on employee perceptions of performance and job satisfaction.	The data were collected from the 2002 Federal Human Capital Survey conducted by the U.S. Office of Personnel Management.	All leadership behaviours are positively related to perceptions of performance.
Jaramillo & Mulki (2008)	U.S.	To examine how supportive leadership influences the effort of salesperson through mediator, which includes intrinsic motivation and self-efficacy that will directly, influences their job performance.	572 survey packages were posted to salespersons in a large pharmaceutical company in North America.	Supportive leadership is significant influence on effort and effort has positive relationship with job performance.
Lee & Ahmad (2008)	Malaysia	To determine the moderating effects of organizational culture and leadership behaviour and organizational commitment as well as between organizational commitment and job satisfaction and performance.	400 questionnaires were distributed through email and personally-administered to the part-time students and the researcher's working peers.	Leaders' supportive behaviour was related to organizational commitment and associated with job satisfaction but not with employee performance however only supportive culture influenced the relationship between commitment and satisfaction.
Wendt, Euwema & van Emmerik (2009)	80 countries	To examine the relationship between leadership and team cohesiveness in different societal cultures.	Data from the database of Hay Group were used where the data is collected from 29,868 managers and 138,270 corresponding team members.	Supportive leadership has a positive influence on team cohesiveness whereby team cohesiveness will strongly enhance individual performance.

		Participative	Participative Leadership Style	
Author	Country	Purpose	Data	Major Findings
Huang, lun, Liu & Gong (2010)	China	To study whether participative leadership behaviour is associated with improved work performance through a motivational process or an exchange-based process.	Distribution of survey questionnaires to 640 middle managers as well as 514 office supporting staff and front-line employees.	Participative leadership behaviour was significantly correlated with task performance and organizational citizenship behaviour toward organizations.
Lee, Fu, Li & Chen (2011)	Taiwan	To investigate the relationship between social capital, project leadership style, modularity, group member diversification and new product development (NPD) performance.	500 questionnaires were distributed to senior leaders of NPD groups from various manufacturing firms.	Participating leadership style has significant positive impact on NPD performance.
Zehir, Ertosun, Zehir & Müceldili (2011)	Istanbul	To examine influences of the relationship between three different organizational cultures, which are competitive, bureaucratic and community cultures, and three different leadership styles, which are participative, supportive and transactional leadership styles, on overall organizational performance.	Questionnaires were distributed to 295 employees.	Participative leadership is significantly and positively related with organizational performance.
Mehrabi, Safaei & Kazemi (2013)	Íran	To examine whether the employee's perception of effectiveness and performance will be influenced by the effect of leader's participative behaviours.	Distribution of questiornaires by self-administered to 83 employees of Kohdasht munipality.	Leader's participative behaviour has a positive relationship towards employee's performance.
Mohammed, Nassar, Ghallab & Morsy (2013)	Egypt	To determine the effect of the decision-making styles used by management at main Assuit university hospital on technical nurses' job performance.	Distribution of structured questionnaire form and performance evaluation sheets.	All dimensions were affected except patient condition evaluation when the managers applied participative decision making style.

