

# Leadership Style's Impact on Operational Performance Towards Sustainable Growth: A Case Study of the Malaysian Banking Industry

**Ooi Li Mien**

MBA Student, COLD, INTI International University, Malaysia

Email: [limien788@gmail.com](mailto:limien788@gmail.com)

**Abdul Rahman Bin S Senathirajah**

INTI International University, Malaysia

ORCID iD: <https://orcid.org/0000-0001-6044-9051>

Email: [arahman.senathirajah@newinti.edu.my](mailto:arahman.senathirajah@newinti.edu.my)

**Majid Bin Md. Isa**

INTI International University, Malaysia. Email: [abdmajid.mdisa@newinti.edu.my](mailto:abdmajid.mdisa@newinti.edu.my)

**Rasheedul Haque**

MAHSA University, Malaysia. ORCID iD: <https://orcid.org/0000-0001-8170-5413>

Email: [rasheedul@mahsa.edu.my](mailto:rasheedul@mahsa.edu.my)

**Tippawan Lertatthakornkit\***

Faculty of Management, Shinawatra University, Thailand

ORCID iD: <https://orcid.org/0009-0003-3524-0653>, Email: [tippawan.l@siu.ac.th](mailto:tippawan.l@siu.ac.th)

**Ganesh Ramasamy**

INTI International University, Malaysia. Email: [ganesh.ramasamy@newinti.edu.my](mailto:ganesh.ramasamy@newinti.edu.my)

**Hariharan N Krishnasamy**

INTI International University, Malaysia. Email: [hariharan.samy@newinti.edu.my](mailto:hariharan.samy@newinti.edu.my)

\* Corresponding Author: Tippawan Lertatthakornkit, [tippawan.l@siu.ac.th](mailto:tippawan.l@siu.ac.th)

Received Date: 22-08-2023; Accepted Date: 26-09-2023; Publication Date: 12-12-2023.

## Abstract

This study examines the impact of various leadership styles on operational efficiency in Malaysian banks. Three key elements comprise the conceptual model:

How to cite (APA):

Mien, O. L., Senathirajah, A. R. B. S., Isa, M. B. M., Haque, R., Lertatthakornkit, T., Ramasamy, G., Krishnasamy, H. N. (2023) Leadership Style's Impact on Operational Performance Towards Sustainable Growth: A Case Study of the Malaysian Banking Industry. *International Journal of Instructional Cases*, 7(2), 107-130.



transactional, transformational, and democratic leadership styles. The Full Range Leadership Theory and the Participative Theory of Leadership are the sources of these elements. A comprehensive review of the literature was conducted, which was then followed by the execution of a well-organized survey to collect data. For this study, a sample of 400 individuals was intentionally selected, and their responses were collected. Multiple regression analysis evaluated the study model's relevance. The research uncovers valuable insights for the banking sector, shedding light on resource allocation and strategic planning that takes into consideration the impact of a leader's style. The discussion section explores practical strategies for managers to enhance operational performance through their leadership philosophies. This publication acknowledges certain limitations, such as the reliance on self-reported data and the use of a cross-sectional design. Additionally, it provides valuable insights and recommendations for future research endeavours. The study's conclusion highlights the crucial role of leadership styles in driving operational performance in Malaysia's banking industry, with a focus on promoting sustainable growth. It can also inspire a deeper interest in this field of study and offer practitioners valuable guidance.

**Keywords:** Leadership, Operational Performance, Sustainable Growth and Banking.

## Introduction

### Research Background

The size of the global banking industry is typically determined by total assets, as noted by [Olson and Zoubi \(2017\)](#) Olson and Zoubi in their research. According to the World Bank's estimate of global banking assets in 2021 ([Bigger & Webber, 2021](#)), the total amount is approximately \$183 trillion. These figures, however, may vary due to market conditions, legal changes, and mergers [Brunsson and Olsen \(2018\)](#). In 2023, there were 10,080 global commercial banks, with a slight annual decline of 0.4% ([Mujiatun et al., 2023](#)). Notably, North America, North Asia, and Europe host the main concentrations of these bank institutions ([Ferreira et al., 2018](#)). In 2022, the Malaysian banking industry recorded total assets of MYR 619.04 billion. There are numerous types of financial entities in this sector ([Iqbal & Molyneux, 2016](#)). Bank Negara Malaysia, established in 1959, plays a crucial role in maintaining monetary stability ([Bakar et al., 2019](#)). The leading player in the Asia Pacific investment banking industry is the CIMB Group, headquartered in Kuala Lumpur ([Jie et al., 2016](#)). Maybank is recognized as Malaysia's largest financial services company ([Urus & Mohamed, 2021](#)). As per the research conducted by [Christiansen et al. \(2018\)](#), banks globally face challenges in navigating diverse regulatory frameworks. It is crucial to find a harmonious equilibrium between operational performance and regulatory compliance ([Tan et al., 2017](#)). These issues are of great importance as the intricacies of digital banking can have an impact on client

satisfaction ([Uchechukwu & Stella, 2019](#)). Efficiency in banking operations plays a vital role in ensuring stability and staying competitive in the market. It is essential for banks to be able to adapt to the ever-changing dynamics of the market ([Omar & Hassan, 2019](#)). Banks must enhance operational performance while also meeting regulatory obligations ([Herd & Moynihan, 2019](#)). A solid foundation in operations encourages creativity and timely responses to client requirements ([Parameswar et al., 2017](#)).

### Problem Statement

The Malaysian banking sector faces several operational challenges, such as regulatory complexity, talent retention, technology innovation, and competition from FinTech. To achieve and maintain operational performance in a competitive setting, it is crucial to overcome these challenges. The banking industry in Malaysia is currently grappling with a talent retention challenge due to fierce competition for skilled employees ([Naveed et al., 2022](#)). The presence of a highly competitive market highlights the need for a skilled workforce in order to achieve optimal operational efficiency. This is evident from the sector's employment of 159,945 individuals in 2021 ([Al-bawaia et al., 2022](#)). Attractive wage offers can contribute to employee turnover, which in turn affects innovation and operational effectiveness, as noted by [Halim et al. \(2023\)](#). FinTech businesses in Malaysia have emerged as strong competitors in the banking industry, offering advanced technology and customer-centric services such as electronic money, cryptocurrencies, budgeting software, and crowdfunding platforms ([Nichkasova & Shmarlouskaya, 2020](#)). In order to compete with FinTech companies, banks need to invest in innovative software, hardware, and infrastructure ([Hassan et al., 2022](#)). The banking industry in Malaysia operates under rigorous regulatory oversight ([Kaaroud et al., 2020](#)). The regulations encompass data security, risk management, and customer protection ([Kaaroud et al., 2020](#)). Complying with these complex standards requires significant resources and expertise. Noncompliance may result in financial fines, licence revocation, and reputational harm ([Thommandru & Chakka, 2023](#)).

### Research Gap

Further research is needed to investigate the impact of Malaysia's unique cultural characteristics on operational effectiveness in the banking industry. Prior studies ([Bakker et al., 2023](#); [Ugoani, 2023](#)) have examined the influence of leadership styles. However, it is essential to consider various factors such as cultural norms, governing laws, organizational structures, and customer expectations. The relationship between operational performance and leadership ideologies is a factor that can impact the results ([Ismail et al., 2021](#)). There is a scarcity of comparative studies that examine various leadership theories within the same context ([Barthakur et al., 2022](#)). Comparative research can offer valuable insights into the merits of different leadership theories and their impact on banks ([Grubišić et al., 2022](#)).

