# Contribution Value of Leadership Styles towards Work Motivation and Organizational Commitment among Teaching Faculty at Higher Education Level

Wajeeha Aurangzeb\*, Naveed Akhtar† and Saira Nudrat‡

## **Abstract**

This study explored the impact of transformational and transactional leadership styles on work motivation and organizational commitment of faculty members at higher education level. Quantitative research approach was used to extract data through three self-constructed questionnaires on five point Likert scale. Strong positive correlation was observed between leadership styles and the outcome variables. Multiple Regression Analysis indicated that transformational style of leadership in organizations as determinant/predictor variable has high significant value in comparison to transactional style of organizational leadership in educational institutions. Transformational leadership in organizations manifested a variance of 84% for work motivation and 89% for organizational commitment whereas transactional style of organizational leadership as a determinant/predictor variable manifested a variance of 78% for work motivators and 79% for organizational commitment. Competitive edge of higher education institutions needs to be improved through intellectual stimulation and inspirational motivation as well.

**Keywords:** Leadership Styles, Work Motivation, Organizational Commitment, Teaching Faculty.

## Introduction

Educational organizations are set up to achieve predetermined educational objectives. Human resources are the most important lever to achieve these targets. Human resources are guided, directed and lead by leadership towards successful and organized achievement of these targets. A leader is meant to assist, support and exert social influence among members of the designated organization to make willing contribution towards successful achievement of organizational goals. It is utmost responsibility of a leader to establish clear and visionary

<sup>\*</sup> Dr. Wajeeha Aurangzeb, Assistant Professor (Education) / Manager QA & SA, QEC, NUML Islamabad, Pakistan. Email: <a href="mailto:waurangzeb@numl.edu.pk">waurangzeb@numl.edu.pk</a>

<sup>†</sup> Dr. Naveed Akhtar, Director, QEC, NUML Islamabad, Pakistan.

<sup>&</sup>lt;sup>‡</sup> Dr Saira Nudrat, Assistant Professor, Education Department, NUML Islamabad, Pakistan.

direction, gain commitment from organizational members and motivate them towards goal attainment (Conger, 1992).

Transformational and transactional leadership styles have been given a deep consideration empirically by the researchers in the domain of leadership and administrative sciences in different eras in order to understand these behaviours in a scientific manner. Transformational leadership style in characterized predominantly by a shared vision and charisma among followers and their leader. Transformational leaders inspire, motivate and stimulate organizational members towards the shared vision& mission given by them. In contrast to this, transactional leaders believe on a "give and take relationship". A positive and strong rapport between the followers and leader is established primarily through mutual exchange program of a comprehensive rewards/ punishment system on accomplishment of the pre-set targets (Burns, 2010).

Basis of organizational productivity is immaculate planning process, its implementation and intrinsic motivators for employees in order to attain goals through this required planning and implementation process. Human resource and potential serves as the most basic element towards success at work place. It is also dependant on the motivational forces/ motivators present in the organizations. Those leaders who have an understanding of the crucial importance of employee intrinsic motivation at the initial stage of goal setting, they are able to involve their followers throughout the process of implementation of the plan. This comprehensive cyclical process can be shown diagrammatically as following:



Fig 1: Factors surrounding motivational forces/organizational motivators

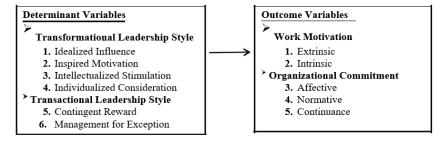
Kerestesova (2010) states that motivational forces serve as a focal factor at every step of leadership activity and this has also been drawn in the above mentioned diagram.

Employee actions are manifested through motivation which serves as a strong driving force. Psychological and achievement

motivators, intrinsic and extrinsic motivators can be different paths of motivation. Varied employee performance is a result of motivation as a critical determinant. Sansone and Harackiewicz (2000) reflect that leaders use it as an effective tool to stimulate employees towards a goal directed behaviour. Miner (2002) has emphasized that employee efforts are channelized towards goal achievement through above mentioned motivating factors.

Researchers have acclaimed that employees' work motivation and leadership styles are strongly positively correlated with each other (Manzoor, 2011). Increased job performance is the resultant of employee work motivation and ability. These two factors contribute strongly towards enhanced performance. Now it becomes a leader's responsibility to make utility of these factors in a productive manner. It has been observed that leaders manifesting varied leadership styles and skills use these motivational factors in varied manner to achieve organization's targets and mission

## Conceptual framework of the study



Transformational style in leadership studies is the process of transforming employees into capable organizational members. This leadership style helps people to improve themselves and become beneficial for the work place. This style engages in assessing the employee needs, giving them value and designating tasks according to their interest level. Leaders following transformational style work with honesty, faithfulness, justice and fairness and help the people to be led towards right direction. (Northhouse, 2001).