		Achievement-orier	Achievement-oriented Leadership Style	
Author	Country	Purpose	Data	Major Findings
Awan & Zaidi (2009)	Pakistan	To identify the relationship between Path-goal leadership styles, which are directive, supportive, participative and achievement-oriented styles, on employees' job expectancies that will influence performance.	Questionnaires were distributed to 1,020 teachers in Punjab.	All Path-goal leadership styles are positively related to the job expectancies where it will lead the employees to higher performance.
Woodbine & Liu (2010)	Westem Australia	To study the impacts of different leadership styles on internal auditors' moral choice using ERG theory and Path-goal theory.	Distribution of survey questionnaires to 317 internal auditors.	Auditors with high growth needs would be motivated by Standard-achievement-onented leadership approach because they can see clear performance standards and anticipate fair performance evaluation and growth opportunities.
Wang & Poutziounis (2010) Ogbeide (2011)	United Kingdom U.S.	To discover the determinants of the leadership style and examine its influence on business performance andmanagement system in the small business context.  To identify the leadership styles possessed by foodservice managers and examined the impact of supportive, directive, participative and achievement-oriented leadership styles on motivation of employees for work effectiveness that will enhance organizational performance.	Distribution of 30,000 survey questionnaires through postal to small and medium sized enterprises.  Distribution of 273 survey questionnaires to foodservice employees from a large public comprehensive university in the Midwestem part.	Achievement-oriented style does superior sales growth, although it is popular pattern of administration.  Employees' motivation for work ef has positively impacted by the leadership style.
Майк (2013)	Pakistan	To determine the relationship between Path-goal leadership behaviours and employees' job satisfaction in Pakistan.	Distribution of survey questionnaires to 200 middle managers and first line managers.	Path-goal leadership behaviours influenced employee job satisfaction and the leader could enhance employee performance by matching his behaviour with subordinates characteristics along with work settings.

# APPENDIX B

# Sources of the Items Adapted in the Survey Questionnaire.

Inde	pendent Variable 1: Directive Leadership			
No.	Questions	Authors		
D1	The leader explains the way tasks should be carried out.			
D2	The leader decides what and how things shall be done.	Harris & Ogbonna,		
D3	The leader maintains definite standards of performance.	2001.		
D4	The leader schedules the work to be done.			
D5	The leader checks to ensure the employee follow proper procedure.	Martin, Liao & Campbell, 2013.		

Inde	pendent Variable 2: Supportive Leadership	
No.	Questions	Authors
<b>S</b> 1	The leader helps employees to perform their tasks more pleasantly.	Harris & Ogbonna,
S2	The leader looks out for the personal welfare of employees.	2001.
S3	The leader ensures the interests of employees are considered when making decisions.	Raffery & Griffin, 2006.
S4	The leader treats all employees as equal.	Harris & Ogbonna, 2001
S5	The leader is friendly and approachable.	Malik, 2012.

Ind		
No.	Questions	Author
P1	Before making decisions, the leader considers what his /her employees have to say.	
P2	Before taking action, the leader consults with employees.	
Р3	The leader asks employees for their suggestions.	Harris & Ogbonna, 2001.
P4	The leader listens to employees' advice on which decision should be made.	
P5	When faced with a problem, the leader consults with his/her employees.	

Inde	pendent Variable 4: Achievement-Oriented	
No.	Questions	Author
A1	The leader encourages employees to give their best effort.	
A2	The leader maintains high standards of performance.	
A3	The leader sets an example by working hard himself or herself.	McQuarrie, 1989.
A4	The leader shows you how to improve your performance.	
A5	The leader offers new ideas for solving job-related problems.	

Emple	oyees Working Performance	
No.	Questions	Author
WP1	Based on my appraisal, my standard of Job Performance:	
WP2	Based on my appraisal, compared to another person of the same rank, I would rate my performance as:	Motowidlo & van Scotter, 1994.
WP3	Based on my appraisal, compared to other members of my department/team, I would rate my contribution to the organization as:	

#### **APPENDIX C**

#### **Survey Questionnaire**



# UNIVERSITI TUNKU ABDUL RAHMAN **Faculty of Business and Finance**

#### **BACHELOR OF COMMERCE (HONS) ACCOUNTING**

#### FINAL YEAR PROJECT

# LEADERSHIP STYLES INFLUECING EMPLOYEES' WORKING PERFORMANCE IN FINANCIAL SECTOR WITHIN PENINSULAR MALAYSIA

#### **Survey Questionnaire**

Dear respondent,

We are a group of final year undergraduate students of Bachelor of Commerce (Hons) Accounting, from University Tunku Abdul Rahman (UTAR Perak Campus). The purpose of this survey is to analyze the leadership styles influencing employees' working performance. Please answer the following questions to the best of your knowledge. There are no wrong responses to any of these statements. All the information from this survey is for educational purpose only and will be kept strictly confidential.

