THE RELATIONSHIP BETWEEN TRANSFORMATIONAL, TRANSACTIONAL LEADERSHIP STYLES AND EMPLOYEES PERFORMANCE IN CONSTRUCTION SECTOR, UAE

SAIF, S.1* – SITI, A.1

1Faculty of Management and Economics, Universiti Pendidikan Sultan Idris, Perak, Malaysia.

*Corresponding author
e-mail: Saif.alkhalidi[at]mail.com

(Received 13th June 2022; accepted 07th August 2022)

Abstract. Employee performance can be defined as how workers behave in the workplace and how well they perform the job duties that obligated to them. In reality, employee performance in construction companies in UAE was poor due to poor leadership style. Many of the employees have been leaving one construction company to another company for the sake of proper reward. The main purpose of this study was to examine the relationship between transformational leadership and transactional leadership styles on employee performance in the construction sector, UAE. By using quantitative approach, simple random sampling technique was applied to randomly to collect data from 46 construction companies with 331 employees completed the survey. The findings indicated 77% of the variance in employees’ performance (F=1131.050, p<0.000). With this result, the hypothesis was supported. The result also found that leadership styles strongly associated with employees’ performance at construction companies in UAE. Some of the studies on leadership styles were majorly investigated in western countries and few of it was found in UAE. It is crucial to expand the literature in conducting more research in UAE and developing countries. In short, this research helped to clarify in more inclusive global picture of the leadership styles influencing employee performance.

Keywords: leadership styles, employee performance, construction sector, UAE

Introduction

Organization tends to set performance targets that all individuals or employees in the workplace needs to achieve with the provided resources. The definition of employee performance may vary based on the whole organization and focus on defining employees’ performance according to the production output level of the employees (Harcourt and Wood, 2007). Employee performance based on the perceived behaviour of the individual, quality of goods and services produced, or the ability of the employee as an individual to be able to meet the expectations and mission of an organization (Kompaso and Sridevi, 2010). Donohoe (2019) defined employee performance as how your workers behave in the workplace and how well they perform the job duties you have obligated to them. Performance is an important factor in the administration of an organization. Based on an organizational management perspective, performance can be defined as the contribution of an employee to an organization (Shen et al., 2019). It is the behaviour of the employees in the workplace and how well they take on their tasks (Hamstra et al., 2018). Thus, various factors that contributes to the performance of the organization which has been by revealed by the previous scholars in management field. The concept of employee performance is based on the understanding of the determinants of employee performance such as employee motivation, employee engagement, satisfactions and factors that influence all of these determinants (Anitha, 2014).
Bedarkar and Pandita (2014) viewed employee engagement as a related concept that offers a tool for businesses to develop strategic partnerships with the employees. The level of employee engagement in the workplace and in the activities of the organization is shaped by various drivers that directly or indirectly impact on the performance of the employee (Decramer et al., 2013). The inter-correlations of the concepts of employee performance and employee engagement in the workplace have a commonality based on the satisfaction of the employees (Ibrahim and Al Falasi, 2014). Decramer et al. (2013) noted that the management of employee performance should first be focused on the understanding of the relationship that exists between employee performance, satisfaction, job attitudes and engagement. Robertson et al. (2012) opined that on the concept of employee performance, the determining factors of employee performance such as job and work attitudes and engagement the positivity of the individual employee’s psychological wellbeing.

A research by Iverson and Zatzick (2011) on the effects of downsizing on labour productivity and employee morale and welfare in high performance work stations showed that downsizing had an effect on the morale of the workers left in the organizations and in some cases led to attrition. The research identified gaps in the literature of the measures that companies took to keep employee morale and productivity high during downsizing. A recent research by Schulz and Johann (2018) proved that layoffs and downsizing exercises by firms and organizations affected the job performance, morale and the reputation of the firm. This further impacted on the commitment of the workers to the firm which affected its operations. These studies show the need to explore the impact that the decision to lay off a part of the education industry workforce has on the employees and the sector as a whole. There is ineffective performance of employees in the construction company due to the leadership styles adopted by the top management. It has been observed that some employees were disengaging due to minor issue. The management of the construction company in UAE always applies draconian law on the employee. This has made employees to move from one construction company to another. This study believes that by understanding the types of leadership style would benefit the top management when it comes to govern the employees thereby reduce turnover intention; this serve as a gap to fill in this study. Therefore, this study aims to examine the relationship between transformational leadership and transactional leadership styles on employee performance in the construction sector, UAE.