Leaders having transactional skills follow the rule and regulation of transaction simply: something to be given in return for another thing. These leaders work out with the organizational members for the achievement of pre-determined goals by using punishments or rewards. This leadership style is comprised of 3basic elements/ factors as follows:

- i. Contingent rewards that describe detail of transactions which are set up between leaders and followers.
- ii. Management for exception engages the psychological state of the leaders for acting towards or avoiding solving work place problems (Lai, 2011).

# Research Objectives

- Exploring the effect of transformational leadership style on organizational commitment and work motivation.
- Investigating the impact of transformational leadership style on organizational commitment and work motivation.
- Examining the effect of transactional leadership style on organizational commitment and work motivation.
- Assessing the impact of transactional leadership style on organizational commitment and work motivation.

# *Null Hypotheses of the study*

- i. There is statistically no significant correlation between transformational leadership style and organizational commitment.
- ii. There is statistically no significant correlation between transformational leadership style and work motivation.
- iii. There is statistically no significant correlation between transactional leadership style and organizational commitment.
- iv. There is statistically no significant correlation between transactional leadership style and work motivation.

# **Literature Review**

Organizational and administrative sciences have always placed much focus on leadership studies and found this concept as the basis of many other organization behaviour related areas of exploration. This research topic got exploration under multiple dimensions such as leadership styles, skills and traits. Correlation of leadership with employee performance and employee motivation has also been a very debatable topic.

Much research was carried out previously on transactional and transformational leadership styles and many conclusions drawn for and against these styles of leadership. This leadership concept was firstly presented by Judge& Ronald, 2004 and then later refinement was done by Bass and Avolio, 1990.

Williams (2009) concluded that leader understands group interests and needs and then try to take them beyond their own personal interest and needs; thus indicating towards presence of transformational styled leadership in organizations. In addition to this, Robbins, Judge, and Sanghi (2007) state that it is an admitted fact that employees show

motivation through contingent or tangible rewards. Judge and Ronald (2004) also recommended a strong positive relationship between employee motivation/engagement and leadership style. Podsakoff, Scott, Mackenzie and Daniel (2000) suggested that transformational leadership styles manifest strong positive correlations with work place engagement and motivation thus leading towards organizational citizenship behaviour. This citizenship behaviour is manifested as employee commitment in their respective organizations as well.

Transactional leadership styles and behaviour, on the other hand operate on the basic elements of exchange theory. Under the umbrella of this theory, followers and the leader agree mutually on attainment of preset goals upon exchange of rewards or vice versa. Such leadership style is mostly inclined towards using extrinsic and outer motivators and factors for the accomplishment of organizational goals and targets (Amin, Shah and Tatlah, 2013).

Lee (2004) indicates that work place and organizational commitment significantly/ predominantly correlates with transformational style of leadership as compared to transactional styled of leadership. It was explained further that moderately positive correlations exist between affective commitment and transformational style of leadership where as normative & continuance commitment had lower positive correlations with this style.

Committed and dedicated organizational members utilize work place resources more effectively and efficiently for accomplishing workplace targets in comparison to non-committed employees. Variations reflected in employees' organizational commitment is due to leaders leading styles and attitude towards the followers majorly. Common goals sharing, cooperative attitude, stronger communications are various motivators involved in employee performance and productivity and efficiency.

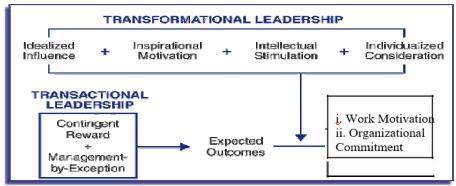


Figure 2: Leadership styles continuum, determinant and outcome variables

## Methodology

A quantitative research approach was adopted for this descriptive study. The population included all the faculty members serving in public sector universities located in Punjab on permanent basis. Due to less monetary and non-monetary resources, study was delimited to only the universities conducting Social Sciences and Management Sciences programs only .Data obtained from Higher Education Commission revealed that 13 federal universities had the respective programs with a count of 7,128 teachers serving on permanent basis. 10% sample size i.e.; 714 teachers through purposive sampling technique got selection as research study sample. The response rate was 86.79%. Three questionnaires were used to gather research data for the accomplishment of research purposes. Leadership Style Questionnaire (LSQ) consisting of 24 items on 5-point likert scale adapted from MLQ given by Bass & Avolio (2000) measured leadership styles. Work Motivation Questionnaire (WMQ) was constructed on research done by Sjoberg and Lind (1994). WMQ consisted of 20 statements on 5-point Likert scale. A self -constructed 21 item questionnaire (OCMQ) was used to measure organizational commitment.