Thank you for your participation.

#### **Instructions:**

- 1) There are **TWO** (2) sections in this questionnaire. Please answer ALL questions in ALL sections.
- 2) Completion of this form will take you approximately 10 to 15 minutes.
- 3) Please feel free to share your comment in the space provided. The contents of this questionnaire will be kept strictly confidential.

# **SECTION A: Demographic Profile and General Information**

Please tick " $\sqrt{}$ " or fill in the blank for each of the following.

1. Age	2:
	30 – 39 years old 40 – 49 years old
2. Ger	nder:
	Male Female
3. Edu	cation Level:
	Secondary Diploma Degree/ Professional qualification Post Graduate Others:
4. Late	est monthly income:
	RM 1,001 – RM 2,000 RM 2,001 – RM 3,000 RM 3,001 – RM 4,000 RM 4,001 – RM 5,000
5. Wh	ich of the following financial services sector you are involved?
	Commercial banking Islamic banking Insurance company Financial company Others:
6. Hov	w many years have you worked with your current employer?
	Less than 3 years $3 - 6$ years $7 - 10$ years Above 10 years

# **SECTION B: Independent and Dependent Variables**

Please circle **ONE** number which most describes your leader/supervisor. Respondents are asked to indicate the extent to which they agreed or disagreed with each statement using 5 Likert scale (1=Strongly Disagree, 2=Disagree, 3=Neutral, *4=Agree and 5=Strongly Agree).* 

Direc	tive Leadership					
No.	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
D1	The leader explains the way tasks should be carried out.	1	2	3	4	5
D2	The leader decides what and how things shall be done.	1	2	3	4	5
D3	The leader maintains definite standards of performance.	1	2	3	4	5
D4	The leader schedules the work to be done.	1	2	3	4	5
D5	The leader checks to ensure the employees follow proper procedure.	1	2	3	4	5

Supp	ortive Leadership					
No.	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
S1	The leader helps employees to perform their tasks more pleasant.	1	2	3	4	5
S2	The leader looks out for the personal welfare of employees.	1	2	3	4	5
S3	The leader ensures the interests of employees are considered when making decisions.	1	2	3	4	5
S4	The leader treats all employees as equal.	1	2	3	4	5
S5	The leader is friendly and approachable.	1	2	3	4	5

Participative Leadership						
No.	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
P1	Before making decisions, the leader considers what his /her employees have to say.	1	2	3	4	5
P2	Before taking action, the leader consults with his/her employees.	1	2	3	4	5
Р3	The leader asks employees for their suggestions.	1	2	3	4	5
P4	The leader listens to employees' advice on which decision should be made.	1	2	3	4	5
P5	When faced with a problem, the leader consults with employees.	1	2	3	4	5

Achievement-Oriented						
No.	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
A1	The leader encourages employees to give their best effort.	1	2	3	4	5
A2	The leader maintains high standards of performance.	1	2	3	4	5
A3	The leader sets an example by working hard himself or herself.	1	2	3	4	5
A4	The leader shows you how to improve your performance.	1	2	3	4	5
A5	The leader offers new ideas for solving job-related problems.	1	2	3	4	5

## **Employees' Working Performance**

Please circle ONE number which most describes to yourself.

1. Based on my appraisal, my standard of Job Performance:

1	2	3	4	5
Does not meet	Does not-Meet	Meet standard	Meet-Exceeds	Exceeds
standard	standard		standard	standard

2. Based on my appraisal, compared to another person of the same rank, I would rate my performance as:

1	2	3	4	5
Low Level	Low-Moderate	Moderate	Moderate-High	High Level
	Level	Level	Level	

3. Based on my appraisal, compared to other members of my department/team, I would rate my contribution to the organization as:

1	2	3	4	5
Less Distribution	Less-Moderate Distribution	Moderate Distribution	Moderate- High Distribution	High Distribution

Thank you for your time and participation.