## Literature Review

### Operational Performance in the Malaysian Banking Industry

Operational performance is a measure of how effectively financial institutions execute their day-to-day operations in order to accomplish their main objectives (Rehman et al., 2022). Performance indicators such as productivity, quality, speed, and responsiveness play a vital role in assessing various aspects of operational performance (Savković et al., 2019). These key performance indicators (KPIs) provide a valuable way for organizations to assess the effectiveness of their operations and pinpoint areas that require improvement (Moktadir et al., 2020).

Malaysian banks have developed a keen ability to identify emerging trends, evaluate their progress in achieving goals, and make informed decisions to enhance operational efficiency. This is made possible through their diligent monitoring of key performance indicators (Savković et al., 2019). The operational performance of Malaysia's banking industry encompasses a range of strategic procedures and approaches (Kaydos, 2020). Specifically, this involves setting clear objectives and goals for operational activities, designing and optimizing processes to improve effectiveness, implementing advanced technologies for task automation and streamlining, embarking on a journey of continuous improvement with methodologies like Kaizen and Lean Six Sigma, and regularly tracking and analyzing performance through data analytics (Khan et al., 2019).

Efficient operational performance is crucial for sustained growth in the highly competitive landscape of Malaysian banking (Bevilacqua et al., 2017). Following international standards, banking institutions strive to optimize their operations through setting clear objectives, adopting innovative technology, improving resource allocation, and continuously monitoring their performance (Bag et al., 2020). This unwavering commitment to operational performance enables banks to effectively utilize the necessary tools to meet customer satisfaction, comply with legal obligations, and retain their competitive advantage in the rapidly evolving financial services sector (Inan et al., 2022).

### Conceptual Framework

#### Full Range Leadership Theory

In the Malaysian banking industry, leadership styles have a significant impact on operational performance. Specifically, the Full Range Leadership Theory plays a crucial role in shaping these styles (Bakker et al., 2023). This concept covers a variety of leadership ideas, such as laissez-faire and transformational leadership. The banking sector in Malaysia demonstrates a combination of transformational and transactional leadership philosophies (Sulamuthu & Yusof, 2018).

Bakker et al. (2023) found that transformational leadership motivates employees through the communication of a compelling corporate vision. The banking industry can benefit from a compelling vision, as it can enhance collaboration, foster a sense of purpose, and ultimately improve organizational performance (Salas-Vallina et al., 2021). Transformational leaders are crucial in shaping organizational culture by establishing customs, principles, and behaviours that align with the company's vision and objectives (Asif et al., 2020). Birasnav et al. (2019) argue that a culture of high performance can be fostered through the promotion of teamwork, trust, and a commitment to continuous improvement. Supportive organizational cultures in banking promote cooperation, knowledge exchange, and adaptability in response to changing financial conditions (Azeem et al., 2021).

Nurlina (2022) defines transactional leadership as the practice of setting explicit performance expectations and goals for employees. Clarity is crucial in the banking industry due to the significance of proper task performance and regulatory compliance (Cho et al., 2019). Transactional leaders can enhance operational success, reduce errors, and streamline processes by focusing on task efficiency. These outcomes are particularly important in a market that highly values operational effectiveness (Hiwa et al., 2021).

### Participative Theory of Leadership

This study highlights the significance of employee participation (Ugoani, 2023). This strategy fosters employee engagement and empowerment in the Malaysian banking sector by promoting active participation of group members in decision-making (Jony et al., 2019).

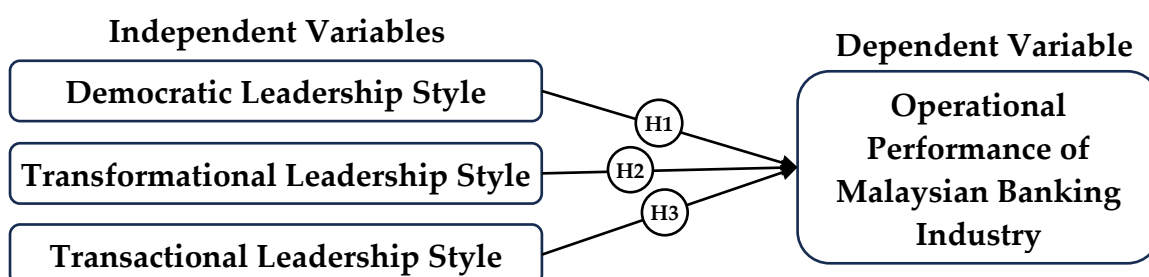
The democratic leadership style promotes diverse perspectives and ideas, leading to informed and comprehensive decision-making (Kishimbo, 2022). The adoption of an inclusive strategy in the banking industry has been found to mitigate risks and enhance overall organizational performance (Silva et al., 2022). Employee morale and job satisfaction are positively influenced by feeling valued and respected in the workplace (Lirios et al., 2018). Therefore, this positively impacts organizational performance in the banking industry by promoting a motivated workforce committed to achieving goals and delivering exceptional customer service (PS et al., 2021).

Participatory leadership in the banking industry leads to process improvement, a lower rate of errors, and enhanced customer service (Sahoo, 2022). Optimizing operations and streamlining procedures are emphasized through interdepartmental communication (Ibrahim & Daniel, 2019).

The democratic leadership model promotes creativity, innovation, and diverse perspectives (Rodan, 2018). Employee participation in decision-making allows organizations to tap into the collective knowledge and expertise of their workforce

(Wahlund & Palm, 2022). This inclusive approach encourages employees to offer suggestions for ideas and solutions, fostering a sense of empowerment (Sawe et al., 2021). This could lead to the development of novel services, products, and process enhancements in the banking sector, thereby boosting productivity and maintaining competitiveness in a dynamic market (Othman et al., 2020).

## Research Framework



**Figure 1:** Model on Operational Performance of Malaysian Banking Sector.

## Hypothesis Development

### Democratic Leadership Style Has a Significance Impact on Operational Performance

According to Yuspahrudin et al. (2020), employee participation has an impact on job satisfaction in the Malaysian banking industry. This empowerment fosters enhanced operational performance, characterized by improved problem-solving skills, adaptability, and overall organizational performance (Aysan et al., 2022).

The impact of this leadership style on Malaysia's banking sector has been significant (Aslam et al., 2023). According to Aysan et al. (2022), leaders who value and involve their employees in decision-making can enhance employee commitment to organizational goals. The study conducted by Madi et al. (2018) found that the implementation of certain measures led to enhanced operational performance indicators such as productivity, efficiency, customer satisfaction, and overall organizational effectiveness. This, in turn, enhances employee motivation, productivity, and creativity.

Astuty et al. (2022) suggest that democratic leadership can enhance operational performance in the Malaysian banking industry through the promotion of open-mindedness, transparency, and diversity. The implementation of democratic leadership practices can enhance operational performance, promote a collaborative work environment, and yield positive outcomes in various key performance indicators (Aysan et al., 2022).

