Mediating Influence of Collaboration on the Relationship Between Leadership Styles and Employee Engagement among Generation Y Officials in Malaysian Public Sector

Ahmad Zairy Mohd. Soieb, Jamilah Othman and Jeffrey Lawrence D’silva
Institute for Social Science Studies, Universiti Putra Malaysia, Serdang, Selangor, Malaysia

Abstract: The purpose of this study is to analyse employee engagement and leadership styles and to seek the influence of collaboration as a mediating factor. This is a quantitative study and the data were collected through a questionnaire that was distributed to 400 respondents from the government officers who are working in the ministries level in Federal Territory of Putrajaya. Two hundred forty three responded to the given questionnaire. The data was then analysed using structural equation modelling. The major results of this study are: (1) There is a significant effects of leadership styles on collaboration (2) There is a significant effects of collaboration on employee engagement and (3) Collaboration mediates the relationship between leadership styles and employee engagement. The present study has a significant impact to the body of knowledge on employee engagement.

Key words: Employee engagement, leadership styles, collaboration, Gen Y

INTRODUCTION

Employee engagement has been the subject of interest and being re-conceptualized by the managers since it was introduced by Kahn (1990). At certain point of motivating the workers and trying to retain the potential officers, the managers tend to duplicate and exaggerate the term as if it was meant only for they who are loyal to the organizations. Anyway, there were compelling evidences showed that engaged employees were not only addressed to those who are still holding the status of miracle workers but they need to achieve the promising level of adequacy and effectiveness (Sabado, 2012). As this document seems to be the main key factor for the success of organizations as a positive change initiative (Dici, 2010) and heightens the stakeholder values (Kumar and Sweda, 2011), the officers, who are Hankering by profit-minded technocrats, still have undivided intention to remain with the organizations (Wiley, 2012).

Employee engagement by definition, is an enduring psychological reaction of determination and ardent which naturally or inclusively innate in oneself and with that persistence, the person put his or her effort to the fullest to make sure that the organization excels in its production, contributions and services offered to the public. Some of the researchers defined the term as an integration of commitment and involvement (Bhattal, 2011), loyalty and organizational citizenship behavior (Wiley, 2012) which clearly expressed and measured by the quality of work done (Choo et al., 2013; Sabado, 2012; Desai et al., 2010; Saks, 2006). In other perspectives, employee engagement is also seen as a heightened level of ownership where these top-notch workers would give their utmost efforts to satisfied their internal and external customers and stakeholders, thus contributing to the accomplishment of the organizations (Bhatla, 2011).

As employee engagement is perceived and approached in different ways, the preeminent element which molded and endured the concept quite differently from other group of workers/professional, are the managers (Romanou et al., 2010). In this aspect, the impression of employee engagement given by the managers is seemingly relevant as their engagements are not only driven by the posts that they are filling in but mostly by the level of their responsibilities and dependability towards the organizations.

In Malaysian public sector, the organizations are administered by Chief Secretaries and Chief Directors, at premier grades, who have more than 25 years of working experiences and mostly represent the baby boom-age leaders. Kim and Kunreuther (2007) has stated that, as highly experienced yet traditionalistic leaders, this cohort had notably significant contributions in developing the non-profit organizations. But, starting 2003, the Malaysian public service has drawn flood of the new generation workers who introducing detectably different ways of leading their work teams, by way of explanation they embracing leadership by collectivism (Allard et al., 2007) and fresh working environment by having strong

Corresponding Author: Ahmad Zairy Mohd. Soieb, Institute for Social Science Studies, Universiti Putra Malaysia, Serdang, Selangor, Malaysia
social networks in hyper-connectivity milieu (Teng and Tay, 2012; Constantine, 2010; Agarwal, 2009; McEwan, 2009; Macleod, 2008) towards ameliorating the productivity of the organizations (Half, 2010a; Meier and Crocker, 2010; NAS Insight, 2006). However, the conservative leaders also have their own rigid perspectives and some reservations regarding the leadership style of the younger generation officers which vacillating their level of engagement towards their work and organizations. As Generation Y (Gen Y) officers were known as complex individuals with many contradictions (Weyland, 2011), the Baby Boomers officers were seen as profoundly engaged in almost every aspect of work such as work commitment, responsibilities, challenges, ethics and values (AARP, 2007; Yu and Miller, 2005). In contrast with the general remark, the report by Kenexa (2013) has yielded different results where the Baby Boomers were listed as the least engaged employee but senior manager had appeared to be the most engaged job in organizations. But contradicting findings had deciphered that the Baby Boomers exhibited the lowest global Employee Engagement Index (EEI) such as pride, advocacy and satisfaction as compared to Generation X and the Millennials (Gen Y). On the other hand, the majority of Gen Y officers have also flaunted their inability to comprehend well with certain typical styles of leadership and demand for more flexibility and communicate synchronously with their superiors (Walker, 2009) and sponsored them to new developmental experiences (Kambil, 2010).

Due to the somewhat inconsistent results concerning desirable leadership style which transcend the level of employee engagement, further study has to be conducted in the context of Malaysian public sector. This study should be represented by the Generation Y officials as a comparison with the highest management level of leaders. It is crucial to have clear perspectives on the predicament as there is not enough evidence to really declare that the Gen Y officers acceding specific leadership style. Furthermore, Malaysian public sector organizations really need strong support from the arising leaders who would have influential degree of engagement in order to expedite the success of the National Transformation Plan.

There are several researches regarding the direct impact of relationship between level of employee engagement (Raja, 2012; Shuck and Herd, 2012) or subordinate engagement (Metzler, 2006) and transformational and transactional leadership (Pieterse-Landman, 2012; Sandell, 2012; Ghafour et al., 2011; Padmanathan, 2010; Koppula, 2008) or leadership styles (Batista-Taran et al., 2009; Van Kesteren, 2010; Rossato, 2008). From the existing studies, it seems that focuses are mainly on the aspect of specific and famous leadership styles such as transformational and transactional leaderships which are believed to have some positive effects that escalate the level of employee engagement in several different contexts and employed particular styles of conflict management in order to prove their effectiveness in managing followers (Green, 2008). These aspects are considered crucial to public servants in the furtherance of Government Transformation Programme (GTP). This is because a large portion of the civil servants in the government workforce is coming to the verge of retirement age (Tamb, 2009) and Gen Y represents approximately 34% of Malaysia's labour market (Kaur, 2012). As for that, it is convinced that GTP has been outlined based on certain obligation to determine that Gen Y will carve its own directional transformation for the betterment of their career and future in the government. Yet there is no study to date has openly examined the three leadership styles towards conflict management and the effect on employee engagement especially among Gen Y officers who are the future-oriented generation (Smith, 2009) in public sectors.

This study is focused on employee engagement and leadership styles and expected to produce evidence to questions about the leadership style adopted by officials of Generation Y in Malaysian public sector organizations. Among transformational, transactional and laissez-faire leadership style, most of the public sector officers are believed to embrace the latest characteristic of transformational leadership (Half, 2010b) such as the qualities of the agents of change, courage, visionary competence (Simic, 1998), inspirational motivation, intellectual stimulation, individual consideration and idealized influence (McGuire and Hutchings, 2007). Although existing studies have established that there is no strong confirmation on specific leadership preferences by Gen Y (Horeczy et al., 2012), there are also findings claimed that Gen Y not only fancy certain characteristics of transactional leadership such as dominant behaviour (Boag, 2009) and contingent rewards (Awamleh et al., 2005) and also, laissez-faire-type of leadership such as delegative style especially when the young officers are highly motivated and proficient in the fields that they will not need full supervision (Ruddick, 2009).

