Leadership style and employee performance in China's fast moving consumer goods industry

Can Tang[1]
Walton Wider[2+]
Kai Wah Cheng[3]
Choon Kit Chan[4]
Leilei Jiang[5]

[1,2,3]*Faculty of Business and Communications, INTI International University, Malaysia.*
[1]*Email: i21021210@student.newinti.edu.my*
[2]*Email: walton.wider@newinti.edu.my*
[3]*Email: kaiwah.cheng@newinti.edu.my*
[4]*Mechanical Engineering Department, Faculty of Engineering and Quantity Surveying, INTI International University, Nilai, Negeri Sembilan, Malaysia.*
[4]*Email: choonkit.chan@newinti.edu.my*
[5]*Faculty of Education and Liberal Arts, INTI International University, Malaysia.*
[5]*Email: i22023546@student.newinti.edu.my*

(+ Corresponding author)

ABSTRACT

The purpose of this study is to investigate the effect of various leadership styles on employee performance in the Fast-Moving Consumer Goods (FMCG) industry in China. The unexpected global spread of the coronavirus pandemic and its complicated issues have created a substantial amount of uncertainty in consumer demand worldwide which has motivated this research and highlighted the crucial role that the FMCG industry's marketing relationship plays in determining enterprise profit. There is a growing concern among enterprise managers, academics and policymakers about employee performance and its overarching impact on the organization. The study is underpinned by social exchange theory and employs a cross-sectional design. An online survey was conducted with 384 employees from the FMCG industry to measure the impact of three independent variables: authentic leadership style, servant leadership style and ethical leadership style. The findings reveal that authentic, servant and ethical leadership all significantly affect employee performance in the Chinese FMCG industry. Among these, ethical leadership is found to have the extreme effect. The implications of this study are of practical relevance to FMCG companies. FMCG companies can potentially navigate through the uncertainty in global consumer demand more effectively by reconfiguring their leadership styles to enhance employee performance. The study provides insights that can be used by FMCG companies to increase employee performance which is directly linked to enterprise profit.

Contribution/Originality: This study contributes to the understanding of leadership within China's FMCG sector by demonstrating that ethical leadership most significantly enhances employee performance, offering a strategic focus for managerial development and ethical culture promotion in fast-paced business environments.

1. INTRODUCTION

The twenty-first century is an era that prioritizes people and communities. A wide range of data has shown that an organization's ability to improve its core competitiveness is increasingly dependent on the capabilities of its "people" in the face of intense market competition. Leaders and employees are two categories of "people" in a

company. As a result, research on leaders and employees has always been a theoretical topic of great interest in the field of management as it is related to an organization's success or failure (Teoh et al., 2022; Wang, Lin, Osman, Farooq, & Raju, 2021). Employee achievement in the FMCG sector is typically connected with sales performance and employees in this area experience greater marketing influence than those in other industries. Several researchers have examined the impact of different theories of leadership on employee performance in their studies (Manzoor et al., 2019). However, there is a lack of research in this area particularly as it pertains to the FMCG industry and the effect of leadership style on employee performance. However, the guidance, management and training methods used by different leaders will have significant effects on how well people perform. This is especially true in the FMCG sector where a significant number of employees work in marketing.

China's FMCG business has seen rapid modifications as a result of the COVID-19 and Zero-COVID rules. For instance, stores changed their marketing strategies during the home-quarantine phase to focus more on the internet, mobile, live-streaming and other media (Yang, Zeng, Liu, & Li, 2022). Chinese customers were able to use e-commerce technology efficiently during the outbreak's peak to ensure that they could continue to readily purchase everyday FMCG products because of high-speed internet and online services (Gupta, 2020). These changes necessitate FMCG employees rapidly adapting marketing methods, learning new technologies (such as live streaming e-commerce) and developing new marketing strategies. Employees are under tremendous stress in both life and work during the pandemic period. In these circumstances, it is imperative to find solutions to the problems of enhancing the leadership role, inspiring staff members with a suitable leadership style to tolerate stress, implementing new marketing concepts and learning novel marketing strategies (Siagian, Jade, & Tarigan, 2020).

The relationship between leadership and employee performance is essential in the fast-moving consumer goods (FMCG) industry (Purwanto, Wijayanti, Hyun, & Asbari, 2019). Industry newcomers can quickly adjust to their workplaces and surroundings with the help of local leaders. They set the example for new workers, inspiring them to forge ahead without detours, to have faith in the industry and to give the industry a steady boost in terms of growth. Second, the evaluation of middle and senior leaders' decisions, the training and direction of subordinates and a general comprehension of the current environment have all contributed to the expansion of the industry (Alqatawenh, 2018). Leaders should cultivate excellent team organisation and shape the team's behaviour and values in order to better serve their own community (Meiyani & Putra, 2019).

