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Title: Impact of Transformational and Transactional Leadership on Work Engagement with the Mediating Impact of Job Satisfaction and Emotional Regulation as a Moderator

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Conflict of Interest
The author (s) declared no conflict of interest and have not received any funds for the project.
Impact of Transformational and Transactional Leadership on Work Engagement with the Mediating Impact of Job Satisfaction and Emotional Regulation as a Moderator

Abstract

The textile sector in Pakistan significantly contributes to GDP and employment generation. Job satisfaction and work engagement in this sector are low. We examined the antecedents that directly and indirectly affect job satisfaction and work engagement. Using scales and measures used in past studies, we collected a sample of 287 respondents from four leading textile units in Karachi. We found “transformational leadership affects work engagement and job satisfaction.” Transactional leadership promotes “job satisfaction and work engagement.” Job satisfaction mediates (i) transformational leadership and work engagement” and (ii) “transactional leadership and work engagement.” In the context of the moderating role, we found emotional regulation insignificantly moderates “transformational leadership and work engagement” and significantly moderates “transactional leadership and work engagement.” Therefore we recommend that the textile sector use both types of leadership styles. For complex and interrelated jobs, firms may use a transformational leadership style. And for routine

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tasks, we recommend using transactional leadership styles.

**Keywords:** Transformational leadership, transactional leadership, emotional regulation, and work engagement.

**Introduction**

A transformational leader inspires and motivates employees to increase their productivity and organizational performance (Bass, 1985). Kotamena et al. (2020) argue that transformational leaders are role models and support and help in employees’ development. Transactional leadership refers to a leadership style in which the leaders motivate employees based on rewards and punishments (Changar & Atan, 2021). Such leaders specifically communicate what they expect from the employees and what employees must deliver (Jacobsen et al., 2022). Transactional leaders reward employees with salary increments, bonuses, and other benefits if they deliver as per the leaders’ expectations (Efiana & Iswahyuni, 2021). At the same time, when employees fail to deliver, they do not get salary increases, bonuses other benefits. Thus, we argue it is an exchange relationship (Skopak & Hadzaihmetovic, 2022).

Work engagement is a positive behavior that enhances employees’ work-related outcomes and makes them highly energetic and dedicated (Wee & Lai, 2022; Rahmadani & Schaufeli, 2022). Therefore, they are more productive than others (Rahmadani & Schaufeli, 2022). Other hallmarks of work engagement are fidelity and immersion. The former refers to involvement, taking pride in their actions, and accepting challenges; the latter refers to being concentrated and happily occupied with work (Pranitasari, 2022).

Work engagement enhances employees’ involvement in work-related assignments, so they take the initiative and complete difficult jobs enthusiastically. It enhances employees’ connectivity, often resulting in innovative business processes (Kundi, Sardar, & Badar, 2022). Chen and Fellenz (2020) assert that employees’ implicit engagement refers to their affirmative responses to organizational programs and practices. A stable work environment promotes engagement. Employees are happy in an environment that aligns with their organizational values (Borst, Kruyen, & Lako, 2019). Positive and negative feelings affect employees and leaders. Good leaders control and manage employees’ emotions (Drigas & Papoutsi, 2019).

Job satisfaction is how employees feel about their jobs. It is employees’ positive and negative judgments about their jobs. A good career makes employees feel that they have a purpose. At the same time, unpleasant tasks and long working hours make employees feel unvalued (Taheri, Miah, & Kamaruzzaman, 2020). It thus is employees’
emotional judgment of their jobs. Besides other factors, employees’ cognitive and affective responses relate to job satisfaction (Karabati, Ensari, & Fiorentino, 2019).

Extant literature documents that transformational leaders influence “structure outcomes, including commitment, citizenship behavior, job satisfaction, and job performance” (Anselmann & Mulder, 2020). Leaders appreciate employees with a low intention to switch and a willingness to improve their skills and productivity. Most individuals have different working styles. Therefore, they are more satisfied if they can follow their working styles. If leaders know how to nurture employees, it will significantly improve their productivity (Rafiq et al., 2022). Many studies are available on transformational and transactional leadership (Passakonjaras & Hartijasti, 2020). But there is a need for more studies on the “impact of transactional and transformational leadership on work engagement and job satisfaction” with the “mediating effect of job satisfaction and the moderating effect of emotional regulation in a workplace.”

