

## International Journal of Research Publication and Reviews

Journal homepage: <a href="https://www.ijrpr.com">www.ijrpr.com</a> ISSN 2582-7421

# The Role of Leadership Styles in Driving Employee Engagement

Dr. S.M. Rezaul Ahsan<sup>1</sup>

<sup>1</sup>Director, Human Resource, General Pharmaceuticals Ltd.

#### ABSTRACT:

In this competitive business environment, organizations are spending considerable time and resources for engaging and retaining the efficient and experienced employees at work for the long-term success of the organization. On the other hand, the leadership is one the most significant contributors that determine the overall success or failure of an organization through influencing employees' attitudes, behaviors and organizational commitment towards achieving company goals and objectives. This study thus aims to explore various types of leadership styles and their impact on employee engagement of pharmaceutical sector in Bangladesh. The study utilized a quantitative research design on 100 randomly selected employees as research participants of different levels of the organizations in Bangladesh Pharmaceutical Industry. Self-administered questionnaires based on all necessary components of the constructs and leadership styles questionnaires of previous researches were designed to collect feedback of the respondents. The statistical analysis shows that leadership styles are significantly correlated with employee engagement of Bangladesh Pharmaceutical sector. The study reveals that the most dominant leadership style in pharmaceutical industry that has greater impact on employee engagement is Laissez-Faire Leadership style. Recommendations are also made when a leader should practice the appropriate leadership style to increase employee engagement.

Keywords: Leadership Styles, Employee Engagement, Pharmaceutical Sector

#### 1. Introduction

In present situation, to gain a sustainable competitive advantage leadership has become one of the most critical factors in organization, especially when the company is concern about the employee engagement and its work environment. The concept and definition of leadership style may differ from one person, or situation to the others. Leadership styles have significant effects not only in small businesses but also in the world's largest corporations. These styles affect everyone from senior management to the newest intern. The leadership creates a strong corporate culture and motivational environment that influence the organization and its performance. An effective leader influences followers in a charismatic way to achieve desired goals. Different leadership styles may affect employee commitment, organizational effectiveness and overall performance of the organization. Literatures have stated that the key elements for a successful organization are leadership style and competency (J. Rodney Turner and Ralf Muller, 2005). Leadership style is the most prevalent factors that influence employees' attitudes and behaviors including organizational commitment. Leaders have adopted various styles when they lead others in the organization (Brown, 2003; Cheong, 2008; Chiang & Wang, 2012; Clark, Hartline, & Jones, 2009; Cox, 2001). Some are using democratic approach, people or relationship-oriented approach and others prefer autocratic, production oriented or work oriented approach in order to achieve common goals for improving organizational effectiveness. Leadership is very important in order to manage and control employees and organizations. The suitability of leadership styles to be used in an organization is based on the nature of the business where it is operating. An effective leader is someone who knows how to inspire and relate to subordinates, knows how to increase the employees' motivation and make employees loyal to the organization.

Leaders and Managers are always in pressure to understand the various aspects of organizational behavior (OB) to explore how employees act in organization, how they behave in organizational settings towards achieving its goals and what are the interfaces between employee behavior and the organization. Engaged employee group can make an organization better than other competitors. On the contrary, disengaged employee group can make the firm worse than other competitors. An organization's success is highly dependent on the employees' work engagement. Employees give their maximum when they are highly engaged with the job as a whole. Thus, it is important for a company to find out which leadership style gets better employee engagement so that the organization can apply appropriate leadership practices to gain better business results. Employee engagement has emerged as a leadership tactic and philosophy which is big concern for every organization because of their increasing awareness in managing their human resources in such a way that can contribute to the business performance. Interest in the current study revolved due to lack of practical and theoretical research on the areas of employee engagement and its influential factor such as leadership styles. In the current business environment, the organizations are focusing towards employee engagement as a promising strategy to increase organizational efficiency. Due to its increasing importance, there is need of empirical research on employee engagement particularly pharmaceutical sector of Bangladesh. A good number of studies were conducted to perceive the impact of leadership on different dependent variables such as employee satisfaction, employee retention, employee performance and even on employee motivation in the field of organizational behavior, but very few research activities were done on employee engagement most of which were done on the

service industry, a few of them were covered manufacturing sector but still there is scarcity of similar research in the area of pharmaceutical industry of Bangladesh. This paper thus focuses on exploring the inherent leadership styles and how the leadership styles can influence on the employee engagement.

## 2. Research Objectives

The study was undertaken with the following objectives in mind:

- 1. To explore the common leadership styles practiced by the leaders in various aspects of business and management.
- 2. To examine the relationship between leadership styles and employee engagement
- 3. To identify the dominant leadership style that has greater impact on employee engagement in pharmaceutical sector of Bangladesh.

#### 3. Literature Review

#### 3.1 Leadership

Leadership is described as process whereby an individual influences a group of individuals to achieve a common goal (Northhouse, 2013). Yukl (2006) further defines leadership as the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives. Leadership refers to the process of influencing and guiding others towards the achievement of a common goal or vision (Northouse, 2019). Simply put, leadership is the ability to inspire, motivate, and empower individuals or groups to work collaboratively and effectively. Nizarudin (2017), stated that leadership encompasses a wide range of skills, traits, and behaviors, including decision-making, communication, strategic thinking, empathy, and vision setting – which are quite key for every leader.