Thus this study is very significance to the public sector agencies and closely related to the study done by the consultants which have been assigned by the Director General of Public Service of Malaysia. The main reason of this internal inquisition is to gather some information and evidence regarding the engagement level of new
generation of officer towards their organizations and some practical recommendations in the pursuance of the policy of enhancing the public service delivery system (MAMPU, 2008a, b).

By interpretation, in a research, assumptions have an exclusively metaphysical status and scientific enquiries (Steuer, 2009) which are out of researcher control and if the situation is not considered during and in the study, then the study would become immaterial (Simon, 2011).

Based on the explanation about several different phases of generational cohorts (McGrindle, 2006) it conveys the impression that, since Gen Y are the individuals who are born in 1980 until 2000, they who are lived in the early phase still reflect the behaviour or have the same preferences of the last phase of Generation X cohort. For that matter it was assumed that the Gen Y officers who were selected as the respondents for this study have comparable attitude and strong tendency to think and act favourably of something in particular especially in relation to their perceptions as followers and leaders that the organizations will greatly benefit them in the long run as the organizations too will gain their commitment and loyalty.

The second assumption is that the Gen Y officers were acting or holding permanently certain level of posts which needed them to perform as leaders in their own unit or section without considering their subordinates were one-step lower rank officers or just clerical and administrative workers. This scenario is equally important in this study as the respondents are needed to have equivalent perceptive and exposures at the supervisory level as to have the skill and experience for being leaders.

The limitations of the study are not only those peculiar aspects of methodology that influenced the scope of research (Labaree, 2013) and interpretations of outcomes but also narrowed the breadth of unfocused ideas. Although the ideas will seem to be re-confined to certain area of inspection, nevertheless the purview will be of sufficient depth which will lead to a full-length research paper.

This study was conducted specifically for officers who are working in several governmental agencies and have certain skills and exposure of being leaders of their own unit in the organization. The main reasons for limiting the respondents were that, Government of Malaysia has 731 government agencies with 1, 648, 077 posts which represent the number of civil servants (Multimedia Development Corporation, 2012) and there are 2, 888 private companies (Bloomberg Businessweek, 2013) all over the country. With the limited time available for research and only a few number of individuals were appointed as enumerators, the amount of respondents were necessitated to be scaled down and chosen from selected agencies which were derived from the stratified-random sampling (Kitambara, 2009; Fienberg, 2003).

The respondents were also limited to the degree level officers in order to make sure that the respondents have endured some form of responsibilities in managing their subordinates or lower ranking personnel. At this level, the respondents were also expected to involve in decision making which would deal a lot with causes of turnover whether the rate of the turnover was high or low and whether the causes were serious or just generate minor implications to the organizations. This is because, according to Pina e Cunha et al. (2004) that, officers would have wider perspectives when coping with interpersonal conflicts (Copley, 2008) and confronted complex and dynamic environments.

Thus, the objectives of this study are: (a) To examine the level of employee engagement among Gen Y officers in Malaysian public sector agencies; (b) To examine the most influencing style of leadership on the level of employee engagement and (c) To study the effects of collaboration as a mediator in the relationship between leadership styles and employee engagement.

**EMPLOYEE ENGAGEMENT**

It is not an easy task to ensure that most of the employees especially the talented officers stay engaged in the organizations. Lately, the new officers are more perceptive, yet contemplative when pledging their loyalty to the organizations. The incentive schemes, share options, exclusive health plans, global training and promising career development which are offered by every organization are still not certified their full commitments or secured the engagements (Borngraber-Berthelsen, 2008). They have their own unique prospect in life and highly regarded for their efforts to creatively and effectively manage the information using internet and modern communication devices. They also know when the conditions are true and when it is right to give their all for the company (Millar, 2012).

By referring to the non-unified definitions given by several researchers (Shuck and Wollard, 2009; Markos and Sridevi, 2010; Dicke et al., 2007), it is speculated that employee engagement is not a totally new overblown management term but simply a word resulting from the formation of numerous management concepts which given a new lease or slightly distinctive definition which eventually creating a new concept or approach. Therefore, to put this definition in the midst of discussion, the closest interpretation is provided by Macey and Schneider (2008) which stated that employee engagement
is an amalgamation of emotional and intellectual commitment, loyalty, productivity and ownership (Kular et al., 2008). Whereas from Haid and Sims (2009) and Dicke et al. (2007) perspectives, they had defined the term as a process by the organization which increases the level of commitment and continuously upgrading and transforming (Anderson and Clarke, 2011) the employee’s knowledge and experiences in achieving the leader’s expectations. Through these two definitions they seem to widen the understanding of employee engagement and wrap up all the sub-management notions in one single meaningful definition.

Recently, employee engagement has become far-reaching in conceptualizing and measuring the impact of astounding personality attributes which are crucial to the organizations such as productive (Neely, 1999) and competitive, healthy self-esteem, self-management, self-motivation emotionally intelligent (Coetzee et al., 2006), innovative (Patterson et al., 2006), achievement-oriented and good-natured (Schreurs et al., 2009). It is also include the integration of many different aspects of human resources such as employee citizenship behaviour (Bolino and Turnley, 2003; Podsakoff et al., 2000), work and career satisfaction (Lounsberry et al., 2008; Saari and Judge, 2004), work and job engagement (Inceoglu and Warr, 2012), teamwork skills (Burrowes et al., 2006), long-term commitment (McAlion, 2007), motivation to lead and motivation to follow (Kark and van Dijk, 2007), involvement (Basu et al., 2002; Judy, 1998) and the psychological contract (Guest, 2004; Rousseau, 2004), as well as features such as job design and total rewards (McBain, 2007).

In the realm of engagement, the individuals who actually believe and react to this concept at the same time clearly express certain demeanors such as feeling full amount of gratification at work, take pride in the organization, invariably trying to strengthen the link between their tasks and the organization’s missions, always being facilitated by the employers, full commitment to their role and exert extra effort to contribute to organization success (Randstad, 2012). It is also proven by Bakker and Schaufeli (2008) that engaged employees are associated with positive organizational behaviours where positive refers to the elevating processes and outcomes in the workplace of the organizations. Apart from that, Luthans and Yousef (2007) claimed that positive behaviours such as engagement and commitment evolve from positive organizations. Positive organizations which were built based on selective screenings of new officers and appropriate placement in the areas of skills that exploit constructively their expertise which escalate the productivity and performance of the organizations. Additionally, the dynamic environment of the workplace with high psychological integrity in leaders and high subordinates’ propensity to trust (Afsar and Saeed, 2010) actually would lead to more opportunities for the officers and personnel to achieve self-actualization (Stella, 2008; Koivula, 2008; Gray, 2000) which has been found to significantly contribute to employee engagement, stakeholders and customer satisfaction and ultimately organizational accomplishments.