**Literature Review**

**Transformational Leadership**

Transformational leadership has now become a widely researched concept. It helps followers fit comfortably into the organizational structure (Kotamena et al., 2020). Contrarily transactional leaders have predefined standards for the employees’ performance. Such leaders punish the employees who fail to meet those standards and reward high-performing employees (Eliyana et al., 2019). In the literature, we found ample support for the association between “transformational leadership and work-related outcomes” (Kwan, 2020). Despite much research on transformational leadership, it remains an understudied construct (Siangchokyoo et al., 2020). Mahmood et al. (2019) assert that transformational leaders develop a conducive environment in an organization and increase employees’ intrinsic motivation leading to innovation and creativity.

**Transactional Leadership**

Transactional leaders motivate employees through an “exchange mechanism” of rewards and punishment (Ugwu & Okore, 2020). Transaction leadership is effective for achieving short-term objectives. Its effectiveness decreases in achieving long-term objectives and when the organization is in the process of changes (Asrar-ul-Haq & Anwar, 2018). Puni et al. (2021) assert that much literature on the interaction of transformational-transactional leadership and its effect on work-related outcomes are available, but most results are inconclusive.
Emotional Regulation:
Emotion regulation describes individuals’ ability to modulate their emotional state and expression when dealing with others (Roth et al., 2019). Theories of emotional regulation stress that emotional regulation is not a “static and singular action but is an adaptive cognition and physiological response.” It includes positively reacting to the emotions of others (Tamir, Vishkin, & Gutentag, 2020). All individuals have emotions, but how they react and control them varies. Bettis et al. (2022) suggest that individuals consciously and unconsciously regulate their emotions, including how to react and express themselves when exposed to a stimulus. Individuals with the capacity to regulate their emotions can suppress them if they feel it may hinder their success (Vanderlind et al., 2020).

Work Engagement
Work engagement connects employees “physically and cognitively” with their work-related assignments (Wee & Lai, 2022). Most researchers believe work engagement is “a positive, fulfilling, work-related state of mind characterized by vigor, dedication, and absorption.” Adnan et al. (2020) suggest apart from other antecedents, “job fit, affective commitment, and psychological climate” promotes work engagement (Decuyper e & Schaufeli, 2020). Leadership Member Exchange Theory suggests a strong relationship between leaders and work engagement (Rahmadani & Schaufeli, 2022). Researchers have aligned work engagement with self-actualization (Pranitasari, 2022; Adnan et al., 2020).

Job Satisfaction:
Organizations review employees’ performances based on job satisfaction. Employees with a “positive attitude toward their jobs” are more satisfied and committed to their organizations leading to increased organizational performance (Karabati, Ensari, & Fiorentino, 2019). Researchers have extensively studied job satisfaction from different contexts and in different domains. The performance of highly satisfied employees is far superior than dissatisfied employees. Taheri, Miah, and Kamaruzzaman (2020) assert that satisfied employees make fewer mistakes, have lower absenteeism, and have a low turnover intention. Besides other factors, job satisfaction depends on “the nature of work, supervision, fringe benefits, contingent rewards, operating procedures, and co-workers” (Karabati et al., 2019).

Conceptual Framework
We have developed a conceptual framework in Figure 1, depicting four direct, two mediating, and two moderating relationships.
Hypotheses Development

Transformational Leadership and Work Engagement

Internal communication (e.g., meaningful goals and peace of mind) and external communication, (e.g., resource availability) promote work engagement (Anselmann & Mulder, 2020). Leaders use these internal and external communications to involve employees. Transformational leaders set challenging but achievable goals for their subordinates (Amor, Vázquez, & Faïña, 2020). Consequently, employees look beyond self-interest and focus on collective goals. Martinez et al. (2020) assert that transformational leaders focus on achieving organizational goals by sacrificing personal goals.