#### 3.2 Leadership Style

According to Northouse (2013), leadership styles are described as the directive (task) or supportive (relationship) behavior pattern of an individual who attempts to influence others. Leaders usually exhibit a style of leadership as they motivate and inspire their followers. Leadership style therefore, refers to the manner in which a leader chooses to lead and interact with their followers (Northouse, 2018). It reflects the leader's behaviors, attitudes, and actions in influencing and directing others. Leadership style has a huge influence on how a leader makes decisions, communicates expectations, motivates followers and creates a work environment. Leadership style is an expression of the leader's leadership approach. It reflects the leader's preferences, values, and beliefs about how to effectively lead and influence others. There are several leaderships styles and these different leadership styles can impact the dynamics, productivity and culture of an organization or group in several ways.

Leadership style is a form of cross situational behavioral consistency. It refers to the manner in which a leader interacts with his or her subordinates. Leadership styles are the approaches used to motivate followers. Leadership styles should be selected and adapted to fit organizations, situations, groups, and individuals. It is thus useful to possess a thorough understanding of the different styles as such knowledge increases the tools available to lead effectively (Veliu, L. Manxhari, M. Demiri V. Jahaj L. (2017). While many leadership styles, attributes, traits and philosophies account for the extensive literature surrounding leadership (House et al., 2004; Howell and Costley, 2006; Javidan et al., 2006; Jogulu and Wood, 2006; Jogulu and Wood, 2007; Jogulu and Wood, 2008b; Judge and Piccolo, 2004; Kennedy, 2002; Mandell, 2003; Eagly et al., 2003; Carless, 1998; Hofstede, 1980). The terminology style is roughly equivalent to the leader's behavior. It is the way in which the leader influences the followers (Luthans, et al. 2007). Leadership styles have evolved to become more democratic (Biddle, 2005; Johnson, 1995). Tannenbanum and Schmidt (1958) also identify four different types of leaders which have been most widely accepted and used. These leadership styles, which center around Mc Gregor's Theory 'X and Y' assumptions, are democratic, autocratic, dictatorial, and laissez faire leadership styles. The styles of leadership include bureaucratic, laissez-faire, charismatic, democratic, transactional and transformational (Mohammed and Hossein, 2006). According to Rees and French (2013), the transactional and transformational leadership styles are the current leadership organizational styles which are associated with a society that no longer accepts the use of authority as a form of command. Bureaucratic leadership style is also useful in organizations where employees do routine tasks (Shaefer, 2005). Charismatic leadership style is a leadership style that is identifiable but may be perceived with less tangibility than other leadership styles (Bell, 2013). A charismatic leader is one who provides an environment full of energy and positive reinforcement. Bwalya (2023) in his study mentioned some leadership styles which include: transformational, transactional, autocratic, laissez-faire, charismatic, servant, democratic and pace-setting leadership. According to Becker (2023) there are many different styles of leadership, and each can have a different impact on a company namely: democratic, autocratic, laissez-faire, strategic, transformational, transactional, coaching, bureaucratic, visionary, pacesetting and situational leadership styles. An understanding of various leadership styles this research has picked up six common leadership styles to examine their impact on employee engagement. The in-depth exploration of these prominent leadership styles are as follows.

## I. Transformational Leadership Style

Transformational leaders are visionary and inspirational figures. This leadership style aims to create a positive and empowering work environment where individuals are not only committed to their tasks but also deeply connected to the organization's mission (Rahman, 2023). Transformational leadership is a leadership style in which the leader inspires and motivates his/her followers to achieve exceptional performance by creating a vision, setting high expectations, and challenging the followers to exceed their own self-interests for the benefit of the organization or society at large (Collins, 2014). Transformational leaders focus on transforming individuals and organizations by encouraging creativity and promoting personal growth. Bass and Riggo (2006) noted the main features and characteristics of transformational leadership as visionary, effective communicators, inspirational and motivational, change lead, empathetic, intellectual stimulation or innovative.

#### II. Transactional Leadership Style

Transactional leaders rely on a structured system of rewards and punishments to manage their teams. They establish clear expectations and provide feedback based on individual or team performance. This style of leadership focuses on close monitoring, in detecting mistakes and errors and putting in place corrective actions to solve those (Timothy et al, 2011). Transactional leadership is an approach that focuses on the exchange relationship between leaders and followers (Northouse, 2018). For any good performance, the leader provides rewards (such as bonuses, improved salaries, promotions, and recognition) while poor performance receives punishments (like demotions, warning letters, reprimands, salary cuts and terminations). Kouzes and Posner (2017) and Bass and Riggio (2006) referred the features and characteristics of transactional leadership as clearly defined expectations, defined contingent rewards, exchange relationship, monitoring performance, goal oriented.

#### III. Autocratic Leadership Style

Autocratic leaders are characterized by their *unilateral decision-making approach*. Autocratic leadership, also known as authoritarian leadership, is a leadership system in which the leader holds absolute power and makes decisions without any input from followers (Pearce and Sims, 2002). The leader exercises full control over the decision-making process and typically expects strict compliance from the subordinates. Pearce and Sims (2002) and Sosik and Dinger (2007) outlined the features and characteristics of autocratic leaders as centralized decision-making, direct supervision, limited individual autonomy, authoritarian control, resistance to feedback or criticism.

