

**Proceedings of the 11th International
Conference on Private Higher Education in
Africa**

*Major Theme: Poverty Reduction and the
Contribution of Private Higher Education in
Africa*

**Organized and Sponsored by St. Mary's
University, Addis Ababa, Ethiopia**

**August 24, 2013
United Nations Conference Centre,
Addis Ababa, Ethiopia**

The Relationship between Leadership Styles and Employee Commitment in Private Higher Education Institutions at Addis Ababa City

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Abstract

The effective leaders are enablers that directly points to competent and committed employees. Studies in the organizational psychology and organizational behavior literatures have shown that leadership styles and employee commitment are of major factors to the organizational success or failure. The purpose of this study was to investigate the relationship between leadership styles (transactional, transformational, and laissez-faire) and employee commitments (affective, continuance, and normative commitment) in Private Higher Education Institutions (PHEIs) at Addis Ababa City. By using stratified and simple random sampling techniques, 115 participants- included 95 academic staff and 20 leaders- were involved in a research from purposively selected 12 PHEIs with a non-response rate of 27.7%. Two separate instruments, namely multifactor leadership questionnaire (MLQ) and organizational commitment questionnaire (OCQ), were used to measure leadership styles and employees' organizational commitment respectively. The study was designed as the cross - sectional survey for the quantitative study. The survey data was processed using an SPSS (version 16). Descriptive statistics to calculate mean and standard deviations of leaders' answers to leadership styles in order to determine their perceptions, Two-tailed Pearson correlation analysis to investigate the relationship between variables and T-tests to compare the MLQ of leaders and employees responses (independent samples) were used. The findings of the study revealed that transformational leadership style has significant and positive correlations with affective and continuance employee commitments while transactional leadership style has significant and positive correlation with only normative commitment. A laissez-faire leadership style is found to be significantly and negatively associated with employees' affective commitment.

Keywords: Leadership styles, Employee commitment, PHEIs

Paper type: Research paper

1. Introduction

The workplace is changing dramatically and demands for the highest quality of product and service is increasing. To remain competitive in the face of these pressures, employee commitment is crucial. This reality is applicable to all organizations but it is of particular importance to small and medium sized businesses. Much has been written recently about the

need for improving the education, training and development of organizational workforce. As important as this is, Hersey & Blanchard (1984) argue that, at least equal emphasis must be given to improving the quality of leadership if business is to succeed in achieving greater employee commitment and thereby its profitability. Researchers recognize that employee commitment (Brockner *et al* 1992; Meyer *et al.* 2004; Allen & Myer 1990) and leadership styles (Bass 1997; Bass *et al.* 2003; Trottier *et al.* 2008) are of major factors to the organizational success or failure. Allen & Myer (1990) also suggest that the continued interest is a result of the belief that if properly managed, employee commitment can result in benefits such as leadership effectiveness, improved employee performance, reduced turnover and absenteeism.

Over the last decades we have witnessed a dramatic mushrooming of private higher education institutions in Ethiopia; both in the capital and in the regions. Previously higher education institutions were finger counted and owned by the public. However, in recent years this trend has been changed for several reasons: First and above all, after the current government adopted liberalism which was typically characterized by privatization of earlier government owned institutions, different service sectors were freed. Thus, the education sector became one, among them. Consequently, many investors and academicians started to enroll themselves in to it (World Bank 2003).

Although there have been studies that have identified leadership behaviors as vital component to and determinant of employee commitment (Brockner *et al.* 1992; Bučiūnienė & Škudienė 2008) in one hand, and examining the relationship between leadership styles and employee commitment (Avolio *et al.* 2004; Awan & Mahmood 2009; Ponnu & Tennakoon 2009) on the other hand, the number of studies conducted in education organizations is lacking, more so in the case of Ethiopia.