McBain (2007), Gibbons (2006) and Robinson et al. (2004) interpret drivers of engagement as factors which established and reinforced the capability of engaging oneself in almost everything related to organizations such as the predictive management (Reh, 2012) with values-driven leadership (Lynch, 2013; Murray, 2008) and mentally healthy working life when the employees have the flexibility of leading lifestyle calm balance (Bell, 2013). In the same matter, Cheung and Holbeche (2012) who were also in conformity with those three main drivers, embraced the ideas of engaging leadership, engaging managers and employee voice as the detail parts of which the ideas point out further about the attributes of employee engagement. Thus this situation completely adhere to the ideals of Social Exchange Theory (SET) which are explained distinctly in Fig. 1 and 2.

According to SET which is also stated by a number of researchers as the communication theory of social exchange, indicates that people usually make social rearrangements based on what they perceived regarding the costs and benefits of constructive relationship whether it involves the relationship between leaders and the followers, among subordinates or even the consanguinity. This theory affirms that, by nature, people assess most of social relationships to make sure that they gain some kind of significant ameliorant from that. As for that, when the relationships seem not to be so beneficial to certain group of people or fail to outweigh their expectations, they will slowly or instantly abandon any connections with the corresponding group of people or even the leaders (Cropanzano and Mitchell, 2005; Emerson, 1976). Crossman (2012) analyzed this theory on the basis of interactions which determined by rewards and punishments where the rewards represent approvals and the punishments represent some sort of disapprovals among groups of employees or between the employees and their supervisors. So the basic assumptions of SET pertaining to Fig. 1 and 2, are explained as to make sure that the employees are fully engaged with the organizations, the supervisors have to display admirable leadership styles and qualities which in turn could retain the potential and expert-level officers who are actively contributing to the harmonization of the working environment and maximization of the profits.
Even though evidence has shown that transformational and transactional leadership styles positively influence the level of engagement, yet there is a rise of studies showing that certain group of people, by gender, the male (Eagly et al., 2003) and by generation, Gen Y, embrace laissez-faire leadership style. One of the reasons is that most of laissez-faire leaders or leaders who taken up laissez-faire styles, lead experienced and skilled officers and even some of them are already fully engaged. The freedom that is given to them while trusting them with high responsibility tasks without any close monitoring, on the other hand has increased the level of engagement. As for Gen Y officers, they are the most technologically savvy and seek comfort in the organizations which offer them flexible working schedules and immense job autonomy yet they are not overly loyal to the organizations. These characteristics and requirements are actually fit the basis of laissez-faire style (Goodnight, 2004). Ruddick (2009) also support the fact that young generation officers are looking for people-oriented leaders and for as far, they do not have strong preferences for leadership styles as long as the leaders can communicate efficiently and adapt productively in any given environments.

EMPLOYEE ENGAGEMENT AND COLLABORATION

Conflict is an ineluctable natural incident which usually perceived as disagreement (Medina et al., 2005) and situation of unresolved differences (Pierre Jr. and Peppers Jr., 1976) and negative emotions (Obeidi, 2006) among individuals or groups in communities or organizations which demonstrates negative causes and later produces negative outcomes. Conflict occurs when a requirement is not met or do not match with what is agreed upon by the opponents (Marshall, 2006). Yet when the conflict is managed properly, it can improve the interpersonal and intergroup relationships thus gains better organizational performance (Psychometrics, 2009). Because of that, conflict management is basically an integration of all internal and external factors (Cotae and Valladares, 2012) such as active listening, working in cooperation with people who are likely to attempt hostile, validating assumptions through open dialogue, collaborating with subordinates to identify the main cause of conflict and ensuring professionalism and good ethics in working (College of Nurses of Ontario, 2009) which contribute to the resolution and prevention of conflict (Turhanj et al., 2008).

There are five styles of handling conflict (Lee, 2008; Slabbert, 2004; Rahim, 2002; Verma, 1998;
Fleetwood, 1987): Avoiding (withdrawing), competing (dominating/forcing), collaborating (integrating), accommodating (smoothing/obliging) and compromising. Research has been done on almost every conflict management styles and the results were varied and specific to certain context, leadership styles and organizational culture (Tsai and Chi, 2011). But there is an increasing number of people finally realized that collaboration has become the powerful style of managing conflict when it involves the stakeholder and leaders from two or more groups and agencies. By uniting them in an effective discussion, an agreement is easily reached and at the same time the benefits from both parties’ agreements will also impact the bottom line priorities. George et al. (2011) believed that collaborative organizations display successful empowerment, potent engagement, yielding great commodities, satisfying co-workers and customers, resolving any disputes and meeting customer’s needs. Moreover, as speculated, collaboration is the number one feature the leaders seek in their employees (Parker, 2013) and collaborative action has become the most important mechanism in preventing workplace conflict thus increased engagement and enhanced the organizational productivity (Roubie, 2013).

Collaboration is emerging as a definite focus of managerial research and it is seen as one of the current approaches which efficiently allocate limited resources while bridging the gap between generations thus strengthening intergroup ties (Thomson et al., 2009). While differentiating the meaning of cooperation from collaboration (where the latter has higher level of formality in term of the connection between agencies or stakeholders), Lena and Kam (2009) have also found out the ability of collaboration for being a mediator in generating high performance of organizations. There is still some scanty evidence showing that although collaborative efforts tend to consume most of the time compared to other conflict handling styles, yet this style can be used as mediating factor in order to increase the level of employee engagement and at the same time, forestall burnout (Saundry et al., 2011).

MEASURING EMPLOYEE ENGAGEMENT

Several methods have been used to measure the level of work engagement, job engagement and employee engagement where these surveys were sometimes mixed up in measuring different kind of engagement (Fig. 3). According to Alfes et al. (2010) and Cataldo (2011), many organizations measure engagement but failed to identify the actual engagement issues being faced by the organization. For example, work engagement which is measured by using Utrecht Work Engagement Scale (UWES) is different from employee engagement which is measured by using Gallup’s Q12 Employee Engagement Survey. Whereas, Maslach Burnout Inventory-General Survey (MBI-GS) was designed to assess various aspects of burnout syndrome (Maslach and Jackson, 1981) which lead to the disruption of joint work tasks and later disengagement (Korunka et al., 2010) and Job Demand-Resources Model (JD-R) was developed specifically to measure job engagement which represents by three dimensions; energy, involvement and efficacy, as it is assumed to be the positive antipode of burnout which is described by exhaustion, cynicism and professional efficacy (Bakker and Demerouti, 2007; Schaufeli and Bakker, 2004). So when misdetection of engagement happens, the organizations were not entirely successful in acquiring the exact reasons for the occurrence of high turnover rate.

METHODOLOGY

Research framework: The main purpose of this correlation study is to explain the level of employee engagement among Gen Y officers in public sectors which is influenced by the leadership styles and the relationship is mediated by one of conflict handling styles which is collaboration. This study has also established a research framework that uses mediated-effects model as shown in Fig. 4.

This study framework demonstrates that employee engagement, as dependent variable, has two fundamental dimensions, personal attitudes or personal attributes and situational or organizational context (Markos and Sridevi, 2010). Personal attitudes/attributes are referred as knowledge, skills, abilities (Attridge, 2009) whereas situational/organizational context is related to leadership, physical and social settings (Unsworth, 2003).