The following is proposed:

**H1:** Democratic Leadership Style Has a Significance Impact on Operational Performance.

## **Transformational Leadership Style Has a Significance Impact on Operational Performance**

[Dappa et al. \(2019\)](#) found that these leaders have the ability to inspire, motivate, and empower their employees, leading to increased creativity and dedication towards organizational goals. Consequently, operations often exhibit improved performance, evident through increased productivity, enhanced efficiency, and greater customer satisfaction ([Turner, 2019](#)).

[Tayal et al. \(2022\)](#) argue that leadership characterized by the ability to inspire and motivate followers, articulate a compelling vision, and promote individual development has a positive effect on operational performance. The impact of this leadership style on organizations has been studied by [Son et al. \(2020\)](#). The projected impact of these elements includes productivity, efficiency, customer satisfaction, and overall organizational effectiveness ([Otto et al., 2020](#)). The leadership in Malaysia ultimately leads to improvements in operational performance ([Tayal et al., 2022](#)).

The following is proposed:

**H2:** Transformational Leadership Style Has a Significance Impact on Operational Performance.

## **Transactional Leadership Style Has a Significance Impact on Operational Performance**

Transactional leadership, characterized by setting clear goals, performance objectives, and rewards for achievement, has a significant and positive impact on operational performance. The anticipated outcomes of this leadership style in the banking industry include enhanced productivity, improved compliance, and more efficient risk management, leading to positive operational performance results ([Gomez & Bernet, 2019](#)).

This hypothesis suggests that when leaders exhibit transactional leadership behaviours, such as setting performance metrics, tracking progress, and offering rewards or incentives based on performance, they foster a structured and outcome-oriented work environment ([Kamel, 2019](#)). This type of framework provides a clear understanding of employees' expectations, motivates them to achieve performance goals, and acknowledges their success when they do so ([Wahyuni et al., 2020](#)). Employee focus, output, and efficiency consequently tend to increase, resulting in gains in operational performance that cover compliance, risk management, productivity, and overall organizational success ([Changar & Atan, 2021](#)). The transactional leadership style, which clearly defines objectives, expectations, and incentives, is positioned to contribute to improved operational performance in the Malaysian banking sector ([Lee et al., 2023](#)).

The following is proposed:

**H3:** Transactional Leadership Style Has a Significance Impact on Operational Performance.

## Data Collection Method

This study employed a quantitative approach, building upon the methodology and design of previous studies (Jiang et al., 2023; Wider & Wider, 2023). Data gathering aims to collect reliable and authentic information from various sources and individuals. The significance of reliability and authenticity in data collection should not be underestimated. The primary method employed in surveys is the use of self-administered questionnaires. Burton et al. (2010) argues that conducting a pilot study is essential for assessing the feasibility, validity, reliability, and potential limitations of the questionnaire. The sample size for pilot testing ranges from 25 to 100 participants. A sample of middle-level management in Selangor, Malaysia is taken. The researchers employed purposive sampling to select respondents based on criteria unrelated to demographics. The present study utilized a sample size of 77 individuals. Considering a potential data inefficiency of 20–40%, a minimum of 108 cases should be considered, and 109 surveys were actually collected. Both hardcopy surveys and Google Forms are commonly employed for data collection. The questionnaire consists of three sections: demographics, operational performance, and leadership styles. The following section focuses on five questions regarding the dependent variable, which is operational performance in the Malaysian banking industry. The third section of the survey includes fifteen questions related to three independent variables. The scale in the Joshi et al. (2015) study consisted of five points. The analysis approach will involve demographic characteristics, factor analysis, reliability testing, descriptive analysis, and inferential analysis.

## Data Analysis

### Demographics Data

A study was conducted using an online survey of 109 middle management individuals in the banking industry in Selangor State, Malaysia. The gender distribution indicates that there were 71 men (65.1%) and 38 women (34.9%). The study included 40 Malay responders (36.7%), 64 Chinese responders (58.7%), and 5 responders from other ethnic groups (4.6%). The sample consisted of 7 respondents (6.4%) with pre-university/STPM/A-Level credentials, 41 (37.6%) with diplomas, 42 (38.5%) with bachelor's degrees, 17 (15.6%) with master's or PhD degrees, and 1 (0.9%) with additional educational levels. Table 1 shows the key breakdown of the collected data.

Regarding employment in the banking industry, 23 respondents (21.1%) had less than one year of experience, 34 (31.2%) had 1 to 9 years of experience, and the largest group, 36 (33.0%), had 10 to 19 years of experience. Furthermore, 3 participants (2.8%) had a work experience of 30 years or longer, while 12 participants (11.0%)



had worked for a duration of 20 to 29 years.

**Table 1:** Demographic Profile of the Respondents (N=109).

Variable	Occurrence	Proportion (%)
Gender		
Male	71	65.1
Female	38	34.9
Ethnicity / Race		
Malay	40	36.7
Chinese	64	58.7
Others	5	4.6
Age Group (Years Old)		
21-30		
31-40	59	54.1
41-50	20	18.3
51-60	5	4.6
60 and above	0	0.0
Education Level		
Pre-university / STPM / A-Level		
Diploma	41	37.6
Degree	42	38.5
Master / PhD		
Others	1	0.9
Income Level		
Less than 3,000	23	21.1
3,001 - RM4,000		
4,001 - RM5,000	15	13.8
5,001 - RM6,000	8	7.3
6,001 and above	22	20.2
Length of Service in Banking Industry (years)		
Less than one year	23	21.1
1 - 9	34	31.2
10 - 19	36	33.0
20 - 29	12	11.0
>30	3	2.8

## Factor Analysis

**Table 2:** Kaiser-Meyer-Olkin and Bartlett's Test.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.834
Bartlett's Test of Sphericity	Approximate Chi-Square	1092.207
	Degree of freedom (df)	190
	Significant (Sig.)	<.001

The KMO indicator for sample adequacy is 0.834. The score is classified as "middling to good" according to standard KMO test interpretations. Kaiser (1974) states that a KMO grade above 0.6 is generally considered good.

### Reliability Test

All Cronbach's Alpha ratings indicate strong internal consistency. According to Meeker et al. (2022), reliability test results of 0.70 and above are considered suitable for exploratory research. Akour et al. (2024) provided a range of projections for fundamental research, ranging from 0.7 to 0.80, which supports this claim.

**Table 3:** Reliability Analysis Results.

Variable	Cronbach	Outcome
OP	0.778	Good
DL	0.759	Good
TL	0.783	Good
RL	0.769	Good

Note: OP = Operational Performance, DL= Democratic Leadership Style, TL= Transformational Leadership Style, RL= Transactional Leadership Style

### Normality Test

Normality test results are tabulated in Table 4 below indicating a normal distribution.

**Table 4:** Descriptive Statistics Results.

Variable	Mean	Std Deviation	Skewness	Kurtosis	Distribution
OP	3.91	0.70	-0.87	0.30	Normal
DL	3.94	0.66	-0.70	0.26	Normal
TL	3.90	0.73	-0.81	0.21	Normal
RL	3.94	0.71	-0.72	0.28	Normal

Note: OP = Operational Performance, DL= Democratic Leadership Style, TL= Transformational Leadership Style, RL= Transactional Leadership Style

### Inferential Analysis

#### Pearson's Correlation Analysis

The study's findings indicate significant correlations between various leadership styles and operational performance in the Malaysian banking industry, as revealed by Pearson's Correlation Analysis.

