

Leadership Styles and Employees' Organizational Commitment in the Nigerian Banking Sector: A Study of Commercial Banks in Ekiti State

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ABSTRACT

This study examines the effect of leadership styles on employees' organizational commitment in the Nigerian banking sector with emphasis on commercial banks in Ekiti State. Primary data are collected using Multifactor Leadership Questionnaire (MLQ) for both Managers and Subordinates and Organizational Commitment Questionnaire (OCQ) for the subordinates to measure leadership styles and employees' organizational commitment. Multi-stage sampling techniques are adopted. Total respondents are 372, including 64 managers and 308 subordinates from the 14 commercial banks in the study area (Ekiti State). Frequency tables, percentage, Pearson Correlation Matrix and Multiple Regression Analysis are used to measure the relationships between the variables and determine the effect of leadership styles on the employees' organizational commitment. Findings reveal among others that Transformational Leadership (TFL) style has the strongest relationship with Normative Organizational Commitment (NOC), followed by Continuance Organizational Commitment (COC), without having much significant effect on Affective Organizational Commitment (AOC). That the leader of banks should pay more attention to developing efficient team work and express warm concern and trust to co-workers through transformational leadership behaviours.

Keywords: *Leadership styles, Transformational Leadership, Transactional Leadership, Laissez-faire Leadership*

INTRODUCTION

Leadership has generally been considered by various academicians and practitioners as the top most crucial topic in organizational behaviour (Rahim, 1981). Its importance stems from the fact that the organization's success hinges on the quality of the leaders managing them. These leaders hold the key role in decision making that lays down the company's goals and the processes by which these goals are achieved. The leader's actions are crucial in affecting the attitude, behaviour and potential of the organization's employees (Williams, 1978). Organizational commitment is one of the significant constant organizational problems faced by managers. Previous literature has highlighted the importance of preserving committed employees as an aspect of survival for organization (Messmer, 2000). In response to these prospective problems, many forward-thinking organizations are striving to create a positive organizational climate in order

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to keep those good employees through various human resource management initiatives. Leadership styles (Transformational, Transactional and Laissez-Faire) received much attention many years ago (Bass and Avolio, 1993).

In order to run organizations smoothly, effectively and efficiently, the most valuable and indispensable factor that organizations need is human resource (Mowday, 2003). Well-qualified and capable personnel are important in context of achieving goals and objectives of an organization. The success of an organization depends on the qualities of managers and employees. In this modern era, the world has become a global village, firms considered compete on the basis of competence of their human resources. If leaders want to produce a positive influence on individuals, groups and organizations, then leadership should be broadened from old rigid autocratic style to friendly and contemporary style (Den, Van and Koopman, 2007). Modern leaders perfectly adopt an attitude that support employees, provide them a vision, cultivate hope, encourage them to think innovatively, individualize consideration and broaden the communication (Bushra, Usman and Naveed, 2011). All these factors are the main features of transformational leadership style leading to boost up organizational strengths and increasing level of job satisfaction and organizational commitment in the workforce.

The employee is the main resource of an organization. For an organization to meet its objectives, first it has to meet the employee's requirement up to the obligation level. So when they are in that stage, the organization can easily access and can exist in the market, with good service and product as well as high performance. SoB (Nd) confirms that no organization in today's competitive world can perform at peak levels unless each employee is committed to the organization's objectives and works as an effective team member.

However, many factors have to be undertaken by the organization such as the leadership style which is considered as the main factor in the organization in terms of enhancing the commitment among the employees. The leadership style chosen has to be compatible with the culture of the organization. Consequently, many researchers have investigated the relationship between the leadership and the organizational commitment, and they found a strong relationship. Emery and Barker (2007) indicate that a positive relationship does exist between transformational, transactional and laissez-faire leadership and organizational commitment. Although the results did indicate a positive relationship, the study could not provide clear relationship between the transformational leader and organizational commitment (Emery and Barker, 2007).

Leadership is a process of interaction between leaders and subordinates. Commenting on leadership, Northhouse (2005) concludes that despite the abundance of writing on the topic, leadership has presented major challenges to practitioners and researchers interested in understanding the nature of leadership. It is a highly valued phenomenon that is very complex. Jacques and Clement (1994) define leadership as a process in which one person sets the purpose or direction for others and gets them to move along together with him/her in that direction with competence and commitment. Gardner (1990) defines leadership as the process of influencing the activities of an

individual or a group in efforts towards goal achievement in a given situation. Vecchio (1997) also describes leadership as a process through which leaders influence the attitudes, behaviours and values of others towards organizational goals.