**Literature review**

The Dubai Chamber has forecasted that the UAE has the potential to grow further by a rate of 3.3 percent in the period between 2019-2023 (Michael, 2019). This forecast is echoed by the Research and Market survey report with an estimated growth to reach a rate of 4.64 per cent during the same period of 2019 to 2023 (Rizvi, 2019). The prospected World Expo 2020 taking place in Dubai has presented more opportunities to the construction projects especially in the luxury hotel segment (Nadkarni and Heyes, 2016) and the associated infrastructure development (Jauncey and Nadkarni, 2014) are to keep activities in the construction sector going on for the coming. The construction industry of the UAE is one of the fastest-growing sectors all across the globe. The huge availability of labour at a lower rate and proper labour management has helped the company to gain competition in global companies. The construction companies of the UAE are not just confined within its country of origin but undertakes construction
projects all across the globe. In recent time the country has registered an increasing rate of CAGR of 5.5% on top of the forecasted period, 2019-2024 (Businesswire Official Portal, 2019). The country will essentially be achieving the foresighted objective in terms of compound annual growth rate before the stipulated period with the modern advancements in technology and proper employee management (Antonakis and Day, 2018). The construction market all across the globe is quite robust therefore facilitating the construction companies a reliable platform to grow in term of revenue (Salama, 2016). The author has also highlighted that high employment rate has essentially helped the companies to get a sufficient amount of operational feasibility. The analysis of current construction market of UAE it can also be seen that most of the projects in Dubai have been strategically designed to create increased utility towards providing tourists’ accommodation and tourists spots for the people to enjoy. Al-Bassam and Zaidi (2006) has incorporated that most of the companies operating in the UAE circle and concerned with construction projects have been taking employee satisfaction on an urgent basis. Zhou et al. (2015) however has identified certain loopholes within the constructed industries and the industrial practices which might affect the employee motivation levels and the level of satisfaction among the employees like lack of fair wage rate and occasional relocation problems.

There are few studies on the leadership characteristics in the UAE, for example, Awamleh et al. (2005) have done extensive work on the transformational leadership theory among selected banking managers in the UAE. The study was tried to know the effects of transformational and transactional leadership styles of banks manager on the self-perceived performance of employees and job satisfaction. Based on the outcome of the study, it was reveals that transformational leadership style practice in the bank improved employees’ performance as well as satisfaction of employees. The managers of selected of banks make used of individuated consideration, intellectual stimulate, and utilize inspiration in the management of employees which yield lead to positive reactions from employees. On the other side, the outcome reveals negative insignificant relationship with between transactional leadership styles and employees’ performance employees’ job satisfaction. Some of the employees in the bank failed to respond to their tasks effectively and meet the target given to them which associated with reward.

**Related studies on leadership styles and employees performance**

In a study investigated by Jabnoun and Rasasi (2005) on the relationship between transformational leadership style, transactional leadership and service quality in the UAE hospitals. The dimensions of the variables were examined from hospital employees’ perspective. The study used 6 government and private hospitals in the UAE. The findings of the study revealed that the employees of the hospital give low ratings for their leaders in three transformational leadership, transactional and contingent reward. The findings further explaining that leadership practice in hospitals lead to higher employee’s performance and highly related to transformational leadership and contingent reward. Nonetheless, negative relationship was discovered between management by exception and passive and dimension of service quality. Thus, leadership of the hospitals should be cautious of using these two dimensions which lead to negative results. Another empirical study was made on employees’ performance by Ojokuku et al. (2012) which looked into the impact of leadership style on the performance organization. The sample consists of 60 employees which were randomly selected banks in Ibadan state in Nigeria. The study emphasized the significance of
leadership styles and regression analysis shown that around 23 percent of the variation in employee performance. The study further suggested that the management of banks should utilize both transformational and democratic leadership styles on employees so as to gain the advantage competitive market in the banking sector.