## **Results and Findings**

This section is comprised of three parts. Part I gives out the details related to psychometric properties (reliability) of the three questionnaires, Part II shows the results of with effect of transformational and transactional leadership styles on organizational commitment and work motivation , whereas Part III gives the impact of transactional and transformational leadership styles with outcome research variables of the study.

### Part I

Reliability coefficients of three Questionnaires

The reliability alpha of LSQ yields a higher consistency with .90 for all items on the respective questionnaire on Likert scale. Cronbach's Alpha of WMQ yields higher reliability internally with .88 for all the twenty items. It displayed also the reliability coefficients of two subscales of Work Motivation Questionnaire. The Reliability Alpha of OCMQ manifests a higher consistency internally with .90 for twenty one items.

Table No 1: Result of Inter scale correlations (n=50)

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Scale	1	2	3
LSQ (Leadership Questionnaire)			
WMQ ( Work Motivation Q)	.86*		
OCMQ (Organizational Commitment Q)	.87*	.88*	-

<sup>\*</sup>p<0.05

Table No 1 displays inter scales correlation of all three questionnaires in order to determine statistically its construct validity. Results indicate that all scales have a positive correlation with one another. Highest correlations (r=.88, p<.05) is observed between OCMQ and WMQ.

#### Part II

This section dealt with exploring the effect of the two leadership styles on organizational commitment and work motivation. Correlations were used as statistical treatment for the determinant and outcome variables.

Table No 2: Correlations between transformational leadership styles and work motivation

Correlations	Transformational Leadership Style			
Work	Idealized	Inspirational	Intellectual	Individualized
Motivation	Influence	Motivation	Simulation	Consideration
Intrinsic	.79	.83	.78	.85*
Extrinsic	.87*	.75	.81	.74

\*p<0.05

Table No 2 displays that extrinsic motivation has the top most correlations with individualize considerations (r= .85, p<.05) but in contrast to this, intrinsic work motivators correlate significantly higher with idealized influence (r= .87, p<.05).

Table No 3: Correlations between transformational leadership style and organizational commitment

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Correlations	tions Transformational Leadership Style			
Org Commit	Idealized	Inspirational	Intellectual	Individualized
	Influence	Motivation	Simulation	Consideration
Affective	.80*	.78	.74	.81
Normative	.68	.78*	.72	.71
Continuance	.69	.72	.82*	.78
*p<0.05 **p<0.01				
**p<0.01				

Table No 3 show that affective organizational commitment depicts high positive correlation with idealize influence (r= .80, p<.05), normative commitment correlated significantly with inspirational motivators (r= .78, p<.05) and continuance commitment reflects highest positive correlation with intellectual stimulation (r= .82, p<.05).

Table No 4: Correlations between work motivation and transactional style

Correlation $(r)$	Transactional Leadership Style		
Work Motivation	Contingent Reward	Management for Exception	
Intrinsic	.88*	.77	
Extrinsic	.84	.86*	

Table No 4 displays that intrinsic motivation is significantly correlated with contingent rewards (r= .88) whereas extrinsic motivators show a higher correlations with management for exception (r= .86).

Table 5: Correlations between organizational commitment and transactional style

Correlations (r)	Transactional Style of Leadership			
Org Commit	Contingent Reward	Management for Exception		
Affective	.84*	.79		

Normative	.82*	.78
Continuance	.80	.86*

Table No 5 shows that effective and normative commitment correlate significantly with contingent rewards (r= .84 and r= .82, p<.05) whereas continue commitment shown highest correlation with management for exceptions (r= .86)

## Part III

Part III of the results deal with exploring impact of transactional and transformational leadership styles upon organizational commitment and work motivation. For calculating impact of determinant variables on outcome variables of the study, multiple regression analysis was used.