Most of the employees in PHEIs do not seem to be committed to their organization. Since this indicates as there is a need for better leadership and management to realize employee commitment as well as upgrading of skills (staff career) and gearing towards results orientation and efficiency, these institutions are considered to explore such cases in detail. Therefore, the overall aim of this study is to explore the relationship between leadership styles and employee

commitment of Private Higher Education Institutions at Addis Ababa City. Specifically: to identify the employees' perceptions about leadership styles and different dimensions of employee commitment as well as to examine the relationship between different leadership styles and employee commitment dimensions.

Based on the findings of this research, it is hope that it would also provide information and further understanding that will assist the leaders and policy makers of the private Ethiopian Higher Education Institutions as employers to realize the contributions and support of their academic staff in securing profitability and wealth through these staff commitment. The main focus of this study is examination of the relationship between leadership styles and employee commitment in PHEIs. The data for this study is delimited to the academic employees and their leaders of the PHEIs in Addis Ababa city. The major limitations faced during conducting this study were time and lack of sufficient fund, shortage of up to date reference materials and research works, specifically to the Ethiopian context, refusal by management of some institutions to formally permit the distribution of the questionnaire for unconvincing reasons, and non-returned questionnaires.

2. Literature Review

The Concept of Leadership

Leadership has existed for as long as people have interacted, and it is present in all cultures no matter what their economic or social makeup. Although leadership is an age-old concept, it remains a complex term that researchers and scholars grapple with continuously. One of the main reasons is the extensive number of definitions for this term. It is commonly punned that there are nearly as many definitions of leadership as there are researchers and commentators. As cited in Trottier *et al.* 2008, some researchers and commentators rely on narrow definitions for ease of communication (e.g., leadership is the act of getting other people to do what they would not otherwise willingly do (Bennis 1959) or for specific research interests (e.g., the investigation of power relationships) (French and Raven 1959).

Leadership can be defined as a complex social process, rooted in aspects of values, skills, knowledge as well as ways of thinking of both leaders and followers. Thus, it is all about the continuous process of establishing and maintaining a connection between who aspire to lead and those who are willing to follow (Hersey & Blanchard 1984). However, there is still argument about what leadership actually is. Many of scholars and researchers agreed that leadership is a combination of skills and behavior which exhibits those skills (Bass *et al.* 2003; Bolden et al 2003; James & Collins 2008).

Therefore, the operational or working definition of the term 'leadership' in the organizational context in this study is related to the person who is appointed by the organization or owner to follow up the whole or sub activities of the organization as well as the subordinates report to whom in the context of a work place relationship.

Full Range Leadership Model (FRLM)

The FRLM describes a full range of influencing styles from 'non-leadership' to powerful transformational leadership behaviors. The model captures different kinds of behaviors which make a difference to outcomes for associates of the leader. In other words, the range of behaviors starts with transformational leader behaviors to transactional leader behaviors reaching to the lowest leader interaction of laissez-faire leader behaviors (MLQ, undated; Bass *et al.* 2003).

Transformational leadership is a process of influencing in which leaders change their associates' awareness of what is important, and move them to see themselves and the opportunities and challenges of their environment in a new way. A "pure" transactional style focuses on everything in terms of explicit and implicit contractual relationships. All job assignments are explicitly spelled out along with conditions of employment, disciplinary codes, and benefit structures. Both the transformational and transactional leaders are described as leaders who actively intervene and try to prevent problems, although they use different approaches. James & Collins (2008) describe the laissez-faire leader as an extreme passive leader who is reluctant to influence subordinates' considerable freedom, to the point of handing over his/her responsibilities. In a sense, this extremely passive type of leadership indicates the absence of leadership.