Many researchers have studied the factors that influence employee performance in great depth. Among these, leadership style has attracted the interest of more academics as a significant element affecting worker performance. Various leadership philosophies have been shown to enhance worker performance. Chen, Luo, Zhu, Huang, and Liu (2020) investigated the relationship between inclusive leadership and employee innovation performance and discovered that inclusive leadership significantly improved employee innovation performance. Yan, Guo, Xie, Hao, and Ma (2020) investigated the mechanism of ethical leadership's influence on employees' active behaviour. The findings revealed that ethical leadership was positively related to active behaviour among employees. A partial mediator was the perception of constructive responsibility while employees' professions served as a regulator between active activity and ethical leadership. Nevertheless, based on the actual state of the industry, the FMCG industry is characterized by a rapid work pace and intense pressure (Liu, Margaritis, & Zhang, 2019). Some leaders express themselves openly and are typically genuine leaders. Product design, marketing, advertising, sales and other links in the FMCG industry are critical, so some leaders emphasize teamwork, solve problems with employees and provide all necessary support for subordinate employees. They are people who serve the public in some capacity (Benfratello & Shiqian, 2021). The management of teams is of critical significance in the FMCG industry. Some leaders use an ethical style of leadership and place a strong emphasis on asking employees to follow company rules. This study's initial goal is to better understand how the three leadership philosophies authentic leadership, servant leadership and ethical leadership affect worker performance in the FMCG sector.

1.1. Underpinning Theory

The research model was built on the foundation of social exchange theory (Blau, 1964). Blau (1964) proposed an innovative view that all human behaviours, including social exchange behaviours are ultimately aimed at exchange based on a review of early studies on social exchange theory. Blau (1964) examines the micro and macro perspectives of social exchange theory. At the micro level, he argues that people are unable to strengthen the psychological process equivalent to social exchange and that all human activities cannot be determined for the exchange. He suggests two indicators to identify social exchange conduct: whether a particular behaviour can only be attained through social interaction and whether there is equivalence between the two participants in the interaction. Furthermore, Cook, Cheshire, Rice, and Nakagawa (2013) proposed that attraction is the fundamental cause of social exchange behaviour and that the emergence of economic motivation will lead to the emergence of social attraction. The majority of social exchange conduct is controlled by social and cultural norms despite certain similarities between social and economic trade behaviour.

This theory examines the benefits and costs of social interaction. The most attractive people are those who can provide us with money. Furthermore, we constantly work to maximize the benefits of our relationships with others. The guiding principle of human society is to help one another. As a result, the process of social interaction can be described as an exchange process. According to social exchange theory, employees and their organization engage in social exchange behaviours in their daily lives and at work. On the one hand, organizations provide a good working environment, a development platform, promotion opportunities and various types of rewards to their employees. On the other hand, employees will fulfil their goals in accordance with the organization's relevant regulations and requirements in order to maintain the balance of the exchange relationship between the two parties and achieve sustainable development (Wang, Xiang, Yang, & Ma, 2019).

Employee performance varies depending on the information presented in this paper and the reciprocal exchanges that employees have with leaders who use various approaches to leadership to protect their own resources. Almost every employee in the FMCG industry is under pressure to meet key performance indicators (KPIs). Effective leaders will communicate the situations to their employees and offer benefits that are consistent with the goals to help them reach their KPIs. Such benefits and KPIs are not static but are adjusted on a regular basis. A leader who practices true leadership inspires followers to work hard and enhances performance at work by having them perform the duties allocated to them and then obtain the promised reward. This is a trade-off between the benefits promised by leaders and the actual situation or market changes as well as employee performance. Public servant leaders will assist and encourage employees to complete KPIs including using leaders' own interpersonal resources and providing advice. These material and spiritual benefits will also motivate employees to work hard in order to improve their work performance. This is a trade-off between leadership support and employee performance. Ethical leaders will establish assessment rules at the outset of team formation and employees will work carefully to meet these assessment requirements in order to improve employee performance. This is a trade-off between the benefits promised by leaders in accordance with the rules and the performance of employees. In a nutshell, the social exchange theory states that the relationship between leadership style and employee performance is the exchange of leaders and employee compensation through the benefits and support they provide to employees.