More so, in a study done by Nuhu (2010) in Kampala District Council in Uganda revealed that transactional, autocratic and laissez-faire style were the top most leadership style used in Uganda. In this study, an autocratic style has negative result on the performance of employees while laissez-faire style has significant relationship with on employee performance but with a low contribution. Therefore, the finding concluded that transactional style should be used to enhance the desired performance of employees and to accomplish stated goals of the organization in the District council of Uganda. Likewise, study done by Gimuguni et al. (2014) in Mbale local government of Uganda showed autocratic, democratic and laissez-faire were positively related to employee performance. The study found that autocratic styles of leadership have impart on employees to perform their task effectively while Laissez-faire leadership style hinder employees to meet stated goals. Despite the domination of laissez faire style and autocratic style, the study suggested that local government in Uganda should integrate all the three leadership technique. Furthermore, empirical studies were done on the effect of leadership style on employee performance in banking sector in Ethiopia. Tsigu and Rao (2015) looked into banking sector and the result show that transformational leadership style explains the larger variation in performance than transactional leadership style. The study later, recommend that leaders should make use of the dimensions of transformational leadership style effectively so to reap the goals of the organization. In the same vein, Rao and Abdul (2015) on the other hand buttressed the above findings that transactional style still better than laissez-faire leader. He finalized that, employees with laissez-faire leader were unable to meet the meet the objectives of the organization and their performance is likely to be low.

The development of hypotheses

Decramer et al. (2013) have viewed leadership styles as the employee performance cultures employed by the individuals or a group in charge of an organization’s employees that determine the employees’ relationship with the organization and their satisfaction. Alas et al. (2007) described leadership style to culturally contingent and determine by various factors. The effectiveness of the leadership style forms the organizational culture and is tied to the employee satisfaction and job performance (Chen and Silverthorne, 2005; Ogbonna and Harris, 2000). The two types of leadership styles that are transformational and transactional leadership styles have been studied before by various scholars on how the leadership styles impacted on the employee satisfaction. Bogler (2001) studied different leadership styles on how they affected the satisfaction of teachers. Nguyen et al. (2017) in a study on the effect that transformational leadership style had on managerial performance noted that transformational leadership style had a positive effect on the performance of the management. Choi et al. (2017) found that transformational leadership improved the employees’ perception of team’s effectiveness and performance. These empirical findings drive to the following hypotheses:

H1: There is a significant relationship between transformational leadership styles and employee performance.
McColl-Kennedy and Anderson (2002) studied the impact that the style of leadership had on the emotions of subordinate staff and their performance. McColl-Kennedy and Anderson (2002) noted that the leadership style had some level of influence on the subordinate employee’s emotions and performance. Zareen et al. (2014) studied transactional, transformational and laissez-faire leadership styles used in the banking industry of Pakistan. The findings showed that the leadership style positively impacted on employee motivated and improved employee performance among the employees in the industry. The emotions of the leader, ability to connect with the workforce, ability to self-regulate, and manage oneself are determined by the factors identified above (Norman, 2017; Sunindijo et al., 2007; Simpson, 2005; Goleman et al., 2002). From the above findings, the following hypotheses might be adopted:

H2: There is a significant relationship between transactional leadership styles and employee performance.

Figure 1 shows the conceptual framework for this study. It shows the direct relationship between transformation leadership and transactional leadership and employee performance.

**Figure 1. Conceptual framework of the study.**

**Materials and Methods**

**Research design**

This study used quantitative approach that can help researcher collect accurate data, reduce the effects of bias (bias), and improve the quality of the data collected (Sekaran and Bougie, 2016; Cresswell, 1998). For the purpose of collecting data, this study used a questionnaire consisting of three main components. Based on Table 1, the items of questionnaires are as the following. First, transformational leadership styles contained eight questions items. These questions were adapted from the Donmez and Toker (2017), Feldmann (2012) as well as Li-Chaoping (2005). Second, the transactional leadership styles contained eight questions items (Table 2). These questions were
adapted from the literature of Ko and Kang (2019), Ismail et al. (2010) as well as Den Hartog et al. (1997). Third, employee performance which contained eight questions items (Table 3). These questions were adapted from the Thomsen (2014). All questions items in this study were measured using a 5 Likert scale between strongly disagree/very dissatisfied (1) to strongly agree/very satisfied (5).