#### IV. Laissez-Faire Leadership Style

Laissez-faire leaders adopt a more hands-off and non-directive approach. They provide their team members with considerable autonomy and decision-making power. This style can encourage innovation and creativity, as individuals have the freedom to explore their ideas and approaches (Rahman, 2023). Laissez-faire leadership, sometimes referred to as delegative leadership, is a leadership style in which the leader has a hands-off approach, minimal involvement and allows followers to make decisions (Vecchio et.al, 2010). Northouse (2018) observed that laissez-faire leaders provide little guidance or supervision to their followers, allowing them significant autonomy and freedom to make decisions and perform tasks. According Sosik et.al (2004), Vecchio et.al, (2010), Rahman, (2023) and Northouse (2018), the main features and characteristics of laissez-faire leadership style include high autonomy & freedom, empowerment & trust, minimal intervention & control, little guidance, direction and feedback.

#### V. Democratic Leadership Style

Democratic leaders, in stark contrast to autocrats, actively involve their team members in the decision-making process. They highly value collaboration and seek input and feedback from their employees (Rahman, 2023). Democratic leadership, also commonly known as participative leadership, is a kind of leadership approach where the leader involves team members in the decision-making process, encouraging open communication, and seeking consensus on important matters (Yukl, 2013). In this approach, the leader values the input and ideas of team members and followers, empowering them to participate actively in shaping organization's goals, strategies, and operations. Democratic leadership emphasizes collaboration and involvement from all team members. Avolio and Bass (2004), observed the features and characteristics of democratic leadership as inclusive decision-making, encourage open discussions, active listener, supportive & empathetic, empowerment & autonomy, trust and respect.

## VI. Servant Leadership Style

Servant leaders prioritize the needs and well-being of their team members. They aim to serve their employees rather than being served. Servant leadership is a leadership style that focuses on serving the needs of others and prioritizing the well-being and development of followers (Greenleaf, 2002). With this approach, leaders aim to support and empower their followers, enabling them to reach their full potential, while achieving organizational goals. Yukl (2013) and Irving and Longbotham (2007), observed the main features and characteristics of servant leadership as service orientation, empathy & caring, empowerment & development, collaboration & teamwork, high morality.

#### 3.3 Employee Engagement

According to Kahn (1990) the employee engagement is "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances". The cognitive aspect of employee engagement is concern about employee beliefs about the organization, its leaders and its work environment. The emotional engagement is concern whether the employees have positive or negative attitudes towards the organization and its leaders. The physical aspect of employee engagement is concern about the physical energies exerted by individuals to accomplish ultimate goals of the organization. Hence, according to Kahn (1990), employee engagement means to be psychologically as well as physically present when occupying and performing individual roles in an organizational. Employee engagement is measured by the amount of discretionary effort demonstrated by employees at work (Frank et al 2004.Truss et al (2006) stated that employee engagement is simply as a passion for work of employees, a psychological state to embrace with the three dimensions of engagement mentioned by Kahn (1990). Robinson et al. (2004) define employee engagement as "a positive attitude held by the employee towards the organization and its value. An engaged employee is well aware of business context and works with associates to improve performance within the job for the benefits of the organization. The organization should require to develop and nurture employee engagement for maintaining a two-way relationship between employer and employee."

#### 3.4 Leadership Styles and Employee Engagement

A good leader understands the importance of employees' commitment and motivation in achieving the goals of the organization. Different leadership styles bring about different consequences, which have direct or indirect impact on the attitude and behaviors of the employees. Phillips and Gully (2012) suggested that at its best, leadership inspires and motivates employees to work hard towards organizational objectives and help the organization succeed.

Great leaders inspire their team members and motivate them to multiply effort in achieving the shared goal (Fenwick & Gayle 2008). Leadership is the most investigated organizational variable that has a potential impact on employee performance (Cummings and Schwab, 1973) and employee performance is significantly and positively correlated with employee engagement (Harter, Schmidt and Hayes, 2002). Leaders support the team and organization goals and vision and motivate team members to contribute beyond individual goals and align team member goals to be parallel to organizational goals (Burns 1978). This asserts the importance and impact of leadership style on employee's motivation and satisfaction, and indirectly on employee engagement. In a survey conducted by Dale Carnegie Training, three key factors were identified to impact employee engagement, of which two were related to relationship and belief in leadership (Dale Carnegie Training Malaysia 2016).

Recent leadership studies have continued to affirm the positive relationship between transformational leadership and performance at various levels (e.g., Dumdum et al. 2002; Dvir et al. 2002; Howell et al. 2005). On the other hand, transactional leadership is found to enhance the job satisfaction and organizational identification as compared to transformational leadership, where job satisfaction amplifies employee engagement (Epitropaki & Martin, 2005; LePine, Zhang, Crawford, & Rich, 2015). Preliminary research undertaken by Booysen and Van Wyk (Swanepoel, et al., 2000) in a South African context found that outstanding leaders, in terms of effectiveness, are perceived to show a strong and direct, but democratic and participative leadership style, and are seen as agents of change and visionaries who increase organizational performance through employee engagement. Charismatic leaders' vision of motivation and care for their members can greatly infect employees and fully stimulate their engagement. First of all, charismatic leaders are good at observing the opportunities in change, establishing an attractive organizational vision, and building the hope and confidence of subordinates for the future, so as to enhance the motivation of employees (Howell and Shamir, 1999). This is very similar to transformational leadership. Chen Yongxia, Jia Liangding, Li Chaoping, Song Jiwen, Zhang Junjun (2006) found that transformational leadership was significantly positively correlated with organizational commitment and extra effort of employees. Zheng Boxun, Zhou Lifang and Fan Jingli found in their studies that authoritarian leadership can significantly weaken employees' trust in leaders, job satisfaction and employee loyalty. Fu Xiao and Li Yi (2012) found that authoritarian leadership would seriously affect the innovation ability and work performance of employees. Transactional leadership contains among other things, an exchange process (between leader &follower) that results in adherent compliance to leader demands, but it is not expected to create zeal and commitment to an errand objective (Trottier et al., 2008). Laissez-faire leaders often avoid making decisions, hesitate, avoid making decisions instead of actively responding to the leadership situation needed (Piccolo et al., 2012). Laissez-faire leadership style is the most unsatisfactory and least effective leadership style, and non-interference in tasks, complete laissez-faire of engagement can lead to ineffective, hard-to-achieve ways of working target (Bass & Bass, 2008). Servant leaders listen receptively, display empathy, heal the self and others, and are aware of their self, their strengths, and their surroundings (Berger, 2014). In particular, servant leaders go out of their way to understand and empathize with their followers, recognizing their unique and special qualities (Liden et al., 2008; Spears, 1998; van Dierdonck & Nuijten, 2011), which should fuel positive energy among followers (Schaufeli & Bakker, 2004).