Bass (1990b, 1999); Avolio and Bass (1997) have described three well-known styles of leadership; laissez-faire, transactional, and transformational leadership. Transformational leaders encourage subordinates to adopt the organizational vision as their own, through inspiration, thus adopting a long-term perspective and focus on future needs (Bass, 1990b). Transformational leaders tend to have a holistic perspective of organizational factors. Transactional leaders, on the other hand, identify and clarify job task for their subordinates and communicate how successful execution of those tasks will lead to receipt of desirable job rewards (Bass, 1999). According to Avolio and Bass (1997), a transactional leader determines and defines goals for their subordinates and suggests how to execute tasks. They provide feedback and rewards on completed tasks. These leaders motivate subordinates to achieve expected levels of performance by helping them to recognize task responsibilities, identify goals and develop confidence about meeting desired performance levels (Bass, 1990b). They make subordinates understand how their needs and the rewards they desire are linked to goal achievement. Laissez-faire leaders avoid making decisions (Bass, 1990b). It is clear from the definitions above that leadership can be viewed in terms of multiple perspectives, and that it can be represented as existing as an act, behaviour or process. It is also clear that each of these perspectives alone does not give a full explanation of what leadership is. Leadership is complex and encompasses all these aspects at varying degrees depending on the situation. Therefore, this study is on Effect of Leadership Styles on Employees' Organizational Commitment in the Nigerian Banking Sector, taking the case of Commercial Banks in Ekiti State. The purpose of this study is to examine the effects of leadership styles on employees' organizational commitment in general and the role played by transformational, transactional and laissez-faire leadership styles in improving organizational commitment of banks employees' in Ekiti State, Nigeria. In general, this study attempts to examine the effect of leadership styles on employees' organizational commitment in the Nigerian banking sector. The specific objectives are:

1. to examine the relationship between transformational leadership style and employees' organizational commitment in the Nigerian banking sector;
2. to investigate the relationship between transactional leadership style and employees' organizational commitment in the Nigerian banking sector;
3. to examine the relationship between laissez-faire leadership style and the employees' organizational commitment in the Nigerian banking sector; and
4. to determine the influence of leadership styles on the employees' organizational commitment in the Nigerian banking sector.

The research is planned to involve an extensive survey aimed at appraising the following hypotheses:

- H₀1. There is no significant relationship between transformational leadership and the employees' organizational commitment in the Nigerian banking sector.

- H₀2. There is no significant relationship between transactional leadership style and the employees' organizational commitment in the Nigerian banking sector.
- H₀3. There is no significant relationship between laissez-faire leadership style and the employees' organizational commitment in the Nigerian banking sector.
- H₀4. There is no significant influence of leadership style on the employees' organizational commitment in the Nigerian banking sector.

Theoretical Framework

Leadership has been accompanied throughout time by numerous theories that have been categorized into several historically distinct approaches that focus either on traits, behaviors, situational contingencies and transformational leadership. Theories of leadership attempt to explain factors involved either in the development of leadership, or in the nature of leadership and its consequences (Bass, 1990a). These theories attempt to stimulate reality and thereby show an interrelationship of the various factors that are perceived to be involved in the leadership process which takes place between leaders and followers.

Transformational leadership style

According to Botha (2001), transformational leaders are to ensure that followers are consciously aware of the importance of sharing organizational goals and value. They also find ways to ensure that followers know how to achieve these goals. Yukl (1989) defines transformational leadership as the process of influencing major changes in attitudes and assumptions of organizational members and building commitment for the organizational mission and objectives.

Transformational leaders encourage problem solving in followers rather than constantly providing solutions and directions and a greater pool of knowledge. Bass and Avolio (1994) suggest that the consequence of this behaviour is that followers develop the capacity to solve future problems which might be unforeseen by the leader. Dubinsky, Yammarino, Jolson and William (1995) also suggest that leaders who are intellectually stimulated often possess a high level of risk-taking because of their capability to trust the abilities of their followers.

Individuals who work for transformational leaders may willingly expand their job descriptions as they develop a greater conception of the organization as a whole (Avolio, Waldman and Yammarino, 1991). Bass (1985a; 1997); Avolio, Bass and Jung (1995, 1999) have identified five factors which represent behavioural components of transformational leadership: (1) idealized influence (attributes); (2) idealized influence (behaviour); (3) inspirational motivation; (4) intellectual stimulation and (5) individualized consideration. Idealized influence attributes occur when followers identify with and emulate those leaders who are trusted and seen as having an attainable mission and vision. Idealized influence behaviour refers to leaders' behaviour which

results in followers identifying with leaders and wanting to emulate them. Leaders demonstrating idealized influence or charisma instill pride in their subordinates and command respect (Bass, 1990a; Bass and Avolio, 1990a).

