

***THE EFFECT OF LEADERSHIP STYLE ON ORGANIZATIONAL
COMMITMENT: EMPLOYEE JOB SATISFACTION AS A
MEDIATING EFFECT IN JIMMA UNIVERSITY***

***A Thesis Submitted to the School of Post Graduate Studies of Jimma University
in Partial Fulfillment of the Requirements for the Award of the Degree of
Master of Public Management (MPM)***

BY MARGA DHABA



**JIMMA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
MPM PROGRAM**

DECEMBER 2020

JIMMA, ETHIOPIA

***THE EFFECT OF LEADERSHIP STYLES ON ORGANIZATIONAL
COMMITMENT: EMPLOYEE JOB SATISFACTION AS A
MEDIATING EFFECT IN JIMMA UNIVERSITY***

BY MARGA DHABA

UNDER THE GUIDANCE OF

Dr. MOKONNEN BOGALE (PhD)

AND

Mrs. LALISE KUMARA (MBA)



***A Thesis Submitted to the School of Post Graduate Studies of Jimma University
in Partial Fulfillment of the Requirements for the Award of the Degree of
Master of Public Management (MPM)***

JIMMA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

MPM PROGRAM

DECEMBER 2020

JIMMA, ETHIOPIA

Declaration

I hereby declare that this study **The Effect of Leadership Style on Organizational Commitment: Employee Job Satisfaction as a Mediating Effect in Jimma University** has been carried out by me under the guidance and supervision of Dr. Makonnen Bogale and Mrs. Lalise Kumara.

The Research is original and has not been submitted for the award of any degree or diploma to any university or institutions.

Researcher's Name

Date

Signature

Certificate

This is to certify that the research entitles **The Effect of Leadership Style on Organizational Commitment: Employee Job Satisfaction as a Mediating Effect in Jimma University** submitted to Jimma University for the award of the Degree of Master of Public Management (MPM) and is a record of confide research work carried out by Marga Dhaba under our guidance and supervision.

Therefore, we hereby declare that no part of this research has been submitted to any other university or institutions for the award of any degree or diploma.

Main Adviser's Name

Date

Signature

Co-Advisor's Name

Date

Signature

Abstract

The study was about the effect of leadership styles on organizational commitment; employee job satisfaction as a mediator variable. It was aimed to investigate the effect of leadership style son organizational commitment: employee job satisfaction as a mediating effect in Jimma University. Both descriptive and explanatory research design were applied. Stratified random sampling technique was used. A quantitative research approach was adopted. The study used primary and secondary data sources. Primary data were gathered through questionnaires whereas secondary data were collected from different documents, employees profile and internet sources. Using the exclusion criteria 6305 population of target were identified from which 376 sample size was taken with 80 % response rate. The data was analyzed using SPSS version 25 and SEM version 23 of AMOS. Both descriptive and inferential analysis were conducted. Transformational leadership has moderate correlation with job satisfaction, affective and normative but, low correlation with continuance commitment. Similarly, transactional leadership has moderate correlation with job satisfaction but, low correlation with all organizational commitment factors. Laissez-faire leadership is insignificant to job satisfaction and affective commitment, but it has low correlation with normative and continuance commitments. Job satisfaction is moderately correlated to affective commitment but, there is low correlation between job satisfaction, normative and continuance commitments. Based on the findings a researcher concludes that transformational leadership being proven as more predictive of employee job satisfaction and organizational commitment. It is recommended that the HR managers of JU should focus their talent management strategy on attracting, developing and retaining transformational leaders which as result in the long-term, could impact the work in a more positive regard as employees become and remain satisfied and committed.

Keywords: *Transformational Leadership, Transactional Leadership, Laissez-fair leadership, Job Satisfaction, Organizational Commitment*

Acknowledgements

First of all, I would like to thank God for encouraging me in time of misery and loneliness when I have been conducting this study.

Next, my heartfelt gratitude goes to Dr. Mokonnen Bogale who genuinely advised and supported me as soon as I asked for his help. Also, my gratitude goes to Mrs. Laisse Kumara for her constructive commitment and advice.

The role of all my Instructors, classmates and friends who helped me in the ups and downs of the situation when taking courses of the MPM program was unforgettable. Specially thanks to my best friends and colleagues Zelalem Temesgen, Bikiltu Tafase and Galate Fikiru for their encouragement.

Table of Contents

Contents	Pages
Declaration.....	i
Certificate.....	ii
Abstract.....	iii
Acknowledgements.....	iv
Table of Contents.....	v
List of Tables.....	vii
List of Figures.....	Error!
Bookmark not defined.	
Acronyms /Abbreviations.....	x
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.1. Background of the Study.....	1
1.2. Statement of the Problem.....	4
1.3. Research Objectives.....	7
1.3.1. General Objective.....	7
1.3.2. Specific Objectives.....	7
1.4. Research Questions.....	7
1.5. Hypotheses of the Study.....	8
1.6. Significance of the Study.....	8
1.7. Scope of the Study.....	8
1.8. Limitations of the study.....	9
1.9. Definition of Operational Variables.....	9
1.10. Organization of the Study.....	10
CHAPTER TWO.....	11
REVIEW OF RELATED LITRATURE.....	11
2.1. Theoretical Frameworks.....	11
2.1.1.Theories and Styles of Leadership.....	12
2.1.2. Job Satisfaction.....	20

2.1. 3. Organizational Commitment	25
2. 1. 4. The Relationship of Leadership Styles and Employee Job Satisfaction	26
2.1. 5. The Relationship of Job Satisfaction and Organizational Commitment	28
2. 1.6. The Relationship of Leadership style and Organizational Commitment	30
2.1.7. The Mediating Effect of Employee Job Satisfaction in the Effect of Leadership Style on Organizational Commitment	32
2.2. Empirical Studies	34
2.3. Conceptual Framework.....	35
CHAPTER THREE.....	37
RESEARCH DESIGN AND METHOD.....	37
3.1. Research Design	37
3.2. Sampling Design.....	38
3.2.1. Target Population	38
3.2.2. Sampling Frame.....	38
3.2. 3. Sampling Techniques	38
3.2.4. Sampling Procedures and Sample Size	39
3.3. Data Collection Instrument.....	40
3.4. Reliability and Validity.....	41
3.5. Data Analysis Method	43
3.6. Ethical Consideration.....	44
CHAPTER FOUR.....	45
DATA PRESENTATION, ANALYSIS AND INTERPRETATION.....	45
4.1. Descriptive Analysis	45
4. 1. 1. Demographic Description of Respondents	45
4.1.2. Descriptive Statistics for Leadership Styles, Employee Job Satisfaction Facets and Organizational Commitment Factors.....	48
4.2. Multiple Correlation Analysis	50
4.3. Structural Equation Model Analysis (SEM).....	52
4.3.1. SEM Model Assumption Tests	52
4.3.2. Factor Analysis	59
4.3.3. Result of Regression Weights.....	63
4.4. Analysis of a Mediation Effect	65
CHAPTER FIVE.....	72

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	72
5.1. Summary of Major Findings.....	72
5.2. Conclusions.....	74
5.3. Recommendations.....	75
5.3. 1. Recommendations for Improvement	75
5.3.2. Recommendations for Future Research.....	75
References.....	76
Appendix.....	79

List of Tables

Table.3.1. Sampling Procedure and sample size calculation.....	40
Table 3.2. Reliability Statistics Test.....	42
Table 4.1: Demographic Characteristics of Respondents.....	46
Table 4.2. Descriptive Statistics for Leadership Style Dimensions.....	48
Table 4.3. Descriptive Statistics of Job Satisfaction Facets.....	49
Table 4.4: Descriptive Statistics of Organizational Commitment Factors.....	50
Table 4. 5. Correlations Coefficient of leadership styles, job satisfaction and organizational commitment Factors.....	51
Table 4.6. Collinearity Statistics.....	58
Table 4.7. Criteria/Critical values/ cut off points of SEM Fit Indices.....	62
Table 4.8. Fit Indices Test of Structural Equation Model.....	63
Table 4.9. Unstandardized Regression Weight.....	63
Table 4.10. Standardized Regression Weights.....	64
Table 4.11. Major Variable’s Coefficients Result.....	68
Table 4.12. Partial mediation standardized Coefficients Result.....	69
Table 1.13. Model Summary.....	69
Table 4.14. ANOVA.....	70
Table 4.15. Structural Regression Model.....	71

List of figures

Figure 2.1. Conceptual Frameworks.....	36
Figure 3.1. The Flow Chart of Basic Steps of SEM Analysis.....	44
Figure 4.1. Histogram of Data Normality Tests.....	55
Figure 4.2. P-P Plot Linearity Test.....	56
Figure 4.3. The Scatter Plot for Homoscedasticity Test.....	57
Figure 4.4. Diagram of SEM Analysis.....	61
Figure 4.5. Basic Mediator Model.....	66

Acronyms /Abbreviations

AGFI= Adjusted Goodness of Fit Index

AMOS = Analysis of Moment Structure

AVE = Average Variance Extracted

CBE = Community Based Education

CFA = Confirmatory Factor Analysis

CFI=Comparative Fit Index

EFA = Exploratory Factor Analysis

GFI = Goodness of Fit Index

HRM= Human Resource Management

JU =Jimma University

JSS= Job Satisfaction Survey

MLQ= Multi-Factor Leadership Questionnaire

MSV= Maximum Shared Variance

NFI= Normed Fit Index

OCQ = Organizational Commitment Questionnaire

PGFI=Parsimony Goodness of Fit Index

RMSEA= Root Mean Square Error of Approximation

RMR=Root Mean Square Residual

SEM= Structural Equation Model

SPSS= Statistical Package for Social Sciences

VIF = Variance Inflation Factor

CHAPTER ONE

INTRODUCTION

This chapter introduce background of the study and organization under the study, statement of the problem and objectives to be achieved and associated research questions to be answered, significance and scope of the study and definitions of operational variables.

1.1. Background of the Study

Globally, leadership has become the most widely studied aspect of organizational behavior and a number of theories have emerged focusing on the strategies, traits, styles and the situational approach to leadership. As a result of ever-growing interest in the field of leadership, behavioral scientists and sociologists began to analyze the possible consequences of leadership behaviors and the variables that are used to predict the leader's behavior (Anyango, 2015).

Leadership is a field of study that has been studied in management and organizational development for a number of years. Leadership as the ability to influence a group toward the achievement of a vision or set of goals is may be formal, such as that provided by managerial rank in an organization. But not all leaders are managers, nor, for that matter, are all managers' leaders. Just because an organization provides its managers with certain formal rights is no assurance they will lead effectively. Non-sanctioned leadership is the ability to influence that arises outside the formal structure of the organization is often as important as or more important than formal influence. Organizations need strong leadership and strong management for optimal effectiveness.

Organizational commitment and job satisfaction have received significant attention in studies of the workplace. This is due to the general recognition that these variables can be the major determinants of organizational performance. Many literatures emphasize that leadership behaviors can simplify the improvement of both leadership style and commitment of employees. This eventually contributes to enhancing organizational commitment. Employee commitment includes executing defined duties, meeting deadlines, employee competency, and effectiveness and efficiency in doing work.

There is agreement in the literature (Maritz, 1995; Bass, 1997) as cited in K. Grag and D. Ramjee (2013) that leadership is a critical factor in the success or failure of an organization; excellent organizations begin with excellent leadership, and successful organizations reflect their leadership. Job satisfaction is related to job organizational commitment. Pattersen, Warr and West (2004:5) also suggest that a job satisfied employee is a productive employee. Moreover, according to research study conducted by HueryrenYeh (2012) leadership style is positively related to organizational commitment and job satisfaction.

Human resource is one of those capital resources of an organization which not only increases the efficiency and the effectiveness of the organization but it acts as a sheer source of competitive advantage which is inimitable. Considering this fact organization's success is based on employee's commitment and their focus towards achieving the organization's prime goals. Another prime factor of organization's success is the manager's leadership styles. Leadership style in an organization is one of the factors that play significant role in enhancing the interest and commitment of the individuals in the organization. Leadership style is especially important to motivate employees' commitment to fulfill organizational objectives and increase job satisfaction.

Effective leadership, employee job satisfaction, and organizational commitment are the three important facets for organizational success. An effective leader provides guidance to employees, gives them direction towards achievement of desired goals, as a result employee with high job satisfaction exert more effort in completion of work for achieving success and thus are more committed towards organization (Voon, Lo, Ngui, & Ayob, 2010) as cited in Tahir M. (2015).

A major motivation for this study derives from the urgent challenge of leadership style on organizational commitment through employee job satisfaction in Ethiopian Higher Educational Institutions. It is becoming increasingly important to study leadership in the context of higher education institutions, especially in the Ethiopian context. Ethiopia is recently experiencing a crisis in higher education with lecturers and students strikes in public universities in some that have consequently led to the university closures. The role that leadership plays in this is hard to ignore. That is why this study seeks to investigate the link between leadership styles and organizational commitment; employee job satisfaction as a mediating effect in Jimma University.

Jimma University is a public research university located in Jimma, Ethiopia. It is recognized as the leading national university, as ranked first by the Federal Ministry of Education (MOE) for four successive years (2009 - 2012). The establishment of Jimma University dates back to 1952 when Jimma college of Agriculture was founded. The university got its current name in December 1999 following the amalgamation of Jimma College of Agriculture (founded in 1952) and Jimma Institute of Health Sciences (founded in 1983).The university campus is located in the city of Jimma, situated around 352 kilometers southwest of Addis Ababa. Its grounds cover some 167 hectares. JU is Ethiopia's first innovative community-oriented educational institution of higher learning, with teaching centers for health care students in Jimma, Omo Nada, Shebe, Agaro, and Asendabo. JU is a pioneer in Public health training. It has academic and scientific collaboration with numerous national and international partners. Jimma University also publishes the biannual Ethiopian Journal of Health Sciences, and launched the Jimma University Journal of Law in October 2007.

Jimma University is one of the largest and comprehensive public research universities in Africa. The University has more than 4,000 faculty and staff members. It also has twelve research facilities, a modern hospital, a community school, and a community radio station (FM 102.0), an ICT center, libraries and revenue generating enterprises. The university is operating on four campuses and it is on the phase of establishing its fifth campus at Agaro. Currently, the university educates more than 43,000 students in 56 undergraduate and 103 postgraduate programs in regular, summer and distance education with more enrollments in the years to come. The university has many national and international linkages and collaborations in the area of research, education and community service. Its innovative educational philosophy, staff commitment and motivation and availability of better research facility have helped the university. Jimma University is highly committed to pioneering concepts, as reflected in its motto, the university was initially founded based on the concept of Community-Based Education (CBE). Throughout its history, the university has been committed to this scheme, and almost the entire academic curriculum is based on CBE programs. Jimma University is the first university in Africa that has established an exclusive office under the President's office to supervise all innovative programs across the university(<https://en.wikipedia.org/wiki/JimmaUniversity>).

1.2. Statement of the Problem

Organizational life today is often a complex social environment of confrontation, miscommunication, manipulation, hostility, and conflict. Does that sound like an exaggeration to you? If so, take a good look at most organizations. So much of what takes place in virtually all organizations is grounded in the inter relationships of its members, and all human relationships have problems. These interactions involve the work that is done, the goals that are set, and the decisions that are made. Without effective leadership, members of an organization often quickly degenerate into argument and conflict, because they each see things in different ways and lean toward different solutions (David R. Kozlov, 2014).

A primary concern of most organizations today is the attraction and retention of talented people. However, they generally want to work for good leaders in an open environment where they can speak their minds freely, be treated with respect, and where leadership promotes clarity and honesty. Bad leaders are corrosive to an organization because they can drive out anyone who's good. Unfortunately, since many bad leaders are manipulative and deceptive, it is often a challenge to root them out and get rid of them. The lack of positive and effective leadership is a key reason why many talented workers leave the organization (ibid).

Organizations face many challenges, but one of the greatest one is ensuring the wellbeing of its employees. Understanding of the association among job satisfaction, employee organizational commitment, organizational culture, and leadership is important because it assists in creating an efficient and motivated workforce and allows for an organization to achieve better overall goals & objectives (Amburgey, 2005) as cited in Tahir (2015)

Studies have consistently demonstrated that organizations that prioritize leadership development are much more effective in meeting the expectations of their constituents, stakeholders, and customers. Effective leadership can move organizations from current to future states create visions of potential opportunities for organizations, instill within employee's commitment to change and instill new cultures and strategies in organizations that mobilize and focus energy and resources (Bennis & Nanus, 1985). Although most organizations would say that they are interested in becoming more effective and therefore more excellent, this is almost impossible without competent leadership.