From the literature review, it is observed that majority of researches have been conducted on establishing the correlation between leaderships and employee commitment, employee performance on organizations. Some of the researches have empirically tested on employee engagement in manufacturing industry and also service industry. But in context of Bangladesh pharmaceutical industry, there seems to dearth of literature about employee engagement and how it is impacted by leadership styles. On this basis, the study provides an attempt to empirically test the impact of leadership styles on employee engagement at Bangladesh pharmaceutical sector.

## 4. Conceptual Framework of the Study

The review of the various literatures has uncovered developing following conceptual framework (Fig. 4.1) where Leadership Style is independent variable and Employee Engagement is dependent variable.

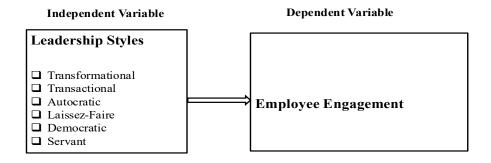


Figure 4.1: Conceptual Framework of the Study

## 5. Research Hypothesis

In order to achieve objectives of the study, following hypotheses are formulated.

- H01: There is no significant impact of leadership styles on employee engagement in the pharmaceutical sector of Bangladesh.
- · Hal: There is a significant impact of leadership styles on employee engagement in the pharmaceutical sector of Bangladesh.

#### 6. Research Methodology

#### 6.1 Research Instrument

Self-developed research instrument was designed based on the operationalization of constructs and leadership styles questionnaire of previous researches such as Northouse (2011), Wang et al. (2010), Laohavichien et al. (2009), Spreitzer et al. (2005) and Avolio & Bass (2004). The entire instrument consisted of four parts: first part contains respondent's demographic information; second part represents the questionnaires of leadership styles with a five-point Likert scale related to transformational, transactional, autocratic, laissez-faire, democratic and servant; the third part includes the questionnaires related to the employee engagement.

#### 6.2 Data Collection, Sampling and Study Population

According to Sekaran (2003), population refers to the group of people that a researcher wants to investigate. The study population is the employees serving pharmaceuticals companies in Bangladesh. The present study is mainly survey in nature. The survey questionnaire was designed to collect input from 100 employees of the 10 (ten) Pharmaceutical companies in Bangladesh. The companies were selected according to the rank of the company shown in IMS (Intercontinental Marketing Services) healthcare report of quarter 1, 2023. This also represents the concentration ratio of the firms as shown in the table 6.1. The stratified random sampling was used for selecting the sampling units and the convenient sampling technique was used to select the participant based on the participant's readiness to participate in the study.

Table: 6.1 Sampling plan

Category/ Stratum	Concentration Ratio	Sampling units taken	Sample Size
1-20	88.98%	8	84
21-50	10.33%	1	10
51-150	0.69%	1	6
Total (150)	100%	10	100

Source: Author and IMS, MAT-01/2023

## 6.3 Data Analysis

Data was analyzed using a mix of descriptive and inferential statistics using Statistical Package for Social Scientists (SPSS) software. Descriptive statistics were used to describe data in terms of frequencies, percentages and standard deviations. To determine the relationship between leadership style and employee engagement in the pharmaceutical sector, correlation and regression analysis were used in the study. The study used Pearson product moment correlation to test nature and strength of correlation. Adjusted R<sup>2</sup> was used to explain the amount of dependent variable that could be explained by changes in the independent variable while standardized beta coefficient indicated the direction of the relationship (positive or negative). The study hypotheses were tested at 95% level of confidence. The p-values were used to determine whether the hypothesized relationships were significant or not (p-value < 0.05 indicating significant influence).

#### 6.4 Validity and Reliability

The main objective of questionnaire in research is to obtain relevant information in most reliable and valid manner (Hamed 2016). To evaluate whether the participants agree with the items and wording of the instrument in realizing the research objectives, face validity was used through using subject matter experts' viewpoints in respect of difficulty level of items, suitability and relationship between items and the main objectives of the instrument, ambiguity and misinterpretations of items and obscurity of the meaning of the words of the items in the instrument. After the expert review of validity test the pilot study was conducted in order to confirm the reliability of the items. The pilot test seeks to answer the question, does the questionnaire consistently measure whatever it measures? Internal consistency reliability was used in order to test whether the questionnaire consistently measure whatever it measures. To test internal consistency, the results of Cronbach's alpha obtained for the constructs are shown below in Table 6.2 which was found from the pilot study.

Table 6.2 Pilot Study - Cronbach's Alpha

Sl. No.	Variables/ Constructs	Number of Items	Cronbach Alpha
1	Employee Engagement	10	0.77
2	Leadership Styles	10	0.79

The results in Table 6.2 indicates that both variables had a relatively high reliability. For all constructs, Cronbach's alpha is more than 0.70 (Nunnally, 1978; George & Mallery, 2003). Hence, the Pilot Study meets the statistical requirements and instruments are reliable.