1.2. Employee Performance

Borman and Motowidlo (1993) study is widely recognised for separating the dimensions of employee work performance. They divide performance into two categories: context and task performance. Task performance primarily refers to completing work on time with high quality and quantity as well as mastering work skills. Peripheral performance primarily refers to an employee's self-cultivation and quality. Competition has become increasingly intense since the introduction of the market economy. Requirements for employees are getting stronger in order for them to better adapt to the environment (Paais & Pattiruhu, 2020). Employees must take this

course in order to quickly adapt to their new surroundings. Empirical studies have shown that adaptive performance is unrelated to the environment or the task at hand. One must engage in a process of continual learning and development that results in enhanced proficiency to perform at one's best in an ever-changing environment. Employees' good communication and expression ability, adaptability, pressure resistance, flexible problem-solving ability and continuous learning and innovation ability are the main influencing factors. Employee performance has gone through a transformation from a one-dimensional to a two-dimensional concept. Campbell (1990) believed that employee performance refers to employees' work performance in attempting to achieve organizational goals which is a one-dimensional concept. The analysis of employee performance is becoming more comprehensive as relevant research becomes more in-depth. Borman and Motowidlo (1993) believed that employee performance is a series of measurable work behaviours taken by employees in the process of attempting to achieve organizational goals including task performance and peripheral performance which is a two-dimensional concept based on a large number of investigations and studies. The contribution of employee behaviour to the achievement of organizational goals is referred to as task performance. Peripheral performance refers to behaviours that are beneficial to the achievement of organizational goals but do not require compulsory responsibility such as taking the initiative to assist colleagues in their work and having an active dedication spirit. The debate then shifted to whether or not employee performance is a result of behaviour. This study defined employee performance as the cumulative sum of actions and outcomes taken by employees in the process of achieving organizational goals based on the research findings.

2. LEADERSHIP STYLE AND EMPLOYEE PERFORMANCE

2.1. Authentic Leadership Style

George (2003) was the first scholar to define authentic leadership. True leadership has its own distinct standards and specific rules for addressing issues. He constantly challenged himself to grow by practicing severe self-control. He consistently demonstrates his charismatic personality to his subordinates has a goal-oriented mindset and upholds the values of integrity and honesty. Positive emotions and genuine attitudes of authentic leaders will also have an impact on employees causing them to alter their organizational methods and practices. It is commonly believed that genuine leaders possess a number of distinctive personality traits such as honesty, frankness, self-confidence and dependability (Razak, Sarpan, & Ramlan, 2018). They are skilled at identifying differences among employees and customizing a set of training programmes for them based on the characteristics of various employees in order to fundamentally explore their potential, train them to establish important advantages that ordinary people do not have, improve organizational performance and promote the long-term development of the organization (Luthans & Avolio, 2003). Accordingly, authentic leadership is distinct from other forms of leadership because its practitioners are prepared to engage in genuine, transparent relationships with their employees on a level basis. In the instance that an organization faces stress from the outside world, they will not alter the status quo or act in a way that is against their moral principles by acting in a way that is detrimental to the interests of others (Avolio & Gardner, 2005; Wucai, Guolin, & Dou, 2023).

Gardner, Avolio, Luthans, May, and Walumbwa (2005) contend that authentic leaders can infect their subordinates with their positive attitude and mobilise their positive state in order to inspire their subordinates to invest more in the organisation and produce higher work performance. Gardner, Cogliser, Davis, and Dickens (2011) believe that the more apparent the genuine social attributes of leaders are, the more organizational citizenship behaviours employees will demonstrate and the greater their work efforts will be. Peus, Wesche, Streicher, Braun, and Frey (2012) discovered that if leaders demonstrate more transparent relationships with employees and hold more recognition events for employees, employees will be more satisfied with their work in the enterprise and have a stronger sense of organizational commitment, so they will be more willing to devote themselves to the enterprise and produce more work output. In addition, Wong and Cummings (2009) found that

the more authentic the leader is, the more likely the subordinates are to improve their voice behaviour. Hannah, Avolio, and Walumbwa (2011) believed that there is a direct relationship between authentic leadership and the moral behaviour of employees. If the leader lacks a strong moral code, employees will not show an abundance of moral behaviours. Consequently, we hypothesize:

Hypothesis 1: Authentic leadership style has a positive effect on employee performance in the Chinese FMCG industry.

2.2. Servant Leadership Style

The concept of servant leadership was initially introduced by Greenleaf in 1970. This leadership style is characterized by its prioritization of the leader's duty to serve the employees as opposed to exerting control and restriction over them. Moreover, he regards as a crucial criterion for assessing the leadership style of the public servant the degree to which subordinates possess a sense of altruism and are prepared to set aside their personal interests to assist others. Greenleaf further refined his theory postulating that the service spirit of a leader should guide the development of employees with the aim of fostering service-oriented behavior and a propensity for service among subordinates. Enterprise managers' acknowledgment of servant leadership has led researchers to further their research on this specific leadership approach. According to Reinke (2004) leadership style transitions from leading to serving employees which is beneficial for both the employees' professional growth and the organization's continued existence.