The core of the criticism of organizations in a lot of the literature is that all sorts of them (corporations, government agencies, and not-for-profit organizations) tend to be over-managed and under-led. Those organizations suffering from over-management tend to be slow to make necessary changes and therefore achieve less than what they could. In the organizations that are characterized by poor leadership, employees see very little that is positive. Some studies have reported strong correlations of organizational commitment and job satisfaction with turnover.

Various organizations need strong leadership styles that stimulate the employee commitment. Some organizations face problems such as: poor innovation, low productivity, inability to meet performance targets. This problem happened due to lack of strategic interventions of specific leadership styles to the particular situations were predicted as the problem at hand. This problem was continuously affecting employee organizational commitment. Organizations face many challenges, but one of the greatest one is ensuring the wellbeing of its employees. Understanding of the association among job satisfaction, employee organizational commitment, and leadership is important because it assists in creating an efficient and motivated workforce and allows for an organization to achieve better overall goals & objectives (Amburgey, 2005) as cited in Tahir (2015).

In a climate of distrust, employees learn that so-called leaders will act in ways that are not easily understood or that do not seem to be in the organization's best interests. Poor leadership leads to an abandonment of hope, which, if allowed to go on for too long, results in an organization becoming completely dysfunctional. The organization must then deal with the practical impact of unpleasant change, but more importantly, must labor under the burden of employees who have given up, and have no faith in the system or in the ability of leaders to turn the organization around. This is a substantial criticism that points to the importance of leadership (David R. Kolzow, 2014).

When employees are dissatisfied at work, they are less committed and will look for other opportunities to quit. If opportunities are unavailable, they may emotionally or mentally "withdraw" from the organization. Thus, organizational commitment and job satisfaction are important attitudes in assessing employees' intention to quit and the overall contribution of the employee to the organization. The employees also perceived that there is a need of a leader who should not only have to lead people but also be effective.

A dozens of studies were conducted on organizational leadership vis- a vis job satisfaction and organizational commitment at the global level. However, the attention was not given to the mediating role of employee job satisfaction between leadership style and organizational commitment. The same is true to Ethiopian public and private organizations. The existing scholarly work lacks information on the effect of leadership on organizational commitment with the mediating role of employee Job satisfaction.

Bryman (2007) in his work on leadership has also indicated that there is a gap in the literature on leadership as concerns higher education institutions. This means that there is a lack of focus in these institutions when it comes to the literature on leadership and this is the gap that this study seeks to address.

Consequently, there are few studies that have focused on organizational commitment of higher education institution with evidence on leadership styles and organizational commitment. Another research gap regards to the location of the research. As has been highlighted in the literature, most studies in this topic emanate from different institutions.

Various past studies cover different aspects of leadership and its relationship with organizational commitment. Despite this, not enough empirical research studies on the drivers of organizational commitment specially employee job satisfaction as mediating variable between leadership style and organizational commitment. Yet scanty attention is paid to simultaneous study of these variables.

Some studies were conducted on the area of Business Process Reengineering, Academic staff job satisfaction, the effectiveness of college Dean Leadership in Jimma University and the effect of compensation on employee motivation; the case of academic staff. These studies have limitation in scope; either conducted on academic or administrative staff employees. Also, they are restricted to a main campus of the university excluding some colleges and institutes. Even, they need to update to a current situation in the University. Moreover, there is variable gap as nothing was done regarding the mediating role of job satisfaction. This study was conducted to explore the relationship between different leadership styles and organizational commitment. Furthermore, it attempted to clarify the role of job satisfaction as mediator of the relationship between leadership styles and employee organizational commitment in Jimma University.

1.3. Research Objectives

1.3.1. General Objective

The main objective of this study was to investigate the effect of leadership styles on organizational commitment: employee job satisfaction as a mediating effect in Jimma University.

1.3.2. Specific Objectives

Specifically, this study tried;

- ❖ To identify the existing leadership styles affecting organizational commitment; employee job satisfaction as a mediating effect in Jimma University.
- ❖ To assess the effect of transformational leadership style on organizational commitment: employees job satisfaction as a mediating effect in Jimma University.
- ❖ To examine the effect of transactional leadership style and organizational commitment: employees job satisfaction as a mediating in Jimma University.
- ❖ To identify the effect of Laissez-faire leadership style on organizational commitment: employee job satisfaction as a mediating effect in Jimma University.
- ❖ To explain the mediating effect of employee job satisfaction in the effect of leadership style that exists between on organizational commitment in Jimma University.

1.4. Research Questions

To achieve the objectives listed above, this study tried to answer the following questions:

- ❖ What are the existing leadership styles affecting organizational commitment; employee job satisfaction as a mediating effect in Jimma University.
- ❖ What is the effect of transformational leadership style on organizational commitment: employee job satisfaction as a mediating effect in Jimma University?
- ❖ How transactional leadership affects organizational commitment: employee job satisfaction as a mediating effect in Jimma University?
- ❖ To what extent laissez-faire leadership affects organizational commitment: employee job satisfaction as a mediating effect in Jimma University?
- ❖ What is the mediating role of employee job satisfaction in the relationship between leadership style and organizational commitment in Jimma University?

1.5. Hypotheses of the study

H1: Leadership Style has a positive effect on employee job satisfaction in JU.

H2: Job satisfaction has a positive effect on organizational commitment in JU.

H3: Leadership style has a positive effect on organizational commitment JU.

H4: Job satisfaction plays a mediating role in the effect of leadership style on organizational commitment JU.

1.6. Significance of the Study

This study, is significant in providing information on how the leadership style is either directly or indirectly affecting employees job satisfaction and organizational commitment level. It helps to know the management whether the current leadership style is effective or not in the organization under study. For academic and other purpose; it helps to identify whether the current public organization leadership style is different from other organizations. It encourages other organizations either to take and implement the leadership style that Jimma University is following, make adjustment or take a different direction to the situation of their organization.

1.7. Scope of the Study

This study is delimited to the effect of dominant leadership styles; Transformational, Transactional and Laissez-faire on employee organizational commitment: employee job satisfaction of academic and administrative staff in Jimma University. All dimensions of transformational leadership specifically inspirational motivation, idealized influence, intellectual stimulation and individualized consideration are included. Also, transactional leadership style dimensions; contingent reward, management by Exception (both active and passive) are included. Job satisfaction facets such as payment, promotion, supervision, teamwork, communication and nature of work are included. All affective, normative and continuance organizational commitment factors are also included. Four colleges; Agriculture and Veterinary Medicine, Business and Economics, Natural Science, Social Sciences and Technology Institute are randomly selected and Central Administrative staff is purposively selected. This study is conducted on the basis of data collected from the employees of organization who were randomly selected in proportion to the total population of each strata according to six-month performance report of the year 2012 Ethiopian calendar.

1.8. Limitations of the study

This study is limited to assess some leadership styles and their effects on employee job satisfaction and organizational commitment in Jimma University. The bulkiness of the issues under study make difficulty to the exhaustive and deep understanding of a problem under a study. Consequently, this study is limited to selected colleges and institute due to large number of the population of the organization on one hand and unavailability of targeted respondents on the other hand. Also, the investigator was faced difficulty in getting detail information from the employees due to COVID-19 global pandemic and lack of interest to fill questionnaires that were provided to get from targeted respondents resulted in unexpected response rate.

1.9. Definition of Operational Variables

The following words or phrases are the conceptual definitions with their respective meaning as used in the study by the researcher:

Affective Commitment: employee “emotional attachment to, identification with, and involvement in the organization (Chowdhury, 2014).

Contingent Reward: is an exchange process between leaders and followers in which effort by followers is exchanged for specified rewards. (Northouse, 2013).

Continuance Commitment: commitment that is based on the costs that the employee associates with leaving the organization (Chowdhury, 2014).

Idealized Influence-Attribute: Followers identify with and follow those leaders who are trusted and seen as having an attainable mission and vision (Avolio & Bass 2004).

Individualized Consideration: provision of support, encouragement, training, counsel and paying special attention to each individual follower (Avolio & Bass 2004).

Inspirational Motivation: A leader who communicate high expectations to followers, inspiring them through motivation to become committed to and a part of the shared vision in the organization (Northouse, 2013).

Intellectual Stimulations: Leaders stimulating their followers' effort to be innovative and creative and always seeks differing perspectives when solving problems (Avolio & Bass, 2000).

Job Satisfaction: refers to the extent that the working environment meets the needs and values of employees and the individual's response to that environment (Lambert, 2004; Tewksbury & Higgins, 2006)

Laissez-Faire Leadership: is a leader who absent when needed, avoids making decisions, not give feedback and delays responding to urgent questions. (Avolio& Bass, 2004).

Leadership Styles: approaches that leader's use when leading organizations, departments, or groups (Mehmood & Arif, 2011).

Management by Exception-Active: leader monitors follower performance and takes corrective action when performance deviates from the norm or standard expectations, (Avolio& Bass, 2004

Management by Exception-Passive: failing to interfere until the problem becomes serious and waiting for things to go wrong before taking action (Avolio& Bass, 2004).

Organizational Commitment: the degree of identification and involvement that individuals have with their organization's mission, values and goals (Allen and Meyer 1997).

Normative Commitment: the employee's feelings of obligation and sense of loyalty to remain with the organization and serve to the best of his potential (Chowdhury, 2014).

Transformational Leadership: leaders encouraging followers to rise above their self-interest, inspire followers to achieve extraordinary goals (Avolio& Bass, 2004).

Transactional Leadership: An exchange process based on the fulfillment of contractual promises (Antonakis, 2003).

1.10. Organization of the Study

This paper consists of five chapters of which the first chapter introduced the subject with the relevant backgrounds of a study and organization under a study, statement of a problem, objectives of a study, research questions/hypothesis, significance and scope of a study. Next, the literature review where the researcher reviewed the existing literature about the subject and develops a conceptual framework for a study. The third chapter comprises the research design and methods used to achieve a research objective. The fourth chapter deal with data presentation, analysis and interpretation based on the data gathered and finally the fifth chapter brings to summary of major findings, conclusions and recommendations of a study.

CHAPTER TWO

REVIEW OF RELATED LITRATURE

This chapter presents a review of the literature related to the study. Past studies are important as they guide the researcher on other studies done on the same topic. From this review, a conceptual framework using the dependent, mediating and independent variables in the survey is developed, which lays a framework for the study. This part of the study tried to provide the most important concepts on effects of leadership style on organizational commitment; employee job satisfaction as a mediating effect. It provided an insight into these concepts as well as their relationships by focusing on previous literatures relevant to this study. This chapter consists of conceptual definitions, the theoretical review, the empirical studies, and the conceptual framework.

2.1. Theoretical Frameworks

Leadership is one of those concepts which can be seen widely in the organizations. Leadership, owing to its pivotal role in all the fields of life, has been studied extensively. Many aspects of leadership style and organizational commitment have been studied in the earlier studies. Although leadership has been well researched over the years, there is still lack of a definition that is universally accepted. Leaders help to direct, guide and persuade their followers (employees) towards achieving their personal and organizational goals and objectives. Thus, leadership styles cover all aspects of dealing within and outside of an organization, handling or dealing with conflicts, helping and guiding the workforce to achieve and accomplish their tasks and appearing as a role model for all (Anyango, 2015, p. 10). Theorists define leadership as “a process of dealings between leaders and assistants where a leader tries to sway the behavior of his or her subordinates to achieve company goals” (Lo, Ramayah, Min, & Songan, 2010) as cited in Tahir M. (2015).

A person with a high level of job satisfaction holds positive feelings about his or her job, while a person with a low level holds negative feelings. Organizational commitment is the degree to which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organization (Stephen P. Robbins and Timothy A Jone, 2013).

2.1.1. Theories and Styles of Leadership

Leadership continues to be a topic of interest in the management literatures but there is no universal definition of leadership. Hannay asserts that there is no agreement on the fact that leadership involves an influencing process between leaders and followers to ensure achievement of organizational goals. Generally, it is the act of directing and controlling the activities of a group who are willing to be led by a person. To many, leaders are not born but made. In order to be a good leader focus are now on skills and ability rather than personal qualities and behavioral characteristics. A good leader is made through the process of self-study, education, training and experience.

Establishing a definition of the term "leadership" has shown to be a challenging attempt for scholars and practitioners equally. More than a century has passed since leadership evolved into a subject of scholarly thought and different definitions have developed continuously during that period. These definitions have been determined by many factors, from world affairs and politics to the aspects of the discipline in which the subject is being studied. There is an extensive range in the definitions of leadership (Nidadhavolu, 2018)

Leadership is defined by various scholars from different perspective namely: competency /trait perspective, behavioral perspective, contingency perspective, transformational... etc. Leadership is defined by Webster dictionary as guiding, conducting, proceeding or being foremost among a group of people. It is the process of developing ideas and a vision, living by values that support those ideas and vision, influencing people or groups to embrace their own behaviors, and making decisions about human and other resources to achieve organizational goals (Yaya, 2016)

Petter Northouse (2010) defines leadership as “a process whereby an individual influences a group of individuals to achieve a common goal” (p. 3). These definitions suggest several components central to the phenomenon of leadership. Some of them are as follows :(a) Leadership is a process; (b) leadership involves influencing others, (c) leadership happens within the context of a group, (d) leadership involves goal attainment, and (e) these goals are shared by leaders and their followers.

Bass (1990) characterized leadership as a procedure of connection among people and gatherings that incorporates an organized or rebuilt circumstance, individuals' desires and recognitions. Leadership can be clarified as the capacity of a person to have power that spotlights on the best

way to set up bearings by adjusting strengths. As indicated by Northouse (2007) and Yukl (2006) leadership characterized as a procedure where leaders impact their employees to accomplish organizational targets. Diverse leadership styles have been distinguished by that organizations adjust. Having particular leadership style is a key component that effects worker's job satisfaction which prompts hierarchical achievement.

Leadership is defined as a process of interaction between leaders and followers in which leader attempts to influence followers in order to achieve a common goal (Yukl, 2008). Leaders are anticipated to influence behavior of the others in order to accomplish the overall target of the organization. According to (Northouse's 2007, p3) leadership is a process whereby an individual influences a group of individuals to achieve a common goal. Gary Yukl (2006) defines leadership as “the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives” (p. 8).

Many researchers show their keen interest in studying leadership as a subject which resulted in establishment of different leadership theories. There are different styles of leadership ranging from autocratic, Charismatic, participative, situational, bureaucratic, democratic, laissez-faire, transactional, and transformational leadership (Mosaddegh, 2004). None of the early mentioned styles is fit for every situation, a leader may seem to be highly effective and proficient in one situation but may not be as effective in the other.

Bass' (1990) theory of leadership states that there are three basic ways to explain how people become leaders. The first two explains the leadership development for a small number of people. These theories are some personality traits may lead people naturally into leadership roles. This is the Trait Theory. A crisis or important event may cause a person to rise to the occasion, which brings out extraordinary leadership qualities in an ordinary person. This is the Great Events theory. People can choose to become leaders. People can learn leadership skills. This is the Transformational Leadership Theory. It is the most widely accepted theory today and the premise on which this guide is based. The above definition shows as that leaders are those who can influence others in order to attain the organization goal. Influencing in other word means the ability to change the behavior of others to perform in the way the leaders expect them.

Various models of leadership have been proposed but the theory of “Great Man” gives a very unique outlook to the concept of leadership. The advocates of this doctrine suggest that leaders are born not made. They have all those qualities, which will take them to the path of leadership, in their genetic makeup and that those characteristics cannot be acquired. The other part of this theory as is evident by the name “Great Man” revolves around the notion that has prevailed for a long time that only men can be leaders which can be attributed to the fact that men have been running major affairs from business to state affairs, though things have been changing quite rapidly over the past few decades. But, basically, the theory emphasizes that the characteristics required to be a leader are innate and thus, cannot be taught (Bolden, 2004).