#### 7. Results & Discussion

#### 7.1 Demographic Characteristics

Demographic data provides the main attributes of the participating respondents as asked in the questionnaire of the instrument. These attributes include basic information about the respondents like age, gender, educational level, years of experience as shown in the Table 7.1. It has been found that 72% of the total respondents are male whereas 28% of the respondents are female. Demographic analysis also shows that most of the respondents were aged within 40 years which constituted 70%.

Table 7.1 Demographic profile of participants (N=100)

Variable	Classifications	Frequency	Percentage
Gender	Male	72	72
	Female	28	28
Age	Below 30 years	25	25
	30-40 years	45	45
	41-50 years	18	18
	Above 50 years	12	12
Education	Under Graduate	3	2
	Graduate	25	25
	Post Graduate	68	68
	PhD/ Doctorate	4	5
Experience	Below 5 years	20	20
	6-10 years	50	50
	11-12 years	20	20
	More than 20 years	10	10

The analysis also shows that 97% of the total respondents were advanced in education whose have graduate and above level degree. Total 68% were post graduate, 25% were graduate and 4% were doctorate degree holders. This is an indication that the industry has been deployed with highly educated staff members which are enabling the entire pharmaceutical sector as a knowledge-based industry. The demographic profile also shows that 30% of the respondents had been employed for more than ten years, while 80% had been employed for more than five years. Only 20% of the respondents had been employed for 2-5 years since this study considered the employees having two years of continuous service in the existing organization so that they can be able to critically analyze and give relevant information for the study.

#### 7.2 Impact of Leadership Styles on Employee Engagement

To determine whether there is statistical evidence that the associated population means are significantly different the independent samples *t*-test was done. The results of independent sample t-test for dependent variable are summarized in Table 7.2.

Table 7.2 Independent sample t-test

	t-test for Equality of Means								
	T	Df	Sig (2-	Mean Difference	Std. error	95% confidence interval of the			
			trailed)		difference	difference			
						Lower	Upper		
Employee	-23.05	57.07	0.00	-71.37	3.17	-75.21	-63.35		
Engagement									

According to the table 7.2, there is a significant difference (p>0.05) between the employee engagement and leadership styles.

Table 7.3 Regression result Leadership Styles and Employee engagement

Model	R	R Square	Adjusted R Square	Std. Error of the estimate	Durbin-Watson
1	0.577a	0.333	0.293	0.29613	1.632

Source: Author's calculation

aPredictors: (Constant), transformational, transactional, autocratic, laissez-faire, democratic, servant leadership. bDependent Variable: employee engagement.

Table 7.4 ANOVA Leadership Styles and Employee Engagement

Model		Sum of	Df	Mean square	F	Sig
		square				
1	Regression	2.137	7	0.497	6.537	$0.000^{a}$
	Residual Total	4.515	51	0.073		
Total	6.652	58				

Source: Author's calculation

aPredictors: (Constant), transformational, transactional, autocratic, laissez-faire, democratic, servant leadership. bDependent Variable: Employee engagement.

The regression and ANOVA results of the model have been shown in Tables 7.3 and 7.4 the  $R^2 = 0.333$  show that Leadership Styles account for 33.3% variation in employee engagement. The full model containing all predictors was statistically significant at 5% because the p value of 0.000a is less than the significance level of 0.05. According to Field (2009), Durbin-Watson values less than 1 or more than 3 is a course for concern. Thus, Durbin-Watson value of 1.632 suggests that there is no autocorrelation in our model. Hence, the null hypothesis is rejected and the alternative hypothesis is accepted indicating that leadership style significantly affects employee engagement.

Table 7.5. Coefficients<sup>a</sup> Leadership Styles and Employee Engagement

Model	Unstandardiz	zed coefficients	Standardized coefficients	t	Sig.
	В	Std. Error	Beta		
(Constant)	23.035	3.037		7.855	.003
Transformational	.275	.067	.413	.053	.002
Transactional	163	.212	315	273	.312
Autocratic	112	.253	093	188	.032
Laissez-fair	.324	.071	.579	.371	.002
Democratic	.235	.079	.397	.213	.003
Servant	533	.211	451	-2.103	.137

Source: Author's calculation

aDependent Variable: Employee engagement

Coefficient results presented in table 7.5, indicate that Laissez-fair leadership style with a beta of (0.579), Transformational leadership style with a beta of (.413) and Democratic leadership style with a beta of (.397) are statistically significant and strong predictors of employee engagement in pharmaceutical sector of Bangladesh.

Table 7.6. Correlations result Leadership Styles and Employee Engagement

Variables	Mean	SD	1	2	3	4	5	6	7
Employee engagement	22.073	1.7123	1.000						
Transformational	4.7533	0.4115	0.231**	1.000					

Transactional	2.4232	1.2344	-0.117**	0.221	1.000				
Autocratic	3.0215	0.6222	-0.232*	-0.125	0.223*	1.000			
Laissez-faire	4.9733	0.4797	0.217**	-0.244	0.187*	-0.035	1.000		
Democratic	3.8233	1.0532	0.177**	0.213	-0.171	-0.213	-0.166	1.000	
Servant	1.5311	1.2223	-0.234**	-0.023	-0.117	-0.132	-0.521	0.201	1.000

Note: \*\*P<.001 \* P<.05

The results shown in table 7.6 demonstrate that leadership styles have both positive and negative impact on employee engagement. Here Transactional, Autocratic and Servant leadership styles have negative impact on employee engagement with r values -0.117, -0.232 and -0.234 respectively (df = 54; P<.001) while Transformational, Laissez-faire and Democratic leadership styles have positive impact on employee engagement with r values 0.231, 0.217 and 0.177 respectively (df = 54; P<.001). The analysis found that (table 7.5 and table 7.6) among all six-leadership styles, the Laissez-faire has the greatest impact on employee engagement of Bangladesh pharmaceutical sector.