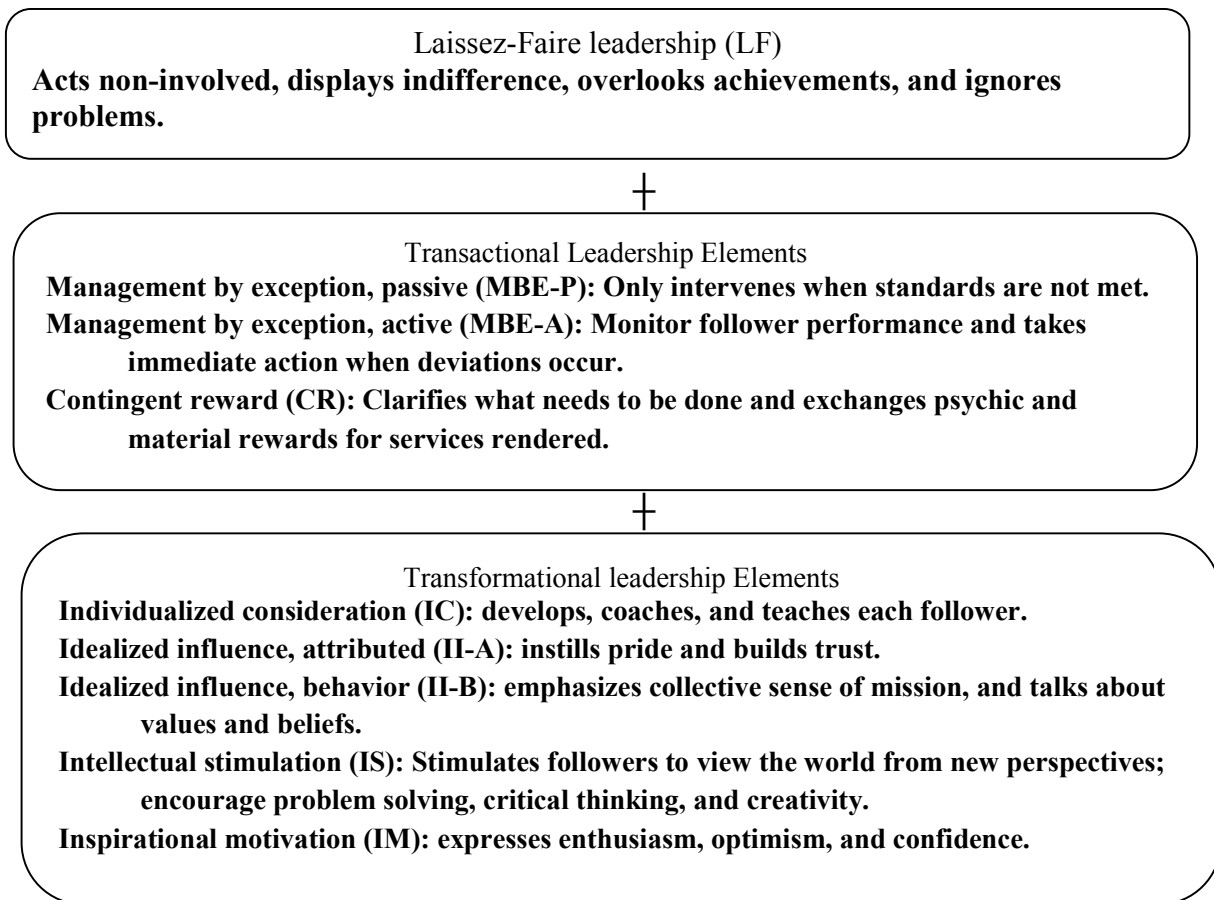


Figure 2.1: Bernard Bass's Revised Full Range I Leadership Model

The Concept and Dimensions of Employee Commitment

Employee commitment¹ has been studied in the public, private, and non-profit sector, and more recently internationally. Early research focused on defining the concept whereas current research continues to examine organizational commitment through two popular approaches, commitment-related attitudes and commitment-related behaviors. When looking at employee commitment within an organization, it is the relative strength of an individual's identification with and involvement in a particular organization. In relation to this, Allen & Meyer (1990) define

¹ I used the term 'employee commitment' throughout this study to describe what has previously been referred to as 'employees' organisational commitment' or simply 'organizational commitment' since the concept 'organisational commitment' has grown to embrace a range of dimensions inviting confusion when the same term is used to describe one sub factor. However, to be consistent with reference of previous and contemporary studies the generic terms 'organizational commitment', 'employees' organizational commitment' and 'commitment' are used.

employee commitment as a psychological state that characterizes the employee's relationship with the organization and has implications for the decision to continue employment with the organization.