Transformational leaders use “intrinsic values” to promote employee involvement. Therefore, members with inspirational motivation may believe that collective goals make sense. Transformational leaders comfort members in dealing with difficult goals and improve problem-solving skills (Balwant, Mohammed, & Singh, 2020). In short, transformative leaders help members find solutions to work-related issues and give them timely positive feedback, leading to increased work engagement (Lai et al., 2020). Apart from the direct association between transformational leadership and work engagement, we argue that emotional regulation may have a “varying effect” on transformation relations and work engagement.
H1: Transformational leadership “positively affects work engagement.”

H2: Emotional regulation “moderates transformational leadership and work engagement.”

Transactional Leadership and Work Engagement

Besides the direct association between transactional leadership, we argue that emotions may have a varying effect on transactional leadership and work engagement. Extant literature documents a positive association between “leaders’ contingent rewards and employees’ workplace attitudes and behavior” (Milhem, Muda, & Ahmed, 2019). Transactional leadership promotes work engagement by providing “contingent rewards and increasing their creativity, self-belief, and optimism” (Edelbroek et al., 2019). Jangsiriwattana (2019) asserts that transactional leadership stimulates extrinsic motivation, but intrinsic motivation may suffer as it does not meet the psychological needs necessary for learning, growth, and development. Contrarily transformational leaders fulfill employees’ psychological needs by praising, supporting, and encouraging employees (Lai et al., 2020).

H3: Transactional leadership “positively affects work engagement.”

H4: Emotional regulation moderates “transactional leadership and work engagement.”

Transactional and Transformational Leaderships and Job Satisfaction

Apart from different literature ship styles, most contemporary researchers have focused on transactional and transformational leadership styles and their related organizational outcomes (Sunarsi et al., 2021). Transactional leaders motivate employees based on the leader-follower exchange mechanism. Transactional leaders reward followers if they follow the direction and will of the leaders (Nurlina, 2022). The rewards could be negative or punitive (Hassi, 2019). If followers comply with the leaders’ direction and wish, leaders reward employees by praising them and giving recognition. At the same time, transactional leaders take punitive actions against employees whose performance are below their expectation (Mickson & Anlesinya, 2020). Dartey-Baah et al. (2021) argue that transactional leaders’ four critical facets are “contingent rewards, active management by exception, passive management by exception, and laissez-faire.”

Researchers assert that transformational leadership is the other extreme of transactional leadership (Purwanto et al. 2021). Transformational leadership is all about facilitating and providing support to employees so they can understand and resolve the issues they face at the workplace (Dung et al., 2020). Transformational leaders,
in contrast to transactional leaders, inspire and motivate employees for their self-development and the organizations (Labrague, Nwafor, & Tsaras, 2020). Employees, due to the positive and supportive behavior of transformational leadership, get excited and energized, which helps achieve common goals (Dappa, Bhatti, & Aljarah, 2019).

Despite the difference between transformational and charismatic leadership, many researchers have used them interchangeably. Transformational leaders focus on four dimensions: “charisma, communication, intellectual stimulation, and individualized consideration” (Labrague, Nwafor, & Tsaras, 2020). Charisma is one of the qualities of transformational leaders. Charismatic leaders are often self-centered, which is one of the negative effects of charismatic leadership. The relevance of transformational leadership is more with the upper management than lower management (Brown, Marinan, & Partridge, 2020). Researchers believe transactional and transformational leaderships promote job satisfaction, leading to organizational growth and sustainability (Mangundjaya & Amir, 2021). Sunarsi et al. (2021) also agree with past studies documenting “transactional and transformational leaderships promote job satisfaction and work engagement.”

Based on empirical research, Skopak and Hadzaihmetovic (2022) concluded that the “contingent rewards” of transactional leaders and “individualized consideration” of transformational leaders promote job satisfaction. And transactional and transformational leadership promotes job satisfaction and career development. Dappa, Bhatti, and Aljara (2019) document that transformational leadership inspires employees leading to job satisfaction. Hannah et al. (2020) assert that transformational leadership focuses on “exploratory innovation,” while transactional leadership facilitates “existing knowledge and exploitative innovations.” All these factors, directly and indirectly, promote job satisfaction and work engagement (Dappa, Bhatti, and Aljara 2019). The effects of transactional and transformational leadership on job satisfaction and work engagement are inconsistent. In some situations, researchers found “transactional and transformational leadership positively affects satisfaction and work engagement,” while in others, researchers document that “transactional and transformational leadership negatively affect job satisfaction and work engagement” (Mickson & Anlesinya, 2020).