The research of Sun, Liden, and Ouyang (2019) elucidates that this leadership style is distinguished by its service-oriented nature emphasis on the leader's personal service conduct and concern for the interests of subordinates and the organisation. According to Han, Wang, and Yan (2019) managers must be willing to put their subordinates' needs before their own preferences in order to uphold the moral principles and duties of a leader. The researcher reached the conclusion drawing from the existing body of research on the servant leadership style that the service provided by managers to employees is substantiated by the majority of studies on the subject (Alqatawenh, 2018; Purwanto et al., 2019). Managers possess elevated ethical principles and personal qualities that enable them to exert influence over the attitudes and conduct of employees through tangible service-oriented actions, assist workers in recognizing their areas of improvement, foster their development and ultimately optimize the attainment of organizational objectives (Quddus et al., 2020). As a result, we postulate:

Hypothesis 2: Servant leadership style has a positive effect on employee performance in the Chinese FMCG industry.

2.3. Ethical Leadership Style

Moral and ethical characteristics of leadership were components of leadership performance. Enderle (1987) was the first to propose ethical leadership as a distinct leadership style in the 1980s. It was clear that ethical leadership focused on managers' ethical roles and required them to clarify ethical and moral issues in the management process. Moral and ethical characteristics are integral components of leadership performance (Raza & Sikandar, 2018). According to Brown, Treviño, and Harrison (2005) ethical leadership comes from various factors including sincerity and reliability on the part of the leader as well as a fair and just rewards and punishment system established by the organisation and policymakers. It also mentions a distinct management model that involves a personal and leadership dual role which aims to reinforce positive behaviour in employees and maintain a high level of consistency. Meanwhile, according to Brown et al. (2005) perspective on employee behavior, ethical leadership is essential to create a clear system within an organization. This ethical leadership involves promoting ethical values in the organization, creating a culture based on these values and strengthening and guiding staff's ideology through individual action and administrative power. The organisation can demonstrate a consistent pattern of behavior by implementing ethical leadership. Leadership that is guided by ethics can instill in workers a stronger sense of belonging as well as the sense that they are respected and treated fairly. Ethical leadership adopts a fair and transparent distribution scheme and rewards employees based on their contribution rate which positively

influences employees' organizational commitment, organizational identity and organizational trust (Abu Nasra & Arar, 2020). Ren and Chadee (2020) investigated subordinates' recognition of their leaders' ethical behaviour as well as their job satisfaction based on the Chinese context. The findings indicate that self-efficacy plays a partial mediating role and that the effect of ethical leadership varies between state-owned and foreign-funded enterprises. As a result, we hypothesize:

Hypothesis 3: Ethical leadership style has a positive effect on employee performance in the Chinese FMCG industry.

The following conceptual framework was developed based on the reviewed literature and the theory incorporated into this study. Figure 1 illustrates the conceptual framework of the study presenting authentic leadership style, servant leadership style and ethical leadership style as independent variables with employee performance as the dependent variable.
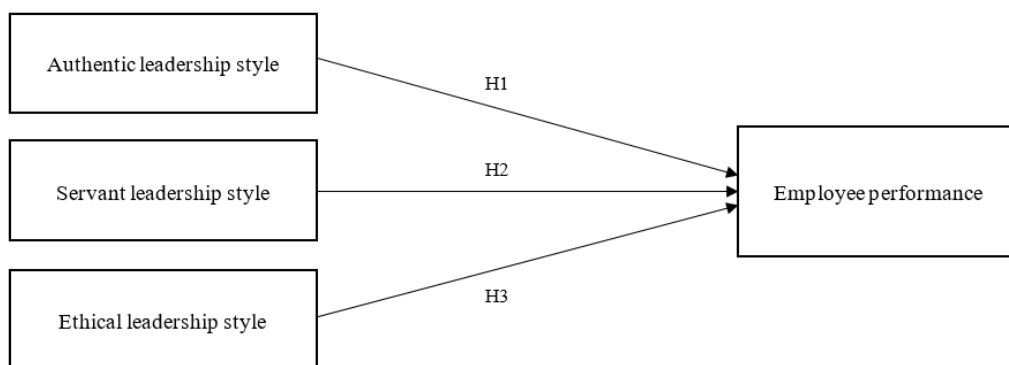

Figure 1. Conceptual framework.

3. METHODS

3.1. Sample

A representative sample of FMCG company employees in China was chosen to participate in this research. G*Power was used in the sample size determination process. The sample size is 119 due to the inclusion of three predictors in the research model: a significance level of 0.05, a statistical power of 0.95 and an effect size of 0.15. Consequently, the results are reliable since the 342 sample size is adequate. The method of data collection employed was snowball sampling. The initial participant was chosen to participate in the online self-report survey after fulfilling the inclusion criteria. The survey was disseminated across multiple social media platforms. The participant was then asked to recommend any more sample frame members that they believed would be a good fit to take part in the survey.

Table 1. Demographic profile of respondents (N=342).