First off, the study found a strong positive correlation ( $r = 0.755$ ) between the democratic leadership style and operational performance. Consistent with the general guideline for interpreting correlation coefficients, this indicates that a democratic leadership style is associated with higher operational performance. The statistical significance of the

relationship is further emphasized by its low p-value ( $p < 0.001$ ). The correlation between operational performance and transformational leadership style is moderately positive ( $r = 0.668$ ). Strong leadership, particularly transformative leadership, has the potential to significantly enhance operational performance. This observation's statistical significance is further supported by the low p-value ( $p < 0.001$ ). Lastly, the coefficient of 0.719 indicates a strong positive correlation between transactional leadership style and operational performance. Encouraging workers through transactional leadership strategies can enhance work output. The consistently low p-value ( $p < 0.001$ ) demonstrates the statistical significance of this link.

**Table 5:** Pearson's Correlation Analysis.

Variables	OP	DL	TL	RL
OP	1	0.755<0.001	0.668<0.001	0.719<0.001
DL	0.755<0.001	1	0.703<0.001	0.761<0.001
TL	0.668<0.001	0.703<0.001	1	0.733<0.001
RL	0.719<0.001	0.761<0.001	0.733<0.001	1

Note: OP = Operational Performance, DL= Democratic Leadership Style, TL= Transformational Leadership Style, RL= Transactional Leadership Style

### Multiple Linear Regression

The regression analysis is tabulated in the Table 6 below.

**Table 6:** Multiple Linear Regression.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.795	0.632	0.621	0.42917

a. Predictors: (Constant), Democratic Leadership Style, Transformational Leadership Style, Transactional Leadership Style

Anova						
Model		Sum of Squares	df	Mean Square	F	Sig
1	<b>Regression</b>	33.207	3	11.069	60.098	<0.001
	<b>Residual</b>	19.339	105	0.184		
	<b>Total</b>	52.547	108			

a. Dependent Variable: Operational Performance

b. Predictors: (Constant), Democratic Leadership Style, Transformational Leadership Style, Transactional Leadership Style

The analysis findings indicate a strong relationship between the predictors (transactional, transformational, and democratic leadership styles) and the dependent variable, operational performance. The model's predictive ability is demonstrated by the strong correlation coefficient ( $R = 0.795$ ) between predicted and

actual values. The high values of R-squared (R<sup>2</sup>) and adjusted R-squared (adjusted R<sup>2</sup>) at 0.632 and 0.621, respectively, suggest that the predictors explain a substantial portion (approximately 63.2%) of the variability in operational performance. The unexplained variance of approximately 36.8% to 37.9% suggests the presence of other factors not considered in this study. The R<sup>2</sup> value of 0.632 suggests a moderate effect and indicates good predictive accuracy.

Coefficients of Multiple Regression						
Model	Unstandardized B	Coefficient Std. Error	Standardized Coefficients Beta	t	Sig. (p value)	
1 (Constant)	0.464	0.260		1.782	0.078	
DL	0.458	0.101	0.436	4.519	<0.001	
TL	0.160	0.088	0.168	1.821	0.071	
RL	0.260	0.099	0.265	2.620	0.010	

a. Dependent Variable: Operational Performance

The ANOVA findings indicate a highly significant F-value of 60.098 ( $p < 0.001$ ), which reinforces the importance of the model. This indicates that a significant portion of the fluctuations in operational performance can be ascribed to the regression model. The coefficients of multiple regression indicate that both democratic leadership style and transactional leadership style have a significant impact on operational performance.

### Hypothesis Testing

A summary of the hypothesis is shown below.

**Table 7:** Summary of Hypothesis Testing.

Hypotheses	Std Beta ( $\beta$ )	t-value	p-value	Decision	R <sup>2</sup>	VIF
<b>Hypothesis 1 (H1):</b> Democratic leadership style has a significance impact on operational performance.	0.436	4.519	<0.05	Supported	0.632	2.659
<b>Hypothesis 2 (H2):</b> Transformational leadership style has a significance impact on operational performance.	0.168	1.821	>0.05	Not Supported		2.422
<b>Hypothesis 3 (H3):</b> Transactional leadership style has a significance impact on operational performance.	0.265	2.620	<0.05	Supported		2.909

## Discussion and Conclusion

### Discussions of Findings

The following sections will discuss on the conclusions drawn from the findings:

**H1:** Democratic leadership style has a significance impact on operational performance.

This study examined the impact of a democratic leadership style on operational performance within the banking industry. The present study aligns with previous research conducted by [Larik and Lashari \(2022\)](#), [Pizzolitto et al. \(2023\)](#), and [Wang et al. \(2022\)](#), which found evidence supporting the notion that democratic leadership has a significant impact on operational performance. The democratic leadership style promotes positive employee attitudes, leading to improved service, efficiency, and customer satisfaction. Substantial evidence suggests that this relationship leads to improved operational performance. This research contributes to the body of knowledge and strengthens the argument for improving operational performance in the banking industry. The Democratic leadership style prioritizes empowerment, participation, and collaboration, which are essential for long-term development and sustainability. Democratic leaders seek to cultivate an atmosphere of mutual respect and accountability, which enhances employee engagement and motivation. Staff dedication and operational productivity are increased through this participation. Democratic leaders can enhance their decision-making process and operational strategies by engaging their workforce in the decision-making process, thus benefiting from collective intelligence. Democratic leaders foster open dialogue and teamwork, enhancing coordination and cooperation within the team. The collaborative approach fosters creativity and problem-solving skills when addressing operational difficulties. Democratic leaders foster an innovative environment by promoting open expression of views. This promotes skill development and benefits organizations through the generation of new ideas that result in operational improvements.

**H2:** Transformational leadership style has a significance impact on operational performance.

Hypothesis 2 intended to investigate the influence of transformational leadership on operational performance in the banking sector. Transformational leadership, characterized by supportive and visionary leadership, has been found to be highly correlated with improved operational performance in various scenarios ([Ausat et al., 2022](#); [Rahmatullah et al., 2022](#)). The operational performance of various leadership styles, including laissez-faire leadership, can vary. Transformational leaders inspire and motivate their followers by presenting a compelling vision for the future that emphasizes long-term goals and sustainable growth. The

effectiveness of operations can be improved through increased personnel involvement, dedication, and enthusiasm resulting from inspiration. Transformational leaders often cultivate a culture of innovation and creativity in the workplace, leading to improved productivity and operational efficiency. The organization prioritizes employee well-being and work-life balance, resulting in reduced attrition and burnout rates and a more loyal workforce, leading to improved operational outcomes. The study's findings did not provide conclusive evidence supporting the claim that transformational leadership styles have a significant direct impact on operational performance in the banking industry.