H5: Transformational leadership “positively affects job satisfaction.”

H6: Transactional leadership “positively affects job satisfaction.”

H7: Job satisfaction mediates “transformational leadership and work engagement.”

H8: Job satisfaction mediates “transactional leadership and work engagement.”
Methodology

Population and Sampling
The study has focused on the textile sector, the eighth-largest exporter of textiles accessories in Asia. This sector has “1,221 ginning units, 442 spinning units, 124 large spinning units, and 425 small units.” Its contribution towards “GDP is 8.5%, employing 45% of the country’s total labor force” (Textile as Art, 2022). The study has calculated the minimum sample size based on indicators variables and cases for each variable. We have 37 indicators and have selected five cases for each indicator. Based on these, we arrived at a sample size of 185 (Hair., 2022). We selected four leading textile manufacturers and distributed 300 questionnaires, of which we received 287 questionnaires. The textile industry sample frame was unavailable; therefore, we used convenience sampling.

Scales and Measures
Table 1 summarizes the constructs and items adopted from earlier studies. It shows constructs, sources, items, and reliability in earlier studies.

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Sources</th>
<th>Reliability in Past Studies</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional Regulation</td>
<td>Gouveia et al. (2021)</td>
<td>0.810 to 0.872</td>
<td>10</td>
</tr>
<tr>
<td>Transformational Leadership</td>
<td>Avolio &amp; Bass (1995)</td>
<td>0.801 to 0.882</td>
<td>6</td>
</tr>
<tr>
<td>Transactional Leadership</td>
<td>Laohavichien et al. (2009)</td>
<td>0.764 to 0.894</td>
<td>5</td>
</tr>
<tr>
<td>Work Engagement</td>
<td>Seppälä et al. (2009)</td>
<td>0.706 to 0.806</td>
<td>8</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>Macdonald and MacIntyre, (1997).</td>
<td>0.756 to 0.855</td>
<td>8</td>
</tr>
</tbody>
</table>

Common Method Bias and Multi-Colinearity
Common method bias and multi-colinearity can adversely affect the results. Therefore we generated VIF values and found all the VIF values are below 3.00, suggesting that the constructs have no issues with common method bias and multi-colinearity (Kock, 2015).

Respondents Profile
The study focused on the textile sector and collected 287 from Karachi’s four leading textile units. We have presented the respondents’ profile in Table 2.
Table 2: Respondents’ Profiles

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Males</td>
<td>64%</td>
</tr>
<tr>
<td></td>
<td>Females</td>
<td>36%</td>
</tr>
<tr>
<td>Martial Status</td>
<td>Single</td>
<td>59%</td>
</tr>
<tr>
<td></td>
<td>Married</td>
<td>41%</td>
</tr>
<tr>
<td>Education</td>
<td>Intermediate</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>Bachelors</td>
<td>34%</td>
</tr>
<tr>
<td></td>
<td>Masters</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>27%</td>
</tr>
<tr>
<td>Income</td>
<td>Upto Rs. 25000</td>
<td>09%</td>
</tr>
<tr>
<td></td>
<td>Rs. 25000-Rs.35000</td>
<td>28%</td>
</tr>
<tr>
<td></td>
<td>Rs.35,000-Rs.45000</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>Rs. 45,000 - Rs. 55,000</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Rs.55,000 plus</td>
<td>13%</td>
</tr>
<tr>
<td>Management Levels</td>
<td>Junior</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>Middle</td>
<td>48%</td>
</tr>
<tr>
<td></td>
<td>Senior</td>
<td>22%</td>
</tr>
</tbody>
</table>

Statistical Analysis

The study used Smart PLS for statistical analysis. Compared to other software, it generates graphical models using the partial least squares (PLS) modeling method. It allows researchers to test reflective and formative models. It automatically generates results related to the model’s reliability, validity, model fitness, and predictive power of the model (Ringle, Da-Silva, & Bido, 2015).