Demographic		Frequency	Percent (%)
Gender	Male	180	52.6
	Female	162	47.4
Age group	18-25 years old	58	17
	26-35 years old	108	31.6
	36-45 years old	80	23.4
	46-55 years old	74	21.6
	Above 55 years old	22	6.4
Education background	High school	71	20.8
	Undergraduate	189	55.3
	Postgraduate	82	24.0

The demographic profile of the respondents, as presented in Table 1 comprises details regarding their gender, age and educational background. There are 162 (47.4%) female respondents and 180 (52.6%) male respondents in total. In terms of age distribution, 180 respondents (31.6%) fall within the "26-35 years old" category while 80

82

respondents (23.4%) belong to the "36-45 years old" age category. In terms of academic qualifications, 71 respondents (20.8%) possess high school certificates, 82 respondents (24.0%) hold postgraduate degrees and 189 respondents (55.3%) hold undergraduate degrees.

3.2. Instruments

Section A contains a sample of demographic information from respondents such as their gender, age and educational background. The independent and dependent variables are included in section B. Each question was scored on a 5-point Likert scale with 1 being strongly disagree and 5 being strongly agree. One of the five items in the employee performance constructs which were taken from Asbari, Hidayat, and Purwanto (2021) is "I am capable of performing the specified assignment." The concept of authentic leadership style is taken from Alilyyani, Wong, and Cummings (2018). An instance of an item within the construct is "My leader encourages all employees to voice their opinions". The servant leadership style was adapted from Langhof and Güldenberg (2020) as demonstrated by the item: "My leader collaborates with team members when a problem arises". Finally, the ethical leadership style was adapted from Chikeleze and Baehrend Jr (2017) with the item "My leader makes fair and equitable decisions" as an example. Cronbach's alpha values range from 0.87 to 0.91.

3.3. Data Analysis

The data were analyzed using version 27.0 of Statistical Packages for the Social Sciences (SPSS). The data were subjected to descriptive analyses in order to ascertain the frequency distribution of the backgrounds of the respondents. The relationship between employee performance and servant leadership style, authentic leadership style and ethical leadership style was subsequently ascertained through the utilization of a Pearson correlation analysis. The different predictors of employee performance were then investigated using multiple regression analysis. Every statistical test used a significance threshold of 0.05 as a cut-off value.

4. RESULTS

Table 2 presents the outcomes of a Pearson correlation analysis examining the relationships between authentic, servant and ethical leadership styles and employee performance. The study revealed a significant positive association ($r = .512$, $p < .01$) between authentic leadership and worker performance highlighting the significance of goal-oriented leaders who show charisma, honesty and integrity while interacting with subordinates. Similarly, servant leadership was positively correlated with employee performance ($r = .703$, $p < .01$), emphasizing the effectiveness of leaders who embrace a servant's approach and set a precedent through their actions. Furthermore, a significant and positive link was identified between ethical leadership and employee performance ($r = .743$, $p < .01$) suggesting that leaders who consistently display ethical conduct and engage their subordinates in mutual communication and inclusive decision-making are vital for enhancing employee performance.

Table 2. Correlations among variables (N = 342)

No.	Variables	1	2	3	4
1.	Employee performance	1			
2.	Authentic leadership style	0.512**	1		
3.	Servant leadership style	0.703**	0.366**	1	
4.	Ethical leadership style	0.743**	0.419**	0.603**	1

Note: **$P < 0.001$.

Table 3 presents the results of the linear multiple regression analysis examining the predictors of employee performance. The findings suggest that a combination of authentic leadership, servant leadership and ethical leadership styles explains 68.4% of the variance in employee performance. Ethical leadership emerged as the strongest predictor of employee performance (beta = 0.441, $p < .01$) aligning with the results of studies by Raza

and Sikandar (2018) and Ren and Chadee (2020) which underscored the impact of ethical leadership on employee performance. Servant leadership style was also found to be a significant predictor of employee performance (beta = 0.366, p < .01). Our research affirms that servant leadership plays a vital role in driving employee performance within the Chinese FMCG industry in line with the findings of Paais and Pattiruhu (2020). There was also a relationship between honest leadership style and employee performance (beta = 0.193, p <.01). This corroborates Purwanto et al. (2019) assertion that authentic leadership is favourable for enhancing employee performance. According to Demir and Budur (2019) authentic leadership positively influences the generation, realization and promotion of innovative thinking, thus enhancing employee performance.

Table 3. Predictors of employee performance (N = 342)

Criterion variable	Predictor variable	F	R^2	Df	Beta	t	p
Employee performance	Authentic leadership style	244.089**	0.684	(3.338)	0.193	5.66	< 0.01
	Servant leadership style				0.366	9.45	< 0.01
	Ethical leadership style				0.441	11.09	< 0.01

Note: **$p < 0.01$.