**H3:** Transactional leadership style has a significance impact on operational performance.

The third hypothesis investigated the impact of a transactional leadership style on the operational performance of the banking industry. The findings of this study are consistent with previous research conducted by [Susanto et al. \(2023\)](#) and [Thapa and Parimoo \(2022\)](#), which emphasize the significant impact of transactional leadership on operational performance. The analysis provided significant statistical evidence ( $\beta=0.265$ ,  $t>1.645$ ,  $p<0.05$ ) supporting the assertion that a successful transactional leadership style is crucial for improving operational performance. Transactional leadership is distinguished from transformational leadership by its focus on exchanging incentives or rewards for achieving specific goals or tasks. The system is highly effective in achieving quick victories and meeting short-term operational objectives, making it valuable for short-term performance improvements. Transactional leaders are skilled at setting clear objectives, performance benchmarks, and activities to enhance operational performance and reduce uncertainty. Transactional leaders utilize incentives and awards to motivate staff in achieving operational goals. Consequently, there is an improvement in employee engagement and performance. Their meticulous monitoring of performance progress allows for swift adjustments and interventions to maintain operational efficiency.

In conclusion, this study supports the assertion that the transactional leadership style has a significant impact on operational performance in the banking industry. Transactional leadership emphasizes clear objectives, performance incentives, and performance monitoring to improve operational effectiveness, aligning with previous research findings.

## Implication of the Study

### Theoretical Implications

The Participative Theory of Leadership emphasizes the significance of a democratic leadership style that involves employees in decision-making processes within the

Malaysian banking industry. This participatory approach fosters diverse perspectives and innovative problem-solving, leading to enhanced decision-making and a proactive approach to identifying and resolving operational challenges. Furthermore, it emphasizes the importance of staff development, leading to a more adaptable and knowledgeable workforce, ultimately enhancing operational performance. The Full Range Leadership Theory posits that a blend of transactional and transformational leadership styles can yield benefits. Under transformational leadership, employee commitment, job satisfaction, and engagement are enhanced, leading to improved organizational effectiveness. By providing structure and incentives, transactional leadership effectively motivates staff to achieve specific goals through rewards and accountability.

In summary, these leadership theories propose that implementing a democratic leadership approach and effectively combining transformational and transactional leadership styles can enhance operational performance within the Malaysian banking industry. This can be achieved by fostering employee engagement, promoting sound decision-making, and facilitating professional growth.

### **Managerial Implications**

The study reveals that the operational performance in the Malaysian banking industry is greatly impacted by different leadership styles, specifically democratic and transactional leadership. The leadership style that has a significant impact on operational performance is democratic leadership, where employees are actively involved in decision-making processes. Due to the increased level of engagement, motivation, and improved decision-making that comes with this level of involvement, there are positive outcomes such as enhanced work satisfaction, improved customer service, increased productivity, and reduced attrition rates. Operational performance is greatly influenced by transactional leadership, which places emphasis on well-defined processes, procedures, and performance-based rewards. To guarantee optimal performance and keep employees engaged, it is crucial for the banking industry to establish uniform protocols and fair remuneration systems. Nevertheless, the study reveals that transformational leadership does not have a significant effect on operational performance. Managers in the banking industry should consider aligning their leadership strategies with the needs of their organizations and the industry, while also acknowledging the potential impact they can have in other areas. To enhance operational performance, it is essential to focus on personnel training, technology adoption, strategic planning, and customer-centric strategies.

Regulatory bodies such as Bank Negara Malaysia and the Securities Commission Malaysia, along with relevant organizations, can find value in the research findings. These findings can help in determining effective leadership styles and optimizing operational performance within the Malaysian banking industry.

### Limitation of the Study

This study on the impact of leadership style on operational success in Malaysian banking has several limitations. The relevance of the findings may be limited to the banking industry and may not apply to other industries or locations due to the unique leadership dynamics and operational issues that can exist in different industries. Additionally, a narrow focus on numerical data may overlook the intricate nature of leadership behaviours and their effects on operational performance. Qualitative methods provide contextual awareness and a comprehensive understanding of the connection. Moreover, participants may exhibit biased responses to align with organizational norms or desired outcomes, potentially affecting the accuracy of the representation of leadership styles. Finally, the study's scope and sample size may have been limited due to time and resource constraints, potentially impacting the representativeness of the findings.

### Recommendations for Future Research

When studying the impact of leadership style on operational performance in the Malaysian banking industry, it is crucial for recent studies to consider several important recommendations. Longitudinal research is essential for monitoring the long-term effects of various leadership styles. An analysis of the impact of various leadership philosophies on the retail, investment, and Islamic banking sectors in the banking industry can yield valuable insights into performance trends and outcomes. A mixed-methods approach can enhance understanding by integrating quantitative surveys with qualitative interviews or focus groups. This strategy should consider broader contextual factors such as economic conditions, policy shifts, and technology developments. Examining mediating and moderating factors, such as organizational culture and regulatory contexts, could enhance our understanding of the impact of leadership styles on operational effectiveness. Staff members' input can offer valuable insights into their perceptions of leadership and its impact on the workplace. An analysis can be conducted to assess the impact of different leadership styles at different levels of hierarchy in the banking industry, ranging from branch to executive levels, on operational performance.

### Conclusion

In conclusion, this study found that both democratic leadership style and transactional leadership style had a significant impact. The study found that democratic leadership had the greatest impact ( $\beta=0.436$ ), followed by transactional leadership ( $\beta=0.265$ ). However, further research is needed to determine the impact of transformational leadership ( $\beta=0.436$ ). This study highlights the significant impact of democratic and transactional leadership philosophies on operational productivity in the Malaysian banking industry. The relationship between a leader's style and operational performance is emphasized, highlighting its importance for an organization's success.



The report provides strategic recommendations for improving operational performance. This study contributes significantly to the existing body of knowledge, although it has certain limitations such as geographical restrictions and potential management bias. The framework provided directs future research efforts towards developing a more comprehensive understanding of the variables that impact operational performance. This research reinforces the theoretical foundations of operational success and provides useful advice for experts in the field.

## References

- Akour, M. M., Damra, J. K., Al Ali, T. M., Ghaith, S. M., Ghbari, T. A., & Shammout, N. A. (2024). Validation of the revised scale of students' attitudes towards research. *Studies in Higher Education*, 49(1), 33-46. <https://doi.org/10.1080/03075079.2023.2220700>
- Al-bawaia, E., Alshurideh, M., Obeidat, B., & Masa'deh, R. (2022). The impact of corporate culture and employee motivation on organization effectiveness in Jordanian banking sector. *Academy of Strategic Management Journal*, 21(2), 1-18. <https://www.researchgate.net/publication/356695020>
- Asif, T., Guangming, O., Haider, M. A., Colomer, J., Kayani, S., & Amin, N. u. (2020). Moral education for sustainable development: Comparison of university teachers' perceptions in China and Pakistan. *Sustainability*, 12(7), 3014. <https://doi.org/10.3390/su12073014>
- Aslam, M., Shafi, I., Ahmed, J., de Marin, M. S. G., Flores, E. S., Gutiérrez, M. A. R., & Ashraf, I. (2023). Impact of innovation-oriented human resource on small and medium enterprises' performance. *Sustainability*, 15(7), 6273. <https://doi.org/10.3390/su15076273>
- Astuty, W., Habibie, A., Pasaribu, F., Pratama, I., & Rahayu, S. (2022). Utilization of accounting information and budget participation as antecedent of managerial performance: exploring the moderating role of organizational commitment, leadership style, environmental uncertainty and business strategy in Indonesia. *The Journal of Modern Project Management*, 10(1), 188-200. <https://doi.org/10.19255/JMPM029012>
- Ausat, A. M. A., Suherlan, S., Peirisal, T., & Hirawan, Z. (2022). The Effect of Transformational Leadership on Organizational Commitment and Work Performance. *Journal of Leadership in Organizations*, 4(1). <https://doi.org/10.22146/jlo.71846>
- Aysan, A. F., Belatik, A., Unal, I. M., & Ettaai, R. (2022). Fintech strategies of Islamic Banks: A global empirical analysis. *FinTech*, 1(2), 206-215. <https://doi.org/10.3390/fintech1020016>
- Azeem, M., Ahmed, M., Haider, S., & Sajjad, M. (2021). Expanding competitive advantage through organizational culture, knowledge sharing and organizational innovation. *Technology in Society*, 66, 101635. <https://doi.org/10.1016/j.techsoc.2021.101635>