Results and Findings

Measurement Model Analysis

We have presented the measurement model in Figure 2. And in the subsequent sections, we have discussed results related to reliability and validity analyses.
Reliability and Convergent Validity

The study has summarized results related to reliability and validity in Table 3.

Table 3: Reliability and Validity

<table>
<thead>
<tr>
<th>Items</th>
<th>Items</th>
<th>Loadings</th>
<th>AVE</th>
<th>CR</th>
<th>Rho A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional Regulation</td>
<td>ER 4</td>
<td>0.872</td>
<td>0.721</td>
<td>0.912</td>
<td>0.877</td>
</tr>
<tr>
<td></td>
<td>ER 5</td>
<td>0.815</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ER 6</td>
<td>0.859</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ER 8</td>
<td>0.754</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ER 9</td>
<td>0.880</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>JS 1</td>
<td>0.820</td>
<td>0.730</td>
<td>0.919</td>
<td>0.885</td>
</tr>
<tr>
<td></td>
<td>JS 2</td>
<td>0.842</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>JS 3</td>
<td>0.839</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>JS 6</td>
<td>0.860</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>JS 7</td>
<td>0.907</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>JS 8</td>
<td>0.768</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational Leadership</td>
<td>TFL 1</td>
<td>0.856</td>
<td>0.714</td>
<td>0.912</td>
<td>0.872</td>
</tr>
<tr>
<td></td>
<td>TFL 2</td>
<td>0.737</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TFL 3</td>
<td>0.755</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The results presented in Table 3 show that the “composite reliability values are greater than 0.70.” The highest is for job satisfaction (CR=0.919), and the lowest is for transactional leadership (CR=0.907), suggesting that the latent variables used in the study have good internal consistency. Also, all the “AVE values and composite reliability values are greater than 0.70,” suggesting the latent variables used in the study do not deviate from the requirements of convergent validity (Hair et al., 2022).

Predictive Power of the Model
The study used “R square and Q square” values to assess the model’s predictive power. Table 4 shows that all the “R square values are greater than 0.20, and Q square values are more than zero.” Thus, we have inferred that the models have adequate predictive power (Ringle et al., 2015).

<table>
<thead>
<tr>
<th></th>
<th>R Square</th>
<th>R Square Adjusted</th>
<th>SSO</th>
<th>SSE</th>
<th>Q² (=1 -SSE/SSO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Satisfaction</td>
<td>0.364</td>
<td>0.363</td>
<td>3594</td>
<td>2572.167</td>
<td>0.284</td>
</tr>
<tr>
<td>Transactional Leadership</td>
<td>0.536</td>
<td>0.536</td>
<td>4792</td>
<td>2969.227</td>
<td>0.38</td>
</tr>
<tr>
<td>Transformational Leadership</td>
<td>0.229</td>
<td>0.229</td>
<td>4792</td>
<td>4181.349</td>
<td>0.127</td>
</tr>
<tr>
<td>Work Engagement</td>
<td>0.382</td>
<td>0.378</td>
<td>3594</td>
<td>2576.22</td>
<td>0.283</td>
</tr>
</tbody>
</table>

Fit Indices
The study has generated fit indices of the measurement model, presented in Table 5. The results suggest “SMR values are less than 0.08 and NFI values are greater than 0.80.” Thus we have inferred that the model has adequate fitness (Hair et al., 2022).
Table 5: Fit Indices

<table>
<thead>
<tr>
<th></th>
<th>Saturated Model</th>
<th>Estimated Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>SRMR</td>
<td>0.074</td>
<td>0.073</td>
</tr>
<tr>
<td>d_ULS</td>
<td>0.936</td>
<td>1.485</td>
</tr>
<tr>
<td>d_G</td>
<td>0.352</td>
<td>0.374</td>
</tr>
<tr>
<td>Chi-Square</td>
<td>2539.583</td>
<td>2525.709</td>
</tr>
<tr>
<td>NFI</td>
<td>0.809</td>
<td>0.810</td>
</tr>
</tbody>
</table>