Table 1. Items of questionnaire for transformational leadership styles.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Measurement items</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership</td>
<td>TL1</td>
<td>Supervisor give the opportunity to generate ideas while planning in the organization.</td>
<td>(1) Donmez and Toker (2017)</td>
</tr>
<tr>
<td></td>
<td>TL2</td>
<td>Supervisor informed the school about the short or long term potential contributions of my work.</td>
<td>(2) Feldman (2012)</td>
</tr>
<tr>
<td></td>
<td>TL3</td>
<td>Supervisor allowed to put my ideas into practice.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL4</td>
<td>Supervisor considered with my personal ideas when they allocate tasks in the team.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL5</td>
<td>Supervisor encouraged with external rewards (such as premiums or additional days of rest) to make me work.</td>
<td>(3) Li-Chaoping (2005)</td>
</tr>
<tr>
<td></td>
<td>TL6</td>
<td>Supervisor Set objectives and advice for employees.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL7</td>
<td>Supervisor accept appropriate management style according to employees' situations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL8</td>
<td>Supervisor Help to solve employees' difficulties in life and family.</td>
<td></td>
</tr>
</tbody>
</table>

Table 2. Items of questionnaire for transactional leadership styles.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Measurement items</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactional leadership</td>
<td>TL1</td>
<td>If I perform my duty, the supervisor always give me helpful feedback.</td>
<td>(1) Ko and Kang (2019)</td>
</tr>
<tr>
<td></td>
<td>TL2</td>
<td>If I perform excellently in the job, the supervisor will give a reward.</td>
<td>(2) Den Hartog et al. (1997)</td>
</tr>
<tr>
<td></td>
<td>TL3</td>
<td>If I work beyond the target, the supervisor will give a praise and commendation.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL4</td>
<td>If my job is not up to the expectation, the supervisor give directions and correction or rebuke.</td>
<td>(3) Ismail et al. (2010)</td>
</tr>
<tr>
<td></td>
<td>TL5</td>
<td>If my performance of work is low, the supervisor will show the mistakes.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL6</td>
<td>Supervisor makes clear expectation.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL7</td>
<td>Supervisor monitors my performance and keeps track of mistake.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TL8</td>
<td>Supervisor tells us standards to carry out work.</td>
<td></td>
</tr>
</tbody>
</table>

Table 3. Items of questionnaire for employees performance styles.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Measurement items</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees performances</td>
<td>EP1</td>
<td>I feel I am being paid a fair amount for the work I do in my organization.</td>
<td>(1) Thomsen (2014)</td>
</tr>
<tr>
<td></td>
<td>EP2</td>
<td>There is really too little chance for promotion on my job in my organization.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>EP3</td>
<td>I am not satisfied with the benefits I receive organization.</td>
<td></td>
</tr>
</tbody>
</table>
EP4  When I do a good job, I receive the recognition for it that I should receive organization.

EP5  I like the people I work with organization.

EP6  I do not feel that the work I do is appreciated organization.

EP7  The goals of this organization are not clear to me organization.

EP8  My supervisor is unfair to me organization.

**Sampling procedure**

Stratified random sampling technique was used to identify the categories of employees for consideration. To avoid bias and prejudice in the selection process, the sample size was calculated with recourse and thus employing the sample size for estimated proportion approach. The data needed for this research was sorted out mainly form the users and employees of the organization as following criteria: staff from corporate departments (33% of total number of staff = 56); staff from admin department (33% of total number of staff = 186); and staff from construction department (33% of total number of staff = 138). The employees were from different levels and senioritis, so the data could contain a variety of opinions to support the study objectives. The chosen organization for the research was Construction Companies. For the purposes of this study, the developed construction company was considered, as the chosen sample because of its location in the city and majority of the staff and activities were implemented there. Data was collected from employees of different units in the companies, UAE. Thus, they were to provide diversities in their answers that assist the researcher to get correct information. Therefore, random sampling technique was administered where a total of 331 members were selected to fill in the questionnaire. As indicated, this alternative provided equal chances for all the participants that they could be selected to take part in the study.

**Data analysis**

SPSS software was used to evaluate the validity and reliability of the research instruments and test the research hypotheses. There are four reasons why researchers use this software, namely, it is the most accurate software to evaluate reflective research models, able to analyze studies with small sample size, able to evaluate complex research models with many variables, and able to analyze reflective measurement models and formative (Henseler and Chin, 2010). For the purpose of this study, discriminant and convergent validity tests were performed to determine the validity and reliability of the study instruments. Next, analysis of path coefficient, predictive strength (R2), effect size (f2), and relevant prediction (Q2) was performed to test the study hypotheses.