5. DISCUSSION

The purpose of our study was to investigate the relationship between three distinct styles of leadership authentic, servant and ethical and their impact on the performance of employees within the Fast Moving Consumer Goods (FMCG) industry in China. Our results revealed that ethical leadership was the strongest predictor of enhanced employee performance followed by servant leadership and then authentic leadership.

It is not surprising that ethical leadership significantly influences employee performance given the unique characteristics of the FMCG industry an environment that is both fast-paced and high-pressure with frequent performance evaluations. This style of leadership characterized by a strong emphasis on rules and regulations, fuels employees' enthusiasm and ensures the successful completion of key performance indicators. Therefore, it is crucial that companies within the FMCG industry place a priority on enhancing the ethical awareness of their leaders. Leaders themselves should focus on their own ethical and moral growth and professional development. Leaders can have a significant impact on their employees by acting with kindness, justice and the capacity to positively inspire subordinates. Servant leadership also plays a significant role in this industry. It promotes unity within teams and encourages joint problem-solving between leaders and their employees. Consequently, it is imperative for leaders in the FMCG sector to be sensitive to the thoughts and requirements of their teams, encourage personal development and independence among their employees and participate in cooperative problem-solving. Servant leaders may create a productive workplace that improves overall performance by appreciating the contributions of their team including them in important decision-making processes   and giving them authority.

Finally, our research highlighted the influence of authentic leadership within the FMCG industry. This style of leadership is one where leaders' actions align closely with their own core values and beliefs. Authentic leaders create an environment that actively promotes open communication by fostering diverse viewpoints and creating an atmosphere of cooperation. Leaders may greatly increase job productivity by promoting an inventive culture within their teams, allowing people to share their thoughts and recognizing the issues they face at work.

6. CONCLUSIONS, LIMITATIONS AND FUTURE RECOMMENDATIONS

This paper investigated the relationship between various leadership styles and employee performance in the Fast-Moving Consumer Goods (FMCG) industry in China. It enriched social exchange theory and added to the existing literature on leadership style and employee performance within the Chinese FMCG industry. The study demonstrated that ethical leadership has the most substantial impact on employee performance given the unique characteristics of the FMCG industry. Additionally, the findings provide valuable insights for businesses

illuminating how each dimension of contemporary leadership styles influences employee performance within the FMCG sector in China. Businesses can greatly improve employee performance by employing effective management methods for leadership role changes. However, this study has limitations. It primarily focuses on the relationship between leadership style and employee performance without explicitly establishing causality. In recent years, there has been an increased emphasis on identifying causal relationships in management studies. Consequently, future research could consider implementing three research designs to elucidate the causal relationship between leadership style and employee performance. First, experimental research could be conducted. Although experimental research theoretically offers a potent method to determine causality, its application within an organizational context can be challenging due to various practical constraints. Secondly, longitudinal studies could be carried out. These are superior to single or multiple time-point measurements for explaining causality as they track changes over time. Thirdly, the use of instrumental variables could be considered. These are commonly employed in economic research to tackle endogeneity issues. In recent years, organizational behaviour and human resource management studies have increasingly incorporated instrumental variables. Incorporating suitable instrumental variables in questionnaires could enhance the accuracy of causal identification (Sajons, 2020). Therefore, this study contributes significantly to our understanding of leadership styles and their impact on employee performance. Further research is needed to establish clearer causal relationships.

REFERENCES

Abu Nasra, M., & Arar, K. (2020). Leadership style and teacher performance: Mediating role of occupational perception. *International Journal of Educational Management, 34*(1), 186-202. https://doi.org/10.1108/ijem-04-2019-0146

Alilyyani, B., Wong, C. A., & Cummings, G. (2018). Antecedents, mediators, and outcomes of authentic leadership in healthcare: A systematic review. *International Journal of Nursing Studies, 83*, 34-64. https://doi.org/10.1016/j.ijnurstu.2018.04.001

Alqatawenh, A. S. (2018). Transformational leadership style and its relationship with change management. *Business: Theory and Practice, 19*(1), 17-24. https://doi.org/10.3846/btp.2018.03

Asbari, M., Hidayat, D. D., & Purwanto, A. (2021). Managing employee performance: From leadership to readiness for change. *International Journal of Social and Management Studies, 2*(1), 74-85.

Avolio, B. J., & Gardner, W. L. (2005). Authentic leadership development: Getting to the root of positive forms of leadership. *The Leadership Quarterly, 16*(3), 315-338. https://doi.org/10.1016/j.leaqua.2005.03.001

Benfratello, L., & Shiqian, Y. (2021). *Economic analysis of the FMCG industry in China fast moving consumer goods.* Web Thesis, March.

Blau, P. M. (1964). *Exchange and power in social life.* New York: John Wiley and Sons.