#### 8. Conclusion

Leadership style plays an important role in the success or failure of leaders in workplace. There is no one-size-fits-all approach to leadership, different situations call for different leadership styles. Understanding the features, benefits and potential drawbacks of various types leadership styles inspires a leader to adopt the best approach and maximize its impact on their teams and organizations. The findings indicate that Laissez-faire style is the most prominent leadership style in Bangladesh pharmaceutical sector closely by transformational leadership style which have positive impact on employee engagement. Democratic leadership style is also found to be practiced by some leaders and preferred by the followers in pharmaceutical sector of Bangladesh. Hence, employees with Laissez-faire leadership have the highest level of pleasures at work to be engaged. Employee engagement represents the level of commitment employees feel toward their employers and their jobs. The higher the level of engagement, the more likely an employee will go the extra mile to perform well and be an advocate for the company. The present study provides essential inputs to the employers of the pharmaceutical companies as well as the leaders and managers to understand the importance of leadership styles in engaging their employees at work. Although the present study was conducted at pharmaceutical companies of Bangladesh the impact of the study will be applicable on other industries as well.

#### 10. Recommendations

Leaders must adjust their leadership style to the situation as well as to the people being led. organizations can increase the engagement level of their employees by practicing the appropriate leadership style. The better the leadership in the organization the better the employee engagement that results better business performance overall. Organizations within the industry should encourage to practice best leadership styles which will provide them with highly committed workforce and better retention. The organizational culture should encourage adopting mixed approach of leadership practice combining Laissez-faire with transformational leadership styles in order to give more consideration to the needs and expectations of employees for creating a fair working atmosphere and also making subordinates to take the initiative to improve their engagement at work. Employee engagement and satisfaction survey should be conducted periodically for collecting valuable feedback regarding HR and organization development issues. The study also recommended that organizations should provide career growth opportunities for their employees and employee recognition programs in attempts to enhance their engagement and retention.

## 11. REFERENCES

Avolio, B. J. & Bass, B. M. (2004). Multifactor Leadership Questionnaire. Manual and sampler set. (3rd ed.) Redwood City, CA: Mind Garden. Avolio, B. J. & Bass, B. M. (2004). Multifactor Leadership Questionnaire. Manual and sampler set. (3rd ed.) Redwood City, CA: Mind Garden. B. M. Bass and R. E. Riggio, Transformational leadership (2nd ed.). Psychology Press, 2006.

Bell, R. M. (2013). Charismatic Leadership Case Study with Ronald Reagan as Exemplar. Emerging Leadership Journeys, 6(1), 66-74 Biddle, I. 2005. 'Approaches to management: leadership styles', Businessdate, Vol. 13 Issue 3, pp.1 4

Brown, B. B. (2003). Employees' organizational commitment and their perception of supervisors' relations-oriented and task-oriented leadership behaviors (Doctoral dissertation, Virginia Polytechnic Institute and State University).

Becker, B. (2023). Leadership Styles: The 11 Most Common & How to Find Your Style. https://blog.hubspot.com/marketing/leadership-styles.

Burns, J. M. (1978). Leadership. Harper & Row.

Bwalya, A. (2023), Leadership Styles, Global Scientific Journal. GSJ: Volume 11, Issue 8, August 2023, Online: ISSN 2320-9186. Bass, B. M., & Bass, R. (2008). The bass handbook of leadership: Theory, research, and managerial applications (4th ed.). Free Press.

Chen, Y., Jia, L., Li, C., Song, J. and Zhang, J. (2006) Transformational Leadership, Psychological Empowerment and Organizational Commitment of Employees: An Empirical Study in the Chinese Context. Management World, 1, 96-105.

Cheong, L. H. (2008). Investigating the impact of managerial coaching on employees' organizational commitment and turnover intention in Malaysia. (Master Dissertation, University of Malaya, Malaysia).

C. L. Pearce and H. P. Sims, "Vertical Versus Shared Leadershipas Predictors of the Effectiveness of Change Management Teams: An Examination of Aversive, Directive, Transactional, Transformational, and Empowering Leader Behaviors". Group Dynamics: Theory, Research, and Practice, Vol 6, no 2, pp 172-197, 2002.

Chiang, C. F., & Wang, Y. Y. (2012). The effects of transactional leadership and transformational leadership on organizational commitment in Hotels: The mediating effect of trust. Journal of Hotel and Business Management, 1(1).

Clark, R. A., Hartline, M. D., & Jones, K. C. (2009). The effects of leadership style on hotel employees' commitment to service quality. Cornell Hospitality Quarterly, 50(2), 209-231.

Carless, S. (1998), "Gender difference in transformational leadership: an examination of superior, leader and subordinate perspective", Sex Roles, Vol. 39, pp. 887-902.

Cox, P. L. (2001). Transformational leadership: A success story at Cornell University. In Proceedings of the ATEM/aappa 2001 conference. Retrieved March (Vol. 17, p. 2004).