As independent variable, leadership styles are represented by transformational leadership, transactional leadership and laissez-faire leadership. According to Hall et al. (2008), there are four factors to transformational leadership which are idealized influence inspirational motivation, intellectual stimulation and individual consideration (Gill et al., 1998). On the contrary, Avolio et al. (1999) had used charisma as a factor to replace idealized influence (Judge and Piccolo, 2004) and maintain the other three factors. The combination of these four factors is expected to generate performance beyond expectations.

As for transactional leadership, there are three factors involve which are contingent reward, management by exception-active (mbc-active) and management by
exception-passive (mbe-passive). Contingent reward refers to a form of appreciation that was promised by the leader to his followers in which the leader has set a target and if successful in meeting his target, then the followers will be honored (Judge and Piccolo, 2004). Mbe-active and mbe-passive have the same pre-actions such as monitoring the follower’s behaviour and anticipating problems but dealing with different approaches when taking corrective measures before the followers create more destructive problems.

**Research hypothesis:** Build on previous studies which were guided mostly by Social Exchange Theory (SET), several hypotheses have been developed to explain the engagement phenomenon of potential officers in the public sector and expectation of younger generation officers on the prominent leadership style (Guthrie, 2009), values and skills (Cater and Lang, 2011) through this research.

- **H₁:** There is a significant effects of leadership styles on collaboration (conflict management style)
- **H₂:** There is a significant effects of collaboration (conflict management style) on employee engagement
- **H₃:** Collaboration (conflict management style) mediates the relationship between leadership styles and employee engagement

**Survey instrument:** The questionnaire used in this study consisted of four sections as shown in Table 1. Each of the items for every variable was measured by using

<table>
<thead>
<tr>
<th>Variables</th>
<th>No. of questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee engagement</td>
<td>12</td>
</tr>
<tr>
<td>Leadership styles</td>
<td>45</td>
</tr>
<tr>
<td>Collaboration-conflict management</td>
<td>18</td>
</tr>
<tr>
<td>Demography</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
</tr>
</tbody>
</table>

5-point Likert scale indicating the degree of agreement from (5) Strongly agree to (1) Strongly disagree and range of frequency from (5) Always to (1) Never and (5) Frequently, if not always to (1) Not at all.

**Employee engagement:** It is typically measured by using an employee engagement survey that has been finally established by Harter et al. (1998, 2006) which is called Gallup Q12 Survey. This survey consisted of twelve questions which were divided into two dimensions, namely personal attitude and situational (Mohapatra and Sharma, 2010; Harter et al., 2006) while Kenexa (2013) named the two dimensions as employee-centric and performance-centric.

**Leadership styles:** It is measured by using Multifactor Leadership Questionnaire (MLQ) which was developed by Bass and Avolio (1985), Barnett et al. (2005), Stumpf (2003) and Den Hartog et al. (1997). MLQ was constructed of 45 items which were divided into two broad categories; the first category is leadership styles which includes transformational (with four factors: inspirational motivation, intellectual stimulation, idealized influence (attributed), idealized influence (behavior) and individual consideration), transactional (with three factors: Contingent reward, management by exception-passive
and management by exception-active) and laissez-faire (single factor) and the second category is organizational outcomes which consists of extra effort, satisfaction and effectiveness (Khan and Malik, 2012).

**Collaboration-conflict management:** Items for collaboration is a combination of seven items from Rahim Organizational Conflict Inventory-II (ROCI-II) which was set up in 1983 (Lee, 2008) and eleven items from Mattessich and Monsey’s Collaboration Experience Questionnaire (MMCEQ) which was established in 1992 (Thomson et al., 2009). Originally, MMCEQ was developed based on 17 indicators but only 11 indicators were frequently used in most of research as they have standardized lambda (λ) coefficients of 0.80-0.95. MMCEQ has also divided into five dimensions which are governance, administration, autonomy, mutuality and norms (trust).

**Demographic:** There are five demographic questions in order to gather relevant and meaningful survey data to meet the objectives of the research (Fanning, 2005). The basic questions were related to the respondent’s personnel data such as gender and range of age. The other three objective-based questions were the highest level of education, area of employment and length of service in working sector.

**Sampling:** After the survey has been statistically validated through reliability test and other validation procedures (Kazi and Khalid, 2012), the questionnaires were then distributed to 400 respondents comprise of government officers who are working in the ministries level in Federal Territory of Putrajaya. Ministries in the central administration of federal government were chosen because of two reasons; firstly, most of federal agencies especially the ministries (20 from 24 ministries) are situated in Federal Territory of Putrajaya and secondly it is believed that the officers who work in ministry level and within certain kilometers radius of the main government administration area would have one thing in common in terms of competitive working culture when they have to strive to comply with all government directives as their performances are being continuously audited and their code of conduct are closely monitored by the central agencies. These characteristics of a population were very important in this research for the assumption of homogeneity to be satisfied thus obtaining more homogeneous samples in order to restore the desired significance level (Zimmerman, 2001).

The Gen Y officers (aged 21 until 32 years old) were selected by using simple random sampling without replacement method (Barreiro and Albandoz, 2001) where the list of names was produced and printed from Human Resources Management Information System of Public Service Department (HRMIS, 2000) with permission from the Public Service Department of Malaysia and the random selection was made by using Table of Random Numbers (Paprocki, 2001).

**Data collection:** Surveys were distributed with the help of enumerators who were selected either among the human resources department officers or voluntarily handled by the chief clerk of administration department or personal assistant of corporate division. In several ministries, explanations were given to the respondents about the procedures of filing out the surveys. Afterwards they were asked to return the survey within two weeks from the date of the survey was distributed.

Total 243 questionnaires were collected in four weeks and the amount has produced response rate of 75.96%. Fosnacht et al. (2013), Beullens and Loosveldt (2012) and Babbie (1986) suggested that a response rate, sometimes termed as outcome rate (Glaeser, 2008) of at least 60% is considered good and a response of 70% and above is viewed as very good.

**Analysis of data**

**Descriptive statistic:** The data in Table 2 represents the gender of the respondents where the number of male respondents was only 2.1% more than the female respondents. Table 3 displayed the data of the respondents’ age range which is from 21-32 years old.

The following data was presented in Table 4 where most 79.4% of the respondents had obtained bachelor

<table>
<thead>
<tr>
<th>Table 2: Gender of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>Men</td>
</tr>
<tr>
<td>Women</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 3: Age range of GenY officers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age (year)</strong></td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>21-23</td>
</tr>
<tr>
<td>24-32</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4: Highest level of education</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Types of degrees</strong></td>
</tr>
<tr>
<td>----------------------</td>
</tr>
<tr>
<td>Level of education</td>
</tr>
<tr>
<td>Diploma</td>
</tr>
<tr>
<td>Bachelor's</td>
</tr>
<tr>
<td>Master's</td>
</tr>
<tr>
<td>Ph.D.</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
degrees. The degree acquisition is in line with the age range of these officers when at the age of 24 years old most of them were just graduated from local or private universities. In Table 5, the data showed that most of Gen Y officers were working in the area of management and administration 30% and followed by human resources 17.3%. in the ministry level.

Table 6: Length of service in working sector

<table>
<thead>
<tr>
<th>Duration years</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1</td>
<td>15</td>
</tr>
<tr>
<td>1-5</td>
<td>159</td>
</tr>
<tr>
<td>6+10</td>
<td>69</td>
</tr>
</tbody>
</table>

Table 6 exhibited data of the officers’ length of service in working sector where majority of the respondents have been serving public sector agencies from one to five years. This evidence proved that most of Gen Y have started their career as government officers as early as 23 years old and still remained in the system not more than ten years. This scenario is well-suited the evidence provided by DCT (2012) that officers who are employed at least three years are more employed than the newly employed officers.