The most basic theory of employee commitment is Allen and Meyer's conceptualization. This theory differs from others in the nature of the psychological state being described. They identified three dimensions of employee commitment: affective, continuance, and normative commitment. Normative commitment is a relatively new aspect of organizational commitment having been defined after the former ones (Allen & Meyer 1990). Individuals with high levels of affective commitment continue employment because they *want to* whereas with high levels of continuance commitment stays with the organization because they *need to*. Those with high levels of normative commitment stay with an organization because they feel they *ought to remain* (Allen & Meyer 1990). The three components of employee commitment are not mutually exclusive. An individual can have similar or different levels of all types of commitment. Thus, regardless of the definition, "committed" employees are more likely to remain with the organization (Allen & Meyer 1990).

The Relationship between Leadership Styles and Employee Commitment

Previous researches have devoted a great deal of attention to the relationship between leadership behavior and organizational commitment. They have shown that organizational commitment is greater for employees whose leaders encourage their participation in decision-making (e.g., Ugboro 2006), who treat them with consideration (e.g., Shore & Wayne 1993), fairness (e.g., Brockner *et al.* 1992; Allen & Meyer 1990) and are supportive of them (e.g. Allen & Meyer 1990). Also, Mowday *et al.* (1979) as cited in Ponnu & Tennakoon 2009 has indicated supervision as one of the critical organizational factors that can influence employee commitment to the organization.

A relationship between commitment and leadership style has been reported in the organizational and management literatures. Several studies found a positive relationship between the two variables. For instance, Lo *et al.* (2010) concluded that the leadership styles of supervisors are important dimensions of the social context because they shape subordinates' organizational

commitment in various important ways. Likewise, Ponnu & Tennakoon (2009) indicate that ethical leadership behavior has a positive impact on employee organizational commitment and employee trust in leaders. The study by Bučiūnienė and Škudienė (2008) has investigated the relationship between employees' organizational commitment dimensions and leadership styles and found positive correlations between a transformational leadership style and affective and normative employee commitments whereas a laissez-faire leadership style was found to be negatively associated with employees' affective commitment.

To sum up, as we have seen in this part there is plenty in the literature that describes leadership styles and employee commitment from a multitude of angles and views. Many articles also repeat the same topics and findings and the author chose to include just to show that the findings are similar but from a wide range of domains. In many researches in the literature it was determined that there was a strong relationship between leadership styles and employee commitment (Lo et al. 2009; Lo et al. 2010; Avolio et al. 2004; Bučiūnienė & Škudienė 2008; Lok & Crawford 1999; Awan & Mahmood 2009; Ponnu & Tennakoon 2009). These studies were generally conducted in business organizations, yet there have been few researches conducted in education organizations specifically in Ethiopia. Thus, the aim of this research is to determine the relationship between leadership styles and employee commitment of Private Higher Education Institutions at Addis Ababa City.

3. Research Methodology and Design

This study was intended to be carried out at PHEIs found in Addis Ababa City. The study was designed as the *cross-sectional* survey for the quantitative study which was used to gather the relevant and pertinent information with regard to leadership styles and employee commitment. Thus, this study is classified as survey research.

By using stratified and simple random sampling techniques, 115 participants- included 95 academic staff and 20 leaders- were involved in a research from purposively selected 12 PHEIs with a non-response rate of 27.7%. Two separate instruments, namely multifactor leadership questionnaire (MLQ) and organizational commitment questionnaire (OCQ), were used in this

research to obtain quantitative information on leadership styles and employees' organizational commitment respectively.