Three major leadership theories that have been developed over time are the trait theories, behavioral theories and situational/contingency theories. Each of these approaches describes different dimensions of leadership and their effects on the relationship between leaders and their followers. The following literature focuses on transformational and transactional and laissez faire leadership in specific. Two distinct type of leadership behaviors have been identified; Transactional- in which the leader finds “reward and punishment” the best source of motivation for the followers and Transformational- in which the follower is granted more liberty, sense of ownership and responsibility which enables the followers to develop the leadership skills and ultimately climb up the ladder(Muhammad Haroon, 2012).

One of the "new-leadership" theories has been called the "full-range leadership theory" (FRLT) proposed by Bass and Avolio (1994). The constructs comprising the FRLT denote three typologies of leadership behavior: transformational, transactional and non-transactional laissez-faire leadership, which are represented by nine distinct factors (Antonakis, Avolio, &Siva Subramanian, 2003).

A leadership style depends on the situation of the company like nature of the task, the culture, objectives, availability of recourses and also the general environment. Different combinations of leadership styles are appropriate depending on factors such as skill and experience, locus of control, task structure and team dynamics (McShane, Travaglione & Olekalns 2009).

2.1.1.1. Transformational Leadership Style

The term “Transformational Leadership”, was originally coined by James Downton in a 1973 paper on rebel leadership, it was James MacGregor Burns who brought the term to wider parlance in his classic study of political leadership in the 1978 book simply entitled “Leadership” (Bryman, 2011). In recent years, there has been considerable interest in the model of transformational leadership, because it has been shown that transformational leaders generate greater commitment in their followers than do those who use other leadership styles (Avolio, 1999; Bass, 1998). Transformational leaders encourage problem solving in followers rather than constantly providing solutions and directions and a greater pool of knowledge (Buhler, 1995). Bass and Avolio (1994) suggest that a consequence of this behavior is that followers develop the capacity to solve future problems which might be unforeseen by the leader.

Many studies have proved that transformational leadership is the most preferred style by the employees of an organization. Burns (1978) as cited in Nidadhavolu (2018) concluded that,

“Transformational leadership style connects the authority of a position to respond to the followers' needs and responsibilities. The leader's vision and perception must be communicated to the follower appropriately. Transformational leadership style is being increasingly significant due to the organizations demand to develop in the world of globalization.”

Simola et al. (2012) define transformational leadership as a type of leadership in which interactions among interested parties are organized “around a collective purpose” in such a way that “transform, motivate, and enhance the actions and ethical aspirations of followers.” Transformational leadership is a leadership style that seeks positive transformations “in those who follow” and that achieves desired changes through the “strategy and structure” of the organization (Geib and Swenson, 2013). According to (Jong and Hartog 2007); and (Kent, Crotts and Aziz 2001), transformational leaders are able to stimulate followers to see problems in new ways and help them to develop their full potential and resulted in enhanced creativity of their followers.

Transformational leaders are thus characterized by: a) Raising the level of awareness of followers about the importance of achieving valued outcomes, a vision, and the required strategy; b) Getting followers to transcend their own self-interest for the sake of the team, organization, or larger collectivity, and c) Expanding followers’ portfolio of needs by raising

their awareness to improve themselves and what they are attempting to accomplish (Burns, 1978; Bass, 1985b).

Dubinsky, Yammarino, Jolson and William (1995) also suggest that leaders who are intellectually stimulating 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 & Bass, 1991). Transformational leaders motivate others to do more than they originally intended and often even more than they thought possible (Bass & Avolio, 1994). According to Bass and Avolio (2000), transformational leadership is defined by five key dimensions:

- I. **Idealized influence:** the charismatic actions of the leader, whereby individuals transcend their self-interest for the sake of the organization and develop a collective sense of mission and purpose.
- II. **Inspirational motivation:** the way in which transformational leaders' energize their followers by articulating a compelling vision of the future thus, creating enthusiastic excitement, raising followers' expectations, and communicating confidence that followers can achieve ambitious goals. It entails the creation and presentation of an attractive vision of the future, use of symbols and emotional arguments, and the demonstration of optimism and enthusiasm (Kark et al., 2003)
- III. **Intellectual stimulation:** the way in which transformational leaders question the status quo, appeal to followers' intellect, stimulate them to question their assumptions, and invite innovative and creative solutions to problems. The leader's ability to challenge followers to solve problems by encouraging followers to look into problems in new ways and by requiring new solutions, the leader pushes them to perform beyond what they previously considered possible.
- IV. **Individualized consideration:** leadership behavior that contributes to follower satisfaction by paying close attention to the individual needs of followers, acting as a mentor or coach, and enabling them to develop and self-actualize. In this the leader treats each follower differently but equitably, providing all with individual attention. As a result, followers feel unique, encouraged, and motivated (Nahavandi, 2003).

2.1.1.2. Transactional Leadership

In his seminal work on leadership, James MacGregor Burns (1978) defines transactional leadership as the first form of interaction between leaders and followers (Marturano & Gosling, 2007).

Bass (1985a) and Bass and Avolio (1997) described transactional leadership in terms of two characteristics: the use of contingent rewards and management by exception. They described contingent reward as the reward that the leader will bestow on the subordinate once the latter has achieved goals that were agreed to. 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.

As Bass and Avolio (1994) in Tahir (2015) define “Transactional leadership theory is a trade of rewards with subordinates for services provided.” This seeks to motivate followers through extrinsic rewards.

Transactional leadership occurs when the leader rewards or disciplines the follower, depending on the adequacy of the follower's performance (Bass & Avolio, 1994). Antonakis et al. (2003) theorized transactional leadership to comprise the following factors: (1) contingent reward leadership refers to leader behaviors focused on clarifying role and task requirements and providing followers with material or psychological rewards contingent on the fulfillment of contractual obligations; (2) management by exceptions: (a) active (AMBE - refers to the active vigilance of a leader whose goal is to ensure that standards are met) and (b) passive (PMBE - leaders only intervene after noncompliance has occurred or when mistakes have already happened).

Transactional leaders may also rely on active management by exception which occurs when the leader monitors followers to ensure mistakes are not made, but otherwise, allows the status quo to exist without being addressed (Bass & Avolio, 1997). In passive management by exception, the leader intervenes only when things go wrong (Nyengane, 2007).

Transactional Leadership, also known as managerial leadership, focuses on the role of supervision, organization, and group performance; transactional leadership is a style of leadership in which the leader promotes compliance of his followers through both rewards and punishment. (Bass 1990) defines Transactional Leadership as:

- I. Contingent Reward:** is an exchange process between leaders and followers in which effort by followers is exchanged for specified rewards. (Northouse, 2013).
- II. Management by Exception-Active:** leader monitors follower performance and takes corrective action when performance deviates from the norm or standard expectations, (Avolio & Bass, 2004).
- III. Management by Exception-Passive:** failing to interfere until the problem becomes serious and waiting for things to go wrong before taking action (Avolio & Bass, 2004).

In general, one can conclude that transactional leadership is an exchange relationship that involves the reward of effort, productivity and loyalty. Antonakis et al. (2003) stated that this leadership model is made up of the two first-order factors, i.e. Contingent Reward, and Management-by-Exception. Therefore, as Bass (1985a) contends, transactional leadership uses satisfaction of lower order needs as the primary basis for motivation. Accordingly, the focus in transactional leadership is on role clarification wherein the leader helps the follower in understanding exactly what needs to be done in order to meet the organization's objectives and goals. Hence, a successful result of transactional leadership would be an expected outcome.

The full range of leadership, as measured by the Multifactor Leadership Questionnaire (MLQ), implies that every leader displays a frequency of both the transactional and transformational factors, but each leader's profile involves more of one and less of the other (Bass, 1999).

2.1.1.4. Laissez Faire Leadership Style

Laissez-Faire Leadership is a leader who absent when needed, avoids making decisions, not give feedback and delays responding to urgent questions. (Avolio & Bass, 2004). The laissez-faire leadership style is also known as the "hands-off style. It is one in which the manager provides little or no direction and gives employees as much freedom as possible. Basically, this style looks simple and easy-going between leaders and subordinates. Robbins (2007) explained the

laissez-fair style as “Abdicates responsibilities avoid making decisions” Similar Luthans (2005), defined laissez- fair style as “Abdicates responsibilities avoids making decisions” (p.562).

Laissez- Fair is uninvolved in the work of the unit. It is difficult to defend this leadership style unless the leaders’ subordinates are expert and well-motivated specialists, such as Scientists. “Leaders let group members make all decision” (Mondy & Premeaux, 1995, p.347).

The concept to laissez was also given by Osborn as “Abdicates responsibilities and avoiding decisions” (Osborn, 2008, p.258). Authors define that in this style the Leaders normally don’t want their interference in decision making process. They normally allowed to their subordinates that they have power to get their personal decisions about the work. They are free to do work in their own way and they are also responsible for their decision. Normally leaders avoid to making decision and don’t involve in working units because the leaders give to subordinates to completely freedom to do decisions. Sometimes the leaders provide them to important material and they just involve the answer & question but avoiding feedback.

The laissez –faire use when employees are highly skilled, experienced, and educated, employees have pride in their work and the drive to do it successfully on their own, outside experts, such as staff specialists or consultants are being used and employees are trustworthy and experienced. In contrast to transactional and transformational, laissez-faire is a passive kind of leadership style (Long & Thean, 2011). Laissez-faire leadership style assumes the absence of a transaction, in which the leader abdicates responsibility, does not use their authority and avoids making decisions. It is considered active only to the extent that the leader "elects" to avoid taking some action (Antonakis et al. 2003).

Researchers consistently reported laissez-faire leadership as one of the least effective and satisfying styles of leadership (Bass, 1990). This is probably the main reason that many researchers decide to rule out laissez-faire leadership from their exploration. During the years of research and use of this theory in practice, it has been proved that contingent reward leadership and active management by exceptions should be viewed as a transactional style of leadership, and passive management by exceptions and laissez-faire as a passive/avoiding leadership style (Yukl, 2008).

2.1.2. Job Satisfaction

A well-known and a popular research theme, Job satisfaction was defined in several ways. Regardless the number of researches done, none of the researchers agree on a universal definition of job satisfaction. A simple definition of job satisfactions is given by (Spector 1997) as —the extent to which people like or dislike their job. Job satisfaction refers to the general attitude of employees towards their jobs. When the attitude of an employee towards his or her job is positive, there exists job satisfaction but dissatisfaction exists when the attitude is negative (Armstrong and Taylor 2014). An employee has higher or lower levels of job satisfaction because they have lower or higher expectations, to a great extent job satisfaction depends on employees' attitude and expectations, shortly, job satisfaction is a sense of comfort and positive experience that an employee has related to his job (Bakotić and Babić 2013).

Job satisfaction has been one of the most studied variables over the last decades of organizational research. Interest in job satisfaction derives from its relationships to other organizational outcomes including organizational commitment, absenteeism, turnover and performance. Job satisfaction has been defined and measured both as a global construct and as a concept with multiple dimensions or facets (Lund, 2003).

Different writers suggested different definition of about job satisfaction but most of them has the same grounds on it is how employees feel about their jobs. Spector (1997) refers job satisfaction in terms of how people feel about their jobs and different aspects of their jobs. Ellicks on and Logsdon (2002) support this view by defining job satisfaction as the extent to which employees like their work. C.R. Reilly (1991) defines job satisfaction as the feeling that a worker has about his job or a general attitude towards work or a job and it is influenced by the perception of one's job. Lawler (1972) refers job satisfaction is the sum of job facet satisfaction across all facets of a job. Job satisfaction is defined as harmonizing the people's understanding of needs and what they receive from their jobs and is recognized as one of the most important re-search variables belonging to organizational behaviors and also as a crucial variable in the organization's researches and theories (Lu H, While A, Barriball L,2005). Job satisfaction implies a positive affect resulting from the appraisal of one's job or job experiences (Locke, 1976).

Human resource management experts and organizational behavior give definition or concept about job satisfaction with the expression of language and review from different perspectives but

the meaning contained from the definition which they express at the same meaning that is job satisfaction is attitude and the general feeling from a worker to his work. Various definitions of job satisfaction are, among others, Gibson et al. (1996) as cited in Sudiardhita et al (2018),

“Job satisfaction is the attitude that individuals have about their work. These results from their perception of their work, based on work environment factors, such as the style of supervision, policies and procedures, affiliate working groups, working conditions and additional benefits. Job satisfaction is the extent to which individuals feel positive or negative about their work. Job satisfaction is also an emotional response to one's duties, as well as the physical and social conditions of the workplace. In concept, job satisfaction also shows the extent to which expectations in a person's psychological contract are met.

This is in accordance with the explanation Marihot, Tu Hariadja suggests that “Job satisfaction is the extent to which individuals feel positively or negatively various factors or dimensions of the tasks in their work”.

Job satisfaction is defined as the degree to which a worker experiences positive affection towards his or her job (Locke, 1969). In his definition, Locke considers job satisfaction to be “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences and as a function of the perceived relationship between what one wants from one’s job and what one perceives it as offering”. Job satisfaction means the contentment of the servers because of their jobs. It is the personal evaluation of the job conditions (the job itself, the attitude of the administration etc.) or the consequences or (wages, occupational security etc.) acquired from the job (Fletcher and Williams, 2006).

Job satisfaction implies a positive affect resulting from the appraisal of one's job or job experiences (Locke, 1976). As is the case with all attitudes, job satisfaction is composed of cognitive, evaluative and affective components. The evaluative component is an individual's global response to the employing organization represents dislike versus like for the organization. The cognitive component is an individual's perceptions, beliefs, opinions and expectations concerning the organization are the focus of his cognitions. Cognitions in which the individual perceives that his expectations have been fulfilled, generally lead to positive assessments. The affective component refers to the feeling evoked by the organization.

2.1.2.1. Factors Affects Job Satisfaction

Satisfaction with the professional development opportunities, promotional opportunities, training opportunities and salary packages are of great importance that create job satisfaction factors, (Grace & Khalsa, 2003). Top most factors in producing job satisfaction include training opportunities, promotional opportunities, financial resources and positive relationship with co-workers, salary levels and incentive packages, and leadership all of which if favorably present will lead to organizational commitment. For instance, Grace and Khalsa (2003) found that promotional opportunities and training opportunities are significant predictors of organizational commitment. The success of an organization and the pursuit of quality depend not only on how the organization makes the most of human competencies, but also on how it stimulates commitment to an organization (Eaton, 2003). In the international literature a significant attention has been paid to the relationship between organizational commitment and job satisfaction.

Job satisfaction is concerned with several attitudes including attitudes about the job characteristics, compensation and benefits, status, social security, advancement opportunities, technological challenges and respect (Tella A., Ayeni CO., & Popoola SO 2007). The most widely used factors of job satisfaction are work, pay, promotion, supervision and coworkers (Luthans F 2005). The factors conducive to job satisfaction are: payment, promotion, supervision, team work, nature of work and communication.

Payment

Pay refers to the amount of money that an employee receives for a particular job or function in an organization. It has a fundamental role in attracting, retaining and motivating employees. An employee who gets right amount of payment according to their job is motivated to continue working. But when employees are paid inadequately, they are dissatisfied with the job and can even discontinue working in a long run. Researches such as (Hom and Griffeth 1995) and (Cohen-Charash and Spector 2001) demonstrated that pay satisfaction positively related to employee commitment. Besides, based on research result (Tang and Chiu 2003) suggested that employees having high level of pay satisfaction are also highly committed to the organization. A

study among employed in the IT environment found that pay satisfaction is significantly and positively related to affective and normative commitment (Lumley, Coetzee et al. 2011).

Promotion

Promotion refers to upward movement in current job leading to greater responsibilities, higher status and better salary. Employees who believe a promotion is possible in the near future tend to have higher job satisfaction and their intention to quit their job is low (Kosteas 2011).

A promotion program in an organization is a critical component for employees' encouragement, loyalty and satisfaction. (Teclmichael Tessema and Soeters 2006), (Mustapha and Zakaria 2013), (Bhamani) and (Danish and Usman 2010) research results demonstrated that promotion practices have positive relationship with perceived performance of employees, and job satisfaction and employees' work motive respectively. Moreover, (Gaertner and Nollen 1989) and (Chughtai and Zafar 2006) results proved that promotion opportunities are positively related to employee's commitment and they suggested that employees who have been promoted tends to be more committed. (Mohd 2003) found that promotion system to be the most essential factor influencing an employee's commitment level.