The results presented in bar chart in Fig. 5 show that the levels of engagement are varied among gender. It is clearly estimated that women are 21.1% more fully engaged than the male Gen Y officers. The bars also show that men have higher percentages on partially engaged and not engaged compared to women. Although there are percentages from both gender which show that there are officers who are not engaged in their work, percentages of engaged (and partially engaged) officers are still significantly high.

Test of normality: According to multivariate statistics, the assumption is that the combination of variables follows a multivariate normal distribution. Generally each variable will be tested individually and assumed that they are multivariate normal if they are individually normal.

The test results in Table 7 showed that almost all the values of skewness and kurtosis fall between z-values of -1.96 and +1.96 and these justified that the data were slightly skewed and kurtotic but they did not differ significantly from normality.

In order to further confirm the normality of data, the data were tested hypothetically where the null hypothesis (H0) stated that the data are normally distributed and alternative hypothesis (H1) stated otherwise. H0 is rejected if the p-value is below 0.05 (p<0.05).

- H0: Sample comes from a normal distribution
- H1: Sample does not come from a normal distribution

From the SFSS results of Kolmogorov-Smirnov in Table 8, since all sig-p values were above 0.05, it was failed to reject H0. The results concluded that the data were normally distributed.

**Structural equation modeling:** Structural Equation Modeling (SEM) which is considered as an extension of the general linear model (Gillespie, 2003) and also sometimes called Linear Structural Relations (LISREL), is actually the latest multiple statistical techniques which combine and feature almost all confirmatory and model fit tests simultaneously (Nachtigall et al., 2003). Basically, SEM has the characteristics of correlation, multiple regression, factor analysis, path analysis and analysis of variance (ANOVA) under one sophisticated and complex statistical tool, yet very practical in measuring the relationship among constructs (Weston and Gore Jr., 2006).

After fulfilling the assumptions that the observations were independence, the respondents were randomly selected, theoretically, there were linear relationships between exogenous and endogenous variables; and the distribution of observed variables was multivariate normal (Lei and Wu, 2007), SEM will go through three levels of analysis with their own purposes: (1) Confirmatory Factor Analysis (CFA) for individual construct: (i) Test for model fit, (ii) Convergent validity, (iii) Construct reliability
(2) Measurement Model: (i) Test for model fit, (ii) Discriminant validity, (iii) Test for normality, (iv) Test for outliers and (3) Structural Model: (i) Test of model fit, (ii) Hypotheses testing, (iii) Describe coefficient of determination ($R^2$). Every computation and test in each level is to make sure that the final outcome (structural model or moderation/mediation-effect model) will answer the hypotheses listed.

**Confirmatory Factor Analysis (CFA):** Confirmatory Factor Analysis (CFA) is an atheoretical part of SEM which is theory driven (Schreiber et al., 2006) and uses to test the hypotheses that requires specification of error explicitly (Suhr, 2006). The results of CFA are shown in Table 9.

From the first result of test for model fit, fit indices and individual factor loadings were referred. Almost all recommended fit indices such as goodness-of-fit statistic (GFI), adjusted goodness-of-fit statistic (AGFI), Normal Fit Index (NFI), Comparative-Fit Index (CFI) and Root Mean Square Error of Approximation (RMSEA) (Hooper et al., 2008; Anglim, 2007) displayed values within the acceptable ranges for all the variables.

In order to achieve the most tolerable result of fit indices, the factor loadings were firstly assessed. From a total number of 54 items, 12 items were deleted when the factor loadings were detected less than 0.5 ($\lambda$<0.5) without any negative value or value more than 1.0 ($\lambda$>1.0) (Forero et al., 2009; Garrett-Mayer, 2006). In addition, 14 items were then deleted after identifying the items which were associated with high modification indices.

For convergent validity, there were three indicators to be tested which are the average variance extracted ($AVE = \sum \lambda^2 / n$ where $\lambda^2$ is squared multiple correlation for each indicator and $n$ is the number of indicators), factor loadings and construct reliability ($CR = (\Sigma \lambda) / (2(\Sigma \lambda) + (\Sigma \varepsilon))$ where $\varepsilon$ is measurement error ($1-\lambda^2$)). In this stage, certain AVE has displayed values less than 0.5 ($AVE<0.5$) which indicating low convergent validity. But, according to Van Rooyen and McCormack (2004) and Cable and DeRue (2002) if the value of AVE does not achieve 5, the other two indicators will take more important roles in determining the convergent validity. From Table 9, all values of CR are more than 0.7 ($CR>0.7$). This results indicated that the instrument is reliable (Holtzman and Vezzu, 2011). Overall, the results signified that fit indices, factor loadings and CR indicating acceptable model fit while more than five factor loadings were close to meeting values for acceptable fit.
from this point of the outcomes, the analysis was proceeded to the next level, that is the measurement model.

Measurement model: Measurement model is one of SEM statistical structure that mapped the measures onto the theoretical constructs (Kenny, 2011) and described the adequacy of the observed indicators serve as a measurement instruments for the latent variables (Zabkar, 2000). It is the second step in data preparation in SEM and the analysis of this model strive to test for model fit, discriminant validity (AVE > r²) (Farrel and Rudd, 2009) normality by assessing the data skewness (Doane and Seward, 2011) and kurtosis (Brown, 2011) and detect the outliers through evaluation of Mahalanobis distance (Ullman, 2006).

The structure of measurement model is shown in Fig. 6 where the exogenous and endogenous were placed in a straight line and interconnected with correlation or covariance (ρ) lines. By calculating the estimates, the values of factor loadings (λ) and squared multiple correlation for each indicator (R²) indicate the relationship of each variable to the underlying factors. Since the factor loadings can be interpreted like the standardized regression coefficients (β = (b) / (SSX/SSy) (Rahn, 2013), the values actually show different strength of association of indicators.

In Table 10, the result from test of normality has shown that the data is considered to be normally distributed when all the scores of skewness lie between -2 to +2 and the kurtosis are between -7 to +7 (Byrne, 2013; Weston and Gore, 2006).