The survey data was processed using an SPSS (version 16). Frequency tables were used to summarize the respondents profile whereas the descriptive statistics such as mean and standard deviations of leaders' and employees' answers to leadership styles and employee commitment scales were calculated in order to determine their perceptions. Subsequently, the researcher employed two-tailed Pearson correlation analysis to investigate the relationship between various leadership styles and employee commitment dimensions. Furthermore, T-test was used to compare the MLQ of leaders and employees responses (independent samples).

4. Results and Discussion

Tables 1 and 2 below presented the summary of the leaders' and academic instructors' demographic data results respectively. In the leaders' sample, almost all are males (90%) and there are more males (88.4%) than females in the academic staffs' sample. Most of the total academic staff have worked from 3 to 5 years (35.8%) followed by 1 to 3 years (34.7%), as the minimum requirement was 1 year, for their current organization and most of those have worked from 1 to 3 years under current leader (73.7%). The majority of leaders have worked from 3 to 5 years, as the minimum requirement was 3 years, for their current organization (55%) followed by 5 to 7 years (30%) as well as having similar previous work experience of above 5 years (50%) followed by under 1 year (30%).

Table 1: Summary of Leaders' Profile

	Variables	Frequency	Percent
Sex	Female	2	10
	Male	18	90
Worked on current position	3 to 5 years	11	55
	5 to 7 years	6	30
	Above 7 years	3	15
Previous work experience	under 1 year	7	35
	1 to 3 years	3	15
	3 to 5 years	1	5
	Above 5 years	9	45
Age group	Under 26	1	5
	26 to 35	8	40
	36 to 45	3	15
	46 or older	8	40
Marital status	Single	6	30
	Married	13	65
	Other	1	5

Table 2: Summary of Academic Staff's Profile

	Variables	Frequency	Percent
Sex	Female	11	11.6
	Male	84	88.4
worked for current organization	1 to 3 years	33	34.7
	3 to 5 years	34	35.8
	Above 5 years	28	29.5
worked under current Supervisor	1 to 3 years	70	73.7
	3 to 5 years	15	15.8
	Above 5 years	10	10.5
Age group	Under 26	12	12.6
	26 to 35	54	56.8
	36 to 45	16	16.8
	46 or older	13	13.3
Marital status	Single	48	50.5
	Married	44	46.3
	Other	3	3.2

Table 3 below contains descriptive data (mean and standard deviations) for the five transformational leadership subscales, three transactional leadership subscales, one laissez-faire

subscale, and three employee commitment scales as indicated by the respondents. In all cases, the distribution of scores for the sample contained reasonable variance and normality for use in subsequent analyses.

Table 3: Mean and Standard Deviations of Leadership Styles and Employee Commitment for Academic Staff's Responses

Variables	Mean	Std. Deviation
Idealized Influence (attributed)	2.12	1.09
Idealized Influence (behavior)	2.53	.93
Inspirational Motivation	2.52	.99
Intellectual Stimulation	2.18	.96
Individualized Consideration	2.13	.88
Transformational Leadership	2.30	.80
Contingent Reward	2.31	.99
Management-by-Exception (active)	1.86	.89
Management-by-Exception (passive)	1.66	1.05
Transactional Leadership	1.94	.48
Laissez-Faire	1.75	1.02
Affective Commitment	2.41	.83
Continuance Commitment	1.51	.88
Normative Commitment	2.07	.72

Note: N=95

Each subscale of leadership styles and each scale of commitment has 3 items and 4 items, respectively.

Employees Perception to Leadership Styles and to their Organizational Commitment

The overall scores of data for the transformational and transactional subscales are, in some cases, slightly less than what Bass & Avolio (1997) [as cited in Bass *et al.* 2003] consider “ideal” levels for effective leadership. The suggested scores for the most effective leaders include a mean of 3.0 or higher for idealized influence (attributed), idealized influence (behavior), inspirational motivation, intellectual stimulation, and individualized consideration. Mean scores for the subscales in this study ranged from 2.12 to 2.53.