Transactional Leadership Style

Bass (1999) sees transactional leadership as an exchange relationship between leader and follower. Transactional leadership theory is grounded in the social learning and social exchange theories, which recognize the reciprocal nature of leadership (Deluga, 1990). It is based on the realization that leadership does not necessarily reside in the person or situation, but resides in the social interaction between the leaders and the followers (Van Seters and Fields, 1989). Bass (1985a) and Bass and Avolio (1997) describe transactional leadership in terms of two characteristics: the use of contingent rewards and management by exception. They describe contingent reward as the reward that the leader will bestow on the subordinate once the latter has achieved the goals that were set for him/her. Contingent reward is therefore the exchange of rewards for meeting agreed-on objectives. By making and fulfilling promises of recognition, pay increases and advancement for employees who perform well, the transactional leader is able to get things done. Bass (1985a) therefore argues that by providing contingent rewards, a transactional leader might inspire a reasonable degree of involvement, loyalty, commitment and performance from subordinates.

Laissez-Faire Leadership Theory

Deluga (1990) describes a laissez-faire leader as an extreme passive leader who is reluctant to influence subordinates' considerable freedom, to the point of abdicating his/her responsibilities. In a sense, this extremely passive type of leadership indicates the absence of leadership. Laissez-faire style of leadership is also referred to as management-by-exception (Bass and Avolio, 1990a). Management-by-exception characterizes how leaders monitor negative subordinates' behaviour and exert corrective action only when subordinates fail to meet objectives. Leaders who manage by exception intervene only when procedures and standards for accomplishing tasks are not met. It can therefore be concluded that by 'laissez-faire', it is meant that the leader is not sufficiently motivated or adequately skilled to perform supervisory duties.

Both transformational and transactional leaders are active leaders. They actively intervene and try to prevent problems. When researching these two active forms of leadership, they are often contrasted with extremely passive laissez-faire leadership (Yammarino and Bass, 1990). The laissez-faire leader avoids decision making and supervisory responsibility. This type of leader is inactive, rather than reactive or proactive. In essence, this extremely passive type of leadership indicates the absence of leadership. This implies that laissez-faire leadership is always an inappropriate way to lead.

Organizational Commitment

Organizational commitment is the extent to which an individual identifies with an organization and its goal (Zephir, 2016). Meyer, Becker and Vandenberghe (2004) define commitment as a force that binds an individual to a course of action of relevance to one or more targets. Organizational commitment reflects the extent to which an individual identifies with an organization and is committed to its goals (Robert and Angelo, 2007). Organizational commitment is an important work attitude because committed individuals are expected to display a willingness to work harder to achieve organizational goals and a greater desire to stay employed at an organization. Organizational commitment is composed of three separate but related components: affective commitment, normative commitment and continuance commitment (Meyer and Herscovitch 2001). The model reveals that these three components combine to produce a binding force that influence the consequences of employee turnover and on - the - job behaviour such as performance absenteeism, and organizational citizenship.

Each component of commitment is influenced by a separate set of antecedents (figure 1). Accordingly, organizational commitment is defined either as an employee attitude or as a force that binds an employee to an organization. According to Suliman and Isle (2000b), there are currently four main approaches to conceptualizing an exploring organizational commitment. There is the attitudinal approach, the behavioural approach, the normative approach and the multidimensional approach. The attitudinal approach views commitment largely as an employee attitude or more specifically as a set of behavioural intentions. The most widely accepted attitudinal conceptualization of organizational commitment is that of Mowday, Steers and Porter (1979; 1982) who define organizational commitment as the relative strength of individuals' identification with and involvement in a particular organization.

The second approach refers to organizational commitment as behaviour (Zanagaro, 2006). The behavioural approach emphasizes the view that an employee continues with an employing organization because investments such as time spent in the organization, friendships formed within the organization and pension benefits, tie the employee to the organization. Thus an employee becomes committed to an organization because of "sunk cost" that are too costly to lose. The side-bet theory forms the foundation of this approach (Allen and Meyer, 1990). The normative approach is the third approach, which argues that congruency between employee goals and values and organizational aims make the employee feel obligated to the organization (Becker, Randall and Reigel, 1995). From this point of view, organizational commitment has been defined as the totality of internalized normative pressure to act in a way which meets organizational goals and interests (Weiner, 1982).