Supervision

According to Hussam, M.A. (2008) employees want supervisors who have a bond with them and who trust them, understand them and show fairness. According to Williams, E.2004) supervisors play such an important role in jobs that it would not be wrong to say that employees leave their bosses, not their job. (Buckingham &Coffman, 1999) have found that the talented employee may join an organization for many reasons, but how long that employee stays and how productive he/she is while there is determined by the relationship with the immediate supervisor.

Effective supervision is a foundation of a successful organization. Supervisors should take actions to improve their workers such as providing strong leadership and mentoring for staff members, building working conditions that are conducive and provide challenging and stimulating work assignments (Voon, Lo et al. 2011). A meta-analysis study by (Barak, Travis et al. 2009) summarized that all the supervisory dimensions (task assistance, social and emotional supervisory support, and supervisory interpersonal interaction) are found to be positively and statistically significantly related to beneficial outcomes for workers. In addition, (Chughtai and

Zafar 2006) results stated that satisfaction with supervision is likely to be an important predictor of organizational commitment, and argue that when the supervisor takes care about the employees, this will be an alarm that informs employees that organization cares about them and supports them, which in turn is lead to higher levels of organizational commitment.

Relationship with Co-worker/Team Work/

The social interaction in the work places plays a vital role. A hostile environment with rude and unpleasant coworkers is one of the major factors that develops negative attitude towards workplace, while the opposite is known to have satisfied employees to a higher extent as there is very less chance of conflicts and grievances in workplace which has employees with high morale.

Positive relationships with co-workers can make the work environment more attractive and increase job satisfaction. If workers built a strong relationship among them, it opens ways for cooperation among themselves to accomplish their work effectively. A recent study by (Sypniewska 2014) found that the relationship between co-workers to be the second most important factor that influence employees job satisfaction.

The healthier friendship and supportive manners among employees, the more will be their satisfaction and commitment (Alshitri 2013). Co-worker support is able to increase or decrease an employees' job satisfaction, which consequently effects intention to quit. A research result among service industry in Oman shows that satisfaction with co-workers is positively related to employee's organizational commitment (Azeem 2010). Besides, (Lumley, Coetzee et al. 2011) suggested that pay, nature of work and co-worker relationships need to be congruent with employees own needs, making them feel affectively committed to their employer and resulting in improved retention.

Nature of work

Robbins et al. (2003) defined nature of work as —the extent to which the job provides the individual with stimulating tasks, opportunities for learning and personal growth, and the chance to be responsible and accountable for results|. Nature of job that provides opportunity to be creative, use number of skills and work independently has a significant positive influence to

employees' job satisfaction. (Malik, Nawab et al. 2010) found that nature of work, salary satisfaction and quality supervision are significant predictors of organizational commitment.

Communication

As (Tourani and Sadegh 2012) cited, Dwyer (2005) defined communication as —the process whereby people within an organization give and receive messages. A lack of communication in an organization can lead to poor employees' performance as communication is a root that feeds employees with appropriate information which is functional for the accomplishments of their works. Effective communication between coworkers and with supervisors significantly associated with employee's job satisfaction (Saleem, Majeed et al. 2013).

2.1. 3. Organizational Commitment

Organizational commitment can be thought of as the extent to which employees are dedicated to their organization and are willing to work to its benefit, and the prospect that they will maintain membership (Jex, 2002). Rowden (2000) defined the organizational commitment as believing and accepting the goals and values of organization and possessing and showing desire to be part of the organization. Greenberg (2005) and Canipe (2006) explain organizational commitment as emotional attachment to the objectives and values of an organization and that it is the aggregate internalized normative demands to perform in a manner which meets organizational objectives and interests.

Employee commitment is defined as the degree of identification and involvement that individuals have with their organization's mission, values and goals. It is a multidimensional construct that comprises affective commitment, normative commitment and continuance commitment. These types of commitment are independent in nature and are shown by individuals at different levels in organization.

Organizational commitment was defined by many authors in light of their backgrounds and personal experiences. Due to variedly defined it was measured differently too. Mowday et al. (1982) defined organizational commitment as employee's strong belief and in organization's goals, values, a willingness to exert considerable effort on behalf of an organization and a strong desire to continue as a member of the organization. Mullins (1999) defined organizational commitment as an employee's level of identification and involvement in the organization.

According to (O'Reilly III 1989), organizational commitment is defined as —an individual's psychological bond to the organization, including a sense of job involvement, loyalty and belief in the values of the organization. In this respect employee commitment is viewed as the employee's enthusiasm toward the achievement of the organizational goals.

Similarly, (Meyer and Allen 1991) definition as —a psychological state that characterizes the employee's relationship with the organization, and has implications for the decision to continue membership in the organization. A popular and extensively used organizational commitment model is a Three-Component model developed by Allen and Meyer. A three- component model of organizational commitment manifested three distinct components of commitment, namely affective commitment, Continuance commitment and normative commitment. Those three different components are distinguished based on the employees' attitudinal commitment. Employees with strong affective commitment remain because they want to, those with strong continuance commitment because they need to, and those with strong normative commitment because they feel they ought to do so (Allen and Meyer 1990).

Affective commitment represents an employee's emotional attachment, identification and involvement in the organization.

Continuance commitment is commitment based on costs that an employee associates with leaving the organization.

Normative commitment represents employee's feeling of the obligation to stay within the organization

2. 1. 4. The Relationship of Leadership Styles and Employee Job Satisfaction

Employee job satisfaction is influenced by the internal organization environment, which includes organizational climate, leadership types and personnel relationships (Seashore and Taber, 1975). The quality of the leader-employee relationship – or the lack thereof - has a great influence on the employee's self-esteem and job satisfaction (Chen & Spector 1991; Bruckner 1988; DE Cremer 2003).

Leadership styles determine the job satisfaction of an employee (Al-Ababneh, 2013) as cited in Nidadhavolu (2018). Cumming et al., (2010) recommended that the organizations where leaders do not take the responsibility of the feelings of their followers, they will see fewer efforts of their

followers in their jobs. Burns (1978) defined transformational leadership as, "a process whereby leaders promote the motivation of their followers to pursue and accomplish higher goals the collective interest of the group" (p.426). Bass (1997) discussed that transformational leader's act cooperatively with employees' by engaging to their crucial needs and encouraging them to move towards a particular direction. Most of the research on transformational leadership has focused on identifying distinct characteristics of transformational leadership rather than examining the method or communications between leaders and their employees'.

According to Robbins (2003), the employee resign rate with transformational leadership is less than with transactional leadership. Improving the employees' working situations, fulfilling their needs, and helping them perform better are positively related to transformational leadership (Liu et al. 2003).

Employees are more satisfied with leaders who are considerate or supportive than with those who are either indifferent or critical towards subordinates (Yukl, 1971). As (Wilkinson & Wagner 1993) argued, it is stressful for employees to work with a leader who has a hostile behavior and is unsupportive. If subordinates are not capable of figuring out how to perform the work by them, they will prefer a leader who will provide adequate guidance and instructions (Wexley & Yukl, 1984). Negative leader-employee relations reduce productivity and increase absenteeism and the turnover to the organization can be quite high (Keashly, Trott, & MacLean 1994; Ribelin 2003).

A brief review of the international literature on job satisfaction indicates the emergence of similar perspectives: Smith, Kendall and Huh (1969) consider it to be the degree to which an employee, by means of an affective orientation or a positive attitude, achieves a positive result in relation to his/her job, in general, or to specific personal aspects. Locke (1970) defends it as a pleasant or positive emotional state arising from the assessment of the job itself and from related experiences. Cook, Hepworth, Wall and Warr(1981) and Cranny, Smith and Stone (1992) consider it to be an effective response arising from the analysis of actual results of an individual job, compared to those expected, desired, and required. Lambert, Hogan and Barton (2002) refer to it as an individual subjective feeling, which reflects whether the needs of a person are being met, or not, by a given assignment/job. These authors are corroborated by Griffin,

Hogan, Lambert, Tucker-Gail and Baker (2010) who evoke Spector (1996/2003), essentially defining job satisfaction as how much people like their jobs. Yoon and Thye (2002) consider that it can be construed as a sort of positive emotion that directs the organization.

Distinguishing affective commitment from job satisfaction, Kooij, Jansen, Dijkers and Lange (2009) affirm that while the former refers to positive feelings toward the organization, in general, the latter refers to positive feelings more specifically related to the job or position.

To analyze the relationship between work satisfaction and achievement, Zhang and Zheng (2009) test affective commitment as the mediator between satisfaction and performance at work, and tradition (cultural values) as the mediator between professional satisfaction and affective commitment. They raise the hypothesis that affective organizational commitment intermediates the relationship between job satisfaction and professional performance, and examine how cultural values can moderate the relationship between job satisfaction and affective commitment, since both constructs reflect people's attitudes, which are generally fashioned by cultural values.

Moynihan and Pandey (2007) examine the effects of individual attributes, job characteristics, and organizational variables in three aspects, which are considered to be job motivation dimensions: job satisfaction, job involvement, and organizational commitment. Brooke, Russell and Price (1988) and commitment attitudes can be considered different constructs.

2.1. 5. The Relationship of Job Satisfaction and Organizational Commitment

It has been argued that organizations cannot be at their best until workers are committed to the organizational goals and objectives (Dixit and Bhati, 2012). However, the degree to which workers are satisfied with their jobs vary and subject to factors such as job environment, work hours and schedules, reward system (Osibanjo, Abiodun, and Fadugba, 2012). In other words, workers' commitment can be described as a function of job satisfaction, which implies that workers could be committed in delivering their services when they are satisfied with their jobs. However, organizational commitment is defined as affiliation of employees to the organization and involvement in it. Moreover, previous researchers have found a positive correlation between job satisfaction and organizational commitment (Mathieu & Zajac, 1990). Williams and Hazer (1986) found a direct link between job satisfaction and organizational commitment, that job

satisfaction is an antecedent of organizational commitment. This thought process assumes that an employee's orientation toward a specific job precedes his or her orientation toward the entire organization. The vast majority of research indicates a positive relationship between satisfaction and commitment (Aranya, Kushnir & Valences, 1986; Pearce, 2010; Kreitner & Kinicki, 2006; Morrison, 1997; Ting, 1997) and their relationship has an influence on performance and turnover intent.

A number of factors distinguish job satisfaction from organizational commitment. Mowday; Porter & Steers (1979) argue that organizational commitment is "more global, reflecting a general affective response to the organization as a whole" while job satisfaction "reflects one's response either to one's job or to certain aspects of one's job". Thus, organizational commitment focuses on attachment to the employing organization as a whole, including the organization's goals and values, while job satisfaction focuses on the specific task environment where an employee performs his or her duties (Mowday et al., 1979). Organizational commitment is less influenced by daily events than job satisfaction; it develops more slowly but consistently over time, and therefore is seen to be a more complex and enduring construct (Mowday et al., 1979).

Also, job satisfaction and organizational commitment do not necessarily occur simultaneously. It is possible that an employee may exhibit high levels of job satisfaction without having a sense of attachment to, or obligation to remain in the organization.

Similarly, a highly committed employee may dislike the job he/she is doing thereby exhibiting low levels of job satisfaction (McPhee & Townsend, 1992). Kalleberg and Mastekaasa (2001) found that previous research on the relationship between job satisfaction and organizational commitment has not shown any consistent and easily reconcilable findings. Accordingly, Lincoln & Kalleberg (1990), and Tett and Meyer (1993) maintain that a satisfaction-to-commitment model assumes that satisfaction is a cause of commitment.

Organization's success does not depend only on how it develops workers' competencies but also how it develops commitment toward the organization (Beukhof et. al., 1998; Thornhill et. al., 1996). Organizational commitment has been proved to be beneficial for the employees and the organization such as it enhances feeling of belongingness, job security, career advancement, better compensation and more intrinsic rewards (Rowden, 2000). Benefits to the organization can

include, increased employee tenure, low turnover rate, low training costs, improved job satisfaction, achievement of organizational goals, and improved quality of product and services (Mowday et. al., 1982).

Luthans (1998) defined job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience. It is the outcome of employee's perception of how well their job fulfills their needs that they view as important. According to Evan (2001) job satisfaction is a feeling resulted from an individual's degree of perception about the fulfillment of his/her needs.

Numerous research findings have shown that job satisfaction leads to commitment among workers (Vedamanickam, 2001; Samaratunge, 2003; Kanter,2004; McNulty and Ferlie, 2004; George and Jones, 2008; Mohamadkhani and Nasiri, 2012; Kahtani, 2012). Job satisfaction serves as an intervening variable to the relationship between co-worker' relationship and organizational commitment (Lin and Lin, 2011). Ilhami (2012) suggested that high levels of job satisfaction results in higher commitment. Extrinsic, intrinsic and general satisfaction is found to be related to organizational commitment (Samavi, 2011; Hashmiand Naqvi, 2012).

No wonder, Robins (2005) study shows that employees with high job satisfaction behave differently from employees with low job satisfaction. Similarly, job satisfaction is also related to many job outcomes (Spector, 2000) such as job performance (Gebauer & Lowman, 2009; Macey & Schneider, 2008; Macey, Schneider, Barbera, & Young, 2009).

2. 1.6. The Relationship of Leadership style and Organizational Commitment

The literature indicates that organizational commitment is linked to various variables, which include both personal variables such as age and gender, leadership style and trust. The literature also reveals that commitment entails a high level of identification with the organization's goals and values, a willingness to exert extra effort for the benefit of the organization and a strong desire to maintain membership in the organization (Morrow, 1983) as cited in Ajay K Garg and D. Ramje (2013).Organizational commitment has been identified as a useful measure of organizational effectiveness, because high levels of commitment can lead to several favorable organizational outcomes.

Various studies conducted on leadership style claimed that leadership style is considered as antecedent of organizational commitment (Sabir, Sohail, & Asif Khan, 2011) and that there is a strong, positive relationship between leadership and organizational commitment (Ekaterini, 2010; Sabir et al., 2011). Pillai, Schriesheim and Williams (1999) found that transactional leadership has a significant and positive relationship with organizational commitment. Su (2001) commented that transformation leadership has a positive relation with organizational commitment on his study of expatriates in an organization.

Yukl (2002) identified that transformation leadership can change the mindset of organizational members to commit organizational missions and objectives. Transformational leadership will significantly and positively affect organizational commitment (Chi, Yeh, & Chiou, 2008; Chi, et al., 2007). Lee (2010) asserted that transformational leadership and transactional leadership both have a positive and significant effect on organizational commitment.

There are a number of studies that relates leadership style to organizational commitment. According to Robins (2005), the adoption of appropriate leadership style influence subordinates to develop trust in management and commitment. In their study, Dale and Fox (2008) state that superiors that engage in leadership style, which support, respect, trust and friendly are more likely to interact with employees on professional, emotional, and spiritual levels. Just as Morris and Sherman (1981) equate high levels of social interaction between the leader and subordinates with higher levels of organizational commitment, as employees with social ties to the organization may not voluntarily sever professional, social and emotional ties.

In the past three decades, bundles of researches were conducted aiming to investigate the relationship between job satisfaction and organizational commitment in which their result shows controversial. Despite of the variety in degree and causal relationship on job satisfaction and organizational commitment, (Bateman and Strasser 1984)(Ting 1996)(Morrow 1983, Williams and Hazer 1986, Mathieu and Zajac 1990), (Al-Aameri 2000), (Al-Hussami 2008), (Çelik 2008), (Azeem 2010), (Suma and Lesha 2013), (Getahun, Sims et al. 2008)(Crossman and Abou-Zaki 2003); (Ravindranath and Joy), (Kaplan, Ogut et al. 2012), (Griffith-Kranenburg 2013) and (Eliyana, Yusuf et al. 2012) found that there is a positive relationship between job satisfaction and organizational commitment.

Organization's success does not depend only on how it develops worker's competencies but also how it develops commitment toward the organization (Beckhoff et. al., 1998; Thornhill et. al., 1996). Organizational commitment has been proved to be beneficial for the employees and the organization such as it enhances feeling of belongingness, job security, career advancement, better compensation and more intrinsic rewards (Rowden, 2000). Benefits to the organization can include, increased employee tenure, low turnover rate, low training costs, improved job satisfaction, achievement of organizational goals, and improved quality of product and services (Mowday et. al., 1982).