Borman, W. C., & Motowidlo, S. J. (1993). Expanding the criterion domain to include elements of contextual performance in N. Schmitt, W. C. Borman, & Associates (Eds.), personnel selection in organizations. In (pp. 71–98). San Francisco, CA: Jossey-Bass.

Brown, M. E., Treviño, L. K., & Harrison, D. A. (2005). Ethical leadership: A social learning perspective for construct development and testing. *Organizational Behavior and Human Decision Processes, 97*(2), 117-134. https://doi.org/10.1016/j.obhdp.2005.03.002

Campbell, J. P. (1990). Modeling the performance prediction problem in industrial and organizational psychology in M. D. Dunnette & L. M. Hough (Eds.), handbook of industrial and organizational psychology. In (pp. 687–732). Palo Alto, CA: Consulting Psychologists Press.

Chen, L., Luo, F., Zhu, X., Huang, X., & Liu, Y. (2020). Inclusive leadership promotes challenge-oriented organizational citizenship behavior through the mediation of work engagement and moderation of organizational innovative atmosphere. *Frontiers in Psychology, 11*, 560594. https://doi.org/10.3389/fpsyg.2020.560594

Chikeleze, M. C., & Baehrend Jr, W. R. (2017). Ethical leadership style and its impact on decision-making. *Journal of Leadership Studies, 11*(2), 45-47. https://doi.org/10.1002/jls.21523

Cook, K. S., Cheshire, C., Rice, E. R., & Nakagawa, S. (2013). Social exchange theory. *Handbook of Social Psychology*, 61-88.

Demir, A., & Budur, T. (2019). Roles of leadership styles in corporate social responsibility to non-governmental organizations (NGOs). *International Journal of Social Sciences & Educational Studies, 5*(4), 174-183. https://doi.org/10.23918/ijsses.v5i4p174

Enderle, G. (1987). Some perspectives of managerial ethical leadership. *Journal of Business Ethics, 6*(8), 657-663. https://doi.org/10.1007/bf00705782

Gardner, W. L., Avolio, B. J., Luthans, F., May, D. R., & Walumbwa, F. (2005). "Can you see the real me?" A self-based model of authentic leader and follower development. *The Leadership Quarterly, 16*(3), 343-372. https://doi.org/10.1016/j.leaqua.2005.03.003

Gardner, W. L., Cogliser, C. C., Davis, K. M., & Dickens, M. P. (2011). Authentic leadership: A review of the literature and research agenda. *The Leadership Quarterly, 22*(6), 1120-1145. https://doi.org/10.1016/j.leaqua.2011.09.007

George, B. (2003). *Authentic leadership: Rediscovering the secrets to creating lasting value* (Vol. 18). San Francisco, CA: John Wiley & Sons.

Gupta, A. S. (2020). Re-looking at the challenges and opportunities in the FMCG sector in the post-COVID 19 period. *Globsyn Management Journal, 14*(1/2), 88-111.

Han, Z., Wang, Q., & Yan, X. (2019). How responsible leadership predicts organizational citizenship behavior for the environment in China. *Leadership & Organization Development Journal, 40*(3), 305-318. https://doi.org/10.1108/lodj-07-2018-0256

Hannah, S. T., Avolio, B. J., & Walumbwa, F. O. (2011). Relationships between authentic leadership, moral courage, and ethical and pro-social behaviors. *Business Ethics Quarterly, 21*(4), 555-578. https://doi.org/10.5840/beq201121436

Langhof, J. G., & Güldenberg, S. (2020). Servant leadership: A systematic literature review—toward a model of antecedents and outcomes. *German Journal of Human Resource Management, 34*(1), 32-68. https://doi.org/10.1177/2397002219869903

Liu, M.-H., Margaritis, D., & Zhang, Y. (2019). The global financial crisis and the export-led economic growth in China. *The Chinese Economy, 52*(3), 232-248. https://doi.org/10.1080/10971475.2018.1548144

Luthans, F., & Avolio, B. J. (2003). Authentic leadership development. *Positive Organizational Scholarship, 241*(258), 1-26.

Manzoor, F., Wei, L., Nurunnabi, M., Subhan, Q. A., Shah, S. I. A., & Fallatah, S. (2019). The impact of transformational leadership on job performance and CSR as mediator in SMEs. *Sustainability, 11*(2), 1-14. https://doi.org/10.3390/su11020436

Meiyani, E., & Putra, A. H. P. K. (2019). The relationship between islamic leadership on employee engagement distribution in FMCG industry: Anthropology business review. *Journal of Distribution Science, 17*(5), 19-28. https://doi.org/10.15722/jds.17.5.201905.19

Paais, M., & Pattiruhu, J. R. (2020). Effect of motivation, leadership, and organizational culture on satisfaction and employee performance. *The Journal of Asian Finance, Economics and Business, 7*(8), 577-588.