Model 1:

Predictor	Coefficient Beta( β)	SE	t	Sig
Constant	31.11	73.231	7.23	.000*
Idealized Influences	.347	.036	7.21	.001*
Inspirational Motivators	.079	.007	2.07	.023
Intellectualized Stimulation	.135	.012	4.02	.002*
Individualized Consideration	.344	.024	6.53	*000
R .84				
R- Square .86				
F- Statistic 846*				

Dependent variable: Work Motivation

A statistically significant regression equation is formed, F= 846, p<.05 with an R2 of .86 according to Model No 1. Research participants predicted that work place motivation gets increased as transformational style of leadership moves towards the sub variable Idealize Influence. But all determinant variables were statistically significant predictors of the outcome variable "work motivation". Model 2:

Predictor	Coefficient Beta( β)	SE	t	Sig
Constant	28.141	69.23	8.56	.000*
Idealized Influence	.717	.309	5.43	*000
Inspirational Motivator	.413	.119	4.33	.001*
Intellectualized Stimulation	.711	.478	6.16	.020*
Individualized				
Consideration	.388	.028	3.41	.021*
R .84				
R- Square .89				
E Statistic 912*				

Dependant variable: Organizational Commitment

A significant regression equation was formed, F= 813, p<.05 with an R<sup>2</sup> of .89 through Model 2 of multiple regression. Research respondents predicted that organizational commitment increases as transformational leadership styles moves towards Intellectualized Stimulation. But all other determinant variables were also significant predictors of organizational commitment as the dependent variable.

Model 3:

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Predictor	Coefficient Beta( β)	SE	t	Sig
Constant	24.83	.698	9.34	.000*
Contingent Reward	.248	.019	4.32	.031*
Management for Exception	.128	.008	3.76	.002*
R .79				
R- Square .78				
F- Statistic 765*				

Dependant variable: Work Motivation

Multiple regressions analysis was calculated in Model 3 to predict work motivation on variables of transactional style of leadership. Regression equation formed shows the values, F= 765, p<.05 with an R<sup>2</sup> of .78. Faculty members predicted that work motivation increases with the presence of transactional leadership style as it moves towards contingent reward. But all other determinants of transactional style leadership were also significant predictors of the dependent variable "work motivation".

Model 4

Predictor	Coefficient Beta( β)	SE	t	Sig
Constants	20.51	7.15	8.79	.000*
Contingent Reward	.503	.127	3.38	.020*
Management for Exception	.640	.198	4.49	.002*
R .75				
R- Square .78				
F- Statistic .723*				

Dependant variable: "Organizational Commitment"

To predict impact of transactional leadership style on organizational commitment, regression Model 4 was conducted showing that F= 723, with an R Square of .78. Research participants predicted that organizational commitment increases as transactional leadership style moves towards management for exception. But all the other determinant variables of transactional leadership such as contingent rewards were significant predictors of "organizational commitment" as well.

### Conclusion

Keeping in view research analysis, conclusions drawn are stated here. Analysis shows that transformational and transactional leadership styles prevail in educational organizations; however the impact of both is different on the outcome variables. A strong positive correlation has been observed between the two leadership styles with organizational commitment and work motivation, thus all the four null hypotheses of the study stand rejected. Extrinsic motivation significantly correlated with individualized considerations and intrinsic motivators correlated with idealized influence in the domain of transformational leadership. In contrast to this, the domains of transactional leadership style manifest some variations. Such as, motivation developed intrinsically reflects a good statistical correlation with contingent rewards whereas extrinsic motivators correlated with exception management (Holten, Ann-Louise, and Sten 2015).

Transactional styled leadership states a higher correlation towards positive side with normative commitment, whereas transformational style of leadership demonstrates higher correlations with effective commitments. Models of Multiple Regression Analysis build in this study clearly indicate that transformational style of leadership in organizations as determinant/predictor variable has high significant value in comparison to transactional style of organizational leadership in educational institutions. Transformational leadership in organizations manifested a variance of 84% for work motivation and 89% for organizational commitment whereas transactional style of organizational leadership as a determinant/predictor variable manifested a variance of 78% for work motivators and 79% for organizational commitments (Ali, Erdogan, Sultan and Metin 2016).

### **Research Recommendations**

On the basis of conclusions drawn from the analysis, following research recommendations are suggested:

- Transformational style of leadership in organizations yields more work
  place commitment and organizational motivation, so leaders in possession
  of transactional style may focus upon creating a vision, maintaining it in
  form of a mission and then providing guidance to their group members in
  right direction for achieving it. This may be a helpful track in stimulating
  employee commitment and intrinsic work motivation.
- 2. Ever changing global market demands, organizational cultures and restlessly ambitious employees demand more from their leadership in the current era. Only contingent rewards and management by exception are not enough to satisfy organizational demands and employee needs. Competitive edge of organizations need to be improved through intellectual stimulation and inspirational motivation also.
- 3. Organizational commitment and work motivation become the basis of better performance and productivity in organizations. So all organizations and especially our higher education institutions need to consider and make arrangements for leadership trainings to infuse transformational leadership style as an important part of their organizational culture in leveraging both hard and soft organizational targets.
- 4. Last but not the least, according to different situations arising in organizations on daily basis it may be recommended to use synergy of leadership styles to move the organizations towards better productivity and performance.

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