- Bag, S., Wood, L. C., Mangla, S. K., & Luthra, S. (2020). Procurement 4.0 and its implications on business process performance in a circular economy. *Resources, Conservation and Recycling*, 152, 104502. <https://doi.org/10.1016/j.resconrec.2019.104502>
- Bakar, N. M. A., Yasin, N. M., Razali, S. S., & Teong, N. S. (2019). The role of financial regulator in protecting bank consumers from unfair contract terms: The case of Malaysian Islamic Banks. In *Emerging issues in Islamic finance law and practice in Malaysia* (pp. 91-115). Emerald Publishing Limited. <https://doi.org/10.1108/978-1-78973-545-120191012>
- Bakker, A. B., Hetland, J., Olsen, O. K., & Espevik, R. (2023). Daily transformational leadership: A source of inspiration for follower performance? *European Management Journal*, 41(5), 700-708. <https://doi.org/10.1016/j.emj.2022.04.004>
- Barthakur, A., Kovanovic, V., Joksimovic, S., Zhang, Z., Richey, M., & Pardo, A. (2022). Measuring leadership development in workplace learning using automated assessments: Learning analytics and measurement theory approach. *British Journal of Educational Technology*, 53(6), 1842-1863. <https://doi.org/10.1111/bjet.13218>
- Bevilacqua, M., Ciarapica, F. E., & De Sanctis, I. (2017). Lean practices implementation and their relationships with operational responsiveness and company performance: an Italian study. *International Journal of Production Research*, 55(3), 769-794. <https://doi.org/10.1080/00207543.2016.1211346>
- Bigger, P., & Webber, S. (2021). Green structural adjustment in the World Bank's resilient city. *Annals of the American Association of Geographers*, 111(1), 36-51. <https://doi.org/10.1080/24694452.2020.1749023>
- Birasnav, M., Chaudhary, R., & Scillitoe, J. (2019). Integration of social capital and organizational learning theories to improve operational performance. *Global Journal of Flexible Systems Management*, 20, 141-155. <https://doi.org/10.1007/s40171-019-00206-9>
- Brunsson, N., & Olsen, J. P. (2018). *The Reforming organization: making sense of administrative change*. Routledge. <https://doi.org/10.4324/9781351252188>
- Burton, N. W., Pakenham, K. I., & Brown, W. J. (2010). Feasibility and effectiveness of psychosocial resilience training: a pilot study of the READY program. *Psychology, Health & Medicine*, 15(3), 266-277. <https://doi.org/10.1080/13548501003758710>
- Changar, M., & Atan, T. (2021). The role of transformational and transactional leadership approaches on environmental and ethical aspects of CSR. *Sustainability*, 13(3), 1411. <https://doi.org/10.3390/su13031411>
- Cho, Y., Shin, M., Billing, T. K., & Bhagat, R. S. (2019). Transformational leadership, transactional leadership, and affective organizational commitment: a closer look at their relationships in two distinct national contexts. *Asian Business & Management*, 18, 187-210. <https://doi.org/10.1057/s41291-019-00059-1>

- Christiansen, B., Maalouf, K., Brandt, P., Seve, M., Piquet, F., Sandman, S., & Seidner, G. (2018). A Look At US And EU Fintech Regulatory Frameworks. In: Recuperado.
- Dappa, K., Bhatti, F., & Aljarah, A. (2019). A study on the effect of transformational leadership on job satisfaction: The role of gender, perceived organizational politics and perceived organizational commitment. *Management Science Letters*, 9(6), 823-834. <https://doi.org/10.5267/j.msl.2019.3.006>
- Ferreira, M. A., Matos, P., & Pires, P. (2018). Asset management within commercial banking groups: International evidence. *The Journal of Finance*, 73(5), 2181-2227. <https://doi.org/10.1111/jofi.12702>
- Gomez, L. E., & Bernet, P. (2019). Diversity improves performance and outcomes. *Journal of the National Medical Association*, 111(4), 383-392. <https://doi.org/10.1016/j.jnma.2019.01.006>
- Grubišić, Z., Kamenković, S., & Kaličanin, T. (2022). Market power and bank profitability: evidence from Montenegro and Serbia. *Journal of Central Banking Theory and Practice*, 11(1), 5-22. <https://doi.org/10.2478/jcbtp-2022-0001>
- Halim, N. H. A. A., Azlan, M. A. M., Adzhar, M. N. A. N., & Hussein, N. (2023). Accelerating digital talent readiness in Malaysian banking sector: A study on technology adoption through the intention to use customer-focused digital solutions. *Information Management and Business Review*, 15(1 (I) SI), 164-175. [https://doi.org/10.22610/imbr.v15i1\(I\)SI.3396](https://doi.org/10.22610/imbr.v15i1(I)SI.3396)
- Hassan, M. K., Ebrahim, R. H., Rabbani, M. R., & Banna, H. (2022). Fintech in the Islamic Banking Sector and Its Impact on the Stakeholders in the Wake of COVID-19. In *FinTech in Islamic Financial Institutions: Scope, Challenges, and Implications in Islamic Finance* (pp. 175-192). Springer. [https://doi.org/10.1007/978-3-031-14941-2\\_9](https://doi.org/10.1007/978-3-031-14941-2_9)
- Herd, P., & Moynihan, D. P. (2019). *Administrative burden: Policymaking by other means*. Russell Sage Foundation. <https://www.russellsage.org/publications/administrative-burden>
- Hiwa, H., Durmaz, O., & Demir, S. (2021). Leadership Styles and their effects on Organizational Effectiveness. *Black Sea Journal of Management and Marketing*, 2(2), 26-33.
- Ibrahim, A. U., & Daniel, C. O. (2019). Impact of leadership on organisational performance. *International Journal of Business, Management and Social Research*, 6(2), 367-374. <https://doi.org/10.18801/ijbmsr.060219.39>
- Inan, G. G., Gungor, Z. E., Bititci, U. S., & Halim-Lim, S. A. (2022). Operational performance improvement through continuous improvement initiatives in micro-enterprises of Turkey. *Asia-Pacific Journal of Business Administration*, 14(3), 335-361. <https://doi.org/10.1108/APJBA-11-2020-0394>
- Iqbal, M., & Molyneux, P. (2016). *Thirty years of Islamic banking: History, performance and prospects*. Springer.
- Ismail, F., Arumugan, N. A., Kadir, A. A., & Hassan Alhosani, A. A. (2021). Impact of leadership styles toward employee engagement among Malaysian Civil