As the results of this study indicate, respondents perceived leadership style to be slightly more transformational (M = 2.30) than to that of transactional (M = 1.94) and laissez-faire (M = 1.75). Therefore, this supports the finding by Trottier *et al.* (2008) that shows transformational

leadership variables are slightly more important in terms of their overarching concept of leadership effectiveness in followers' perceptions of importance.

In describing the application of their Organizational Commitment Questionnaire (OCQ) scales, Allen & Meyer (1990) do not provide guidance about average, required, ideal, or expected means for affective, continuance, and normative commitment. Instead, Allen & Meyer (1990) and other researchers (Brockner *et al.* 1992; Shore & Wayne 1993; Hunt & Morgan 1994; Meyer *et al.* 2004) studied to identify what was a relationship between the different types of organizational commitment and the outcomes that are being examined, as well as the pattern for those findings, and their level of influence. Many of them proposed that the required pattern to be ranked starting from highest to lowest scores in the following manner such as affective commitment, normative commitment, and then continuance commitment. Thus, the results of this study reflect that the pattern for mean scores is consistent with the abovementioned ones by presenting that affective commitment has highest score followed by normative commitment, and then continuance commitment has the least score.

According to the results shown in the Table 4, the mean score for employees' responses on each of the transformational leadership subscales are ranged from 2.12 to 2.53 with the standard deviation values from .88 to 1.09 whereas for those of leaders has mean scores ranged from 2.75 to 3.25 with standard deviation values from .54 to .77. If we consider the mean and standard deviation scores of the transformational leadership scales taken as a whole for both groups, employees' group has 2.30 and .80 respectively whereas leaders' group has 2.95 and .38 respectively. For some of the transformational leadership subscales such as inspirational motivation ($m=3.25$) and intellectual stimulation ($m=3.10$), leaders' responses indicate that as current study has slightly higher mean score to that of Bass & Avolio (1997) suggested one for the most effective leaders ($m \geq 3.0$) whilst the employees' responses for all subscales has slightly less than to the suggested benchmark.

Table 4: Comparison for the MLQ (leaders and employees) responses

Variables	Participants	N	Mean	Std. Deviation	Std. Error Mean
Idealized Influence (attributed)	Employees	95	2.12	1.09	.11133
	Leaders	20	2.75	.73	.16379
Idealized Influence (behavior)	Employees	95	2.53	.93	.09550
	Leaders	20	2.88	.77	.17147
Inspirational Motivation	Employees	95	2.52	.99	.10183
	Leaders	20	3.25	.64	.14281
Intellectual Stimulation	Employees	95	2.18	.96	.09886
	Leaders	20	3.10	.54	.12115
Individualized Consideration	Employees	95	2.13	.88	.09012
	Leaders	20	2.77	.66	.14730
Transformational Leadership	Employees	95	2.30	.80	.08254
	Leaders	20	2.95	.38	.08389
Contingent Reward	Employees	95	2.31	.99	.10141
	Leaders	20	3.43	.43	.09703
Management-by-Exception (active)	Employees	95	1.86	.89	.09151
	Leaders	20	2.30	.95	.21344
Management-by-Exception (passive)	Employees	95	1.66	1.05	.10757
	Leaders	20	1.15	1.11	.24836
Transactional Leadership	Employees	95	1.94	.48	.04969
	Leaders	20	2.29	.55	.12206
Laissez-Faire	Employees	95	1.75	1.02	.10490
	Leaders	20	.87	.74	.16473

As the whole values of the mean implies for all leadership subscales with an exception of management-by-exception (passive) and laissez-faire, the leaders' responses has higher mean scores than to those of employees' responses. The values of standard deviation on all leadership subscales with an exception to management-by-exception (active) and management-by-exception (passive) indicate higher standard deviation scores for employees' responses than to the leaders' responses.