2.1. 7. The Mediating Effect of Employee Job Satisfaction in the Effect of Leadership Style on Organizational Commitment

Organization as a system, transforms employees' effort and physical resources into products or services in the same way effective leadership actions influence organizational transformation process and adaptation (Fleishman, Mumford, Zaccaro, Levin, Korotkin, & Hein, 1991). In view of this, DeRue, Nahrgang, Wellman, and Humphrey (2011) suggest that leadership models should focus more on identifying proximal variables (behaviors), which may have strong predictive validity as distal predictors are useful for predicting broad behavioral tendencies (Connelly, Gilbert, Zaccaro, Threlfall, Marks, & Mumford, 2000).

Study indicates relationships between transformational leadership styles and performance outcomes, Dvir, Eden, Avolio, and Shamir (2002) study show that transformational leadership had an indirect impact through a layer in the hierarchy on the performance. However, Wang, Law, Hackett, Wang, and Chen (2005) show that leadership has major influence on employees' performance and commitment without reference to leadership style. While Islam, et al (2012) wrote that leadership styles have greater impact on employees' job-related behavior such as work performance. Many researchers proposed that job satisfaction has a special significance for a consideration of the effects of various antecedent constructs on organizational commitment. Mathieu and Zajac (1990) suggested that the numerous effects of various antecedents on organizational commitment are mediated through job satisfaction. Lambert, Hogan, and Griffin (2007) found that job satisfaction had a significant impact on organizational commitment.

Various studies conducted on leadership style claimed that leadership style is considered as antecedent of organizational commitment (Sabir, Sohail, & Asif Khan, 2011) and that there is a

strong, positive relationship between leadership and organizational commitment (Ekaterini, 2010; Sabir et al., 2011.) Berta (2005) alludes to the fact that job satisfaction is linked to experience of positive relationships with co-workers, enjoying the work itself, and supervisors' performance. Similarly, Jones (2005) finding shows that job satisfaction is a result the amount of prestige the outsiders associated with their job.

The leadership style of managers and the job satisfaction of subordinates have been found to have salient effects on subordinate work outcomes (Spector, 2000). Therefore, adopting a leadership style that works best for an organization and its employees remains one of the most effective and efficient means by which organizations achieve their objectives and that of employees' satisfaction. Williams and Hazer (1986) also found strong support, using structural equation modeling, that job satisfaction was an antecedent of organizational commitment. In a more recent study, Crow et al. (2012) confirmed the mediator role of job satisfaction for the relationship between organization and organizational commitment. The result supports researchers like Salami and Omole (2005) who explained that organizational commitment is a function of several variables like motivation, participative decision making, organizational support, financial reward, communication, promotion prospects and leadership styles.

Riggio (2009) explained that organizational commitment is most commonly affected by type and variety of work, the autonomy involved in the job, the level of responsibility associated with the job, the quality of social relationship at work, rewards and remunerations, and the opportunities for promotion and career advancements in the institution. The result indicates some similar factors of commitment with listed in Tesfaye Semela (2004) and Alemu (2014) studies as indicated lack of incentives/promotion, lack of proper care for academic staff, lack of teaching resources and office facilities, salary adequacy, and perceived quality of leader as predictors of commitment. According to the leader-member exchange theory, a good quality 'dyadic' relationship resulting from the leader's treatment of the subordinates tend to promote higher performance rating (Linden, Wayne, & Stilwell, 1993), stronger organizational commitment (Nystrom, 1990), and higher overall satisfaction (Scandura & Graen, 1984). While Nystrom (1990) study reports that managers that experience low-quality exchanges with their line managers tend to show weak organizational commitment, whereas managers with high-quality exchanges express strong organizational commitment.

2.2. Empirical Studies

Harber and Davies (1997) as well as Blunt and Jones (1997) argued that leadership in higher education institutions in developing countries tends to be authoritarian. This is not only leadership at the staff level but also leadership in the classroom where teaching is also conducted in an authoritarian manner with little room for discussion and debate. A contrary study to this has shown that the preferred leadership style in selected African countries is one that is charismatic, values-based and participative, and these findings are similar to those found in studies done in the west (Bolden & Kirk 2009).

For the purposes of this study, leadership was understood as both a “process to influence people to achieve certain goals and results” as well as “focusing on the leader and his/her abilities and qualities” (Alonderiene & Majauskaite, 2016, p.141).

The Study conducted by Alemu Kebede and Getinet Worku on Ethiopian Public Universities shows “Employee job satisfaction is significantly influenced by transformational leadership, transactional, passive/avoidant leadership styles” To test the effect of transformational leadership style on faculty job satisfaction, a logistic regression model was employed. According to the results for each one-unit increase on the transformational leadership scale, the odds of being satisfied increased. This implies that transformational leadership style has a great impact on employees’ job satisfaction. When we look at transactional leadership style, a one-unit increase or improvement in transactional leadership style increases employees’ job satisfaction by but the model (adjusted odds ratio) reflects it is statistically insignificant. Like transactional leadership style, passive/avoidant leadership style is still insignificant. Thus, among the three leadership styles only transformational leadership style has a clearly positive significant effect on faculty job satisfaction. The transactional and passive leadership styles are statistically insignificant.

The study focused to investigate the level of academic staffs’ organizational commitment in higher educational setting, particularly in Haramaya University shows academic staffs are key players to the successful accomplishment of the mission, goals and responsibilities mandated to higher education institutions. It indicated that committed staffs have an active curiosity, a passion for learning, a willingness to challenge the status quo and an eagerness to experiment

with new methods and strategies Thus, overall performance of universities depends upon their academic staffs' and ultimately their level of commitment.

The study thus revealed that there is a moderate commitment level not only in dimensions of each commitment (affective, continuance and normative) but also in their overall commitment the result supports the study of Alemu (2014) at Adama Science and Technology University which was indicated that teachers have moderate level of organizational commitment. This indicated that less effort and willingness to work with, to continue and exert on behalf of the University for its Success. The indication of this study result is contrary from the ideas of Madsen, Miller and John (2005), Yiing and Ahmad (2009), as well as Cunningham (2012) who explained that committed employees have a strong belief in and acceptance of the institutional goals and values, show a willingness to exert considerable effort on behalf of the institution, have a strong desire to maintain membership with the institution, and are loyal to it. In addition, the study result indicates a different idea from studies of Welty, Burton and Wells (2014) which reveal that employees with higher level of institutional commitment wish to stay and contribute positively to the institution. The study revealed that there were factor which influence academic staffs'' commitment as listed as leadership behavior, lack of proper incentives, acknowledgment and compensation, work environment, personal characteristics, personality, shortage of capacity building training, task orientation, organizational justice, lack of accessible facility, feelings, interest, nature of work, low attitude and motivation intelligent, creativity; relationship with colleague, trustworthiness, loyalty, insecure political condition of the country and senses of ownership to the organization.

2.3. Conceptual Framework

Miles and Huberman (2014) define the conceptual framework as a visual or written product that explains in the form of a narration; graph of what is to be studied as the main factor. Leshem and Trafford (2007) offer that conceptual frameworks serve the purpose of providing theoretical amplification of what the study wants to investigate and allow readers understand the objectives of the research and how these will be achieved. This Conceptual framework was developed based on literature and findings from different researchers. It was mainly based on Bass and Riggio's (2006) and others' writings that leadership style influences job satisfaction. The conceptual framework presents the independent and dependent variables. In this model,

leadership styles are regarded as independent variables and employee job satisfaction is seen as a mediating variable between leadership style and Organizational commitment and organizational commitment is a dependent variable. The model shows that three leadership styles are related to employee job satisfaction facets and organizational commitment factors. The three styles of leadership are transformational, transactional and laissez-faire.

There are four dimensions of transformational leadership style namely idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. It is assumed that each of these styles relates to job satisfaction facets and organizational commitment factors in a certain way. There are three dimensions of transactional leadership style that relate to job satisfaction facets and organizational commitment factors. These are contingent reward, management by exception (active) and management by exception (passive). The third style in the figure is laissez-faire leadership style. It is also assumed that this style is related to job satisfaction of employee and organizational commitment. In this model there are six facets of employee job satisfaction. These are payment, Promotion, team work, supervision, nature of work and communication. Organizational commitment consists of affective, normative and continuance commitment.

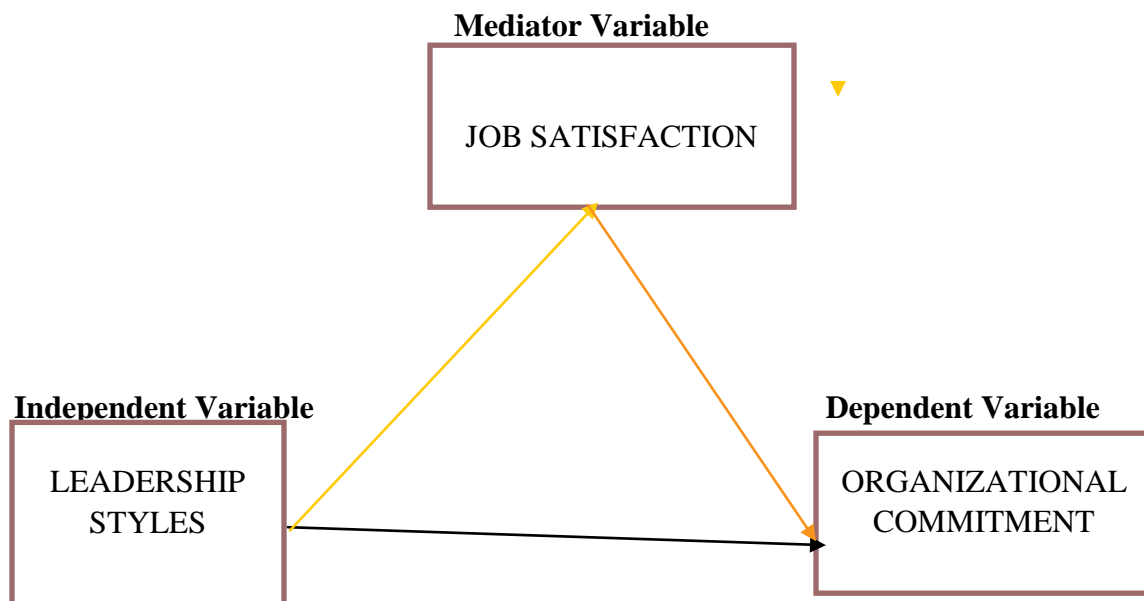


Figure 2.1. Conceptual Framework

Source: Developed by researcher from literature review

CHAPTER THREE

RESEARCH DESIGN AND METHOD

This section describes the general methods used in carrying out the study. It discussed the research design and approach, Sample design and procedures, Sampling techniques and sample size, the data collection instrument and analysis methods and ethical consideration.

3.1. Research Design

In fact, the research design is the conceptual structure with in which research is conducted; it constitutes the blue print for the collection, measurement and analysis of data. As such the design includes an outline of what the researcher do from writing the hypothesis and its operational implications to the final analysis of data (Tadesse, 2014, p. 28).

This study adopted both descriptive and explanatory research design. A descriptive study collects data in order to answer questions about current status of the subject or topic of study. There are precise steps involved in a descriptive study, and they include: selection of research questions, selection of appropriate methods to collect information, selection of appropriate sampling methods, analysis and reporting of findings (Kothari, 2004).

A quantitative research approach was used in this study. Quantitative method focuses on information that is numeric, and it is confirmatory in nature. In applying this method, a researcher classifies features, count them, and construct statistical methods to explain the observations of facts. As such in quantitative methods, numbers and what they stand for are the major points of departure for the analysis and interpretations (Babbie and Mouton) as cited in Abate, 2018:63).

In its focus, quantitative method isolates variable to explain causal relation between them and determine the magnitudes and frequency of the relationship. This is positivist view assuming cause effect relationship between the isolated variables. Findings can be generalized to a larger population as it usually involves randomization of variables to represent the whole and applies statistical testing. A survey questionnaire was applied in this study as findings can be generalized to a larger population.

3.2. Sampling Design

Sampling refers to the process by which part of the population is selected and conclusions are drawn about the entire population (Cooper & Schindler, 2011).

3.2.1. Target Population

Population has been defined as any complete group of entities that share some common set of characteristics (Zikmund et al., 2010). According to Cooper and Schindler (2011), if the populations are the same for the purposes of the study, they are collectively called homogeneous, meaning of one kind, and different random samples from homogeneous populations may be called homogeneous as well. The population of interest in this study was all academic and administrative employees of Jimma University in their different positions. In this study, the target population were all permanent employees in both academic and administrative staff of the University. According to a record obtained from the Plan and Budget Directorate Office of the University, the total number of employees was 9492. A researcher identified 8485 population of inference and 6305 population of target using exclusion criteria.

3.2.2. Sampling Frame

Sampling frame refers to the list of elements from which the sample is drawn, and is closely related to the population (Cooper & Schindler, 2011; Zikmund et al., 2010). According to Cooper and Schindler (2011) it is a complete and correct list of population members only. The list from which the sample was drawn was obtained from the organization's HR department. This number formed the sampling frame. There were six colleges; Agriculture and Veterinary Medicine, Business and Economics, Education and Behavioral Science, Law and Governance, Natural Science and Social Science, and two Institutes; Healthy and Technology Institutes in Jimma University. The sampling frame for this study was a list of employees of randomly selected Colleges, Institute and a Central Administrative Staff.

3.2.3. Sampling Techniques

Stratified simple random sampling and purposive sampling were used in this study. Stratified simple random sampling has three main benefits: it increased the sample's statistical efficiency, provided adequate data for analyzing the various subpopulations, and enabled different research methods and procedures to be used in different strata (Cooper & Schindler, 2011).

Stratified random sampling was used to classify the sample into different strata. The respondents from each stratum were identified using simple random sampling so that every respondent had an equal chance of being selected to participate in the study. The strata in this study were divided into two containing the academic and administrative staff employees of Jimma University. Four colleges; Agriculture, Business and Economics, Natural and Social Sciences and Technology Institute were randomly selected. A Central Administrative Staff was purposively selected as it constitutes a large portion of employees in Jimma University. It constitutes 40% of total employees and 48% of administrative staff of the university. Majority of employees in administrative staff were females (63.3%) whereas academic staff were males (83%).

3.2.4. Sampling Procedures and Sample Size

Sample size refers to the number of elements selected from a given population (Zikmund et al., 2010). A sample size is a section of a study population that is selected from the total population in a manner that ensures that every different possible sample of the desired size has the same chance of being selected (Peck, Olsen, & Devore, 2009).

The issues precision (how close the estimate is to the true population characteristics) and confidence (how certain the researcher is that the estimate will really hold true for the population) are addressed by calculating the sample size. The sample size is also influenced by time available, the budget and the necessary degree of precision. The sample size needed is a function of confidence interval of $\pm 5\%$, confidence level of 95%.

To determine the sample size and representative of the target population, the study uses statistical instrument formula. As of Yemane (1967), a research with high population size needs to use the formula

Where N = population size,

n = sample size,

e = margin of error at 5% (standard value of 0.05).

$$n = \frac{N}{(1 + N * e^2)}$$

$$n = \frac{6305}{1 + (6305 \times 0.05^2)} = 376$$

Accordingly, the total population number of 6305 and 376 sample size in proportion to the total population of each strata was calculated as shown in the table below.

Table.3.1. Sampling Procedure and sample size calculation

Name of strata/ colleges/Institute	Academic Staff	Administrative Staff	Total Population	Sample Size
Agriculture and Veterinary Medicine	86	534	620	37
Business and Economics	67	95	162	10
Natural Science	116	910	1026	61
Social Science	262	85	347	21
Institute of Technology	183	1116	1349	80
Central Administrative Staff	-	2801	2801	167
Grand Total	714	5541	6305	376

3.3. Data Collection Instrument

Cooper and Schindler (2011) state that data collection methods refer to the process of gathering data after the researcher has identified the types of information needed. This study focused on the use of primary data which was collected from the sample of targeted respondents. Both primary and secondary data sources were used. Primary data sources were gathered through questionnaires from a respondent who participated in a filling of a survey questionnaire. Secondary sources were some documents contained a profile of Jimma University employees. The data collection instrument (structured questionnaire) was tested with some respondents of the total target respondents representing various functions in Jimma University, who were included in the final selection of the population. A structured questionnaire was used to collect the data a structured, more specifically, a self-administered structured questionnaire. The questionnaire was divided into four sections: The first part was designed to analyze demographic data, which focused on collecting the respondent's demographic characteristics. The second part looked at the dimensions of the dominant leadership styles. The third part of the questionnaire looked at employee job satisfaction survey. The fourth part of the questionnaire assessed organizational commitment factors.