The model also indicates that the correlation score between transactional leadership and transformational leadership is one (1.00) and it represents a perfect positive correlation or complete dependence (Rummel, 1976).
Table 10: Test of normality (Skewness -2 to +2; Kurtosis -7 to +7)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Skew</th>
<th>CR</th>
<th>Kurtosis</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>B03</td>
<td>-0.562</td>
<td>3.574</td>
<td>0.043</td>
<td>0.138</td>
</tr>
<tr>
<td>B08</td>
<td>-1.106</td>
<td>7.040</td>
<td>1.628</td>
<td>5.179</td>
</tr>
<tr>
<td>B07</td>
<td>-0.888</td>
<td>3.907</td>
<td>0.010</td>
<td>0.031</td>
</tr>
<tr>
<td>B06</td>
<td>-0.752</td>
<td>4.786</td>
<td>0.086</td>
<td>0.272</td>
</tr>
<tr>
<td>B04</td>
<td>-0.213</td>
<td>1.355</td>
<td>0.898</td>
<td>2.858</td>
</tr>
<tr>
<td>D12</td>
<td>-1.263</td>
<td>8.039</td>
<td>3.341</td>
<td>10.630</td>
</tr>
<tr>
<td>D05</td>
<td>-0.582</td>
<td>3.701</td>
<td>0.526</td>
<td>1.675</td>
</tr>
<tr>
<td>D04</td>
<td>-0.900</td>
<td>5.727</td>
<td>2.513</td>
<td>7.997</td>
</tr>
<tr>
<td>D01</td>
<td>-1.249</td>
<td>7.947</td>
<td>3.845</td>
<td>12.236</td>
</tr>
<tr>
<td>LF33</td>
<td>-1.663</td>
<td>6.766</td>
<td>-0.058</td>
<td>-0.184</td>
</tr>
<tr>
<td>LF28</td>
<td>0.840</td>
<td>5.345</td>
<td>0.109</td>
<td>0.346</td>
</tr>
<tr>
<td>LF07</td>
<td>-1.885</td>
<td>11.994</td>
<td>2.774</td>
<td>8.826</td>
</tr>
<tr>
<td>LF05</td>
<td>-0.604</td>
<td>3.841</td>
<td>-0.495</td>
<td>-1.575</td>
</tr>
<tr>
<td>TSC36</td>
<td>-1.074</td>
<td>6.833</td>
<td>1.870</td>
<td>5.952</td>
</tr>
<tr>
<td>TSC16</td>
<td>-0.175</td>
<td>1.116</td>
<td>-0.024</td>
<td>-1.984</td>
</tr>
<tr>
<td>TSC11</td>
<td>-0.458</td>
<td>2.917</td>
<td>-0.295</td>
<td>-0.938</td>
</tr>
<tr>
<td>TSC04</td>
<td>-0.397</td>
<td>2.529</td>
<td>-0.158</td>
<td>-0.502</td>
</tr>
<tr>
<td>TSF35</td>
<td>-1.510</td>
<td>9.611</td>
<td>2.518</td>
<td>8.914</td>
</tr>
<tr>
<td>TSF34</td>
<td>-1.151</td>
<td>7.327</td>
<td>1.650</td>
<td>5.250</td>
</tr>
<tr>
<td>TSF32</td>
<td>-0.787</td>
<td>5.007</td>
<td>1.104</td>
<td>3.513</td>
</tr>
<tr>
<td>TSF29</td>
<td>-1.367</td>
<td>8.701</td>
<td>2.798</td>
<td>9.033</td>
</tr>
<tr>
<td>TSF26</td>
<td>-0.741</td>
<td>4.714</td>
<td>0.081</td>
<td>0.258</td>
</tr>
<tr>
<td>TSF25</td>
<td>-0.392</td>
<td>2.497</td>
<td>-0.562</td>
<td>-1.787</td>
</tr>
<tr>
<td>TSF23</td>
<td>-0.547</td>
<td>3.483</td>
<td>-0.621</td>
<td>-1.976</td>
</tr>
<tr>
<td>TSF15</td>
<td>-0.794</td>
<td>5.054</td>
<td>0.768</td>
<td>2.443</td>
</tr>
<tr>
<td>TSF13</td>
<td>-0.770</td>
<td>4.898</td>
<td>0.600</td>
<td>1.909</td>
</tr>
<tr>
<td>TSF08</td>
<td>-0.875</td>
<td>5.570</td>
<td>0.953</td>
<td>3.031</td>
</tr>
<tr>
<td>TSF06</td>
<td>-0.899</td>
<td>5.722</td>
<td>0.529</td>
<td>1.682</td>
</tr>
<tr>
<td>Multivariate</td>
<td>147.872</td>
<td>28.119</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Variable: TSF: Transformational leadership, TSC: Transactional leadership, LF: Laissez-faire leadership, CO: Collaboration and EE: Employee engagement**

Table 11: Results of test for model fit, potential outliers and discriminant validity from measurement model

<table>
<thead>
<tr>
<th>Variables</th>
<th>Label</th>
<th>AVE</th>
<th>COMPARE AVE</th>
<th>r²</th>
<th>COMPARE AVE</th>
<th>r²</th>
<th>Mahalanobis d-squared p1 = p2 = 0</th>
<th>Observation No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee engagement</td>
<td>EE</td>
<td>0.454</td>
<td>EE-TSF</td>
<td>0.314**</td>
<td>TSF-LF</td>
<td>0.004**</td>
<td>119</td>
<td>121</td>
</tr>
<tr>
<td>Transformational leadership</td>
<td>TSF</td>
<td>0.370</td>
<td>EE-TSC</td>
<td>0.356**</td>
<td>TSF-CO</td>
<td>0.325**</td>
<td>198</td>
<td>136</td>
</tr>
<tr>
<td>Transactional leadership</td>
<td>TSC</td>
<td>0.312</td>
<td>EE-LF</td>
<td>0.068**</td>
<td>TSC-LF</td>
<td>0.009**</td>
<td>133</td>
<td>200</td>
</tr>
<tr>
<td>Laissez-faire leadership</td>
<td>LF</td>
<td>0.452</td>
<td>EE-CO</td>
<td>0.230**</td>
<td>TSC-CO</td>
<td>0.384**</td>
<td>134</td>
<td>109</td>
</tr>
<tr>
<td>Collaboration</td>
<td>CO</td>
<td>0.565</td>
<td>TSC-TSC</td>
<td>1.000*</td>
<td>LE-CO</td>
<td>0.109**</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sufficient discriminant validity**

Whereas transactional leadership and laissez-faire employee engagement leadership constructs have zero correlation. According to Hooper et al. (2008) and Breauh (2003), the value of \( \rho \) between two constructs is akin to their covariance, so when \( \rho \) is equal to 0 (\( \rho = 0 \)), then it indicates that the two constructs are measuring the same thing.

In this extreme condition, Farrel and Rudd (2009) and Eliington (2005) has proposed four orderly steps as to rectify the problem and make sure the model stands out to be a reliable structure and could predict the relationship of the constructs: (1) Eliminate the offending or cross-loading items (if any); (2) Collapse the items into a single construct or rather combine constructs into one overall measure; (3) Drop one or more independent variables and (4) Collect additional data to conclude whether the problem occurs because of other statistical phenomenon such as multicollinearity (Grewal et al., 2004) or even during the sampling process.

Result of discriminant validity as shown in Table 11 has proved that correlation between transformational leadership (TSF) and transactional leadership (TSC) constructs (TSF-TSC) exhibited a perfect multicollinearity effect (\( r = 1.00 \)) and the correlation between transactional leadership (TSC) and laissez-faire leadership (LF) exhibited no correlation (\( r = 0 \)) or statistical independent. Thus it draws an inference that the two correlations do not have sufficient discriminant validity.

Table 11 also shows the result of Mahalanobis d-squared where eight observations have both p1 and p2 equal 0.000 (p1 = p2 = 0.000). This implies that there are outliers. When one set of data without the outliers proves that the result of model fit is not much different from the data with the outliers, then the cases (which are associated with the outliers) are retained (Franklin et al., 2000).
Fig. 7: Structural model

**Structural model:** Structural model is the most useful model to examine and test the relationship between endogenous and exogenous constructs and test the direct and indirect effects.