Dale Carnegie Training Malaysia. (2016). What makes one company more successful than another? [online] 19 April. <a href="https://www.linkedin.com/pulse/what-makes-one-companymore-">https://www.linkedin.com/pulse/what-makes-one-companymore-</a> successful-than-another-dale-carnegie.

Dumdum U. R, Lowe K. B, Avolio B. J (2002), "A Meta Analysis of Transformational and Transactional Leadership Correlates of Effectiveness and Satisfaction: An Update and Extension," In: Avolio B. J, Yammarino F. J (eds).

Epitropaki, O., & Martin, R. (2005). The moderating role of individual differences in the relation between transformational/transactional leadership perceptions and organizational identification. The Leadership Quarterly, 16, 569–589.

Eagly, A.H., Johannesen-Schmidt, M.C. and Van Engen, M.L. (2003), "Transformational, transactional and laissez-faire leadership styles: a meta-analysis comparing women and men", American Psychological Association, Vol. 129, pp. 569-91.

Field, A. (2009). Discovering Statistics Using SPSS. New York: Sage.

Fu, X. and Li, Y. (2012) The Impact of Paternalistic Leadership on Innovation: An Integrated Model. Nankai Business Review, 2, 121-127.

Fenwick, F. J. and Gayle, C. A. (2008). Missing Links in Understanding the Relationship between Leadership and Organizational Performance. *International Business & Economics Research Journal* [online], 7 (5), 67-78. <a href="http://cluteinstitute.com/ojs/index.php/">http://cluteinstitute.com/ojs/index.php/</a> IBER/article/view/3256/3304. George, D., & Mallery, P. (2003). SPSS for windows step by step: A simple guide and reference. 11.0 update (4th ed.). Boston: Allyn & Bacon. Howell, J.M. and Shamir, B. (1999) Organizational and Contextual Influences on the Emergence and Effectiveness of Charismatic Leadership. The

Leadership Quarterly, 10, 257-283. https://doi.org/10.1016/S1048-9843(99)00014-4

Hamed, T. 2016 Validity and Reliability of the Research Instrument; How to Test the Validation of a Questionnaire/Survey in a Research; International Journal of Academic Research in Management Volume 5, Issue 3, 2016, ISSN: 2296-1747.

House, R., Hanges, P., Javidan, M., Dorfman, P. and Gupta, V. (2004), Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies, Sage Publications, Thousand Oaks, CA.

Hofstede, G. (1980), Culture's Consequences: International Differences in Work-Related Values, Sage, Beverly Hills, CA.

Howell, J. and Costley, D. (2006), Understanding Behaviors for Effective Leadership, Pearson Prentice Hall, Upper Saddle River, NJ.

Harter, J.K., Schmidt, F.L. and Hayes, T.L. (2002) Business-Unit-Level Relationship between Employee Satisfaction, Employee Engagement, and Business Outcomes: A Meta-Analysis. Journal of Applied Psychology, 87, 268-279. https://doi.org/10.1037/0021-9010.87.2.268.

J. J. Sosik, V. M. Godshalk and F. J. Yammarino, ''Transformational Leadership, Learning Goal Orientation, and Expectancy/Value''. Journal of Business and Psychology, Vol 18, no 3, pp 207-218, 2004.

Javidan, M., House, R., Dorfman, P., Hanges, P. and Sully De Luque, M. (2006), "Conceptualizing and measuring cultures and their consequences: a comparative review of GLOBE's and Hofstede's approaches", Journal of International Business Studies, Vol. 37, pp. 897-914.

Jogulu, U. and Wood, G. (2006), "The role of leadership theory in raising the profile of women in management", Equal Opportunities International, Vol. 25, pp. 236-50.

Jogulu, U. and Wood, G. (2007), "Is transformational leadership always the answer?", Engineering Management, Vol. 17.

Jogulu, U. and Wood, G. (2008), "A cross-cultural study into peer evaluations of women's leadership effectiveness", Leadership & Organization Development Journal, Vol. 29, pp. 600-16.

JOHNSON, M. 1995. Managing in the new Millennium. Oxford: Butterworth-Heinmeann.

Judge, T.A. and Piccolo, R.F. (2004), "Transformational and transactional leadership: a meta-analytic test of their relative validity", Journal of Applied Psychology, Vol. 89, pp. 755-68.

- J. A. Irving and G. J. Longbotham, 'Servant Leadership: A Vital Link to Enhancing Job Performance, Commitment, and Organization Success''. Journal of Quality & Participation, Vol 30, no 4, pp. 27-31, 2007.
- J. Collins, "Barack Obama: Transformational Leadership in the Obama Presidency" Journal of Leadership Studies, Vol 7, no 4, pp. 18-23, 2014
- J. M. Kouzes, and B. Z. Posner, The Leadership Challenge (6th ed.). Wiley, 2017.
- J. Rodney, T., & Ralf, M. (2005). The Project Manager"s Leadership Style as a Success Factor on Projects: A Literature Review. Project Management Journal.
- J. J. Sosik and S. L. Dinger, "Relationships between Leadership Style and Vision Content: The Moderating Role of Need for Social Approval, Self-Monitoring, and Need for Social Power". Journal of Leadership & Organizational Studies, Vol 13, no 4, pp 73-84, 2007

Kennedy, J.C. (2002), "Leadership in Malaysia: traditional values, international outlook", Academy of Management Executives, Vol. 16, pp. 15-26 LePine, M. A., Zhang, Y., Crawford, E. R., & Rich, B. L. (2015). Turning their pain to gain: Charismatic leader influence on follower stres appraisal and job performance. Academy of Management Journal.