Peus, C., Wesche, J. S., Streicher, B., Braun, S., & Frey, D. (2012). Authentic leadership: An empirical test of its antecedents, consequences, and mediating mechanisms. *Journal of Business Ethics, 107*(3), 331-348. https://doi.org/10.1007/s10551-011-1042-3

Purwanto, A., Wijayanti, L. M., Hyun, C. C., & Asbari, M. (2019). The effect of tansformational, transactional, authentic and authoritarian leadership style toward lecture performance of private university in Tangerang. *Dinasti International Journal of Digital Business Management, 1*(1), 29-42. https://doi.org/10.31933/dijdbm.v1i1.88

Quddus, A., Nugroho, B. S., Hakim, L., Ritaudin, M. S., Nurhasanah, E., Suarsa, A., & Sudargini, Y. (2020). Effect of ecological, servant dan digital leadership style influence university performance? Evidence from Indonesian universities. *Systematic Reviews in Pharmacy, 11*(10), 408-417.

Raza, S. A., & Sikandar, A. (2018). Impact of leadership style of teacher on the performance of students: An application of Hersey and Blanchard situational model. *Bulletin of Education and Research, 40*(3), 73-94. https://doi.org/10.1177/105960117900400404

Razak, A., Sarpan, S., & Ramlan, R. (2018). Effect of leadership style, motivation and work discipline on employee performance in PT. ABC Makassar. *International Review of Management and Marketing, 8*(6), 67-71.

Reinke, S. J. (2004). Service before self: Towards a theory of servant-leadership. *Global Virtue Ethics Review, 5*(3), 30-57.

Ren, S., & Chadee, D. (2020). Influence of career identity on ethical leadership: Sense-making through communication. *Personnel Review, 49*(9), 1987-2005. https://doi.org/10.1108/pr-04-2019-0192

Sajons, G. B. (2020). Estimating the causal effect of measured endogenous variables: A tutorial on experimentally randomized instrumental variables. *The Leadership Quarterly, 31*(5), 101348. https://doi.org/10.1016/j.leaqua.2019.101348

Siagian, H., Jade, K., & Tarigan, Z. (2020). The role of affective leadership in improving firm performance through the integrated internal system and external integration FMCG industry. *International Journal of Data and Network Science, 4*(4), 365-372. https://doi.org/10.5267/j.ijdns.2020.9.002

Sun, J., Liden, R. C., & Ouyang, L. (2019). Are servant leaders appreciated? An investigation of how relational attributions influence employee feelings of gratitude and prosocial behaviors. *Journal of Organizational Behavior, 40*(5), 528-540. https://doi.org/10.1002/job.2354

Teoh, B. E. W., Wider, W., Saad, A., Sam, T. H., Vasudevan, A., & Lajuma, S. (2022). The effects of transformational leadership dimensions on employee performance in the hospitality industry in Malaysia. *Frontiers in Psychology, 13*, 913773. https://doi.org/10.3389/fpsyg.2022.913773

Wang, Y., Lin, J., Osman, Z., Farooq, M., & Raju, V. (2021). Transformational leadership and employee performance in international commercial banking industry in Malaysia: The role of self-efficacy as a mediator under BRI. *Journal of Chinese Human Resources Management*, 25-36. https://doi.org/10.47297/wspchrmwsp2040-800503.20211202

Wang, Y., Xiang, D., Yang, Z., & Ma, S. S. (2019). Unraveling customer sustainable consumption behaviors in sharing economy: A socio-economic approach based on social exchange theory. *Journal of Cleaner Production, 208*, 869-879. https://doi.org/10.1016/j.jclepro.2018.10.139

Wong, C. A., & Cummings, G. G. (2009). The influence of authentic leadership behaviors on trust and work outcomes of health care staff. *Journal of Leadership Studies, 3*(2), 6-23. https://doi.org/10.1002/jls.20104

Wucai, R., Guolin, Y.-T., & Dou, C.-H. (2023). Transformational leadership as an effective strategy to improve team performance excellence through behavioural integration. *Journal of Management World, 2023*(4), 62–75. https://doi.org/10.53935/jomw.v2023i4.261

Yan, A., Guo, H., Xie, J., Hao, Y., & Ma, H. (2020). How ethical leadership improves employee taking charge: The effect of felt obligation for constructive change and career calling. *Human Resources Development of China, 37*(11), 50-61. https://doi.org/10.1504/ijtgm.2021.10039508

Yang, J., Zeng, Y., Liu, X., & Li, Z. (2022). Nudging interactive cocreation behaviors in live-streaming travel commerce: The visualization of real-time Danmaku. *Journal of Hospitality and Tourism Management, 52*, 184-197. https://doi.org/10.1016/j.jhtm.2022.06.015