# APPENDIX D

## **Variables and Measurement**

Independent Variable (Leadership Style)	Item	Definition	Author
Directive	IV1	The leadership style that provides subordinates with the sufficient autonomy about what they are suppose to do including how to complete a task and the timeline for the completion.	Northouse, 2013
Supportive	IV2	The leadership style that is concerns about subordinates' welfare and personal needs.	Northouse, 2013
Participative	IV3	The leadership style that concerns about the participation of employees in decision making process in order to integrate their ideas, suggestions and opinions into decision making.	Northouse, 2013
Achievement- Oriented	IV4	The leadership style that provides the subordinates with clear and challenging tasks to encourage continuous improvement.	Northouse, 2013
Dependent Variable		Definition	Author
Employee Working Performance	DV	The extent to which an employee contributes to organizational effectiveness given the expectations related with his or her work role.	Treadway, Ferris, Hochwater, Perrew é, Witt & Goodman, 2005

#### **APPENDIX E**

#### **Permission Letter to Conduct Survey**



26th March 2014

To Whom It May Concern

Dear Sir/Madam

#### Permission to Conduct Survey

This is to confirm that the following students are currently pursuing their Bachelor of Commerce (HONS) Accounting program at the Faculty of Business and Finance, Universiti Tunku Abdul Rahman (UTAR) Perak Campus.

I would be most grateful if you could assist them by allowing them to conduct their research at your institution. All information collected will be kept confidential and used only for academic purposes.

The students are as follows:

Name of Student SAM KA YING	Student ID 10ABB02456
NG KAH YUNG	10ABB04177
KOH LEH HUI	10ABB06343
LAU JIA XIN	10ABB04637
LEW SHU DI	10ABB04131

If you need further verification, please do not hesitate to contact me.

Thank you.

Yours sincerely

Mr Fong Choong Ee Head of Department,

Faculty of Business and Finance

Email: fongce@utar.edu.my

Mr Satchit Anantha a/l V.Krishnan

Supervisor,

Faculty of Business and Finance

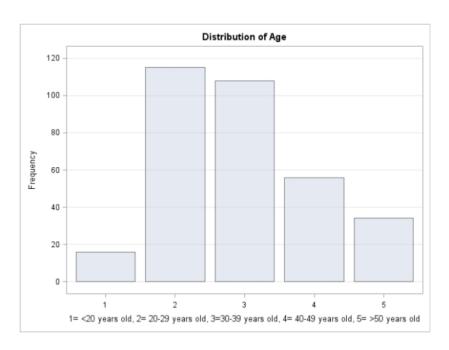
Email: satchit@utar.edu.my

Address: No.9, Jalan Bersatu 13/4, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia Postal Address: P O Box 11384, 50744 Kuala Lumpur, Malaysia.