Lawshe, C.H. (1975). A quantitative approach to content validity. Journal of Personality and Social Psychology, 28(4), pp. 563-575.

Luthans, F., Avolio, B. J., Avey, J. B., & Norman, S. M. (2007). Positive psychological capital: and relationship with performance and satisfaction. Personnel Psychology, 60, 541-572.

Laohavichien, T., Fredendall, L., and Cantrell, R., 2009. "The effects of transformational and transactional leadership on quality improvement", The Quality Management Journal, Vol. 16, No. 2, pp. 7-24.

Liden, R.C., Wayne, S.J., Zhao, H., & Henderson, D. (2008). Servant leadership: Development of a multidimensional measure and multi-level assessment. Leadership Quarterly, 19, 161–177.

Mandell, B. (2003), "A question about women and the leadership option", in Rhode, D. (Ed.), The Difference 'Difference' Makes, Stanford University Press, Stanford, CA.

Mohammad Mosadegh Rad, A., & Hossein Yarmohammadian, M. (2006). A study of relationship between managers' leadership style and employees' job satisfaction. Leadership in Health Services, 19(2), 11-28.

Nunnaly, J. (1978). Psychometric theory. New York: McGraw-Hill.

Northouse, P. G. (2013). Leadership: Theory and practice. California: Sage Publications Inc.

Northouse, P. G. (2011). Introduction to leadership: Concept and practice. Thousand Oaks: Sage Publications, Inc.

Northouse, P. G. (2019). "Leadership: Theory and practice" (Eighth Edition.). Los Angeles, CA: SAGE Publications.

P.G. Northouse, Leadership: Theory and Practice (8th ed.). SAGE Publications, 2018

Phillips, J. M. & Gully, S. M. (2012). Organisational behaviour tools for success. Mason, South-Western Cengage learning.

Piccolo, R. F., Bono, J. E., Heinitz, K., Rowold, J., Duehr, E., & Judge, T. A. (2012). The relative impact of complementary leader behaviors: Which matter most? The Leadership Quarterly, 23(3), 567–581. https://doi.org/10.1016/j.leaqua. 2011.12.008.

Rahman, A. November 10, 2023. 6 Common Leadership Styles — and how to find Yours. <a href="https://blog.accredian.com/which-general-management-leadership-style-suits-you/">https://blog.accredian.com/which-general-management-leadership-style-suits-you/</a>.

Rees, G. and French, R. (2013) Leading, managing and developing people. 4th ed. London: CIPD.

 $R.\ K.\ Greenleaf,\ Servant\ Leadership:\ A\ Journey\ into\ the\ Nature\ of\ Legitimate\ Power\ and\ Greatness.\ Paulist\ Press,\ 2002.$ 

R. P. Vecchio, J. E. Justin, and C. L. Pearce, "The Utility of Transactional and Laissez-Faire Leadership for Predicting Performance and Satisfaction within a Reinforcement Sensitivity Theory Framework". Journal of Occupational and Organizational Psychology, Vol 83, no 2, pp 371-394, 2010

Sekaran, U. (2003) Research Methods for Business: A Skill-Building Approach. 4th Edition, John Wiley & Sons, New York.

Schaefer, R. T. (2005). Sociology. (9th Ed). New York, NY: McGraw-Hill.

Schaufeli, W.B., & Bakker, A.B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. Journal of Organizational Behavior, 25, 293–315.

Spreitzer, G. M., Perttula, K. H., and Xin, K. (2005). Traditionality matters: an examination of the effectiveness of transformational leadership in the United States and Taiwan. Journal of Organizational Behavior. 26, 205-227.

Spears, L.C. (1998). Insights on leadership: Service, stewardship, spirit, and servant leadership. New York: John Wiley & Sons.

Swanepoel, B et al. (2000). South African human resource management: theory and practice. Kenwyn: Juta & Co.

Tannenbaum, R. and Schmidt, W. (1958). How to choose a leadership pattern: should a leader be democratic or autocratic - or something in between? Harvard Business Review, vol. 37, March-April, pp. 95-102 (reprinted in the May-June issue, 1973).

Timothy C. Obiwuru, et al. 2011. Effect of Leadership Style on Organizational Performance: A Survey of Selected Small-Scale Enterprises in Ikosi-Ketu Council Development Area of Lagos State, Nigeria. Australian Journal of Business and Management Research, Vol 1, No. 7.

Trottier, T., Van Wart, M., Wang, X., 2008. Examining the nature and significance of leadership in government organizations. Publ. Adm. Rev. 68 (2), 319–333.

Veliu, L. Manxhari, M. Demiri V. Jahaj L. (2017). The Influence of Leadership Styles On Employee's Performance, Vadyba / Journal of Management, Vol. 31, No. 2 2017, 59–69.

W. M. Nizarudin Wajdi, Muh. The Differences Between Management and Leadership, 2017.

Wang, F. J., Chich-Jen, S., & Mei-Ling, T. (2010). Effect of leadership style on organizational performance as viewed from human resource management strategy. African Journal of Business Management, 4(18), 3924-3936.

Yukl, G. (2006). Leadership in Organizations (6th ed.). New Jersey: Pearson-Prentice

Yukl, G., (2010). Leadership in organizations (7th ed.). Upper Saddle River, NJ: Pearson Education, Inc.

Zheng Boxun, Zhou Lifang, Fan Jingli. (2000). Paternalistic leadership scale: the construction and measurement of the ternary model. The Study of Local Psychology, 14,3-64.