**Results and Discussion**

**Respondent background**

The majority of respondents were male (83.2%), married (87.1%), have academic qualifications at the Master's level and above (47.3%), aged between 26 to 35 years (46.7%), consisting of employees from non-executive groups (48.4%). Table 4 shows
the mean and standard deviations for independent variables. It shows that the highest mean score is Transformational leadership (M=3.61, SD=0.84), followed by Transactional leadership (M=3.56, SD=0.72), Employee performance (M=3.35, SD=0.97).

**Table 4. Means and standard deviations for independent variables.**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Means</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership</td>
<td>3.61</td>
<td>0.84</td>
</tr>
<tr>
<td>Transactional leadership</td>
<td>3.56</td>
<td>0.72</td>
</tr>
<tr>
<td>Employee performance</td>
<td>3.35</td>
<td>0.97</td>
</tr>
</tbody>
</table>

*Note: N=331*

**Reliability and validity**

**Table 5** showed that the factor weighting value for each item in this model is greater than 0.70. Next, the composite reliability value for each study construct was higher than 0.80. These results confirm that all items and constructs in this study have reached the set levels of convergent validity and reliability (Henseler and Chin, 2010).

**Table 5. Reliability.**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Transformational leadership</th>
<th>Transactional leadership</th>
<th>Employee performance</th>
<th>Cronbach alpha value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership</td>
<td>0.880</td>
<td></td>
<td></td>
<td>0.941</td>
</tr>
<tr>
<td>Transactional leadership</td>
<td>0.885</td>
<td>0.858</td>
<td></td>
<td>0.937</td>
</tr>
<tr>
<td>Employee performance</td>
<td>0.858</td>
<td>0.947</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 6** shows the Average Variance Extracted (AVE) values for all constructs greater than 0.50, which is between 0.622 to 0.724. Next, the Heterotrait-Monotrait (HTMT) value for each relationship between the variables was smaller than 0.85, which ranged from 0.696 to 0.810. These results prove that all study constructs have met the established discriminatory validity criteria (Henseler and Chin, 2010).

**Table 6. AVE and HTMT.**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Transformational leadership</th>
<th>Transactional leadership</th>
<th>Employee performance</th>
<th>AVE value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership</td>
<td>0.810</td>
<td></td>
<td></td>
<td>0.727</td>
</tr>
<tr>
<td>Transactional leadership</td>
<td>0.696</td>
<td>0.714</td>
<td></td>
<td>0.622</td>
</tr>
<tr>
<td>Employee performance</td>
<td>0.728</td>
<td></td>
<td></td>
<td>0.728</td>
</tr>
</tbody>
</table>

**Hypotheses tested: H1, H2**

**Table 7** showed summary of the hypotheses testing findings in this study. From the analysis done, it was found that the transformational leadership in the analysis contributed 57% of the change to employee performance. This level of change is considered a major change (Cohen, 2013). The results of testing Hypothesis 1 (H1) showed that transactional leadership had a significant relationship with employee performance ($\beta=0.755; t=26.715$), therefore H1 was accepted. These findings prove that organizational justice plays an important role in improving the level of employee performance in the organization. Further, relevant predictive testing found that organizational fairness is capable of being a predictor to job performance when the Q2
value is greater than 0, i.e. 0.335. Next, the inclusion of transactional leadership into the analysis contributed 56.7% of the change to job performance. This level of change is considered a major change (Cohen, 2013). The results of testing Hypothesis 2 (H2) showed that transactional leadership had a significant relationship with employee performance (β=0.481; t=6.117), therefore H2 was accepted. These findings have confirmed that both leadership styles play an important role in improving the level of employee performance. Further, relevant predictive testing found that organizational fairness is capable of being a predictor to employee performance when the Q2 value is greater than 0, i.e. 0.335.

Table 7. Hypotheses tested.