T-test is used to compare the means of two samples (independent). This test measured whether the difference is significant or not between the mean scores of the two samples (employees and leaders) for Multifactor Leadership Questionnaire (MLQ). Confidence Interval of the Difference

is 95% (i.e., $p \leq 0.05$). The test considers two critical assumptions regarding data distribution: the values in the data set are independent (measured on randomly selected units from the study area) and the data to be normally distributed, but are not sensitive to violations of the normality assumption unless the data is extremely non-normal. Also the standard deviations and standard error mean of the two samples (employees and leaders) are compared to determine whether their perception is similar or different to leadership styles based on the dimensions of the questionnaires.

The finding points out significant differences between the two samples on all dimensions of leadership with an exception to idealized influence (behaviors), management by exception (active), and management by exception (passive). These significant differences implies as there are major differences between leadership behaviors which are being practically exercised and behaviors which are being perceived by the employees of the organization.

The Relationship between Leadership Styles and Employee Commitment

The relationship between leadership styles and employee commitment was investigated using two-tailed Pearson correlation analysis. This provided correlation coefficients which indicated the strength and direction of relationship. The p-value also indicated the probability of this relationship's significance. These findings are presented below.

Table 5: Pearson correlation matrix between leadership styles and employee commitment dimensions

Employee commitment Leadership styles	Affective commitment	Continuance Commitment	Normative Commitment	Total Employee commitment
Transformational leadership style	.305**	.238*	.053	.303**
Transactional leadership style	.075	.177	.222*	.229*
Laissez-faire leadership style	-.349**	-.046	.024	-.189

Note: N=95; *. Correlation is significant at the $p < 0.05$ level (2-tailed); **. Correlation is significant at the $p < 0.01$ level (2-tailed).

As seen from the results, transformational leadership has relatively weak, but significant positive correlation with affective commitment (0.305**) and very weak, but significant, positive relationship with continuance commitment (0.238*) whereas no relationship with normative commitment (0.053). It can also be said that 9% of the variance in affective commitment and 6% of the variance in continuance commitment originate from the transformational leadership behaviors when coefficient of determination ($r^2=0.09$ & 0.06, respectively) are taken into consideration. As for the lack of statistically significant correlations between the transformational leadership and normative commitment, my findings suggest that this same leadership style may not be related to how employees feel about their *obligation to* stay with organization. The finding that transformational leadership style has no relationship with normative commitment is also appropriate since employees who stay with an organization because they feel *obligated to* do may not exhibit the same enthusiasm and involvement as employees who stay with an organization because they *want to* stay and *need to* stay (Allen & Meyer 1990; Brooks et al 2006).

On the other hand, there is very weak, but positive and significant relationship between transactional leadership style and normative commitment (0.222*) but there is no statistically significant correlation with affective commitment (0.075) and continuance commitment (0.177). It can also be said that 5% of the variance in normative commitment originates from the transactional leadership behaviors when coefficient of determination ($r^2=0.05$) is taken into consideration. The absence of relationship for transactional leadership style with affective commitment and continuance commitment suggests that leadership behaviors involving exchange of rewards for meeting agreed-on objectives, highlighting problems, or waiting for problems to become serious before taking action, may not be related to how employees feel about *want to* stay and *need to* stay with the organization. These natures are more related with negative performance (Allen & Meyer 1990; Bass & Avolio 1993).

This study, therefore, supports the suggestions by Brown & Dodd (2003) [cited in Bučiūnienė & Škudienė 2008] that transformational leadership and affective commitment are correlated but not that of having with normative commitment and not having correlation with continuance

commitment. Consistent with the finding of Bučiūnienė & Škudienė (2008), transformational leadership has positive relationship with affective and continuance commitment but different for that of normative commitment. Similarly, this study does not support suggestions made by Simon (1994) that a transformational leadership style has a positive relationship with normative commitment and a negative correlation with continuance commitment.