The questionnaire had Likert scale of five multiple choice options for each question and was adopted to represent the five levels of preference that included: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. The Likert scale questions were used because they use a universal method of collecting data, which makes them easy to understand. The Likert scale was used because it meant the data was quantitative in nature which made it easy for a researcher to draw conclusions, draw results, and create graphical figures from the responses.

3.4. Reliability and Validity

Reliability and validity are important aspects of questionnaire design. Over the last two decades, the Multifactor Leadership Questionnaire (MLQ) has been developed and validated (Avolio & Bass, 1995). This study adopted scales which had been validated elsewhere. In measuring leadership styles, the study adopted the Multifactor Leadership Questionnaire developed by Avolio and Bass. Accordingly, the MLQ is a well-established instrument in the measure of leadership style as well as being extensively researched and validated. Based on the evidence presented by Avolio et al., the MLQ has demonstrated high reliability and validity. Job Satisfaction Survey (JSS) by Spector and Organizational Commitment Questionnaire (OCQ) by Mayer and Allen were used to measure the respondents' job satisfaction and organizational commitment.

Scale is the method used to find the numerical value of the dimensions that constitute a concept. Reliability means that a scale is always measure the same value under the same conditions consistently. A questionnaire form is reliable if the same group is given the same result when applied two different times. So if we ask the same questions about the same people, if the conditions are not changed, they are expected to give the same answers. Otherwise, this means that the person in the sample either they did not understand the question and did not read them.

Validity is a measure of what we really want to measure. If a questionnaire is actually measures a different concept than the dimension we want to measure it is not valid. As a result of these tests, verification of unidimensionality is generally provided. Unidimensionality means the observed variables used to measure each dimension must measure only one dimension. Construct validity and reliability must be determined in order to confirm Unidimensionality.

Both composite reliability and Cronbach alpha used to test the internal consistency of each variable in a component. Cronbach alpha test is used to exploratory factor analysis whereas composite reliability test is used to confirmatory factor analysis.

The Cronbach Alpha which is a more scientific method is used to test whether the variables under investigation met the threshold. The variables that had a Cronbach alpha of 0.7 and above was considered for subsequent further analysis. Internal consistency reliability is a measure of consistency between different items of the same construct. If a multiple-item construct measure is administered to respondents, the extent to which respondents rate those items in a similar manner is a reflection of internal consistency. Hence, a multiple-item measurement scale internal consistency method is used in the study. The reliability of the questionnaire for this research was also statistically calculated using Cronbach's Alpha. In the study of testing the amounts of Cronbach's Alpha was calculated at 80 % of the questionnaire. The Cronbach's Alpha value for this study is 0.886. This Alpha coefficient is higher than the conventional level of 0.70, suggesting that acceptable internal consistency and hence reliable in measuring what they were designed to measure as shown in the in the table 3.2 below.

Table 3.2. Reliability Statistics Test		
Variables	Cronbach's Alpha	Number of Items
Leadership Styles	.715	14
Job Satisfaction Facets	.732	18
Organizational Commitment Factors	.717	12
Total	.886	44

Source; own survey data, 2020

Construct validity refers to the convergence of observed variable that are connected to the same latent variable (Convergent Validity) and disassociation of observed variables that are connected to other latent variables (discriminant validity). In SEM, it is necessary to look at the results of confirmatory factor analysis to determine the convergent validity of scale used to measure the dimensions constituting the conceptual model. Validity analysis of factor analysis was used to test for validity whereby the variables that had a co-efficient of less than 0.4 were not considered for subsequent analysis. This was a reduction measure to ensure that the study utilized only those variables that met the threshold.

Convergent Validity: Average Variance Extracted (AVE) > 0.5

Convergent validity means that the variables within a single factor are highly correlated. This is evident by the factor loadings. Sufficient/significant loadings depend on the sample size of the dataset. Generally, the smaller the sample size, the higher the required loading. The research needs a sample size of 60-70 at a minimum to achieve significant loadings for variables loyalty 1 and loyalty 7. Regardless of sample size, it is best to have loadings greater than 0.500 and averaging out to greater than 0.700 for each factor. If you have convergent validity issues, then your variables do not correlate well with each other within their parent factor; i.e. the latent factor is not well explained by its observed variables (Malhotra and Dash, 2011, p.702).

Discriminant validity refers to the extent to which factors are distinct and uncorrelated. The rule is that variables should relate more strongly to their own factor than to another factor. Two primary methods exist for determining discriminant validity during an EFA. The first method is to examine the pattern matrix. Variables should load significantly only on one factor. If "cross-loadings" do exist (variable loads on multiple factors), then the cross-loadings should differ by more than 0.2. The second method is to examine the factor correlation matrix, as shown below. Correlations between factors should not exceed 0.7. A correlation greater than 0.7 indicates a majority of shared variance ($0.7 * 0.7 = 49\%$ shared variance (ibid)).

3.5. Data Analysis Method

In an analysis of data, a researcher employed SPSS Version 25 and AMOS Version 23. Data editing and coding was done by a researcher to reduce error during the data entry stage and ensure that clean data was used for analysis. Both descriptive and inferential analysis were conducted. Descriptive analysis was done to check for the measuring of the data provided using percentages and frequencies. Reliability as well as validity analyses was conducted to check for consistency of the responses and variables that best described the given responses respectively. Correlation analysis was used to test for the association among the dependent variable and independent variables for this study. Thereafter, Structural Equation Model (SEM) was employed to analyze the mediating variable to test model fit indices and regression weights. The results were presented in form of tables and figures with brief descriptions as here under order.

Before applying SEM models, different assumption tests were considered to ensure the appropriate use of data analysis. Those assumption tests include the normality, linearity and multi-collinearity, homoscedasticity and autocorrelation tests. Lastly, based on those tests there was no normality, linearity. homoscedasticity and multi-collinearity tests problem to proceed to the SEM.

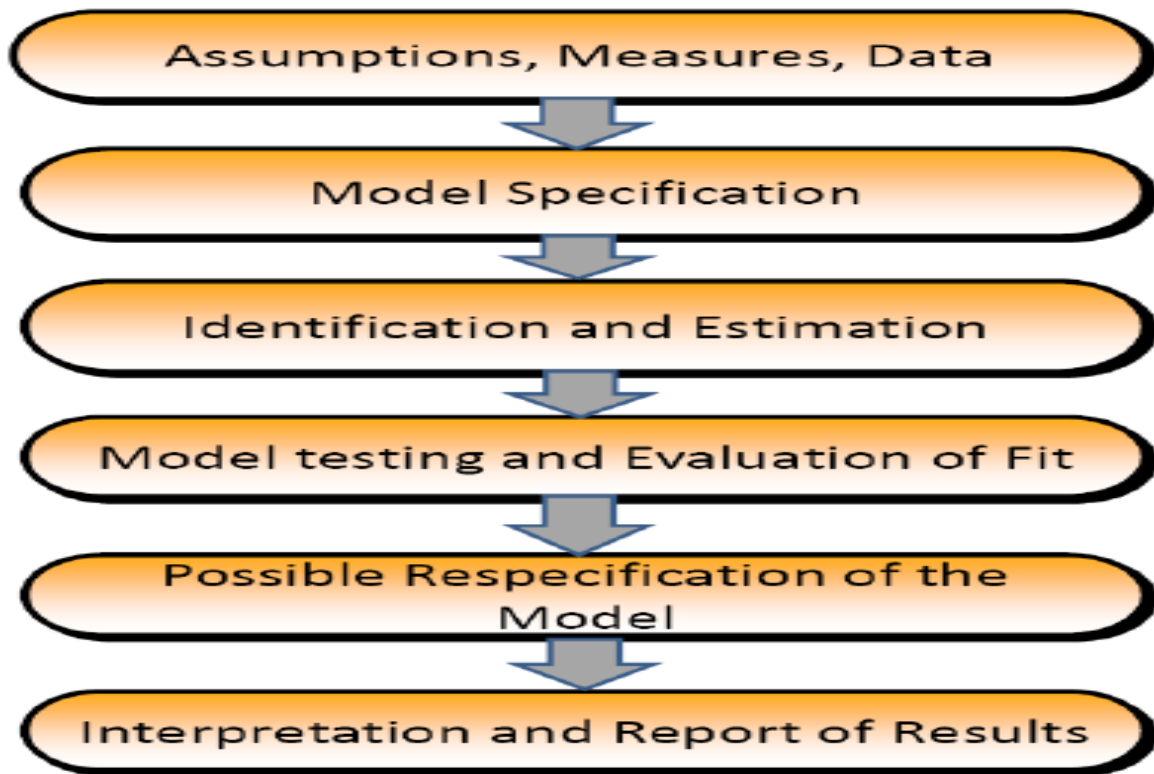


Figure 3.1. The Flow Chart of Basic Steps of SEM Analysis

Source: <https://www.researchgate.net/>

3.6. Ethical Consideration

During the course of administering the questionnaires, names and any identifying remarks were not used. The confidentiality of the respondents is kept and any data received for the study kept at the hands of the researcher. The data were used based on the questionnaire of respondents rather than using the researcher opinion and input.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter presents, analyzes and interprets the data collected from the respondents. The data were gathered through questionnaires. The data collected from the target population were analyzed using SPSS version 25 and AMOS version 23. The total number of questionnaires distributed was 376 out of which 300 were properly filled and returned and finally used for analysis purpose. Despite, the effort made by the researcher to produce the largest rate of return, some questionnaires were either discarded for incompleteness or not returned at all. The rate of return of questionnaire is computed as follows;

$$\text{Rate of Return} = (R/(S-ND)) \times 100$$

Where; R= Number of questionnaires returned

S= Total number of questionnaires distributed

ND= Number of questionnaires discarded

$$\text{Rate of Return} = 300 / (376-0) \times 100$$

$$\approx 80\%$$

Thus, the information gained from 80% of the returned rate of questionnaires was used in analysis of the data. Both descriptive and inferential analysis were conducted. In addition, SEM is used to measure the relationship exists between latent and observed variables as well as among themselves.

4.1. Descriptive Analysis

The descriptive statistics was used as a way to examine the mean, standard deviation, frequency and percentages which are not apparent in the raw data.

4.1.1. Demographic Description of Respondents

In this section, the personal and job-related profile of the respondents is presented. The following table presents the employee staff, gender, age group, educational level, work experience in the organization, marital status and salary scale using frequency table and percentages as follows.

Respondent's Profile	Frequencies	Percentages(%)
Staff		
Academic	66	22
Administrative	234	78
Sex		
Male	140	46.7
Female	160	53.3
Age Group		
18-30	170	56.7
31-40	90	30
41-50	38	12.7
51-60	2	0.7
Educational Level		
Under Diploma	131	43.7
Diploma	45	15
BA/BSc.	74	24.7
MA/MSc.	44	14.7
PhD	6	2
Years of Working		
1-2	63	21
3-5	90	30
5-10	68	22.7
>10	79	26.3
Marital Status		
Single	108	36
Married	66	55.3
Divorced	18	6
Widow	8	2.7
Salary Scale		
601-1650	63	21
1651-3200	51	17
3201- 5250	120	40
5251- 7800	32	10.7
7800-10900	24	8
>10900	10	3.3
Total	300	100

Table 4.1: Demographic Characteristics of Respondents

Source: Own Survey data, 2020

The table above shows that out of 300 respondents, 66(22%) are academic staff employees and 234(78%) are administrative staff employees. A large number of employees are administrative staff. The staff is composed of 140 males (46.7%) and 160 females (53.3%). The academic staff constitute a large number of males. Out of 66 (22%) academic staff 54(18%) are males and the rest 12(4%) are females. Whereas, the administrative staff is composed of a large number of females. Out of 234(78%) of administrative staff, 148(49.33%) are females and the rest 86(28.66%) are males.

The above table shows that out of 300 employees, 170(56.7%) are youth (18-30 years old), 89(29.7%) employees are found in 31-40 years of age. The rest 3(1%) employees are found in 51-60 years' age category.

The above table indicates that majority of the employees' level of education is under diploma and a very few employees are PhD holders. Out of 300 respondents, 131(43.7%) are under diploma, 45(15 %) are diploma, 74(24.7%) are BA/BSc. holders. Out of the rest 50 post graduate employees, 44(14.7%) are BA/BSc holders and 6(2%) are PhD holders.

61% of the administrative staff are under diploma, 15% are diploma, 23% are BA/BSc holders and only 1% are MA/MSc holders. There are 27% BA/BSc., 63% MA/MSc. and 10% PhD holders in Academic staff. The above data indicates that, there are no PhD holders and a very few MA/MSc holders in administrative staff. In contrast, there are no employees whose level of education is under diploma and diploma and the least number of BA/ BSc holders in the academic staff of the University.

The above table shows 63(21%) of the respondents are working in the organization for less than two years, 90(30%) are working for 3-5 years, 68(22.7%) are working for 6-10 years and 79(26.3%) are working for more than 10 years in the organization.

The above table indicates that majority of the respondents are married,166(55.3%), 108(36%) are single, 18(6%) are divorced and 8(2.7%) are widows.

Majority of the respondents (40%) earns a monthly income of 3201-5250 salary scale followed by 601-1650 (21%). 17% of the respondents earns a monthly income of 1651-3201 salary scale followed by 5251-7800(10.7%). The rest 24(8%) and 10(3.3%) respondents earns a monthly income of 7800-10900 and >10900 salary scale respectively.

4.1.2. Descriptive Statistics for Leadership Styles, Employee Job Satisfaction Facets and Organizational Commitment Factors

According to Wondimu Umar (2014) the interpretation of research analysis through Likert intervals scales using Mean and Standard Deviation are generally interpreted as follows: mean scored between values 1.0-2.4 is perceived as negative or low value, the scores from 2.5-3.4 are suggested as medium or moderate, whereas the mean scores between 3.5-5.0 are interpreted as positive or high value. The standard deviation indicates the degree of variation of responses from group of the respondents. The data were analyzed in forms of Mean scores and Standard Deviation. The highest mean value indicates the most frequently used variable. Whereas, the highest standard deviation value indicated that a wide spread of responses.

leadership styles/ dimensions	<i>Mean</i>	<i>Std. Deviation</i>
Inspirational motivation	3.63	1.221
Idealized influence	3.55	1.194
Intellectual stimulation	3.28	1.172
Individualized consideration	3.41	1.252
Contingent reward	3.22	1.285
Management by exception (active)	3.34	1.043
Management by exception (passive)	3.48	1.155
Laissez-faire leadership	2.90	1.199
Total/Grand	26.81	9.521

source: own survey data, 2020

As indicated on table above, the overall mean score and standard deviation of leadership style is ($M=3.35$, $SD=1.19$). The Mean Score and Standard Deviation of transformational leadership dimensions' ranges from 3.21 to 3.63 and 1.172 to 1.252 respectively. From this leadership style dimensions, inspirational motivation scored the highest mean value ($M=3.63$, $SD=1.221$) followed by idealized influence ($M=3.55$, $SD=1.194$). Individualized consideration scored the third high Mean value ($M=3.41$, $SD=1.252$). Intellectual stimulation scored the least Mean value ($M= 3.28$, $SD=1.172$).

Based on the Mean score results, inspirational motivation is the most frequently used dimension of transformational leadership style. As stated by Northouse (2013) it is descriptive of the leaders who communicate subordinates enthusiastically about what needs to be accomplished and future sense of mission, inspiring them through motivation to become committed and a part of the shared vision in the organizations. In other ways, the least mean score result is that of intellectual stimulation. Individualized consideration scored the highest Standard Deviation ($SD=1.252$) followed by inspirational motivation ($SD= 1.221$). The next is idealized influence ($SD=1.194$). Individualized consideration scored the least Standard Deviation value ($SD= 1.172$). The table above also shows that, the Mean score and Standard Deviation of transactional leadership style ranges from 3.22 to 3.48 and 1.043 to 1.285 respectively. From this leadership style, management by exception-passive scored the highest Mean value ($M=3.48, SD=1.155$), followed by management by Exception-Active ($M=3.34, SD=1.043$). Contingent reward has the least Mean value ($M=3.22, SD= 1.285$). As it can be seen from the above table, Laissez-faire leadership style has the least Mean score than the rest leadership style ($M=2.885, SD=1.199$).