The total disaggregation model as shown in Fig. 7, has already discarded transactional leadership as one of the independent variables because of the case of multicollinearity and statistical independence. This model concentrates on the relationship between only four variables. For testing model fit, the fit indices [Relative Chi-Sq (≤ 5) = 1.737; CFI = 0.913; IFI = 0.914; RMSEA ≤ 0.08 = 0.055; RMR ≤ 0.08 = 0.057] show that most of the values clarify a model fit.

**Test of mediation: Multi model analysis:** In order to establish a mediation effect, in multi model analysis, a main condition that must be exhibited is that, Full Mediation (FM) is better than Indirect Model (IM) (Zhao et al., 2009; Iacobucci et al., 2007). Results of x² and sig-x² (0.000m = 0.000m where smaller value indicates a better model fit), Parsimony Normed Fit Index (PNFI) (PNFI = 0.729> PNFI = 0.726 where larger value indicates a better model fit) and Akaike Information Correction (AICm = 535.347 < AICm = 555.324 where smaller value indicates a better model fit) as in Table 12 show that full mediation model is better than indirect model.

In testing for mediation effect, results of direct model and full mediation model are compared. The results from Table 13 have shown that the value of beta (path X-Y) in the direct model is significant and the value of beta is reduced and all the paths of X-Y, X-M and M-Y are also significant in full mediation model. This results exhibit a
Table 12: Establish presence of mediation

<table>
<thead>
<tr>
<th>Hypothesized path</th>
<th>b</th>
<th>SE</th>
<th>Beta</th>
<th>CR</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full mediation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EE→TSF</td>
<td>0.713</td>
<td>0.137</td>
<td>0.554</td>
<td>5.207</td>
<td>0.000</td>
</tr>
<tr>
<td>Direct model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO→TSF</td>
<td>0.451</td>
<td>0.081</td>
<td>0.553</td>
<td>5.577</td>
<td>0.000</td>
</tr>
<tr>
<td>EE→CO</td>
<td>0.388</td>
<td>0.156</td>
<td>0.245</td>
<td>2.485</td>
<td>0.013</td>
</tr>
<tr>
<td>EE→TSF</td>
<td>0.543</td>
<td>0.138</td>
<td>0.420</td>
<td>3.986</td>
<td>0.000</td>
</tr>
</tbody>
</table>

X*: Smaller value indicates a better model fit, PNI: Parsimony normed fit.
Indirect effect: the larger the value the 1 indicates a better model fit. ACE: Akaike Information Correction; smaller value indicates a better model fit.

Table 13: Test for mediation effect of Transformational Leadership (TSF) → Employee Engagement (EE)

<table>
<thead>
<tr>
<th>Hypothesized path</th>
<th>b</th>
<th>SE</th>
<th>Beta</th>
<th>CR</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EE→TSF</td>
<td>0.713</td>
<td>0.137</td>
<td>0.554</td>
<td>5.207</td>
<td>0.000</td>
</tr>
<tr>
<td>Full mediation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO→TSF</td>
<td>0.451</td>
<td>0.081</td>
<td>0.553</td>
<td>5.577</td>
<td>0.000</td>
</tr>
<tr>
<td>EE→CO</td>
<td>0.388</td>
<td>0.156</td>
<td>0.245</td>
<td>2.485</td>
<td>0.013</td>
</tr>
<tr>
<td>EE→TSF</td>
<td>0.543</td>
<td>0.138</td>
<td>0.420</td>
<td>3.986</td>
<td>0.000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>Path</th>
<th>Decision</th>
<th>Partial</th>
<th>Mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>X→Y</td>
<td>X→Y</td>
<td>X→M</td>
<td>M→Y</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Beta</td>
<td></td>
<td>S</td>
</tr>
<tr>
<td></td>
<td></td>
<td>p</td>
<td></td>
<td>S</td>
</tr>
</tbody>
</table>

Table 14: Test for mediation effect of Laissez-faire Leadership (LF) → Employee Engagement (EE)

<table>
<thead>
<tr>
<th>Hypothesized path</th>
<th>b</th>
<th>SE</th>
<th>Beta</th>
<th>CR</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EE→LF</td>
<td>0.061</td>
<td>0.081</td>
<td>0.054</td>
<td>5.785</td>
<td>0.048</td>
</tr>
<tr>
<td>Full mediation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CO→LF</td>
<td>0.218</td>
<td>0.057</td>
<td>0.301</td>
<td>3.834</td>
<td>0.000</td>
</tr>
<tr>
<td>EE→CO</td>
<td>0.388</td>
<td>0.156</td>
<td>0.245</td>
<td>2.485</td>
<td>0.013</td>
</tr>
<tr>
<td>EE→LF</td>
<td>-0.021</td>
<td>0.088</td>
<td>-0.18</td>
<td>-0.234</td>
<td>0.815</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>Path</th>
<th>Decision</th>
<th>Partial</th>
<th>Mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>X→Y</td>
<td>X→Y</td>
<td>X→M</td>
<td>M→Y</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Beta</td>
<td></td>
<td>S</td>
</tr>
<tr>
<td></td>
<td></td>
<td>p</td>
<td></td>
<td>S</td>
</tr>
</tbody>
</table>

Increasing research in recent years on Gen Y has shown that to become engaged employees, managers will have to build on different approaches such as outcome-based recognition in almost every single successful effort done (Achievers, 2011). Yet, some of the new concepts of policy aspiration and recruitment system in order to attract and retain new officers are quite contrasting with the existing culture which has been developed by Gen X officers, inheriting the unmodified form that has been designed by the Baby Boomers and Veterans.

From the result, it is shown that the level of engagement of Gen Y in Malaysian Public Sector between gender is different although it is not that significant. This scenario is supported in the research by Alles et al. (2010) where from 8-14% (Wooding, 2010) of fully engaged officers, 60-64% of them are women. This report is supported by earlier research by Hudson (1989) where women have different comparison groups and distinctive personal expectations in their career paths compared to men that make them not in competitions with the other gender. Contrarily, Moran (1992) believed that women became engaged because of there is something admirable in the workplace environment thus resulting in an increased sense of commitment to the organization such as accommodative (Chapman, 1975) and collaborative leadership (Mendez, 2002). A new research by Russell (2013) also claimed that women are more likely to engage in their job compared to men because there is a little leeway for women worker where they were given flexible working hours.

**DISCUSSION**

For the partial mediation, transformational leadership as one of the IV, has both direct and indirect effects on employee engagement as the DV in this model. The direct effect is not mediated whereas the indirect effect is transmitted through collaboration as the Mediator (M) (Waenshe, 2014; Edwards, 2009). On the other hand, the indirect effect implies that employee engagement is influenced by laissez-faire leadership due to its influence on collaboration (Muthen, 2011; Rucker et al., 2011).

As regards to the research hypothesis H₁: There is a significant effects of leadership styles on collaboration (conflict management style); H₂: There is a significant effects of collaboration (conflict management style) on employee engagement and H₃: Collaboration (conflict management style) mediates the relationship between leadership styles and employee engagement stated, the results from the structural model and test of mediation indicated that transformational leadership and laissez-faire leadership were significant predictors of employee engagement and collaboration managed to act as a mediator which transmitted different effect of transformational and laissez-faire leadership on employee engagement as shown in Fig. 6, Table 13 and 14.
(Tims et al., 2011; Dibley, 2009) and transactional leadership styles (Hamman, 2012; Van Kesteren, 2010) are proven to have coherently linked to higher levels of engagement and productivity.