**Discriminant Validity**

Researchers suggest assessing the discriminant validity based on Fornell and Larcher (1981) criteria and HTMT ratio. The results of the two methods are presented in Tables 6 and 7. The results in Table 6 show that “AVE’s square roots are greater than Pearson’s values,” suggesting that the constructs used in the study are “unique and distinct.” Similarly, the results in Table 7 show that HTMT ratios are “within the prescribed limit of 0.90,” suggesting that the constructs based on the HTMT ratio also fulfill the requirement of discriminant validity (Fornell and Larcher, 1981; Wong 2013).

Table 6: Fornell Larcker

<table>
<thead>
<tr>
<th></th>
<th>ER</th>
<th>JS</th>
<th>TRL</th>
<th>TL</th>
<th>WE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional Regulation</td>
<td>0.849</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.446</td>
<td>0.89</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional Leadership</td>
<td>0.732</td>
<td>0.535</td>
<td>0.845</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational Leadership</td>
<td>0.479</td>
<td>0.547</td>
<td>0.612</td>
<td>0.748</td>
<td></td>
</tr>
<tr>
<td>Work Engagement</td>
<td>0.524</td>
<td>0.4</td>
<td>0.538</td>
<td>0.479</td>
<td>0.876</td>
</tr>
</tbody>
</table>

Table 7: HTMT

<table>
<thead>
<tr>
<th></th>
<th>ER</th>
<th>JS</th>
<th>TL</th>
<th>TRL</th>
<th>WE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emotional Regulation</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.504</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional Leadership</td>
<td>0.842</td>
<td>0.608</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational Leadership</td>
<td>0.591</td>
<td>0.685</td>
<td>0.766</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Engagement</td>
<td>0.603</td>
<td>0.461</td>
<td>0.629</td>
<td>0.603</td>
<td>-</td>
</tr>
</tbody>
</table>

**Structural Model and Hypotheses Results**

Before generating a structural model, we fulfilled all the requirements related to “validity, reliability, predictive power, and fit indices,” which we have discussed in the preceding sections. The study has presented the structural model in Figure 3, and the hypotheses results in Table 8.
Figure 3: Structural Model

Hypotheses Results

We articulated eight hypotheses, including four direct, two mediating, and two moderating. Table 8 depicts the hypothesis results.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β</th>
<th>t Stat</th>
<th>P Values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transform. Leadership -&gt; Work Engagement (H1)</td>
<td>0.185</td>
<td>5.353</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Moderating Effect 1 -&gt; Work Engagement (H2)</td>
<td>0.057</td>
<td>1.686</td>
<td>0.094</td>
<td>Rejected</td>
</tr>
<tr>
<td>Transact. Leadership -&gt; Work Engagement (H3)</td>
<td>0.193</td>
<td>4.811</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Moderating Effect 2 -&gt; Work Engagement (H4)</td>
<td>0.088</td>
<td>2.791</td>
<td>0.005</td>
<td>Accepted</td>
</tr>
<tr>
<td>Transformational Leadership -&gt; Job Satisfaction (H5)</td>
<td>0.351</td>
<td>11.556</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Transact. Leadership -&gt; Job Satisfaction (H6)</td>
<td>0.321</td>
<td>10.619</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Transform. Leader -&gt; Job Sati. -&gt; Work Engag. (H7)</td>
<td>0.290</td>
<td>2.670</td>
<td>0.008</td>
<td>Accepted</td>
</tr>
<tr>
<td>Transact Leader. -&gt; Job Sat. – Work Engag (H8)</td>
<td>0.026</td>
<td>2.674</td>
<td>0.008</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

We found support for all the direct hypotheses. Regarding the direct hypothesis, we have the strongest association between “transformational leadership and job satisfaction” (β=0.351), followed by a relationship between “transactional leadership
and job satisfaction” (β=0.321), the association between “transactional leadership and work engagement” (β=0.193), and the association between “transformation leadership and work engagement” (β=0.185). We found support for all indirect hypothesis except the moderating effect of “emotional regulation on transformational leadership and work engagement.