- Defence Force. *International Journal of Business & Society*, 22(3). <https://doi.org/10.33736/ijbs.4294.2021>
- Jiang, Y., Abdullah, S. I. N. W., Lim, B. H. J., Wang, R., & Phuah, K. T. (2023). The role of marketing stimuli and attitude in determining post-COVID buying decisions toward organic food products: evidence from retail consumers in Beijing, China. *Frontiers in Sustainable Food Systems*, 7, 1051696. <https://doi.org/10.3389/fsufs.2023.1051696>
- Jie, C. T., Yin, L. S., Nadarajan, P., & Ramayah, P. (2016). A review of reputation facets of selected public-listed companies in Malaysia based on RepTrak™ model. *Journal of Human Capital Development (JHCD)*, 9(2), 1-20. <https://jhcd.utm.edu.my/jhcd>
- Jony, M. T. I., Alam, M. J., Amin, M. R., & Jahangir, M. (2019). The impact of autocratic, democratic and laissez-faire leadership styles on the success of the organization: A study on the different popular restaurants of Mymensingh, Bangladesh. *Canadian Journal of Business and Information Studies*, 1(6), 28-38. <https://doi.org/10.34104/cjbis.019.028038>
- Joshi, A., Kale, S., Chandel, S., & Pal, D. K. (2015). Likert scale: Explored and explained. *British journal of applied science & technology*, 7(4), 396-403. <https://doi.org/10.9734/BJAST/2015/14975>
- Kaaroud, M. A., Mohd Ariffin, N., & Ahmad, M. (2020). The extent of audit report lag and governance mechanisms: Evidence from Islamic banking institutions in Malaysia. *Journal of Islamic Accounting and Business Research*, 11(1), 70-89. <https://doi.org/10.1108/JIABR-05-2017-0069>
- Kaiser, H. F. (1974). An index of factorial simplicity. *Psychometrika*, 39(1), 31-36. <https://doi.org/10.1007/BF02291575>
- Kamel, N. (2019). Implementing talent management and its effect on employee engagement and organizational performance. Abu Dhabi International Petroleum Exhibition and Conference,
- Kaydos, W. (2020). *Operational performance measurement: increasing total productivity*. CRC press. <https://doi.org/10.4324/9780367802103>
- Khan, S. A., Kaviani, M. A., J. Galli, B., & Ishtiaq, P. (2019). Application of continuous improvement techniques to improve organization performance: A case study. *International Journal of Lean Six Sigma*, 10(2), 542-565. <https://doi.org/10.1108/IJLSS-05-2017-0048>
- Kishimbo, J. (2022). *Assessing the factors affecting leadership capacity in resolving conflicts in Tanzania IAA*].
- Larik, K. A., & Lashari, A. K. (2022). Effect of leadership style on employee performance. *Neutron*, 21(2), 112-119.
- Lee, C.-C., Yeh, W.-C., Yu, Z., & Lin, X.-C. (2023). The relationships between leader emotional intelligence, transformational leadership, and transactional leadership and job performance: A mediator model of trust. *Heliyon*, 9(8). <https://doi.org/10.1016/j.heliyon.2023.e18007>

- Lirios, C. G., Espinosa, F., & Guillén, J. C. (2018). Model of intangible assets and capitals in organizations. *International Journal of Research in Humanities and Social Studies*, 5(6), 1-12. <https://www.ijrhss.org/papers/v5-i6/1.pdf>
- Madi, S. A., El Talla, S. A., Abu-Naser, S. S., & Al Shobaki, M. J. (2018). The dominant pattern of leadership and Its Relation to the Extent of Participation of Administrative Staff in Decision-Making in Palestinian Universities. *International Journal of Academic Management Science Research*, 2(7), 20-43. <http://ijeais.org/wp-content/uploads/2018/07/IJAMSR180704.pdf>
- Meeker, W. Q., Escobar, L. A., & Pascual, F. G. (2022). *Statistical methods for reliability data*. John Wiley & Sons.
- Moktadir, M. A., Dwivedi, A., Rahman, A., Chiappetta Jabbour, C. J., Paul, S. K., Sultana, R., & Madaan, J. (2020). An investigation of key performance indicators for operational excellence towards sustainability in the leather products industry. *Business Strategy and the Environment*, 29(8), 3331-3351. <https://doi.org/10.1002/bse.2575>
- Mujiatun, S., Yasin, H., Khalik, P., & Muhammad, F. (2023). New Method of Sharia Payment Platform Swot Analysis From Indonesia Banking Sector: Financial Indicators Impact on Financial Performance of Islamic Banks. *International Journal of Economics and Finance Studies*, 15(1), 265-285. <https://doi.org/10.34109/ijefs.202315113>
- Naveed, R. T., Alhaidan, H., Al Halbusi, H., & Al-Swidi, A. K. (2022). Do organizations really evolve? The critical link between organizational culture and organizational innovation toward organizational effectiveness: Pivotal role of organizational resistance. *Journal of Innovation & Knowledge*, 7(2), 100178. <https://doi.org/10.1016/j.jik.2022.100178>
- Nichkasova, Y., & Shmarlouskaya, H. (2020). Financial technologies as a driving force for business model transformation in the banking sector. *International Journal of Business and Globalisation*, 25(4), 419-447. <https://doi.org/10.1504/IJBG.2020.109120>
- Nurlina, N. (2022). Examining linkage between transactional leadership, organizational culture, commitment and compensation on work satisfaction and performance. *Golden Ratio of Human Resource Management*, 2(2), 108-122. <https://doi.org/10.52970/grhrm.v2i2.182>
- Olson, D., & Zoubi, T. (2017). Convergence in bank performance for commercial and Islamic banks during and after the Global Financial Crisis. *The Quarterly Review of Economics and Finance*, 65, 71-87. <https://doi.org/10.1016/j.qref.2016.06.013>
- Omar, H. N., & Hassan, R. (2019). Shariah non-compliance treatment in Malaysian Islamic banks. *International Journal of Management and Applied Research*, 6(4), 220-233. <https://www.ceeol.com/search/article-detail?id=817283>
- Othman, B., Khatab, J. J., Esmaeel, E. S., Mustafa, H. A., & Sadq, Z. M. (2020). The influence of total quality management on competitive advantage towards bank organizations: Evidence from Erbil/Iraq. *International Journal of*