The significant positive correlation of transactional leadership style and normative commitment contradicts with finding by Marmaya *et al.* (2011) which showed that transactional leadership style is positively related to affective commitment. It also contradicts the findings by Brown & Dodd (1999) cited in Bučiūnienė & Škudienė 2008 whose empirically supported arguments stated that transactional leadership has a negative association with affective and normative commitments.

Laissez-faire leadership style is significantly and negatively related to affective commitment (-0.349**) though it is relatively weak. It can also be said that 12% of the variance in affective commitment originates from the laissez-faire leadership behaviors when coefficient of determination ($r^2=0.12$) is taken into consideration. This existence of significant and negative correlation between laissez-faire leadership style and affective commitment suggests the strengths of negative influence on the affective commitment. But it has no relationship with both continuance commitment (-.046) and normative commitment (.024). These almost nonexistent correlations suggest that leadership behaviors involving ignoring problems, acting non-involved, displaying indifference, and overlooking achievements may not be related to how employees feel about *need to stay* and *having to stay* with the PHEIs.

When compared to transformational leadership, transactional leadership is effective in affecting only employees' normative commitment whereas transformational leadership is effective in affecting both employees' affective and continuance commitments without having any effect on normative commitment. Compared to transformational and transactional leadership, laissez-faire leadership has significant and negative correlation with affective employees' commitment but not has any significant correlation to both continuance and normative commitments.

5. Conclusions

The patterns of mean scores for transformational leadership subscales suggest that some respondents perceived their leaders as one that has not exhibited the “ideal” levels of transformational leadership behaviors as well as some need for improvement. The mean for contingent reward and management-by-exception (active) of transactional subscales proposes that some employees perceived their leaders as performing beyond expected average job of recognizing accomplishments and taking corrective action immediately when deviations occur. Consistent to other findings, affective commitment has highest mean score followed by normative commitment, and then continuance commitment has the least score. Therefore, it can be said that academic staff’s perceptions of organizational commitment are positive. These mean scores suggest that some employees felt more about *wanting to* stay followed by *obligation to* stay and less about *having to* stay with the PHEIs. In general, the findings have indicated that transformational leadership is effective in affecting significantly both employees’ affective and continuance commitments without having any significant effect on normative commitment whereas transactional leadership is effective in affecting significantly employees’ normative commitment. Compared to transformational and transactional leadership, laissez-faire leadership has significant and negative correlation with affective employees’ commitment but does not have any significant correlation to both continuance and normative commitments.

6. Suggestions

It is suggested that the leaders of PHEIs should pay more attention to developing efficient team work and express warm concern and trust to co-workers through transformational leadership behaviors. This is because leaders can play a role in building commitment by assuring that the organization makes effort to address both the work content and the work context by engaging in management practices to increase psychological attachment of employees to the organization. As there are considerable differences in mean scores between leaders and employees perception to leadership styles, leaders must try to be found as practical as what they say theoretically to their followers. Because both transformational and transactional leadership styles have been found to have a significant and positive relationship with employee commitment, the institutions should attempt to maintain these leadership styles within their organizations as committed employees

are most desirable. For transactional leadership, recognizing accomplishments and expectations, and taking immediate action rather than waiting for problems to become serious.

In future research, it would be interesting to assess causal relationships and consider alternative modes of enquires such as employing the longitudinal design (e.g. observations or interviews) to determine if the findings tested are likely to be sustained. Further research should also involve a nationwide survey covering samples from the whole population of the higher education institutions in Ethiopia. Future studies can benefit by including leadership styles and other variables such as loyalty or self-efficacy beliefs in determining employee commitment. Comparisons can also be made between the private and public higher education institutions. The findings of this study may not be generalized to the whole education industry or to other types of organizations in the country. Generalization of the present findings should, therefore, be examined in future research in public higher education institutions and other organizations with balanced gender, and more heterogeneous samples.

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