The Relationship Between Leadership Style and Employee Psychological Well-Being at a Palm Oil Estate in Tawau, Sabah

Sarina Annuar, Halimah Mohd Yusof*, Nerisha Sarah Nur Malek

School of Human Resource Development and Psychology, Faculty of Social Sciences and Humanities, Universiti Teknologi Malaysia, 81310 UTM Johor Bahru, Johor, Malaysia

*Corresponding author: halimahmy@utm.my

Abstract

Strong leadership is the true cornerstone of an organisation and the backbone of a business. It has been suggested that the key role in ensuring success in the organisation and maintaining good psychological well-being is shared among employers and employees. Provision visualized that for maintaining a good psychological well-being among employees were shared between employers and employees the key in ensuring the success of maintaining good psychological well-being in the organisation. Hence, this study aims to explore the relationship between leadership style and employee psychological well-being at the palm oil estate in Tawau, Sabah. Convenience sampling was adopted as a non-probability sample design in this investigation. There were 100 employees that participated in this study, which include the harvester, daily rate employees and line leader. The data collection was conducted by distributing the questionnaire using the Google Form as well in person. Questionnaires used in this research were Multifactor Leadership Questionnaire and Psychological Well Being Scale. The findings showed that the level of leadership style is at a moderate level, while the level of employee psychological well-being is at a high level. This study successfully found a relationship between leadership style and employee psychological well-being within the studied company. Sentence edit: Personal growth dimension was the highest score compared to other dimensions. There are several limitations that occurred during the research. Firstly, the lack of ability to access the academic journal gave limitations to the researcher to conduct literature review and have a better understanding of the journals. In addition, this study only included one company located in Tawau. The results are not generalizable as the data only reflect one company. Future implications should highlight the importance of role models among leaders by exhibiting leadership style attributes when communicating with their employee as it may affect the employee's perspectives towards them. Besides, allowing employees to recognize their potential, autonomy, and ideas is a great way to start the journey toward a better leadership style.

Keywords: Leadership style; Psychological well-being; Stress; Empowering; Quality of work life

Abstrak

Kepimpinan yang kukuh adalah asas sebenar sesebuah organisasi. Ia juga merupakan tulang belakang sesebuah perniagaan. Peruntukan menggambarkan bahawa untuk mengekalkan kesejahteraan psikologi yang baik di kalangan pekerja dikongsi antara majikan dan pekerja dalam memastikan kejayaan untuk mengekalkan kesejahteraan psikologi yang baik dalam organisasi. Justeru, kajian ini bertujuan untuk mengkaji hubungan antara gaya kepimpinan dengan kesejahteraan psikologi pekerja di ladang kelapa sawit di Tawau, Sabah. Persampelan kemudahan telah diterima pakai sebagai reka bentuk sampel bukan kebarangkalian dalam penyiasatan ini. Sampel pengkaji ini adalah seramai 100 orang pekerja iaitu penuai, pekerja kadar harian dan ketua barisan. Pengumpulan data dijalankan dengan mengedarkan soal selidik menggunakan "*Google Form*" dan juga secara juga secara peribadi. Soal selidik yang digunakan dalam kajian ini ialah Soal Selidik Kepimpinan Pelbagai Faktor dan Skala Kesejahteraan Psikologi. Perisian Statistical Package for Social Science (SPSS) versi 26 yang digunakan dalam kajian ini untuk dianalisis dan mengubah data mentah yang dikumpul kepada maklumat yang sah dan boleh dipercayai untuk memberikan dapatan kajian ini. Daripada dapatan kajian menunjukkan tahap gaya kepimpinan berada pada tahap sederhana, manakala tahap kesejahteraan psikologi pekerja berada pada tahap tinggi. Dimensi pertumbuhan peribadi merekodkan nilai yang tinggi berbanding dengan dimensi lain, dengan nilai M=4.90. Kajian ini berjaya mendapati terdapat hubungan antara gaya kepimpinan dengan kesejahteraan psikologi pekerja dalam syarikat yang dikaji. Terdapat beberapa batasan yang berlaku semasa penyelidikan. Pertama, terdapat jurang antara keupayaan penyelidik dan akses kepada kajian literatur. Kekurangan kebolehan untuk mengakses jurnal akademik memberi batasan kepada penyelidik untuk menjalankan kajian literatur dan mempunyai pemahaman yang lebih baik tentang jurnal. Selain itu, kajian ini hanya melibatkan sebuah syarikat yang terletak di Tawau. Maklumat tersebut tidak boleh digeneralisasikan kerana data mungkin hanya mencerminkan satu syarikat. Akhir sekali, batasan kajian ini adalah kaedah pengumpulan data kerana responden hanya boleh menjawab soal selidik melalui Borang Google kerana wabak. Penyelidik mengesyorkan bahawa adalah penting bagi pemimpin untuk menjadi model dengan mempamerkan ciri gaya kepimpinan apabila berkomunikasi dengan pekerja mereka kerana ia boleh menjejaskan perspektif pekerja terhadap mereka. Selain itu, membenarkan pekerja mengetahui potensi, autonomi dan idea penting mereka adalah cara terbaik untuk memulakan perjalanan ke arah gaya kepimpinan yang lebih baik.

Kata kunci: Gaya kepimpinan, kesejahteraan psikologi, tekanan, Memperkasa, Kualiti kehidupan kerja

■**1.0 INTRODUCTION**

Leadership style is a significant approach that should be adapted across varying organisations and work sectors. Essentially, leadership style refers to the approaches, attitudes, and characteristics of an individual when leading and managing a team or employees. Both the external (global problems related to the economic crisis) and internal (organisational diversity) contexts are now placing greater demands on organisations and work teams (West et al., 2011). Dealing with such requests can be extremely difficult for businesses. In this situation, leaders are crucial in aiding work units in responding to demands, ensuring that subordinates can collaborate well and report high levels of happiness (West et al., 2011). In today's workplace, happy employees are seen to be more loyal to their organisation, more productive, less likely to have turnover intention, and execute tasks more effectively (Diener & Biswas-Diener, 2008). According to Mohammed et al. (2013), effective leadership tends to create favourable employee attitudes and behaviours. Empowering leadership is a new leadership philosophy that describes "behaviours in which authority is shared with subordinates and their intrinsic drive is raised" (Srivastava et al., 2006, p. 1240). Employees' personal traits have an impact on how they understand and experience their work environment (Barrick et al., 2001).

Furthermore, psychological well-being refers to a positive mental state of an individual that allow individuals to function efficiently. Various factors are known to impact one's psychological well-being such as social, environmental, economic, and emotional. Psychological well-being is more than just an emotional experience; it may also contribute to better quality of life (Hu, 2020). Psychological well-being refers to an individual's overall psychological feeling, which is based on a subjective experience that includes both positive and an unpleasant feeling (Wright & Bonett, 2007). According to Chang and Nguyen (2018), psychological well-being has a significant impact on people's objectives and values. Employees with greater psychological well-being and positive feelings are most likely to improve their work productivity and company objectives (Yang & Zhao, 2018). As a result, personnel in the service business who has higher sense psychological well-being to provide high-quality services to their consumers (Hu, 2020)

When utilized appropriately, leadership style is a significant management tool that may enhance employee connections, organisational atmosphere, and performance of the service (Kozak & Uca, 2008). Managers must inspire their teams to achieve their maximum capability, be involved, accept change, and make sound technical decisions. Managers who are effective lead by example, encourage people to accept responsibility for duties, solve problems creatively, and make sound judgments that benefit the team and the organisation. To increase corporate well-being, organisations should acknowledge the importance of leadership and put the values into practice. Failure to lead costs a lot of money, which may include staff turnover, absenteeism, poor results, and customer disappointment that poses a threat to the success of the hospitality company in the long run (Lim & Boger, 2005).

Leaders have a critical role in businesses and their actions have a substantial influence on their workers' work habits, performance, and well-being (Avolio, Walumbwa, & Weber, 2009). Although the association between well-being and performance is minimal at best, in favour of employee performance, study has mostly overlooked studies on employee health and well-being. Furthermore, when employee well-being has been seen as a supplementary consequence or as a mediator that helps explain the leadership-performance relation in leadership research, employee's happiness has been disregarded as a significant consequence (Montano, Reeske, Franke, & Hüffmeier, 2017).

The way leaders conduct and communicate with others can have a big impact on organisational and subordinate-related results. Due to the proximity with their subordinates, supervisors have been proposed to have a first-hand impact on their subordinates' employment experiences (Tanskanen et al., 2019). As a result, the essence of leadership is best understood as an intimate partnership between the individual and subordinates, which is regarded as the most important and central relationship in the workplace (Tanskanen et al., 2019). It considers the complexities of relational interactions as a social mechanism. As a result, the essence of a supervisor's interaction with its subordinate can be important for the subordinate's own psychological well-being, provided that the majority of individuals use a large portion of their waking hours at work, and supervisors serve as go-betweens, lower-employee, and upper-level management. The dimension used for leadership style is divided into three types of leadership style. Transformational leadership is a dimension that includes Idealized influence, inspirational motivation, intellectual stimulation, and individual consideration. Transactional leadership dimension consists of contingent awards and management-by-exception. Lastly, the dimension of laissez-faire leadership. Researchers have started to highlight the prospective effects that some leadership styles with components of relationships may have on employee psychological well-being in response to this request (Gregory & Osmonbekov, 2019). Based on the result of the previous study, we can conclude that the relationship between leadership style and psychological well-being are reasonable to be conducted in order to determine the results of these variables. The focus of this study is to determine the relationship between leadership style and employee psychological well-being at Palm Oil Estate Company in Tawau, Sabah.

The three objectives of this study are i) to identify the level of leadership style used among leaders at a Palm Estate Company in Tawau, Sabah, ii) identify the level of employee psychological well-being at a Palm Estate Company in Tawau, Sabah, and iii) to investigate the relationship between leadership style and employees' psychological well-being at a Palm Estate Company in Tawau, Sabah.

■**2.0 LITERATURE REVIEW**

2.1 Leadership Style

Scholars of management studies have long acknowledged the importance of leadership style in connection to a wide range of processes in the workplace and results include innovation, acceptance, work attitudes, views, conduct, service quality, and client satisfaction. In the 1970s and 1980s, transactional vs transformational leadership styles were first proposed (Bennett, 2009). There are different meanings of leaders and leadership, however the terms are indivisible. Leadership is the ability to impact or conduct others to do exercises or work in accomplishing their objectives in an association. A leader is the individual who performs or executes authority. The accomplishment of leaders in an association is not an assurance of achievement in driving different associations or companies, as this relies upon the style applied (Fernandes & Solimun, 2017; Hutahayan & Yufra, 2019). The example of all leader activities as seen or alluded by the subordinates is known as leadership style (Newstrom & Davis, 2007).

Contingency theory of leadership refers the effectiveness of the leadership depending on situational factors, individual traits and attitudes. There are several theories that falls under the contingency approach, which include Fiedler's contingency theory, situational leadership theory, path-goal theory, and normative decision model (Seyranian, 2009). Contingency theories attempted to

anticipate which leadership styles would be the most effective in certain scenarios (Aalateeg, 2017). In some scenarios, certain leadership styles may be appropriate, while it may be unsuccessful for another. As a result, specific aspects in the circumstances have an impact on leadership. Several studies have sought to identify key situational characteristics that might influence leadership effectiveness, such as organisational environment, quality of supervisor connections, the leader's position authority, and the subordinate's job transparency, team cohesion, information availability, subordinate acceptance of leaders' actions, and subordinate competence (Amanchukwu et al*.,* 2015).

The ties formed between the leaders and the followers are the focus of transformational theories. Leadership, according to these views, is the process of a person connecting with people and being able to "create a connection" with them, which increases both followers' and leaders' drive and morals. Transformational models of relationships are usually linked to charismatic leadership theories of leadership traits, such as assertiveness, self-assurance, and clearly expressed ideas, are the most successful in inspiring followers. By supporting their followers, relationship or transformational leaders encourage and inspire them in seeing the task's importance and benefits. These leaders are concerned not just with the success of the group, but also with the capabilities of each person to fulfil their full potential. Leaders are noted for having high ethical and moral standards (Cherry, 2012). Transformational leaders are concerned about their followers and are conscious of their activities' impact on the group. They try to develop followers who are driven by strong intrinsic beliefs, hence they are more dedicated to the leader's goal (Avolio & Yammarino, 2002). The situational leadership paradigm established in 1969 stated that there is currently no other approach to leadership and that effective leaders must be adaptable to changing circumstances and they should go from a task-oriented to a relationship-oriented leadership approach. (Ahmed Khan et al*.,* 2016).

2.2 Psychological Well-Being

Psychological well-being is more than just an emotional experience, but it also contributes to a great quality of life (Hu, 2020). Job satisfaction is concerned with the job's content, but psychological well-being is concerned with an individual's total psychological state, which is a personal experience that includes the absence of negative feelings and the presence of happy feelings (Wright & Bonett, 2007). Furthermore, Chang and Nguyen (2018) stated that psychological well-being has a considerable influence on people's objectives.

According to Taylor et al. (2013), employees who have a higher degree of employee commitment and psychological well-being are more likely to see their work as valuable and to pay more attention to it. Job satisfaction is regarded to strongly relate to psychological well-being. (Wright & Bonett, 2007). Because of positive feelings, employees with greater psychological well-being are more likely to enhance their efficiency on the job and fulfil the aim of the company (Yang & Zhao, 2018). As a result, personnel in the service business that highlights the significance of psychological well-being are more likely to serve its users with great services.

Carol Ryff (1989) established the Six-factor Model of Psychological Well-being, which identifies six elements that contribute to the psychological well-being of a person, satisfaction, and happiness (Seifert, 2005).

2.3 Relationship Between Leadership Style And Employee Psychological Well-Being

Hu (2020) conducted a study that looks at the correlation between transformational leadership and psychological well-being among front-line employees in Chinese commercial banks. A cross-sectional survey was done in Malaysia and 96 people from five Chinese commercial banks took part in the survey. The results of the data analysis show that transformative leadership is linked to the psychological well-being of front-line personnel. The authors also concluded that male and female front-line personnel had a mean difference on the job preference of job autonomy and transformational leadership.

Similarly, in a review study by Kim and Cruz (2022) among service-oriented staff in the service industry, it was found that transformational leadership style positively impacts employee psychological well-being. Particularly, their findings highlighted that male employee and those in the non-healthcare sector positively associated transformational leadership style with perceived well-being, compared to female employees (Kim & Cruz, 2022). It was also suggested that methods including idealized influence, self-efficacy encouragement among employees, and positive relationships among employees greatly enhanced employee well-being (Kim & Cruz, 2022). However, in a longitudinal study, Lindert, Zeike, Choi, and Pfaff (2022) found that transformational leadership did not influence psychological well-being among employees in a German company over time. Instead of the transformational leadership style, they concluded that the social environment of the company plays a greater role in employees' psychological well-being (Lindert et al., 2022). Also, they found that male employees are more likely to be affected by transformational leadership compared to female colleagues (Lindert et al., 2022). In addition, Berger, Czakert, Leuteritz, and Levia (2019) proposed several factors of job-demand resources in relation to leadership style and employees' well-being. Their findings indicated that transformational leadership and passive-avoidant leadership are influenced by job-demand resources of motivational role ambiguity and social team climate (Berger et al., 2019). Ultimately, these mediated factors further enhance employee's well-being.

De Simone (2015) explored the research on organisational leadership behaviours. The goal of this research was to look at the literature in the field of organisational behaviour that ties leadership to employee well-being, and then to look at a poll of healthcare workers' impressions on leadership style across three hospitals in Italy. Based on how the leader and followers share decision-making power, leader behaviour is classified into three categories, which include autocratic, laissez-faire, and participatory. The study was done using a questionnaire that was provided to patient care professionals (doctors, nurses, and healthcare technicians) of the various hospital units. The score reveals the usual participatory leader profile. The relationship between healthcare employees and their superiors is mostly focused on personal esteem, engaging, effective, pleasant, collaborative, and source of wellness, with older workers and healthcare technicians reporting higher levels of satisfaction.

Munir et al. (2012) investigated how transformational leadership affects the psychological well-being of professionals in the medical field by mitigating the impacts of work–life conflict. A longitudinal design was utilized, with personnel working in Danish senior care filling out a questionnaire at the beginning of the study and again after 18 months (N = 188). Based on regression analysis, the results found that transformational leadership style was directly related to psychological well-being. Mehari (2015) did another study on transformational leadership and wellness. The goal of this study is to learn more about the mechanisms at work on the connection between transformative leadership and employee well-being. A parallel multiple mediation analysis was used to assess a theory-driven model. A cross-sectional data sample of 82 staff working in a public mental hospital in Sweden was used for this study. The findings revealed a link between transformative leadership and employee happiness. However, contrary to earlier research, the findings did not show that transformational leadership had an indirect impact on workers' well-being, however it did have an impact

on employees' faith in leadership and sense of purpose at work. Theoretical and practical contributions, as well as the research study's limitations, were examined.

Luthans et al. (2013) implemented the concept of psychological capital and health to address the relationship between leadership challenge and employee well-being in the US. The core positivity notion of psychological capital (PsyCap) consists of strong positive hope resources, effectiveness, faith, and courage should be extended into the field of well-being to support organisational leaders seeking insight and answers. Although PsyCap has been connected to attitudes, actions, and performance of employees, it has yet to be studied in connection to other life domains that are crucial to overall well-being. After initially developing a thorough conceptual framework for expanding PsyCap into the well-being domain, it was observed that workers' cross-section of "Relationship PsyCap" and "Health PsyCap" were linked to both objective outcomes. Furthermore, these two life satisfactions, in addition to work satisfaction, were linked to the total well-being of the participants. Their overall PsyCap level was associated with their happiness. These insights may be useful in assisting leaders with the challenges they have in measuring and growing their employees' overall well-being.

Nielsen and Daniels (2012) conducted a study to investigate the connection between shared and differentiated transformational leadership to predict followers' well-being among Danish companies. The goal of this study is to observe how transformative leadership at the group level and at other levels shapes followers' perceptions of their working environment and individual subjective well-being. The study included 425 followers and 56 leaders. It was evident that perceptions of working conditions mediated differentiated transformational leadership's relationships with indicators of well-being, with 10 out of 20 mediation tests being significant for differentiated transformational leadership, opposed to three out of 20 for group-level transformational leadership. The findings suggested that transformational leadership should be investigated as a statistical method, with an emphasis on how group-level perspectives impact followers' well-being, and that leaders should acknowledge that groups have both an "I" and a "we".

Perko (2017) did another study on leadership and employee well-being based on psychological perspectives. Exploring employee perceptions of leadership's involvement on employee well-being were the purpose of this study. The questionnaire for this study was gathered from a variety of sources from Finnish municipal employees from 2011 to 2013 (NTime1 = 557, NTime2 = 333, NTime3 = 294) with 85% of women participants. The survey participants were asked to rank their immediate superior in terms of leadership. Participants who reported stronger well-being also regularly reported more favourable leadership behaviours was associated with an increase of occupational well-being. However, when leadership behaviour deteriorated, leadership perceptions also decreased. According to the leader-centric view, leader behaviours operate on employee well-being.

To promote welfare, Cann, Riedel-Prabhakar, and Powell (2020) investigated research on leadership models. This study explored teachers' perspectives of leadership techniques that affect their welfare at a New Zealand rural primary school. Based on purposive sampling, the study included three participants with "high sense of well-being" and three participants with "poor sense of well-being", Consequently, semi-structured interviews were conducted and participants were instructed to fill out a wellness diary. This article focuses on the leadership behaviours that teachers identified as improving their well-being (appreciation, meaningful professional development, decision-making agency), as well as the necessary leadership qualities that influenced teacher well-being (relationship building, decision-making autonomy, contextual competence, social and emotional competence). A model of positive school leadership is offered, with advice for school leaders on how to improve teacher well-being.

Another research on leadership and well-being in a non-profit company was conducted by McMurray, Pirola-Merlo, Sarros, and Islam (2009). The goal of this research is to explore how leadership influences well-being in a religious/church-based non-profit company in Australia. Two well-known indicators of leadership effect are the transformational leadership scale (TLS) and psychological capital (PsyCap). It was a contextual study that examined the social, political, economic, technological, human, and personal elements of a certain organisational culture. The survey was distributed to individuals at a large religious/church-based non-profit organisation. According to the results, employee evaluations of transformative leaders in their immediate supervisor's transformational leadership and employee welfare revealed a substantial positive association. Further research on the effects of demographic characteristics found that older employees had much higher well-being scores than younger employees. Evidently, previous studies have highlighted that leadership style is significant on the impact of employee psychological well-being on varying factors. However, most research has been conducted in Western countries and limited studies explore leadership style and well-being in Eastern countries.

2.4 Research Framework

The conceptual framework is the blueprint for how the researcher will approach and investigate the research topics. In addition, the theoretical framework is used to shape and reinforce the conceptual framework of this study. The conceptual framework will explain the link between the study's independent and dependent variables. The independent variable in this study is leadership style, whereas the dependent variable is psychological well-being. In Figure 1, the research framework illustrates the arrow from the independent variable shows a connection to the dependent variable, psychological well-being. The Multifactor Leadership Questionnaire (MLQ) Form 6S, was used to adapt and assess both the independent variables (Bass & Avalio, 1990). The 18-item Psychological Well-Being (PWB) Scale questionnaire was created by Carol Ryff (1989). The study's hypothesis is that the independent variable, leadership style, will positively correlate with psychological well-being.
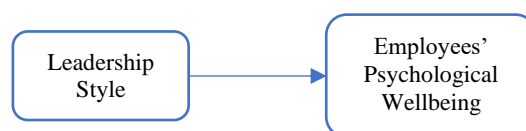

Figure 1. Research framework

■3.0 METHODOLOGY

3.1 Sample And Procedure

In order to fill in the lack of research on leadership style and employee psychological well-being, the target population of this study was the local employees in a palm oil estate in Tawau, Sabah. The palm oil company agreed to allow their employees to participate in this study after receiving an official letter detailing the research objectives and procedure. The samples were selected using convenience sampling and the respondents were informed that participation is voluntary. This is a cross-sectional study which applied quantitative methods by distributing questionnaires to collect data. The survey packet may take about 10 minutes to complete. The questionnaires were distributed in person and through Google Form. In total, 100 participants completed the questionnaire.

3.2 Measures

3.3.1 Multifactor Leadership Questionnaire

Multifactor Leadership Questionnaire (MLQ) was used to measure the leadership style among leaders developed by Bass and Avalio (1990). It measures seven dimensions of leadership style, such as idealized influence, inspirational motivation, intellectual stimulation, individualized consideration, contingent reward, management by exception and laissez faire leadership. The rating ranges from not at all (0), Once in a while (1), Sometimes (2), Fairly often (3) and Frequently, if not always (4) and consists of 21-items. Some example items include "I help others develop themselves" and "I make others feel good to be around me". The four scales have moderate internal reliability with Cronbach alpha values ranging from 0.60 to 0.73. The score ranges from 0 to 12 for each leadership style with higher scores indicating higher frequency to the particular leadership behaviour of either transformational, transactional, or laissez-faire.

3.3.2 Psychological Well-Being Scale

The Psychological Well-Being Scale was used to measure employee psychological well-being in the company. This instrument has 18-items that employ a 7-point scale ranging from strongly disagree (1) to strongly agree (7) and consists of six sub-constructs. The six dimensions include Autonomy, Environmental Mastery, Personal Growth, Positive Relation with Others, Purpose in Life, and Self-Acceptance. Some examples of the items in this scale include "The demands of everyday life often get to me", "I like most parts of my personality.", and "I am good at managing responsibilities of my daily life. Positive interpersonal relationships, personal mastery, autonomy, a sense of purpose and meaning in life, and personal growth and development are all components of psychological well-being (Dodge et al., 2012). High scores suggest that the individual is self-reliant and can control their behaviour regardless of societal constraints (Seifert, 2005). High scores suggest that the individual is growing, is open to new experiences, and recognizes their behaviour self-aware (Seifert, 2005). High ratings for the element of 'positive interpersonal relationships' indicate that the individual is involved in a meaningful interaction acquiring traits such as empathy for one another, tenderness, and respect (Seifert, 2005). High scores indicate that the individual has a strong goal orientation and believes that life has purpose (Seifert, 2005). High marks also represent the respondent's good attitude about himself or herself (Seifert, 2005). Psychological well-being has a good internal consistency with the Cronbach alpha values ranging from 0.60 to 0.81.

3.3 Data Analysis

Statistical Package for Social Science (SPSS) version 26 software was used in this study to analyse and transform the collected raw data to valid and reliable information to provide findings for this study. This method also aids in developing answers to the research questions proposed earlier. Thus, to study the correlation between leadership style and psychological well-being, both descriptive and inferential analyses were conducted. Descriptive statistics (mean) was used to determine the levels of psychological well-being among respondents. The results of the descriptive statistics were presented by mean score, percentage, and frequency. Additionally, inferential statistics implementing Pearson correlation was used to examine the correlation between leadership style and psychological well-being.

■4.0 RESULTS

4.1 Demography

From the findings, it could be found that most of the respondents are female (55%) and aged around 40-49 (31%). Majority of them did not go to school (53%) and serve the company more than 6 years (61%). In terms of position, the majority respondent is harvester (59%). Further descriptive analysis was conducted on the research variables.

4.2 Leadership Style

Table 1 presents the mean scores of leadership style leadership style for each dimension.. Findings for leadership style were divided according to each dimension of the variable. The dimensions are idealized influence, inspirational motivation, intellectual stimulation, individual consideration, contingent award, management-by-exception, and laissez-faire leadership. Based on the table below, it can be seen that all leadership styles shows a moderate level of means scores. These results indicated the highest mean scores of leadership style is transactional (2.67), followed by laissez-faire (2.57), and transformational (2.50).

Table 1 Leadership Style

Variables and Dimension	Finding	Style
Idealized Influence	**2.61**	**Transformational**
Inspirational Motivation	**2.58**	**Transformational**

Intellectual Stimulation	**2.39**	**Transformational**
Individual Consideration	**2.42**	**Transformational**
Total	**2.50**	**Transformational**
Contingent Award	**2.63**	**Transactional**
Management by exception	**2.71**	**Transactional**
Total	**2.67**	**Transactional**
Laissez-faire Leadership	**2.63**	**Passive**

4.3 Employee Psychological Well-Being

Table 2 illustrates the mean score and levels of psychological well-being. Findings in this section were divided into six aspects, which include autonomy, environmental mastery, personal growth, positive relations, purpose in life, and self-acceptance. Based on the table below, it can be seen that all the dimensions in employee psychological well-being scored a high level with a total mean score of 4.76. These results indicate that the employee presents good psychological functioning and is happy with their life.

Table 2 Level of Psychological Well-Being

Variables and Dimension	**Mean**	**Level**
Autonomy	**4.84**	**High**
Environmental Mastery	**4.89**	**High**
Personal Growth	**4.90**	**High**
Positive Relation	**4.25**	**High**
Purpose in Life	**4.83**	**High**
Self-Acceptance	**5.47**	**High**
Total Psychological Well-Being	**4.76**	**High**

4.4 Relationship Between Leadership Style And Employee Psychological Well-Being

This section discussed the findings for the relationship between leadership style and employee psychological well-being in the studied company. Pearson's correlation indicates a positive correlation between leadership style and employee psychological well-being, r (98), 0.483, $p < 0.001$. This suggests that the increase in leadership style influences greater psychological well-being among the employees. Table 3 indicates the coefficients for the relationship between leadership style and psychological well-being in the studied company

Table 3 Coefficient Correlation between Leadership Style and Psychological Well-Being

	r	**Sig.**	**N**
Leadership Style and Psychological Well-Being	**0.483**	**.000**	**100**

*** Correlation is significant at the level $p<0.01$

■5.0 DISCUSSION

5.1 Leadership Style

Overall, the findings proposed that all leadership style is equally used among the employees in the company, particularly the highest scores include transactional leadership and laissez-faire leadership. Similarly, Kalsoom, Khan, and Zubair (2018) also found that transactional leadership indicated strong correlation with employee performance within a consumer goods industry in Pakistan. In contrast, Nash (2020) found that transformational leadership is more effective than transactional leadership within mental health and substance abuse organisations. This may suggest that transactional leadership style is more effective in the production industries. It may also highlight that Eastern countries often emphasizes on extrinsic motivations of rewards and benefits through transactional leadership. According to the findings of the research, laissez-faire leadership has contributed to the highest mean score compared to other leadership style dimensions. Align with Skogstad and colleagues (2007), it was stated that poor leadership, including laissez-faire leadership, may be a root cause of particular workplace stressor such as role conflict, role ambiguity, and the perception of low-quality interpersonal treatment by the leader. This shows that changes in leadership style influence changes in employee motivation. Another study by Ahmed Iqbal, Abid, Arshad, Ashfaq, Athar, and Hassan (2021) highlighted that laissez-faire leadership style is associated with thriving at work among employees in Pakistan from varying sectors. However, Robert and Vandenberghe (2022) found that laissez-faire leadership reduced positive mental health and increased depression symptoms. Again, this may be due to the cultural differences between Western and Eastern countries where laissez-faire leadership style may allow employees greater autonomy of their tasks and responsibilities.

The results demonstrated that the leader in the company used various leadership style with the most used is transactional, followed by laissez-faire, and transformational. This result is a good indication that these leaders in this organization are using the situational leadership styles highlighted in the contingency theory of leadership. In which, the leaders are using the different leadership style according to the situations and individuals, which indicates that common employees agree that their leaders build trust with them, in return, develop confidence in them. It is important for a leader to use the right leadership style based on the situation and individual. Although the literature review discussed previously provided little data that focused on the leadership style level, it seems to provide an indication that leadership style level is important in increasing psychological well-being. Hence, the proper use of leadership style based on situation and individual's needs is important in increasing employee well-being.

5.2 Employee Psychological Well-Being

The result of this study shows that the dimension of self-acceptance was at a high level with the highest mean score of psychological well-being compared to another dimension. This result has proved that the employees accept themselves and avoid self-critics. These findings were aligned with Carson and Langer (2006) research that suggested self-acceptance is a mindful decision that individuals make when they take responsibility for their lives and realize that they are able to accept themselves unconditionally. This demonstrated that the employee recognized their weakness, but still accepted themselves. In a study by Saraswati and Teja (2018) in Indonesia, it was also highlighted that employees present above average level of psychological well-being. Although their results indicated that personal growth dimension was the highest score, it was also mentioned that the employees indicated high levels of self-acceptance (Saraswati & Teja, 2018). This may suggest that high levels of self-acceptance in the current sample may also be associated with greater personal growth. This also shows that the organisation is able to promote well-being and enhance the employees' strengths within their work. Furthermore, a study among clinical nurse in China indicated that self-acceptance is one of the factors that influence employee's intention to stay at work (Kong, Qin, Zhou, Ding, & Qu, 2022). This may further propose that high levels of self-acceptance among the respondents in the current study enhances their determination to continue working at the company.

5.3 Relationship Between Leadership Style And Employee Psychological Well-Being

Findings suggested that there is a moderate relationship between leadership style and employee psychological well-being. This result explained that there is an average linkage between the two variables. If leaders have a significant level of leadership style, it is likely that employee emotional health functions effectively. Hence, it will indirectly increase the employee's motivation to achieve company goals. In other words, once the leaders incorporate leadership style behaviour, they will contribute to good psychological well-being among the employees. The finding of this research is also supported by Hu (2020), where they found that leadership is linked to the psychological well-being of front-liner personnel. Employee well-being is positively affected by leadership, which directly impacts employee welfare and satisfaction. As a result, the findings of this study are consistent with this previous research, indicating a linkage between the two variables.

In addition, the study shows that there is a moderate positive correlation between leadership style and employee psychological well-being at the palm oil estate in Tawau, Sabah. This has proven that there is a connection between leadership style and employee psychological well-being. This result is aligned with Perko's (2017) findings highlighting employees who reported stronger well-being also regularly reported more favourable leadership behaviours, and when occupational well-being increased, so did leadership behaviour. However, when leadership behaviour deteriorated, leadership perceptions changed in a similar way. According to the leader-centric view, leader behaviours operate on employee well-being. Therefore, findings indicate that leadership can develop employee's happiness and mental wellness which have a positive impact on their psychological well-being.

5.4 Implications And Limitations

The current findings of this study consist of several implications that may contribute to the research and practical field of leadership and organisations. Firstly, this research gave further insight on the leadership style used in a Southeast Asian company, which may present varying perspectives from Western countries. The findings also enhanced the positive relationship between leadership style and psychological well-being. According to the issue statement, there are limited studies that correlate leadership style to psychological well-being. As a result, this research will add to the literature in the field of organisational management. This research may aid the company in improving their leadership style. The company will learn that one of the variables that influences employee psychological well-being is leadership style. Organisations will be able to discover the level of psychological well-being of their employees according to the data. The company will take a step forward based on the data. Accordingly, practical implications of this study may encourage other work sectors and fields in Malaysia to identify the effective leadership style in enhancing employee psychological well-being.

Despite all the findings, the present study has several limitations. The study was implemented on only one company and single sector. Hence, further studies should explore other work sectors such as healthcare or service industries to identify the leadership style that is effective in facilitating employee psychological well-being. Due to the single sector study, the sample size is also small and may not be generalizable to other management organisations. Additionally, the use of self-report questionnaire may not present the most accurate data as employees may respond with social desirability bias. Moreover, the majority of the respondents presented individuals who are 50 years and older, and they might not be clear about the term used in the questionnaire. Lastly, the use of cross-sectional study also implies that no causality is attainable for the relationship between leadership style and psychological well-being.

Several recommendations were made in order to enhance employee psychological well-being by finding out effective ways to develop leadership style attributes among leaders in the organisation. First of all, the organisation should deliver real leadership style attributes and act as a role model to their employees. It is important for the leaders to be role models by exhibiting leadership style attributes when communicating with their employees as it may affect the employee's perspectives towards them. People are more influenced by actions than by words. Hence, the employees are more likely to be motivated to perform their work if there is a leader who is encouraging by implementing leadership style characteristics. Organisations that exhibit the leadership style may influence employees to acquire the ability in creative and innovative decision making.

Next, it could be recommended that the organisation needs to develop leadership style by encouraging creativity and innovation among the employees. Allowing employees to know that their potential, autonomy, and ideas matter is a great way to start the journey towards a better leadership style. They can begin to inspire others by paying attention to the work they perform and emphasizing how important it is to the organisation. Creativity and innovation could develop new ways to make an improvement to the existing product and service in order to improve employee functioning. This may also help the employee to think outside of the box and find the best solution to any issues. Hence, it will directly increase employee's well-being.

Aside from that, this study may be useful to researchers in the future as to further explore the variables and other factors. It will assist other researchers in locating other journals relevant to their topic. As a result, they may be able to gain new ideas from this research. They will have a better knowledge of the dimension and theory of the variables because of this research. Leadership style has seven characteristics, and psychological well-being has six aspects. Moreover, from this study we will know the correlation between leadership style and employee psychological well-being at Palm Estate company in Tawau, Sabah. Even though there are many previous studies about this topic, it may give a different result. It is because the respondents are in a different industry, job scope and place.

■ 6.0 CONCLUSION

Overall, the primary aim of this study is to explore the relationship between leadership style and psychological well-being among employees at a palm oil industry in Sabah. The study contributes to the literature by demonstrating that leadership style influence the employee's psychological well-being. The study further suggests that the top management of the company could enhance the employee psychological well-being as well as their feeling of being part of the company by using the right style of leadership according to situations and individual needs. By paying attention to the changing needs of leading style according to the situations and individual, a leader would be able to provide a healthier workplace. Good leadership would lead to happy employees. This can affect employee attitudes and assumptions, resulting in a common mentality to achieve the organisational goals. In order for an individual to become a great leader, is the ability to identify the most effective leadership style according to the needs is significant in all work sectors to maintain positive work environment and enhance employee's psychological well-being.

Acknowledgement

References

Aalateeg, S. (2017). Literature Review on Leadership Theories. *Journal of Business and Management,* 19(11), 35-43.

Ahmad Khan, Z., Nawaz, A., & Khan, I. (2016). Leadership theories and styles: A literature review. *Leadership*, *16*(1), 1-7.

Ahmed Iqbal, Z., Abid, G., Arshad, M., Ashfaq, F., Athar, M. A., & Hassan, Q. (2021). Impact of authoritative and laissez-faire leadership on thriving at work: The moderating role of conscientiousness. *European journal of investigation in health, psychology and education*, *11*(3), 667-685. https://doi.org/10.3390%2Fejihpe11030048

Amanchukwu, R. N., Stanley, G. J., & Ololube, N. P., (2015). A Review of Leadership Theories, Principles and Styles and Their Relevance to Educational Management. *Management,5*(1), 6-14. doi:10.5923/j.mm.20150501.02

Avolio, B., Walumbwa, F., & Weber, T. (2009). Leadership Current Theories, Research, and Future Directions. *Annual Review of Psychology*, 60, 421-449.

Avolio, B.J. & Yammarino, F.J. (2002). Introduction to, and overview of, transformational and charismatic leadership. In: B. J. Avolio & F. J. Yammarino (eds.) *Transformational and charismatic leadership: The road ahead*. Oxford: Elsevier.

Barrick, M. R., Mount, M. K., & Judge, T. A. (2001). Personality and performance at the beginning of the new millennium: What do we know and where do we go next?. *International Journal of Selection and Assessment*, *9*(1-2), 9-30.

Bass, B. M., & Avolio, B. J. (1990). Developing transformational leadership: 1992 and beyond. *Journal of European industrial training*. 14(5), 21-27.

Bennett, T. (2009). A study of the management leadership style preferred by it subordinates. *Journal of Organisational Culture, Communication, and Conflict, 13*(2), 1-25.

Berger, R., Czakert, J. P., Leuteritz, J. P., & Leiva, D. (2019). How and when do leaders influence employees' well-being? Moderated mediation models for job demands and resources. *Frontiers in psychology*, 10, 2788. https://doi.org/10.3389/fpsyg.2019.02788

Cann, R. F., Riedel-Prabhakar, R., & Powell, D. (2021). A Model of Positive School Leadership to Improve Teacher Wellbeing. *International Journal of Applied Positive Psychology*, *6*(2), 195-218.

Carson, S. H. & Langer, E. J. (2006). Mindfulness and self-acceptance. *Journal of Rational-Emotive & Cognitive-Behavior Therapy*, 24(1), 29–43. DOI: 10.1007/s10942-006-0022-5

Chang, A., and Nguyen, T. L. (2018), The mediating effects of time structure on the relationships between time the mediating effects of time structure on the relationships between time management behaviour, job satisfaction, and psychological well-being. *Australian Journal of Psychology*, *63*(4), 187-197. doi: 10.1111/j.1742-9536.2011.00008. x.

Cherry, K. 2012. "Leadership Theories - 8 Major Leadership Theories". Retrieved from:http://psychology.about.com/od/leadership/p/leadtheories.htm Retrieved date: 4 April 2022.

De Simone, S. (2015). Wellbeing at work: a survey on perception of health care workers. *Wellbeing at Work: A Survey on Perception of Health Care Workers*, 395-412.

Diener, E. & Biswas-Diener, R. (2008), Happiness: Unlocking the Mysteries of Psychological Wealth, Blackwell, Malden, MA.

Dodge, R., Daly, A., Huyton, J., & Sanders, L. (2012). The challenge of defining well-being. *International Journal of Well-Being*, *2*(3), 222-235.

Gregory, B. and Osmonbekov, T. (2019). Leader–member exchange and employee health: an exploration of explanatory mechanisms. *The Leadership and Organisation Development Journal*, *40*(6), 699-711.

Hu, S. (2020). Do front-line employees in the Chinese commercial banks have the rights to experience psychological well-being?. *International Journal of Human Right in Healthcare, 14*(1), 58-73. DOI 10.1108/IJHRH-06-2020-004

Kozak, M. A. & Uca, S. (2008) Effective Factors in the Constitution of Leadership Styles: A Study of Turkish Hotel Managers, *Anatolia*, *19*(1), 117-134. DOI: 10.1080/13032917.2008.9687057

Kim, H. D., & Cruz, A. B. (2022). Transformational Leadership and Psychological Well-Being of Service-Oriented Staff: Hybrid Data Synthesis Technique. *International Journal of Environmental Research and Public Health*, *19*(13), 8189. https://doi.org/10.3390%2Fijerph19138189

Lim, E. & Boger, E. (2005). Management requires leadership. *Consortium Journal of Hospitality & Tourism*, 9(1), 59-66.

Lindert, L., Zeike, S., Choi, K. E., & Pfaff, H. (2022). Transformational Leadership and Employees' Psychological Wellbeing: A Longitudinal Study. *International Journal of Environmental Research and Public Health*, *20*(1), 676. https://doi.org/10.3390%2Fijerph20010676

Luthans, F., Youssef, C. M., Sweetman, D. S., & Harms, P. D. (2013). Meeting the leadership challenge of employee well-being through relationship PsyCap and health PsyCap. *Journal of leadership & organisational studies*, *20*(1), 118-133.

Kalsoom, Z., Khan, M. A., & Zubair, D. S. S. (2018). Impact of transactional leadership and transformational leadership on employee performance: A case of FMCG industry of Pakistan. *Industrial Engineering Letters*, *8*(3), 23-30.

Kong, L., Qin, F., Zhou, A., Ding, S., & Qu, H. (2022). Relationship between self-acceptance and intention to stay at work among clinical nurses in China: a cross-sectional online survey. *Frontiers in Psychiatry*, 1513. https://doi.org/10.3389/fpsyt.2022.897157

McMurray, A. J., Pirola-Merlo, A., Sarros, J. C., & Islam, M. M. (2010). Leadership, climate, psychological capital, commitment, and wellbeing in a non-profit organisation. *Leadership & Organisation Development Journal*. 31(5), 436-457.

Mehari, B. (2015). *Transformational leadership and well-being: The mediating role of trust in leadership, meaningfulness and job satisfaction* [Master thesis, Linnaeus University]. Digitala Vetenskapliga Arkivet. https://www.diva-portal.org/smash/get/diva2:824910/FULLTEXT01.pdf

Montano, D., Reeske, A., Franke, F., & Hüffmeier, J. (2017). Leadership, followers' mental health and job performance in organisations: A comprehensive meta-analysis from an occupational health perspective. *Journal of Organisational Behavior*, *28*, 327–350.

Mohammed, Y. G., Fernando, M. and Caputi, P. (2013), Transformational leadership and work engagement. *Leadership & Organisation Development Journal*, *34*(6), 532-550.

Munir, F., Nielsen, K., Garde, A. H., Albertsen, K., & Carneiro, I. G. (2012). Mediating the effects of work–life conflict between transformational leadership and health-care workers' job satisfaction and psychological wellbeing. *Journal of Nursing Management*, *20*(4), 512-521.

Nash, B. (2020). *Transformation and Transactional Leadership in Mental Health and Substance Abuse Organizations*. Northcentral University ProQuest Dissertations Publishing, 28087810.

Newstrom, J. (2014). Organisational behavior: Human behavior at work. McGraw-Hill Higher Education.

Nielsen, K., & Daniels, K. (2012). Does shared and differentiated transformational leadership predict followers' working conditions and well-being?. *The Leadership Quarterly*, *23*(3), 383-397.

Perko, K. (2017). Leadership and employee well-being: A psychological perspective based on resource theories [Doctoral Dissertation, University of Tampere]. https://urn.fi/URN:ISBN:978-952-03-0463-8

Robert, V., & Vandenberghe, C. (2022). Laissez-faire leadership and employee well-being: the contribution of perceived supervisor organizational status. *European Journal of Work and Organizational Psychology*, *31*(6), 940-957. https://doi.org/10.1080/1359432X.2022.2081074

Ryff, C. D. (1989). Happiness is everything, or is it? Explorations on the meaning of psychological well-being. *Journal of Personality and Social Psychology, 57*, 1069-1081.

Saraswati, K. D. H., & Teja, J. (2018). Psychological well-being of employees in Java, Indonesia. *Jurnal Muara Ilmu Sosial, Humaniora, dan Seni*, *2*(2), 597-605. http://dx.doi.org/10.24912/jmishumsen.v2i2.1704

Seifert, T. A. (2005). The Ryff scales of psychological well-being. Assessment Notes. Center of Inquiry at Wabash College. https://centerofinquiry.org/uncategorized/ryff-scales-of-psychological-well-being/ Retrieved date: 5 April 2022.

Seyranian, V. (2009). "Contingency Theories of Leadership." Encyclopedia of Group Processes & Intergroup Relations. Ed. John M. Levine and Michael A. Hogg, 152-156. Thousand Oaks, CA: SAGE. https://study.sagepub.com/sites/default/files/reference6.1.pdf

Skogstad, A., Einarsen, S., Torsheim, T., Aasland, M. S., & Hetland, H. (2007). The destructiveness of laissez-faire leadership behavior. *Journal of Occupational Health Psychology*, *12*(1), 80.

Srivastava, S., McGonigal, K., Richards, J., Butler, E., & Gross, L. (2006). Optimism in Close Relationships: How Seeing Things in a Positive Light Makes Them So. *Journal of Personality and Social Psychology, 91*, 143-153. DOI: 10.1037/0022-3514.91.1.143

Tanskanen, J., M€akel€a, L. and Viitala, R. (2019). Linking managerial coaching and leader– member exchange on work engagement and performance. *Journal of Happiness Studies*, *20*, 1217-1240.

West, M., Dawson, J., Admasachew, L. and Topakas, A. (2011). NHS staff management and health service quality: results from the NHS staff survey and related data. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/215455/dh_129656.pdf Retrieved date: 13 April 2022.

Wright, T. A. and Bonett, D.G. (2007), Job satisfaction and psychological well-being as nonadditive predictors of workplace turnover. *Journal of Management*, *33*(2), 141-160. doi: 10.1177/0149206306297582.

Yang, F. F. and Zhao, Y. (2018), The effect of job autonomy on psychological well-being: the mediating role of personal initiative. *Open Journal of Social Sciences,* 11(*6*),234-248. doi: 10.4236/ jss.2018.611017.