Discussion and Implications
The findings are important for the textile sector of Pakistan. While monitoring employees’ performance, the textile sector needs to identify the right leadership styles to enhance employee satisfaction and work engagement. We found that transactional and transformational leadership affects employees’ commitment and satisfaction. Therefore, we recommend that the textile sector use both types of leadership styles. For complex and interrelated jobs, firms may use a transformational leadership style. And for routine tasks, we recommend using a transactional leadership style.

Conclusion
This study examined the antecedents that directly and indirectly affect employees’ job satisfaction and work engagement in the local textile sector. The study tested eight hypotheses: four direct, two mediating, and two moderating. We found transformational leadership affects “work engagement and job satisfaction.” Regarding transactional leadership, we found transactional leadership “promotes job satisfaction and work engagement.” The study also found job satisfaction mediates “transformational leadership and work engagement” and “transactional leadership and work engagement.” In the context of the moderating role, we found emotional regulation insignificantly moderates “transformational leadership and work engagement” and emotional regulation significantly moderates “transactional leadership and work engagement.”

Limitations and Future Research
The study has focused on the textile sector of Pakistan. A comparative study between two sectors may bring further insight into the discussed phenomenon. Other researchers may explore other sectors. We have examined the impact of transformational and transactional leadership styles on work engagement and job satisfaction. We advise future researchers to examine their impact on job-related consequences, including turnover intentions, employees’ well-being, and work-life balance. The study used emotional regulation as a moderator; others can use emotional intelligence and cultural aspects as moderators. We have used job satisfaction to mediate between leadership styles and work engagement. We advised others to use other job-related consequences as mediators.
Annexure 1

Constructs and Items Used in the Questionnaire

Emotional Regulation

ER1. I change my thoughts when I have positive emotions (such as joy or amusement).
ER2. I keep my emotions to myself.
ER3. I change my thoughts when I want to feel less negative emotions (such as sadness or anger).
ER4. When I am feeling positive emotions, I am careful not to express them.
ER5. When I face with a stressful situation, I think about it in a way that helps me stay calm.
ER6. I control my emotions by not expressing them.
ER7. I change my thoughts about the situation when I have positive emotions.
ER8. I control my emotions by changing the way I think about the situation.
ER9. When feeling negative emotions, I make sure not to express them.
ER10. When I want to feel less negative emotion, I change how I think about the situation.

Transformational Leadership

TFL1. My supervisor instills pride in me for being associated with him/her.
TFL3. My supervisor appreciates my efforts.
TFL4. My supervisor talks optimistically about the future.
TFL5. My supervisor keeps track of all mistakes.
TFL6. My supervisor helps in dealing with problematic issues.

Transactional Leadership

TSL1. My supervisor commends me when I exceed my productivity goals.
TSL2. My supervisor frequently acknowledges my good performance.
TSL3. I would expect disapproval from my supervisor if I performed poorly.
TSL4. My supervisor lets me know about it when I perform poorly.
TSL5. My supervisor conveys my productivity if it is not up to par.

Work Engagement

WE1. I have received recognition for doing my job well.
WE2. My supervisor seems concerned about my welfare.
WE3. The organization’s mission makes me feel that the work I do matters.
WE4. I have friends at work.
WE5. My supervisor takes my ideas and opinions seriously.
WE6. My organization provides all the materials, tools, and equipment that I need to do my job.
WE7. The people I work with do a good job.
WE8. I will still be employed here two years from now.

Job Satisfaction

JS1. I am proud to work for this organization.
JS2. I know what this organization expects from me.
JS3. I am satisfied with the amount of feedback I receive about my work.
JS4. I receive enough training to handle my tasks.
JS5. I plan to work here for a long time.
JS6. I am satisfied with my job description.
References


Martinez, I. M., Salanova, M., & Cruz-Ortiz, V. (2020). Our boss is a good boss! Cross-level effects of transformational leadership on work engagement in service jobs. *Revista de Psicología del Trabajo y de las Organizaciones, 36*(2), 87-94.