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Relationship</th>
<th>B value</th>
<th>T value</th>
<th>$Q^2$</th>
<th>$R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Transformational</td>
<td>0.755</td>
<td>26.715</td>
<td>0.335</td>
<td>0.570</td>
</tr>
<tr>
<td></td>
<td>leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H2</td>
<td>Transactional</td>
<td>0.481</td>
<td>6.117</td>
<td>0.335</td>
<td>0.567</td>
</tr>
<tr>
<td></td>
<td>leadership</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: significant at $t>1.96$

The findings of this study confirm that transformational leadership and transactional leadership have a significant relationship with employee performance. This situation is in line with the findings from studies that have been done in different countries and in different sectors. For example, one of the important factors related to the leadership styles highlighted by Awamleh et al. (2005) extensive work on the transformational leadership theory among selected banking managers in the UAE. The study was tried to know the effects of transformational and transactional leadership styles of banks manager on the self-perceived performance of employees and job satisfaction. Based on the outcome of the study, Awamleh et al. (2005) reported that transformational leadership and transactional leadership style practice has improved employees’ performance which leads satisfaction of employees. The managers of selected of banks make used of individual consideration, intellectual stimulate, and utilize inspiration in the management of employees which yield lead to positive reactions from employees. On the other side, the outcome reveals negative insignificant relationship with between transactional leadership styles and employees performance employees’ job satisfaction. Further explained that employees in the bank able to respond to their tasks effectively and meet the target given to them which associated with reward. Similarly, Jabnoun and Rasasi (2005) who examined the relationship between transactional leadership style, transactional leadership and service quality in the UAE hospitals revealed that the two leadership styles have positive relationship with employee’s performance.

In line with the objectives of the study, the findings of this study can contribute to the theory, add value to research methods as well as organizational administrators. In terms of contributions to theory, this study has acknowledged the recommendations put forward by transformational theory and transactional theory in explaining the importance of organizational justice and its relationship to employee performance. Furthermore, in terms of the empowerment of research methods, the instruments used in this study have reached the required level of validity and reliability. Therefore, it can produce accurate, valid, and reliable research findings. Furthermore, in terms of contribution to organizational administrators, the findings of this study can help organizational administrators better understand the uniqueness of organizational justice.
and its importance in the administration of a successful organization. This strategy is very important to ensure that the administration of the organization can be implemented fairly to achieve the goals of the organization without neglecting the interests of employees. The willingness of organizational administrators to consider and implement organizational administration by applying and taking into account the elements of organizational justice can enhance positive attitudes among employees.

**Recommendation for management**

The study investigates the relationship between transformational, transactional leadership style and employees performance. Based on these findings, the study recommended among the following: (1) the management should endeavor to send employees for professional development so as to improve their efficiency in the construction company; (2) again, employees are the vital instrument in the construction company. The management should try to include employees in most of decision making so as to know that the company values them; (3) also, promotion, incentives and salary increment have regarded as part of techniques that make employees to meet the stated goals. When these are provided at regularly, commitment of employees tend to increase which in turn increase their productivity; and (4) the study recommends that motivation should be introduce into Construction Company as practiced in developed countries. This motivation would allow employee to improve their productivity.

**Conclusion**

The findings of this study confirm that transformational and transactional leadership are important predictor factors for employee performance. To maximize the level of job performance among employees, organizations need to strengthen the ability of organizational administrators in administering their supervised employees fairly, efficiently, and effectively. Furthermore, the findings of this study have reinforced and disseminated the importance of leadership styles in organizational governance. Therefore, studies and practices related to organizational leadership styles need to take into account the components of interactional justice and procedural fairness. This measure is a strategic action to stimulate a positive attitude among employees to contribute to increased productivity and competitiveness of the organization. Although the findings of this study are considered valid and reliable, they have some constraints. First, this study only involved employees in postal and courier services in UAE. Therefore, it may not be generalizable to other organizations of different backgrounds. Second, this study uses a cross-sectional approach in data collection. Thus, it is not able to assess the changes that occur when measuring the relationship between the variables involved. Third, this study uses a direct effects model to measure the relationships between variables. This study has ignored the effects of mediating variables and/or moderating variables in this relationship. Accordingly, future studies are recommended to take into account the constraints of this study to obtain better and meaningful research findings.
Acknowledgement

We express our special thanks of gratitude to construction companies of UAE for providing us information and materials used for this paper. Also, appreciation goes to employees for their support and understanding during the period of gathering data for this paper.

Conflict of interest

The author(s) declare that they have no conflict of interest involve with any parties in this research study.

REFERENCES