A MODEL OF ORGANIZATIONAL COMMITMENT

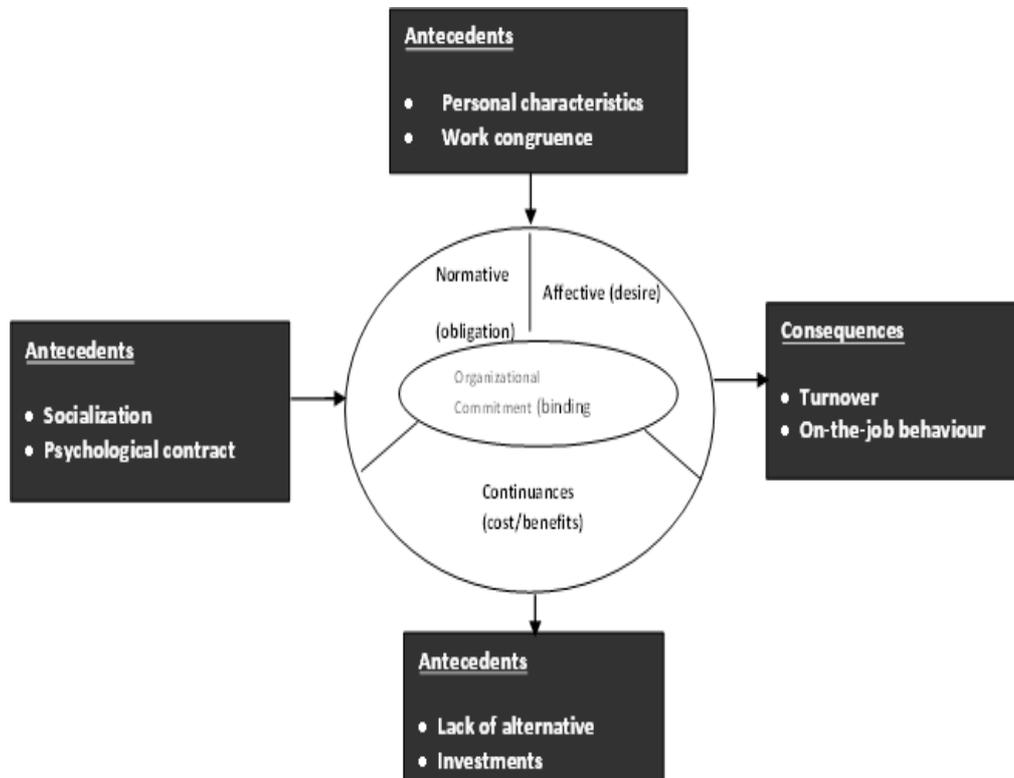


Figure 1: Organizational Commitments,

Source: Robert K and Angelo K (2007) “Organizational Commitment”, Organizational Behaviour Text book, page 189.

Leadership Style and Organizational Commitment

According to Stum (2003), employees’ commitment reflects the quality of the leadership in the organization. Therefore it is logical to assume that leadership behaviour would have a significant relationship with development of organizational commitment. Previous research suggests a positive direct relationship between leadership behaviour and organizational commitment. A relationship between commitment and leadership style has been reported in the organizational and management literature. Billingsley and Cross (1992) report a positive relationship between leader support and commitment.

Dosumu and Olumide (2011) in their study examine the evaluation of leadership and employee commitment to work in Nigeria bottling company. The main conclusion of the study is that leadership and employee relationship within the manufacturing and industrial sector of Nigeria are more of servant and master relationship which invariably determines the worker commitment to their various work within the organization. According to Kurfi (2009), leaders should be accountable for their stewardship both

when in office and afterwards; and there should be general social re-orientation, for the people to be honest, God fearing and to remember the day of reckoning when they will be asked to account for their deeds in this world.

The concept of organizational commitment stressed by several researchers (Mathieu and Zajac, 1990; Mowday, Porter and Steers 1997) has been an important area of research for decades as opined by theorists and researchers working in the field of organizational behaviour. Nevertheless, the roles of leadership and organizational commitment have always been ambiguous. Alves, Lovelace, Manz, Matsypura, Toyasaki and Ke (2006) demonstrate that regardless of the increasing number of research on leadership phenomena, there is still a lot of ground to cover. Moreover, it has been revealed that leadership style still needs major development (Bernal 2009).

METHOD

This study adopts a survey design, and analysis is based on primary data generated through a structured questionnaire administered on respondents. The population for this study comprises all the 15 banks spread across the three senatorial districts of Ekiti State. Multi stage sampling techniques were adopted in this study. Banks, which is the unit of analysis, were selected using simple random sampling technique, whereas the respondents which is the unit of enquiry were selected using stratified and purposive sampling. The prerequisite for employee's participation as respondents in this study was that he/she must have worked for at least one year under the current leaders whereas managers must have been with the bank for more than two years.

To sum up, a combination of purposive, stratified and simple random sampling techniques was used to select samples. This was to ensure that target groups within a population are adequately represented in the sample, and to improve efficiency by gaining greater control on the composition of the sample. The study population, thus, is the fifteen (15) commercial banks in Ekiti –State; fourteen were used in this study. The fourteen (14) selected banks have sixty one (61) branches, with total number of one hundred and twenty two (122) branch/operation managers; the whole sixty one (61) branches were used. However, the sixty one (61) branches have nine hundred and seventy four (974) employees, out of which seven hundred and thirty six (736) employees were selected for the study. For each bank to be adequately represented in the final analysis, sample were on bank bases, using Krejcie and Morgan (1970) sample size determination table. The primary data were obtained using three categories of questionnaire namely: Multifactor Leadership Questionnaire (MLQ) for managers and subordinates and Organizational Commitment Questionnaire (OCQ) for the subordinates. These copies of questionnaire were adapted from the work of Meyer and Allen (1984) Bass and Avolio, (1997) respectively. The MLQ comprises a 5 point Likert scale ranging from 0 to 4 for “Not at all” to “Frequently if not always” respectively and OCQ also comprises a 5 (five) point Likert's scale ranging from 0 to 4 for “Strongly disagree” to “Strongly agree” respectively. The variables that are used in measuring

Full Range Leadership behaviours were considered separately as independent variables. The subscales for these variables are contained in the Multifactor Leadership Questionnaire (MLQ from 5X). Three separate measures of employee organizational commitment were used as dependent variables. These measures are the affective organizational commitment scale, continuance organizational commitment scale, and normative organizational commitment scale of the OCQ. This study was based on the theoretical framework of Allen and Meyers (1997) classification of organizational commitment as dependent variables and Bass and Avolio (1994) leadership styles constructs as explanatory variables. The regression model, therefore, were of the general form stated below:

$$Y = \alpha + \beta_1 * X_1 + \beta_2 * X_2 + \dots + \beta_n * X_n \dots \dots \dots \text{Eq.1}$$

Where:

Y is dependent variable,
 is an intercept.

$\beta_1 \dots \beta_n$ are the coefficient of the independent variables X_1 to X_n

To the specific form, substituting both dependent and independent variables in equation 1 above, we have the following equations:

$$\text{AOC} = \dots \dots \dots \text{Eq. 2}$$

$$\text{COC} = \alpha + \beta_1 * \text{TFL} + \beta_2 * \text{TSL} + \beta_3 * \text{LFL} + \epsilon_i \dots \dots \dots \text{Eq. 3}$$

$$\text{NOC} = \alpha + \beta_1 * \text{TFL} + \beta_2 * \text{TSL} + \beta_3 * \text{LFL} + \epsilon_i \dots \dots \dots \text{Eq. 4}$$

Where:

- $\alpha + \beta_1 * \text{TFL} + \beta_2 * \text{TSL} + \beta_3 * \text{LFL} + \epsilon_i$ = Affective Organizational Commitment
- $\alpha + \beta_1 * \text{TFL} + \beta_2 * \text{TSL} + \beta_3 * \text{LFL} + \epsilon_i$ = Continuance Organizational Commitment
- $\alpha + \beta_1 * \text{TFL} + \beta_2 * \text{TSL} + \beta_3 * \text{LFL} + \epsilon_i$ = Normative Organizational Commitment
- TF = Transformational Leadership Style
- TS = Transactional Leadership Style
- LF = Laissez-faire Leadership Style
- = Autonomous
- $\beta_1 - \beta_3$ = Coefficients of independent variables
- = Error terms

The socio-demographic information of participants was analyzed using frequency tables and percentage to summarize the respondents' profile. All hypotheses were tested at 0.05 level of significance. The data gathered from the participants of the study were analyzed using Statistical Package for Social Scientists (SPSS 17.0) software. Cronbach's alpha coefficients were calculated to estimate the reliability of the MLQ and OCQ instruments of this research. As advised by Sekaran (2000), coefficients less than 0.6 are considered poor, coefficients greater than 0.6, but less than 0.8, are considered acceptable and coefficients greater than 0.8 are considered good. The relationship between leadership styles and employees' organizational commitment was investigated using two-tailed Pearson correlation analysis.



RESULTS AND DISCUSSION

The socio-economic characteristics of the managers with respect to their sex, marital status, age group, work experience and academic qualification are that of the 64 managers sampled, 70% were males while 30% were females. The analysis also reveals that 94% were married while only 6% were singles. This shows that majority of the respondents were responsible individuals whose leadership behaviour and understanding is expected to be a product of cumulative excellent. The study also reveals that 53% are between 35 and 44 years of age, 33% between 25 and 34 years, while 14% are between 45 and 54 years. The study also reveals that 47% of the respondents have work experience between 7 and 9 years, while 38% have worked between 4 and 6 years as the minimum requirement was 2 years. From the study, majority of the managers (81%) are graduates (holders of Bachelors Degree and Higher National Diploma), while 19% are Masters Degree holders. This is believed should add value to the quality of their leadership styles.

The demographic characteristics of the subordinates show that 72% are males while 28% are females. This reveals that the bank employers still preferred male staff to females, possibly due to the work involvements and their expected commitment. The analysis also reveals that 51% are single while 46% are married. This shows that most respondents are young and their loyalty and commitment to the banking job will be high. The study also reveals that 60% of the respondents are between the age of 25 and 34 years followed by 19% who are between 35 years and 44 and 18% who are between 35 to 44 years and 3% between 15 to 24 years of age. This shows that the banking industry prefer the young people due to the work involvements. Again, the analysis reveals that most of the subordinates have work experience more than 5 years as indicated by 55% of the respondents followed by 1 to 3 (23%), as the minimum requirement was 1 year, for their current organization and most of them have worked from 1 to 3 years (62%) under current management. All subordinates have some levels of education, while the majority (65%) are graduates (holders of HND/Bachelors Degree), and 23% have ND/NCE and 12% have Masters Degree. This should add value to the quality of their commitment to their respective banks. As seen in the results in Table 1, the average Cronbach's alpha reliability coefficients for the MLQ instrument are 0.87 for leader booklet and 0.76 for rater booklet, which are considered good and acceptable respectively. The results in table 1 indicate reasonable and acceptable as alpha high enough indicating that the MLQ factors generally are reliable. That is, the instrument measures what it supposed to measure. Therefore, for this research, the MLQ instrument is a reliable measure of transformational, leadership, transactional and laissez-faire leadership styles. Cronbach's alpha coefficients were calculated in order to assess the reliability of the OCQ instrument for this research. The Cronbach's alpha reliability coefficients for the OCQ are given in table 2. The average Cronbach's alpha reliability coefficient for the OCQ instrument is 0.8, which is considered good.

To measure the significance of linear bivariate relations between independent and dependent variables, the Pearson's correlation matrix analysis was carried out. Relationships among variables are considered to comprise a good many coefficients measuring the strength of the relationship. In theory, the higher the value of the correlation between two variables, the more related they are to each other. Additionally, the direction of these relationships is an issue that has to be kept in mind while analyzing the correlations between variables. A positive correlation reveals that the direction of the relationship is positive with one increasing in reaction to the other's increase. Meanwhile, a negative correlation reveals an inverse of the above; an increase in one when another decreases. For the purpose of determining the nature, direction and significance of the bivariate relationship of the variables, Bivariate Correlations was utilized. Accordingly, the study utilized the bivariate correlations procedure in order to calculate Pearson's correlation coefficient. Table 3 shows the Pearson's correlation matrix coefficient of the variables of the study. Generally, multicollinearity may pose a problem in instances where correlation is > 90 , in the correlation matrix formed by all the independent variables (Hair 2010).

The relationship between leadership styles and employees' organizational commitment was investigated using two-tailed Pearson correlation analysis. This provides correlation coefficients which indicates the strength and direction of relationship. The p-value also indicates the probability of this relationship's significance. Employees' organizational commitment is viewed according to Meyer and Herscovitch (2001) as Affective Organizational Commitment (AOC) and Continuance Organizational Commitment (COC) and Normative Organizational Commitment (NOC). Based on the analysis presented in table 2, the results of the relationship between transformational leadership style and AOC, COC and NOC indicate that there was a significant correlation between the two variables with coefficient correlation. The results further reveal that NOC has the strongest relation, $r = 0.861^{**}$, at $P < 0.05$ level followed by COC, $r = 0.441^{**}$, at $P < 0.05$ while AOC is significantly related to TFL at $r = 0.297^{**}$ $P < 0.05$ significant level. The Pearson correlation results of the relationship between transactional leadership style and AOC, COC and NOC is very strong at $P < 0.05$ significant level. The results further revealed that COC has the strongest relation at $r = 0.777^{**}$ $P < 0.05$, followed by NOC at $r = 0.663^{**}$ $P < 0.05$ while AOC is significantly related to TSL at $r = 0.537$ $P < 0.05$ significant level. Laissez-faire leadership style, according to the research data has relatively weak, but significant positive correlation with continuance organizational commitment at $r = 0.312^{**}$ $P < 0.05$, followed by affective organizational commitment at $r = 0.247^{**}$ $P < 0.05$ while normative organizational commitment is significantly related to LFL at $r = 0.212^{**}$.

Multiple regression estimates the coefficients of the linear equation, involving one or more independent variables that best predict the value of the dependent variable. It is imperative to measure employees' organizational commitment along side with Meyer and Herscovitch (2001) as AOC, COC and NOC. Linear regressions were used to determine the influence of the independent variables (X_1 = transformational

leadership, X_2 = transactional leadership, X_3 = Laissez – faire leadership), to dependent variables (Y = employees' organizational commitment: Y_1 = affective organizational commitment, Y_2 = continuance organizational commitment, and Y_3 = normative organizational commitment. Significance level for leadership style is accepted on Alpha (α) = 1%, significance level = 99% significant at 1% (*). Therefore, as stated in the regression model, 3 models were regressed in this study:

Model One: AOC =

The regression results shows leadership styles of TFL, TSL and LFL taken together determines AOC. The value (.534), the value of R^2 was (.285) and the standard error of the estimate was (3.19300). The results from table 4 shows that the regression equation explains more than 28.5% level of the variability in affective organizational commitment. This is an acceptable level for R^2 in explaining variability of AOC. The model summary and the data are shown in table 4. To strengthen the multivariate results (table 4), coefficient analysis of the variable are shown in table 5, from the table TFL and TSL are found to be significant predictor of AOC with $\hat{\alpha} = -.118$ and $t = -1.628$ and $\hat{\alpha} = 0.594$, $t = 7.945$ respectively. However, LFL is not significant in determining AOC.

Model Two: COC =

The regression results show leadership styles of TFL, TSL and LFL taken together determines COC. The value of R was .803, the value of R^2 was .645 and the standard error of the estimate was 2.20901. The results from table 6 show that the regression equation explains more than 64.5% level of the variability in continuance organizational commitment. This is an acceptable level for R^2 in explaining variability of COC. The model summary and the data are shown in table 6. Again to strengthen the multivariate results (table 6), coefficient analysis of the variables are shown in table 7. From the table, TFL and TSL are found to be significant predictor of COC with $\hat{\alpha} = -.300$ and $t = -5.865$ and $\hat{\alpha} = 1.005$, $t = 19.052$ respectively. However, LFL is not significant in determining COC.

Model Three: NOC =

The regression results shown leadership styles of TFL, TSL and LFL taken together determines NOC. The value of R was .863, the value of R^2 was .745 and the standard error of the estimate was 2.08655. The results from table 8 show that the regression equation explains more than 74.5% level of the variability in normative organizational commitment. This is an acceptable level of R^2 in explaining variability of NOC. The model summary and the data are shown in table 8. Furthermore, to strength the multivariate results above, coefficient analysis of the variables are shown in table 9; from the table, only TFL was found to be significant predictor of NOC with $\hat{\alpha} = -.827$ and $t = 19.049$. In that case, TSL and LFL are not significant in determining NOC.

The result of the first hypothesis reveals that there is a strong relationship between the transformational leadership style and NOC. Hence, null hypothesis is rejected and alternate hypothesis upheld. The degree of the observed relationship between transformational leadership style and NOC, AOC and COC (the independent variables) varies, although the relationship is positive, while NOC is strong but that of AOC and COC are not very strong. For NOC, this presupposes that leadership behaviours involving investing, training, emphasizing development are somewhat positively related to how employees feel about wanting to stay with the banks. This study support suggestions made by Sorenson (2007) that a transformational leadership has a positive relationship with normative organizational commitment and a lower correlation with affective organizational commitment. The second null hypothesis was likewise rejected as there exists a strong positive correlation between transactional leadership style and continuance, normative and affective organizational commitment, suggest that leadership behaviours involving rewards, highlighting problems and positive reinforcement related to how employees' feel about the needs to stay, obliged to stay and wants to stay with the organization (Bass and Avolio, 1993). This finding verifies with the finding of Buciuniene and Skudiene (2008) that identified significant and positive correlation between transactional leadership style and affective, continuance and normative organizational commitments. The strong positive correlation between transactional leadership style and continuance, normative and affective organizational commitment, suggest that leadership behaviours involving rewards, highlighting problems and positive reinforcement related to how employees' feel about the needs to stay, obliged to stay and wants to stay with the organization (Bass and Avolio, 1993).

Laissez-faire leadership style, according to the research data has relatively weak correlation, the weak significant correlation suggest that leadership behaviours involving ignoring problems, acting non-involved, displaying indifference, and overlooking achievements may not be related to how employees' feel about wants to stay, need to stay and having to stay with the banks.

The last hypothesis on whether there is a significant influence of leadership styles on the employees' organizational commitment, the findings indicate that transformational and transactional leadership styles are significant predictor of affective organizational commitment (AOC), while laissez-faire leadership style is not significant as earlier observed. However, the finding of Awan and Mahmood (2009) shows that organizational commitment of the employees remains unchanged even under a laissez-faire leadership style.

The second model, which centered on continuance organizational commitment, indicates that transformational and transactional leadership styles are significant variables in its determinant. In this case also laissez-faire is not significant predictor, this is corroborated with the earlier work of Hair (2010). It can be deduced as in model one that these two forms of leadership styles positively predict continuance organizational commitment. Normative organizational commitment which means the employee's feeling of obligation to remain with the organization is only predicted by

transformational leadership style, while the other two variables which are transactional and laissez-faire leadership styles do not have significant influence. Sameh (2011) however, supported this finding.

Table 1: Cronbach's alpha Reliability Coefficients for the MLQ Scales

Scale	Code	Number of Items	Cronbach's Alpha Questionnaires	
			(Leaders)	(Rater)
Transformational Leadership	TFL	20	0.86	0.79
Transactional Leadership	TSL	12	0.64	0.75
Laissez-Faire Leadership	LFL	8	0.76	0.73
Multifactor Leadership Commitment	MLQ	40	0.87	0.76

Source: Field Survey, 2017

Table 2: Cronbach's Alpha Reliability Coefficients for the OCQ Scales

Scale	Code	Number of Questionnaire	Cronbach's Alpha
			(Rater Questionnaire)
Affective Organizational Commitment	AOC	4	0.75
Continuous Organizational Commitment	COL	4	0.85
Normative Organizational Commitment	NOC	4	0.86
Organizational Commitment Questionnaire	OCQ	12	0.84

Source: Field Survey, 2017

Table 3: Pearson correlation matrix between leadership styles and employees' Organizational commitment dimensions

	TFL	TSL	LFL	AOC	COC	NOC
TFL	1					
TSL	.754**	1				
LFL	.275**	.360**	1			
AOC	.297**	.537**	.247**	1		
COC	.441**	.777**	.312**	.585**	1	
NOC	.861**	.663**	.212**	.222**	.383**	1

Source: Field Survey, 2017

Note: *. Correlation is significant at the p<0.05 level (2-tailed).

** . Correlation is significant at the p<0.01 level (2-tailed).

Table 4: Model Summary of leadership styles and affective organizational commitment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			Change Statistics		Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.534 ^a	.285	.279	3.19300	.285	47.309	3	356	.000	1.453

a. Predictors: (Constant), TFL, TSL, LFL
 b. Dependent Variable: AOC

Table 5: Summary of Coefficients Analysis Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error				Beta	Tolerance
1 (Constant)	4.940	1.000		-4.940	.000		
TFL	-.027	.016	-.118	1.628	.104	.381	2.624
TSL	.224	.028	.594	7.945	.000	.359	2.787
LFL	.075	.055	.066	1.371	.171	.870	1.149

a. Dependent Variable: AOC

Table 6: Model Summary of Leadership Styles and Continuance Organizational Commitment.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			Change Statistics		
					R Square	F Change	df1	df2	Sig. F Change	Durbin-Watson
.803 ^a	.645	.642	2.20901	.645	215.221	3	356	.000	1.573	2
a.	Predictors: (Constant), TFL, TSL, LFL				b.	Dependent Variable: COC				

Table 7: Summary of Coefficients Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error				Beta	Tolerance
1	(Constant)	-2.000	.692		-2.890	.004		
	TFL	-.067	.011	-.300	-5.865	.000	.381	2.624
	TSL	.371	.019	1.005	19.052	.000	.359	2.787
	LFL	.036	.038	.032	.951	.342	.870	1.149

a. Dependent Variable: COC

Table 8: Model Summary of Leadership Style and Normative Organizational Commitment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			Change Statistics		
					R Square	F Change	df1	df2	Sig. F Change	Durbin-Watson
.863 ^a	.745	.742	2.08655	.745	345.885	3	356	.000	1.794	3
a.	Predictors: (Constant), TFL, TSL, LFL				b.	Dependent Variable: NOC				

Table 9: Summary of Coefficients Analysis Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error				Beta	Tolerance
1	(Constant)	-2.000	.692		-2.890	.004		
	TFL	-.067	.011	-.300	-5.865	.000	.381	2.624
	TSL	.371	.019	1.005	19.052	.000	.359	2.787
	LFL	.036	.038	.032	.951	.342	.870	1.149

a. Dependent Variable: NOC

CONCLUSION AND RECOMMENDATIONS

The aim of this survey was to examine the effect of leadership styles on employees' organizational commitment in the Nigerian banking sector with commercial banks in Ekiti State as a case study. It discovered that there is a strong relationship between the transformational leadership style and NOC, a positive, although not very strong relationship between transformational leadership style and AOC and COC. This suggests that leadership behaviours which involve building trust, inspiring a shared vision, encouraging creativity and emphasizing development is somewhat positively related to employees' organizational commitment. According to the results, there is a positive and significant relationship between transactional leadership behaviours and commitments (affective organizational commitment, continuance organizational commitment and normative organizational commitment). Although, continuance organizational commitment (COC) has the strongest relationship with transactional leadership style, this suggests that leadership behaviours, which involve recognizing accomplishments taking immediate action or waiting for problems to become chronic before taking action, explain positive variation in how employees feel about having to stay with the organization. The third leadership style, a laissez-faire leadership, was found to be significantly positive but weak with affective, continuance, and normative

organizational commitments. This implies that leadership behaviours which involve ignoring problems, displaying indifference, and overlooking achievements will negatively affect how employees feel about wanting needs and oblige to stay with the organization. Based on the finding of this study, the following are recommended:

- i that the leader of banks should pay more attention to developing efficient team work and express warm concern and trust to co-workers through transformational leadership behaviours;
- ii to improve the lowest mean score of continuance commitment, banks should try to improve their payment and other benefit systems to develop employees' commitment otherwise they need not stay there.
- iii From the managerial perspective, this study implies to the managing directors and various leaders at the banks that they can focus in developing their staff, by tapping their potentials, inspiring them, promoting collaboration, motivating and reinforcing positive attitudes towards commitment to organization.
- iv Since the laissez-faire leadership has significant and negative correlation with affective employees' commitment, leaders should avoid such behaviours like displaying indifference, overlooking achievements, and ignorance of problems to improve the commitment levels of employees.

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