Table 4.3. Descriptive Statistics of Job Satisfaction Facets		
Job satisfaction Facets	Mean	Std. Deviation
Payment	3.97	.960
Teamwork	3.85	.933
Communication	3.57	1.147
Supervision	3.52	1.029
Nature of work	3.21	1.180
Promotion	3.31	1.289
Total/Grand	21.43	6.538

The above table shows the Mean and Standard Deviation of employee job satisfaction facets. The highest Mean value score is that of payment ($M=3.97, SD= 0.960$) followed by teamwork ($M=3.85, SD=0.933$). The next Mean score value is that of communication ($M=3.57, SD=1.147$) followed by supervision ($M=3.52, SD=1.029$). The least mean score is that of nature of work ($M=3.21, SD=1.180$) next to promotion ($M=3.31, SD=1.289$).

Table 4.4: Descriptive Statistics of Organizational Commitment Factors

Factors	<i>Mean</i>	<i>St. Deviation</i>
Affective Commitment	3.42	1.052
Normative Commitment	3.635	1.0705
Continuance Commitment	3.50	0.9845
Total/Grand	10.555	3.107

Normative commitment is the employee's feelings of obligation and sense of loyalty to remain with the organization and serve to the best of his potential (Chowdhury, 2014). It represents employee's feeling of the obligation to stay within the organization. Continuance Commitment is commitment that is based on the costs that the employee associates with leaving the organization (Chowdhury,2014). Continuance commitment is commitment based on costs that an employee associates with leaving the organization. Affective Commitment: employee "emotional attachment to, identification with, and involvement in the organization (Chowdhury,2014). Affective commitment represents an employee's emotional attachment, identification and involvement in the organization. Table 4.4 above shows that, normative commitment scores the highest Mean value (M= 3.635 SD=1.0705) followed by continuance commitment (M=3.50, SD=0.9845). Affective commitment scored the least Mean value (M=3.42, SD= 1.052).

4.2. Multiple Correlation Analysis

Correlation analysis is the process of studying the strength of the relationship with available statistical data (Peck, Olsen, & Devore, 2009). To analyzes the relationship between variables inferential techniques are used. As described by Amin (2005) inferential statistics provides us with the techniques of numerically and graphically presenting information that gives an overall picture of the data collected.

When there are two or more than two independent variables, the analysis concerning relationship is known as multiple correlations. Correlation is the coefficient that indicates the power of linear relationship between variables. This coefficient must be statistically significant in order to be able to say that there is a relationship between variables. The correlation coefficient takes a value between -1 and +1, +1 indicating a perfect positive correlation and -1 indicating perfect negative correlation between two variables (Kothari., 1990).

Table 4. 5. Correlations Coefficient of leadership styles, job satisfaction and organizational commitment Factors

		TrfL	TrsL	LfL	JS	AC	NC	CC
TrfL	Pearson Correlation	1	.488**	.060	.409**	.481**	.386**	.281**
	Sig. (2-tailed)		.000	.303	.000	.000	.000	.000
TrsL	Pearson Correlation		1	.136*	.380**	.212**	.186**	.280**
	Sig. (2-tailed)			.018	.000	.000	.001	.000
LfL	Pearson Correlation			1	.068	.094	.114*	.176**
	Sig. (2-tailed)				.244	.103	.049	.002
Job satisfaction	Pearson Correlation				1	.353**	.283**	.258**
	Sig. (2-tailed)					.000	.000	.000
AC	Pearson Correlation					1	.179**	.306**
	Sig. (2-tailed)						.002	.000
NC	Pearson Correlation						1	.325**
	Sig. (2-tailed)							.000
CC	Pearson Correlation							1
	Sig. (2-tailed)							

In order to interpret the results of the correlation there are standards. According to Samekh and Lewin (2005) the criterion for evaluating the magnitude of a correlation was as follows: If the correlation coefficient (r) =0.01 - 0.29, the strength of relationship is weak, when correlation coefficient (r) = 0.30 - 0.49, the relationship is medium/moderate and when the correlation coefficient (r)= 0.50 - 1.0, the strength of relationship is high. The negative sign indicates that as the score of one variable increase, the score of the other variable decreases. A correlation coefficient of 1 or -1 indicates the strong relationship and the Pearson correlation coefficient (r) of zero or if it is very close to zero, shows as there is no relationship/very weak relationship. Table 4.5. above shows multiple correlation coefficient results of different leadership styles with

job satisfaction and different organizational commitment factors. Also, it displays the correlation between employee job satisfaction and different organizational commitment factors. Accordingly, Transformational and Transactional leadership styles are moderately correlated to employee job satisfaction with a correlation coefficient (r)= 0.409 and 0.380 significant at $p < 0.01$ level (2-tailed). However, Laissez-faire leadership style is insignificant to job satisfaction. Similarly, transformational and transactional leadership styles are positively correlated to affective, normative and continuance commitments by having a correlation coefficients (r) = 0.481, 0.386, 0.281 and 0.212, 0.186, 0.280 significant at $p < 0.01$ level (2-tailed) respectively. Laissez-faire leadership style is positively correlated to continuance and normative commitment having a correlation coefficient (r) = 0.176 and 0.144 significant at $p < 0.01$ and 0.05 (2-tailed) respectively. But, Laissez-faire leadership style is insignificant to affective commitment. Job satisfaction has a correlation coefficient of (r) = 0.353, 0.283 and 0.258 significant at $p < 0.01$ (2-tailed) respectively. Transformational leadership has moderate correlation with job satisfaction, affective and normative but, low correlation with continuance commitment. Similarly, transactional leadership has moderate correlation with job satisfaction but, low correlation with all organizational commitment factors. Laissez-faire leadership is insignificant to job satisfaction and affective commitment, but it has low correlation with normative and continuance commitments. Job satisfaction is moderately correlated to affective commitment but, there is low correlation between job satisfaction, normative and continuance commitment.

4.3. Structural Equation Model Analysis (SEM)

SEM has become one of the techniques of choice for researchers across disciplines and increasingly is a must for researchers in the social sciences. However, the issue of how the model that best represents the data reflects underlying theory known as model fit. It is essential that researchers using the technique are comfortable with the area since assessing whether a specified model fits the data is one of the most important steps in structural equation modeling (Yuan, 2005).

4.3.1. SEM Model Assumption Tests

Assumptions of Structural Equation Modeling is similar to regression analysis, but in structural equation models, many regression equations work together, whether in the structural model part or in the measurement model part. Therefore, the assumptions that apply to the regression

models are valid for the structural equation models. These assumptions can be summarized as follows. As these assumptions are known, linearity, that is, the relationship between dependent and independent variables is linear, normal distribution of error terms (normality), no multicollinearity which means independent variables are not related to each other, the variance of error terms is fixed (homoscedasticity) or in other words there is no relationship between independent variables and error terms. No autocorrelation that means that there is no relationship between error terms (Wooldridge, 2003). In the structural equation modeling, many of the fit indices are influenced by sample size. In some sources, a minimum sample size of 150 is recommended for structural equation models (Bentler & Chou, 1987). The minimum sample size that should be used in the structural equation modeling method is at least 10 times the number of parameters that can be estimated in the model. (Jayaram, Kannan, & Tan, 2004). According to some researchers, the sample size required for structural equation modeling should be at least 200 and 200-500 (Çelik & Yılmaz, 2013). It is assumed that there is no correlation between error terms in the structural equation modeling method. However, if it is explicitly stated by the researcher in the conceptual model, a correlation can be made between the error terms (Doğan,2015). The outlier affects the significance of the existence model negatively. Multiple measurements: In the structural equation model, three or more observed variables must be used to measure each latent variable. If these assumptions are met, it should be considered whether the assumptions required for the structural equation models are also met.

4.3.1.1. Normality

The multivariate normal distribution is the most important assumption of the maximum likelihood estimation method used in structural equation modeling. This rule is often violated when ordinal and discrete scales are used. Neglecting the assumption of multivariate normal distribution of observed variables leads to a high CMIN / DF value and a significant test outcome. In case of violation of this assumption, it is recommended to use the estimation methods such as weighted least squares (WLS) instead of the maximum likelihood estimation method. This method can be used if the data is continuous but does not meet the normal distribution requirement. Other prediction methods that may be preferred in this case are ADF (asymptotically distribution free), MLM (Robust Maximum Likelihood) and GLS (generalized least squares) (Tabachnick & Fidel, 2001).

As the complexity level of the model tested in the structural equation modeling method increases, the number of sample observations must also be increased. However, as the distribution of the data becomes farther away from the normal distribution, it is necessary to increase the number of data (Kline, 2011).

The skewness and kurtosis values are examined to determine whether the variables in the data set are normally distributed. These values are calculated on the basis of moments. In general, the packaged software's calculate these values to be 0 as base value. In this case values between -2 and +2 are considered normal. In addition, Kolmogorov-Smirnov and Shapiro-Wilk tests can be conducted to test whether the data set is normally distributed (Sarstedt & Mooi, 2014).

In cases where the data set does not fit the normal distribution, the outliers (extreme values) should be cleared first. In AMOS program in analysis properties window in output tab, normality and outliers can be tested. It is sufficient to mark the "test for normality" and "outliers" options so that these test values can be obtained in a tabular form. Additionally, in SPSS, outliers can be determined by examining the Mahalonobis distance value. Latent variables have multivariate normal distribution: It refers to the endogenous latent variables have normal distribution. In practice, it is a violated assumption.

The main assumption in normality is that the distribution in each item and in all linear combination of items is normally distributed (Hair, et.al, 2010). The researcher used Histogram method of testing the normality of the data.

Histogram is bell shaped which lead to infer that the residuals (disturbance or errors) are normally distributed. The residuals should be normally distributed about the predicted dependent variable score. As shown on figure below, dependent variable is normally distributed for each value of the independent variables.

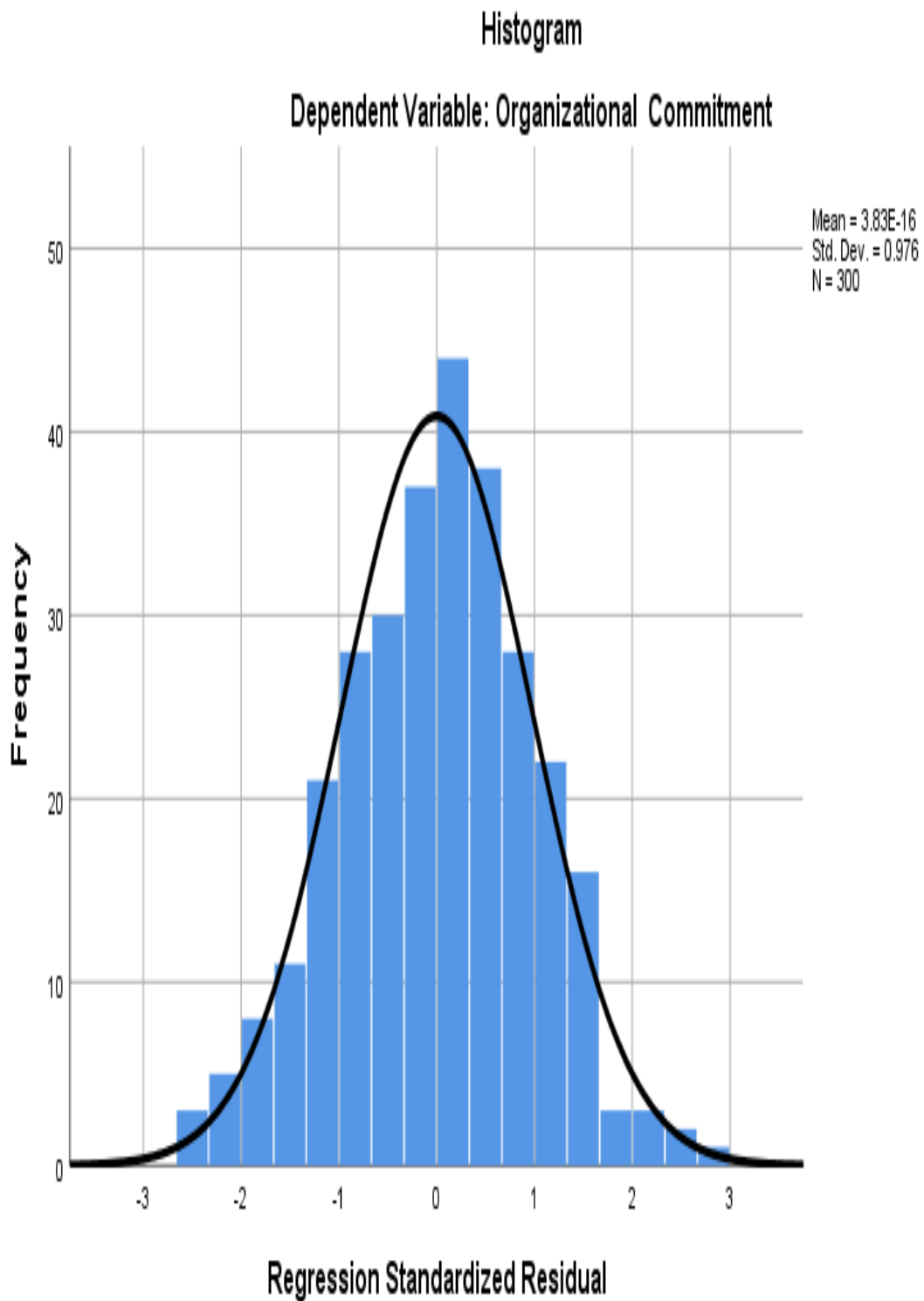


Figure 4.1. Histogram of Data Normality Test

4.3.1.2. Linearity

Structural equation modeling is a component of factor and regression analysis. Therefore, linearity, which is the most important assumption of regression analysis, also applies to structural equation modeling. In the structural equation model, it is assumed that there are linear relationships between latent variables and also between observed and latent variables.

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables. To determine whether the relationship between the independent variables; Salary, bonus/ incentives, infringe benefits, Recognition and appreciation, working condition promotion and empowerment and dependent variable employee motivation is linear; Plots of the regression residuals through SPSS software had been used. In case of linearity, the residuals should have a straight-line relationship with predicted dependent variable scores.

As shown on figure below, the change in the dependent variable is more of related to the change in the independent variable. Therefore, there is no linearity problem on the data for this study and residual follow at straight line.

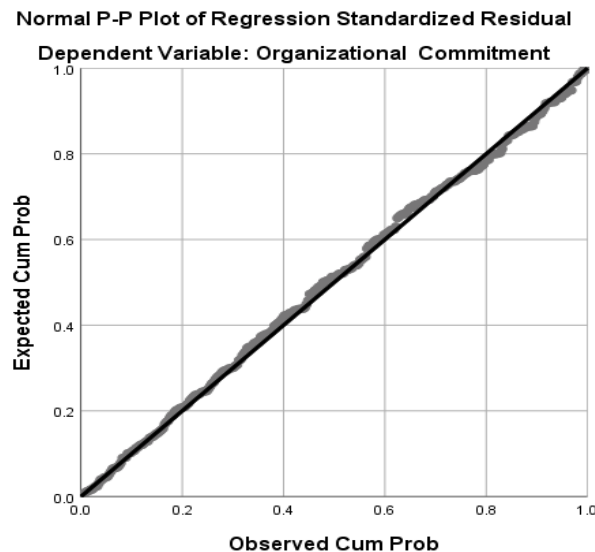


Figure 4.2. P-P Plot Linearity Test

4.3.1.3. Homoscedasticity

The variability in scores for variable X should be similar at all values of variable. The variance of error terms is fixed or in other words there is no relationship between independent variables and error terms. The scatter plot is a good way to check whether the error terms along the regression line are equal. It should show a fairly even cigar shape along its length.