In the case of multicollinearity between items of transformational and transactional leadership in this study, it has been being an isolated predicament to becoming not so unusual fact when dealing with evolving concept of leadership. Under this circumstance, Den Hartog et al. (1997) have justified that leaders can be both transformational and transactional especially when transformational leadership itself is built on transactional leadership. Lai (2011) believed that the two kinds of leaderships were differentiated theoretically based on their deviating abilities in influencing or motivating employees. Yet, Lai (2011) also stated that certain groups of people, either by gender or generations, have the tendency to perceive that the two concepts of leaderships are the same, if not, nearly the same. Study of leadership preferences by Gen Y which has listed the characteristics of transformational and transactional leaders (Horeczky et al., 2012), further convinced that most of Gen Y are more fascinated with the leaders’ outstanding attributes that are beneficial to them, regardless the attributes are belong to transformational or transactional leadership. Papalexandris and Galaraki (2009) endorsed the discussion by stating that positive leadership styles such as transformational, transactional, visionary, authentic, entrepreneurial, inspirational and charismatic leadership have their own way of affecting commitment, effectiveness, motivation and satisfaction as those dimensions actually leads to a higher increase in the level of employee engagement. Thus, Gen Y officers who are still young in public service and in dire need of the positive attributes that they could emulate, will only distinguish the items posed as positively and negatively oriented.

Conjointly supporting the argument, according to Abdul Rani et al. (2008), Malaysian’s employees actually preferred charismatic leaders better than transformational leaders. From the research, the characteristics of charismatic leaders studied were making employees feel special and accepted in the organizations, empowering, extraordinary and approachable. Approximately equal to transformational leadership, Abdul Rani et al. (2008) proves that charismatic leadership exceeded certain overwhelming criteria which not only increased the level of commitment but honoured the title as new breed leaders of 2020.

Through these accounts, it was found that respondents who answered the survey questions fail to identify the differences or overlapping in meaning between certain distinguish and unique features that demarcated one style of leadership to another. As a result, there were unstable estimates of beta weights and the two variables became lack of independence [φ = 1; Tolerance ≤0.19; Variance Inflation Factor (VIF) ≥5.3] thus speculated that the two constructs were measuring the same thing. According to Omne (2000), Hierarchical Bayes (HB) model can significantly reduce this problem by distinguishing heterogeneity between constructs and influencing information from respondents to have better discrimination outcomes. Unfortunately, HB model is not applied in this study and it is intended to be used in the future research.

Results from the test of mediation have shown that collaboration (M) has partially mediated the effect of transformational leadership style (IV) on the level of employee engagement (DV). Referring to the original concept of mediation by Baron and Kenny (1986) and later invigorated by Rucker et al. (2011), Anghim (2007), Iacobucci et al. (2007), MacKinnon et al. (2007) and Shaver (2005), applying that there is still a significant direct effect of transformational leadership style on employee engagement after controlling for the mediator. In this condition, where Gen Y demonstrated that transformational leadership style positively affecting the level of employee engagement in the organizations, the evidences were overpowering in almost recent researches and then later have not become so phenomenal (Javeed and Farooqi, 2013; Vij et al., 2013; Raja, 2012; Kopplu, 2008; Rossato, 2008). However with the existence of collaboration which is one of the conflict management styles as a mediation factor has resulted in more increasing level of employee engagement with the effect of transformational leadership style (Ghadi et al., 2010). In this research, the partial mediation effect does not imply that transformational leadership style failed to influence the level of employee engagement instead it actually shows the crucial capability of conflict management style that successfully contribute to a significant impact on increasing the level of Gen Y engagement in the organizations. Similarly, Hendel et al. (2005) also produced results which corroborate this finding by expressing that workers in general hospitals in central of Israel who perceived themselves as transformational leaders used conflict management strategies to harmonize misunderstanding and deal with disruptive behaviours. They claimed that when most of the disputes and obstacles have been overcome, indirectly the workers rebuild their relationships, involve in effective communication and became more engaged in their job.

Another consequential research by Rouzbahani et al. (2013) has also supported the partial mediation effect when the findings clearly showed that
only certain transformational leadership attributes such as inspirational motivation and idealized influence could decrease the cognitive and relational conflict among clinical staffs in Ashayer Hospital of Khoramabad. For that matter without really considering the exact leadership attributes which perfectly matched the specific conflict management style in order to increase the level of employee engagement, even the direct effect (β) of transformational leadership style on employee engagement could seem higher than the partial mediation effect in full mediation model.

Regarding the result of indirect effect of collaboration between laissez-faire leadership style and employee engagement, although this finding has a slight variation from the theory and previous studies but it is actually better in clarifying the results obtained from the earlier assumptions. Most of the previous researches have shown that laissez-faire is a passive (Shrime et al., 2011; Mester et al., 2003) and avoidant pattern of leadership (Graen, 2013) which is negatively related to productivity (Frischer, 2006). This study is expected to finally put laissez-faire leadership in the limelight where this freedom-based leadership is actually can work well in improving the level of employee engagement when the present of congruous inducing factor. Adding to the discussion, Goodnight (2004) provided some positive sides of laissez-faire leadership as this style of leadership is twofold. It is believed that laissez-faire leaders, whether it is in their nature or they just tend to assume that their subordinates have their own skills and working experiences thus leave the officers alone to complete their tasks. In agreement with previous statement, Barnett et al. (2005), have presented unexpected and provocative result when their research has proved that laissez-faire leadership has positive influence on teachers’ perceptions of student supportiveness.

Related to this study, Chaudhry and Javed (2012) even enlightened the argument when their research indicated that there was a positive relationship between laissez-faire leadership and motivation although the motivation level is very low and near to a point of insignificant. The low level was due to non-interferences of the top management who could have provided collaborative team environment to increase the level of intrinsic motivation which lead to situational engagement (Lee and Lee, 2008). These explanations uphold the mediation analysis which provided evidence in support of laissez-faire leadership indirect effect to employee engagement through collaboration.

CONCLUSION

Each cohort or generation has its own preferences for leadership styles. Transformational, transactional and even laissez-faire leadership have been studied in association with employee engagement. Most of the results had shown that transformational and transactional leadership would have constructive relationships and positively impacting the level of employee engagement whereas laissez-faire leadership would always portray as the opposite. In this study, Gen Y officers in Malaysian public sector have surprisingly altered the current perspective by accepting laissez-faire style and even being obscured in ignoring the demarcation line between the other two distinguish leading leadership styles, yet still seconded by theory and infrequently supported by several earlier studies. The presence of collaboration which is one of the conflict management styles as a mediation factor (mediator) has demonstrated partial mediation that has positioned transformational leadership in a different path and generated indirect effect by strengthening the role of laissez-faire leadership, both as variables that can influence the level of employee engagement.

REFERENCES


Graner, T., 2013. Nurse managers: Exploring effective behaviours for these critical leaders. Session L2 AONE National Meeting, Abbott Northwestern Hospital, Colorado, USA.


Metzler, J.M., 2006. The leadership between leadership styles and employee engagement. Master's Thesis, San Jose State University, San Jose, CA., USA.


Parker, D., 2013. Introducing social employee engagement: Shifting from technology to people. School of Advanced Study (SAS), University of London, UK.