- Psychosocial Rehabilitation*, 24(5), 3427-3439. <https://doi.org/10.37200/IJPR/V24I5/PR202053>
- Otto, A. S., Szymanski, D. M., & Varadarajan, R. (2020). Customer satisfaction and firm performance: insights from over a quarter century of empirical research. *Journal of the Academy of Marketing science*, 48(3), 543-564. <https://doi.org/10.1007/s11747-019-00657-7>
- Parameswar, N., Dhir, S., & Dhir, S. (2017). Banking on innovation, innovation in banking at ICICI bank. *Global Business and Organizational Excellence*, 36(2), 6-16. <https://doi.org/10.1002/joe.21765>
- Pizzolitto, E., Verna, I., & Venditti, M. (2023). Authoritarian leadership styles and performance: a systematic literature review and research agenda. *Management Review Quarterly*, 73(2), 841-871. <https://doi.org/10.1007/s11301-022-00263-y>
- PS, N., Aithal, P., Soans, S., & Jayaraj, H. (2021). A study on employee retention as a tool for improving organizational effectiveness. *International Journal of Management, Technology, and Social Sciences (IJMTS)*, 6(2), 121-132. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3939562](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3939562)
- Rahmatullah, A., Ramdansyah, A. D., Kambara, R., & Haryadi, D. (2022). Improving organizational performance with organizational culture and transformational leadership through intervening organizational commitment variables. *Dinasti International Journal Of Digital Business Management*, 3(2), 180-194. <https://doi.org/10.31933/dijdbm.v3i2.1118>
- Rehman, A. U., Aslam, E., & Iqbal, A. (2022). Intellectual capital efficiency and bank performance: Evidence from islamic banks. *Borsa Istanbul Review*, 22(1), 113-121. <https://doi.org/10.1016/j.bir.2021.02.004>
- Rodan, G. (2018). *Participation Without Democracy: Containing Conflict in Southeast Asia*. Cornell University Press.
- Sahoo, S. (2022). Lean practices and operational performance: the role of organizational culture. *International Journal of Quality & Reliability Management*, 39(2), 428-467. <https://doi.org/10.1108/IJORM-03-2020-0067>
- Salas-Vallina, A., Alegre, J., & López-Cabrales, Á. (2021). The challenge of increasing employees' well-being and performance: How human resource management practices and engaging leadership work together toward reaching this goal. *Human Resource Management*, 60(3), 333-347. <https://doi.org/10.1002/hrm.22021>
- Savković, M., Nestic, S., Komatina, N., & Mijović, N. (2019). Analysis of performance and key performance indicators in the lean companies. *IETI Transactions on Engineering Research and Practice*. [https://doi.org/10.6723/TERP.201912\\_3\(2\).0004](https://doi.org/10.6723/TERP.201912_3(2).0004)
- Sawe, F. B., Kumar, A., Garza-Reyes, J. A., & Agrawal, R. (2021). Assessing people-driven factors for circular economy practices in small and medium-sized enterprise supply chains: Business strategies and environmental perspectives. *Business Strategy and the Environment*, 30(7), 2951-2965. <https://doi.org/10.1002/bse.2781>

- Silva, L. N., Diederichsen, A., Talbert, L., Leslie, S. C., & Black, S. A. (2022). Insights into leadership, gender and organisational effectiveness revealed by benchmarking conservation programmes against the conservation excellence model. *Open Journal of Leadership*, 11(4), 370-397. <https://doi.org/10.4236/ojl.2022.114020>
- Son, T. T., Phong, L. B., & Loan, B. T. T. (2020). Transformational leadership and knowledge sharing: determinants of firm's operational and financial performance. *Sage Open*, 10(2), 2158244020927426. <https://doi.org/10.1177/2158244020927426>
- Sulamuthu, G. A., & Yusof, H. M. (2018). Leadership style and employee turnover intention. In *Proceedings of the International Conference on Industrial Engineering and Operations Management* (Vol. 2001, pp. 2298-2306). <https://ieomsociety.org/ieom2018/papers/584.pdf>
- Susanto, P. C., Agusinta, L., Setyawati, A., & Panjaitan, A. R. P. (2023). Determinant Organization Commitment and Development Organization: Analysis Servant Leadership, Transformational Leadership, Transactional Leadership. *Formosa Journal of Multidisciplinary Research*, 2(3), 541-558. <https://doi.org/10.55927/fjmr.v2i3.3356>
- Tan, L. H., Hamid, S. R., & Chew, B. C. (2017). Exploring manager's perspective of service quality strategies in Malaysian Banking Industry. *Journal of Strategic Marketing*, 25(1), 31-48. <https://doi.org/10.1080/0965254X.2015.1076878>
- Tayal, R., Upadhyay, R. K., & Singh, R. (2022). Transformational leadership: an antecedent for organizational effectiveness in Indian banks. *VINE Journal of Information and Knowledge Management Systems*, 52(5), 718-739. <https://doi.org/10.1108/VJIKMS-09-2020-0165>
- Thapa, A., & Parimoo, D. (2022). Transactional Leadership Style and Organizational Performance: The moderating role of emotional intelligence. *Parikalpana KIIT Journal of Management*, 18(1), 53-70. <https://doi.org/10.23862/kiit-parikalpana/2022/v18/i1/212345>
- Thommandru, A., & Chakka, B. (2023). Recalibrating the banking sector with blockchain technology for effective anti-money laundering compliances by banks. *Sustainable Futures*, 5, 100107. <https://doi.org/10.1016/j.sftr.2023.100107>
- Turner, P. (2019). *Employee engagement in contemporary organizations: Maintaining high productivity and sustained competitiveness*. Springer. <https://link.springer.com/book/10.1007/978-3-030-36387-1>
- Uchechukwu, N. M., & Stella, M. (2019). Impact of electronic banking on customer satisfaction. *International Digital Organization for Scientific Research*, 4(1), 23-35. <https://www.idosr.org/wp-content/uploads/2019/04/IDOSR-JST-41-23-35-2019.-OL.pdf>
- Ugoani, J. (2023). Effect of Participative Leadership Behaviour Outcomes on Performance. SSRN. <https://doi.org/10.2139/ssrn.4402755>

- Urus, S. T., & Mohamed, I. S. (2021). A flourishing fintech ecosystem: conceptualization and governing issues in malaysia. *Business and Economic Research*, 11(3), 106-131. <https://doi.org/10.5296/ber.v11i3.18729>
- Wahlund, M., & Palm, J. (2022). The role of energy democracy and energy citizenship for participatory energy transitions: A comprehensive review. *Energy Research & Social Science*, 87, 102482. <https://doi.org/10.1016/j.erss.2021.102482>
- Wahyuni, N. P. D., Purwandari, D. A., & Syah, T. Y. R. (2020). Transactional leadership, motivation and employee performance. *Journal of Multidisciplinary Academic*, 3(5), 156-161. <https://kemalapublisher.com/index.php/JoMA/article/view/413>
- Wang, Q., Hou, H., & Li, Z. (2022). Participative leadership: a literature review and prospects for future research. *Frontiers in Psychology*, 13, 924357. <https://doi.org/10.3389/fpsyg.2022.924357>
- Wider, C., & Wider, W. (2023). Effects of Metacognitive Skills on Physics Problem-Solving Skills among Form Four Secondary School Students. *Journal of Baltic Science Education*, 22(2), 357-369. <https://www.ceeol.com/search/article-detail?id=1110986>
- Yuspahrudin, A., Eliyana, A., Buchdadi, A. D., Sariwulan, T., & Muhaziroh, K. (2020). The Effect of Employee Involvement on Job Satisfaction. *Systematic Reviews in Pharmacy*, 11(7). <https://doi.org/10.31838/srp.2020.7.72>