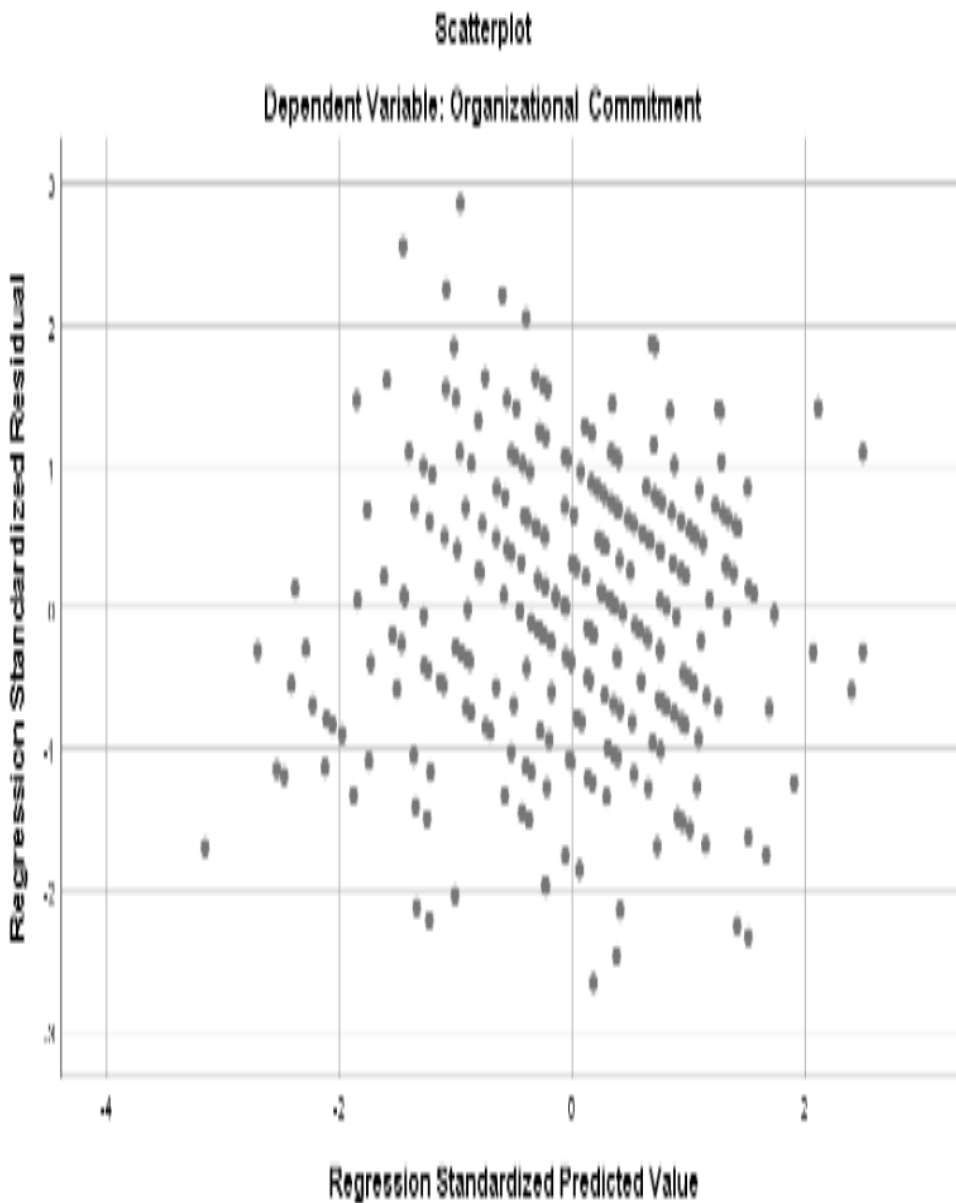


Figure 4.3. The scatter plot for homoscedasticity test

4.3.1.4. Multi-collinearity

It is assumed that there is no relation between the independent variables in the structural equation model. Multi-collinearity can be checked by correlation matrix and Variance Inflation Factors (VIF). A correlation matrix is used to ensure the correlation between independent variables (Explanatory variables) and dependent variables to identify the problem of multi-collinearity. On the other hands, correlation matrix computing a matrix of Pearson's bivariate correlations among all independent variables and magnitude of the correlation's coefficients. Whereas the Variance Inflation Factors (VIF) of the linear regression indicates the degree that the variances in the regression estimates are increased due to Multi-collinearity.

Variables	Tolerance	VIF
Inspirational motivation	.753	1.328
Idealized influence	.773	1.293
Intellectual stimulation	.748	1.337
Individualized consideration	.777	1.287
Contingent reward	.825	1.212
PMBE	.787	1.271
AMBE	.755	1.324
Laissez-faire	.931	1.075
Payment	.836	1.196
Team-work	.867	1.154
Supervision	.855	1.170
Communication	.805	1.242
Nature of work	.863	1.158
Promotion	.806	1.240

As stated by Field (2005) the Variance Inflation Factors(VIF) of the Linear Regression indicated the degree that the variances in the regression estimates are increased due to multi-collinearity and VIF values higher than 10.0 shows as there is multi-collinearity problem. On the other hands, as stated by Pallant (2007), Tolerance is a statistical tool which indicates the variability of the specified independent variable from other independent variables in the model and it has no multi-collinearity problem if the tolerance is greater than 0.10 values. The results of tolerance and VIF suggests that multi-collinearity is not suspected amongst the independent variables, because the values of VIF are below 0.10 while the tolerance values are above 0.10.

4.3.2. Factor Analysis

Factor analysis is a data reduction technique that takes a large set of variables and looks for a way that a data may be reduced or summarized using a smaller set of factors. It reduces a large number of individual scale items and questions and by using factor analytic technique to refine and to form a smaller number of a coherent subscales.

4.3.2.1. Exploratory Factor Analysis [EFA]

The EFA explore the factor structure (how the variables relate and group based on inter-variable correlations); in the CFA confirm the factor structure that extracted in the EFA (Brown, 2014). The purposes of factor analysis is: to help an investigator determine the number of factors underlying a set of variables, identify unclear items (e.g., those which don't load cleanly on a single factor) and identify irrelevant items (e.g., those which have low loadings).

The rules of thumb for the EFA:

Convergent Validity

KMO Statistics > 0.9

Bartlett's Test of Sphericity < Sig. less than 0.05

Communalities > 0.4

Discriminant Validity: Maximum Shared Variance (MSV) < AVE

Square root of AVE > inter-construct correlations

If you have discriminant validity issues, then your variables correlate more highly with variables outside their parent factor than with the variables within their parent factor; i.e., the latent factor is better explained by some other variables (from a different factor), than by its own observed variables. AVE is a strict measure of convergent validity. Malhotra and Dash (2011) note that "AVE is a more conservative measure than CR. On the basis of CR alone, the researcher may conclude that the convergent validity of the construct is adequate, even though more than 50% of the variance is due to error."

4.3.2.2. Confirmatory Factor Analysis [CFA]

Reliability: Reliability refers to the consistency of the item-level errors within a single factor. Reliability means just what it sounds like: a "reliable" set of variables will consistently load on the same factor. The way to test reliability in an EFA is to compute Cronbach's alpha for each factor. Cronbach's alpha should be above 0.7; although, *ceteris paribus*, the value will generally increase for factors with more variables, and decrease for factors with fewer variables. Each factor should aim to have at least 3 variables, although 2 variables is sometimes permissible

Reliability: Composite Reliability (CR) > 0.7

METRICS are specific measures that can be calculated to determine goodness of fit. The metrics that ought to be reported are listed below, along with their acceptable thresholds. Goodness of fit is inversely related to sample size and the number of variables in the model. Thus, the thresholds below are simply a guideline. (Hair et al., 2010, Huand Bentler, 1999)

MODEL FIT refers to how well to proposed model (in this case, the model of the factor structure) accounts for the correlations between variables in the dataset. If an accounting for all the major correlations inherent in the dataset (with regards to the variables in the model), then it will have good fit; if not, then there is a significant "discrepancy" between the correlations proposed and the correlations observed, and thus we have poor model fit. The reposed model does not "fit" the observed or "estimated" model (i.e., the correlations in the dataset). Adjust modification indices

Modification indices offer suggested remedies to discrepancies between the proposed and estimated model. In a CFA, there is not much we can do by way of adding regression lines to fix mode l fit, as all regression lines between latent and observed variables are already in place. Therefore, in a CFA, we look to the modification indices for the covariance. Generally, we should not covary error terms with observed or latent variables, or with other error terms that are not part of the same factor. Thus, the most appropriate modification available to us is to covary error terms that are part of the same factor. The figure below illustrates this guideline - however, there are exceptions. In general, want to address the largest modification indices before

addressing more minor ones. For more information on when it is okay to covary error terms (because there are other appropriate reasons).

In order to analyze the direct and indirect effect of independent variable on a dependent variable and mediating variable of the two regression between independent and dependent variables and effect of independent variable on dependent variable the below systematic diagram was drawn as follow.

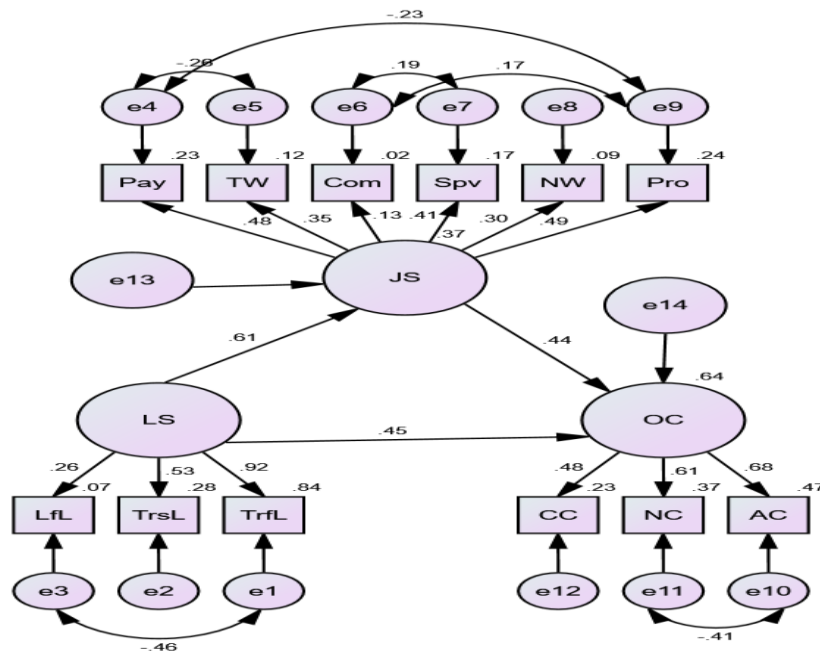


Figure 4.4. Diagram of SEM Analysis

Source: AMOS Graphics

Note: LS=Leadership Styles, JS=Job Satisfaction, OC= Organizational commitment

TrfL=Transformational TrsL= Transactional, LfL= Laissez-faire leadership;

Pay= payment, TW= team work, Com=Communication, Spv= Supervision,

NW= nature of work, Pro= Promotion, AC=affective commitment

NC= normative commitment and CC= continuance commitment, e's = error terms

Fit indices are divided into two, the first is absolute fit indices such as Goodness-of-Fit Statistic (GFI), it was created by Jöreskog and Sorbom as an alternative to the Chi-Square test and calculates the proportion of variance that is accounted for by the estimated population covariance (Fidell, 2007). Adjusted Goodness-of-Fit Statistic (AGFI), it was used to adjust the GFI based upon degrees of freedom, with more saturated models reducing fit (Fidell, 2007). Root Mean Square Residual (RMR), its range is calculated based upon the scales of each indicator, therefore, if a questionnaire contains items with varying levels (Kline, 2005). Root Mean Square Error of Approximation (RMSEA), it tells us how well the model, with unknown but optimally chosen parameter estimates would fit the population's covariance matrix (Byrne, 1998).

The second is incremental fit indices incremental fit indices, also known as comparative (Shevlin, 2007), or relative fit indices (McDonald and Ho, 2002), are a group of indices that do not use the chi-square in its raw form but compare the chi-square value to a baseline model. They are Normed-Fit Index (NFI), this statistic assesses the model by comparing the χ^2 value of the model to the χ^2 of the null model. Comparative Fit Index (CFI) is a revised form of the NFI which takes into account sample size (Byrne, 1998) that performs well even when sample size is small (Fidell, 2007). Parsimonious Normed Fit Index (PNFI), it is based upon the GFI by adjusting for loss of degrees of freedom.

Table 4.7. Criteria/Critical values/ cut off points of SEM Fit Indices

Fit Indices	Acceptable Fit Values	Goodness Fit Values
CMN/DF	$2 < \text{CMIN/DF} < 3$	$0 < \text{CMN/DF} < 2$
CFI	$0.95 < \text{CFI} < 0.97$	$0.97 < \text{CFI} < 1$
AGFI	$0.85 < \text{AGIF} < 0.90$	$0.90 < \text{AGFI} < 1$
GFI	$0.90 < \text{GFI} < 0.95$	$0.95 < \text{GFI} < 1$
NFI	$0.90 < \text{NFI} < 0.95$	$0.95 < \text{NFI} < 1$
RMSEA	$0.05 < \text{RMSEA} < 0.08$	$0 < \text{RMSEA} < 0.05$
RMR	$0 < \text{RMR} < 0.05$	$0 < \text{RMSEA} < 0.04$

Source: Bayram, N. (2013)

Based on the above different fit indices the researcher tested the fit indices of structural equation model as follows.

Model	GFI	AGFI	RMR	NFI	CFI	PGFI	RMSEA
Default Model	0.986	0.968	0.057	0.947	1.000	0.442	0.000

Table 4.8. Fit Indices Test of Structural Equation Model

As table above shows that the value of GFI and AGFI are 0.986 and 0.968 which indicated that goodness of fit laid between range from 0 to 1 and indicated great model fit between 0.9-1 (Shevlin, 1998) and (Shevlin, 2007). Another, the value of RMR is 0.057 and that indicated between 0 to 1, not only this RMR has a good model fit approach to zero (Bentler, 1999). Also, the above table indicates that the value of NFI and CFI were 0.947 and 1.000 respectively which belongs 0 to 1 and indicated good model fit above 0.9 (Bentler and Bonnet, 1980). However, the goodness of fit indices of PGFI indicated that good model fit by 0.442, thus included between 0 and 0.5 (Mulaik, 1989). Finally, the value of RMSEA showed that good model fit to some extent by 0.026, because it was found between good model fit 0.5-1 (Maccallum, 1996). Based on the above result of model indices components, the researcher concluded that the model was fit

4.3.3. Result of Regression Weights

Regression analysis is adopted appropriate when the researcher has one dependent variable which is presumed to be a function of two or more variables (Kothari., Research Methodology, 1990). Thus, the regression weight resulted from AMOS graphic was set as below table

Table 4.9. Unstandardized Regression Weight

			Estimate	S.E.	C.R.	P
JS	<---	LS	.103	.024	4.268	***
OC	<---	LS	.216	.093	2.319	.020
OC	<---	JS	1.034	.583	1.775	.076
TfL	<---	LS	1.000			
TrL	<---	LS	.480	.078	6.179	***
LfL	<---	LS	.108	.033	3.268	.001
Affective	<---	OC	1.000			
Normative	<---	OC	.926	.170	5.436	***
Continuance	<---	OC	.988	.171	5.786	***
Pay	<---	JS	1.000			

			Estimate	S.E.	C.R.	P
Team	<---	JS	.657	.217	3.025	.002
Comm	<---	JS	.536	.234	2.289	.022
Superv	<---	JS	1.133	.260	4.365	***
Work	<---	JS	.938	.269	3.479	***
Prom	<---	JS	1.352	.336	4.025	***

The above table shows the unstandardized regression weights (path coefficients) between/among independent, mediating and dependent variables namely leadership style, job satisfaction and organizational commitment with some of their indicators and facets. Accordingly, the regression coefficients of leadership style in predicting job satisfaction is significantly different from zero at 0.001 level (2-tailed). The regression coefficient of leadership style is 0.103. This implies an increase in one unit of leadership style is resulted in an increase of 0.103 unit in job satisfaction. Similarly, an increase in one unit of leadership style is resulted in an increase of 0.216 in organizational commitment. Also, an increase in one unit of leadership style is resulted in an increase of 1.034 in organizational commitment.

Table 4.10. