

UNIVERSITI TEKNOLOGI MARA

**THE INFLUENCE OF
TRANSFORMATIONAL LEADERSHIP
TOWARDS EMPLOYEES
PERFORMANCE IN MALAYSIA
BANKING SECTOR**

FATIN SYAZWANI BINTI AB.RAZAK

Dissertation submitted in partial fulfillment
of the requirements for the degree of
Executive Master of Administrative Science

**Faculty of Administrative Science and Policy
Studies**

December 2019

AUTHOR'S DECLARATION

I declare that the work in this dissertation was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This dissertation has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

Name of Student : Fatin Syazwani Binti Ab.Razak

Student I.D. No. : 2016111011

Programme : Executive Master of Administrative Science – AM770

Faculty : Administrative Science & Policy Studies

Dissertation Title : The Influence of Transformational Leadership
Towards Employees Performance in Malaysia Banking
Sector

Signature of Student :

Date : December 2019

ABSTRACT

Leadership always plays an important role in the growth of employee performance of an organization. Performance of employee refer to the work being done by the employee include the everyday task, meeting with the deadlines and the efficient in doing work. Strong leadership is needed to encourage, motivate and influence the employee performance. In a banking sector, problem happen due to the lack of the engagement with the employee, lack of communication and lack of emotional intelligent among the employee. The problems need to be overcome by applying the element of transformational leadership which is idealized influence, individual consideration, inspirational motivation and intellectual stimulation. In collecting the data, the survey questionnaires were used. A total of one hundred thirty seven (137) were distribute in Kelana Jaya, Bank. The result shows a significant positive effect on transformational leadership towards employee performance. The findings of the study it can be conclude that there is a strong relationship between dependent and independent variable. This means, there is a positive and large relationship between idealized influence, individual consideration, inspirational motivation and intellectual stimulation and employee performance in Malaysia banking sector.

TABLE OF CONTENTS

	Page
EXAMINATION CERTIFICATE	ii
AUTHOR'S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	x
LIST OF FIGURES	xi
LIST OF ABBREVIATIONS	xii
CHAPTER ONE: INTRODUCTION	1
1.1 Preamble	1
1.2 Research Background	1
1.3 Problem Statement	4
1.4 Research Question (RQ)	5
1.5 Research Objectives	5
1.6 Scope of the Study	6
1.7 Significance of Study	6
1.7.1 Practical Perspective	6
1.8 Academic Perspective	7
1.9 Definition of Terms	7
1.9.1 Transformational Leadership	7
1.9.2 Idealize Influence	7
1.9.3 Individual Consideration	8
1.9.4 Inspirational Motivation	8
1.9.5 Intellectual stimulation	8
1.9.6 Employee Performance	9
1.10 Summary	9

CHAPTER TWO: LITERATURE REVIEW	10
2.1 Introduction	10
2.2 Overview of Leadership and Transformational Leadership	10
2.2.1 Definition of Leadership	10
2.2.2 Transformational Leadership Theory	12
2.2.3 Transformational leadership	16
2.3 Characteristic of transformational leadership	19
2.3.1 Intellectual Stimulation	19
2.3.2 Individual consideration	20
2.3.3 Idealized influence	20
2.3.4 Inspirational motivation	20
2.4 Influence of Transformational Leadership on Employee Performance	21
2.5 Outcomes of Transformational Leadership	26
2.6 Transformational Leadership Theory critique	27
2.7 Conceptual Framework	30
2.8 Summary	33
CHAPTER THREE: RESEARCH METHODOLOGY	34
3.1 Introduction	34
3.2 Research design	34
3.3 Unit/level of analysis	35
3.4 Sample Size	35
3.5 Sampling technique	36
3.6 Measurement	36
3.7 Data collection	41
3.8 Factor analysis	41
3.9 Descriptive analysis	42
3.10 Pilot study	42
3.10.1 Reliability test	42
3.10.2 Normality test	43
3.11 Summary for the Pilot test	44