Tel: (603) 7958 2628 Fax: (603) 7956 1923 Homepage: http://www.utar.edu.my

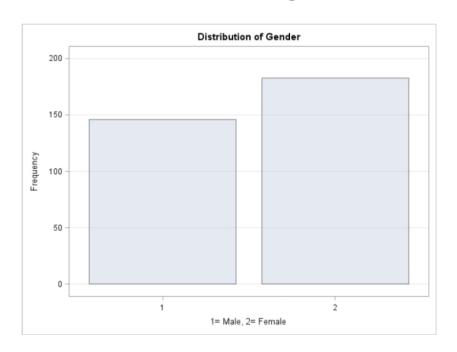
# **APPENDIX F**

# **Age Distribution of Respondents**



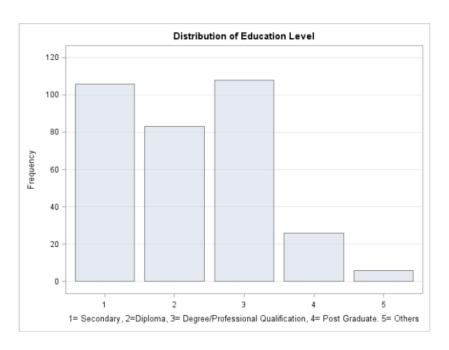
## **APPENDIX G**

# **Gender Distribution of Respondents**



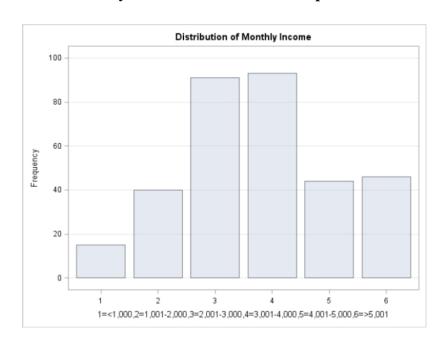
# **APPENDIX H**

# **Education Level Distribution of Respondents**



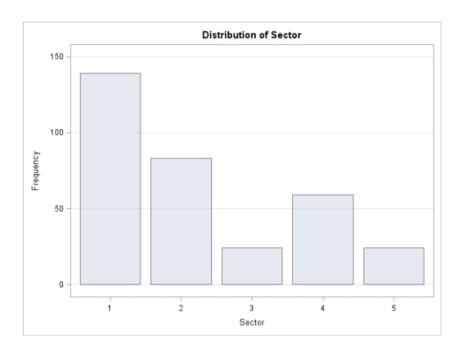
# **APPENDIX I**

# **Monthly Income Distribution of Respondents**



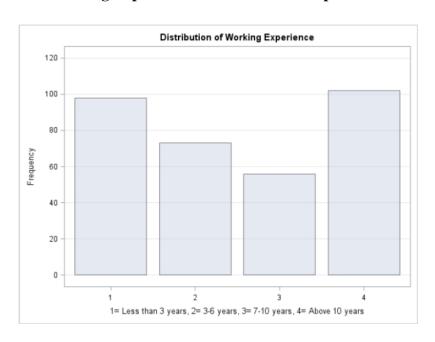
# **APPENDIX J**

# **Working Sector Distribution of Respondents**



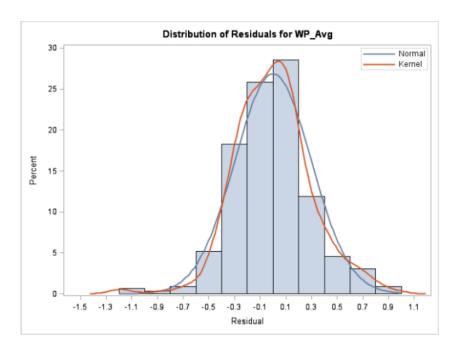
# **APPENDIX K**

# **Working Experience Distribution of Respondents**



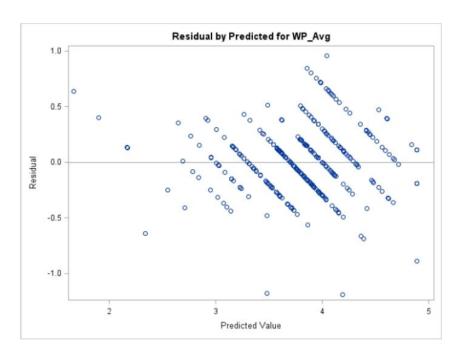
APPENDIX L

# **Distribution of Residuals for Working Performance**



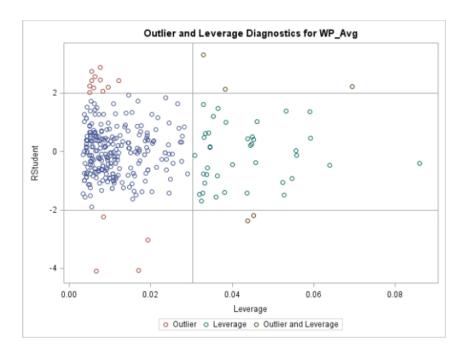
**APPENDIX M** 

## **Residual by Predicted for Working Performance**



# **APPENDIX N**

## **Outlier and Leverage Diagnostics for Working Performance**



### **APPENDIX O**

# Q-Q Plot of Residuals for Working Performance

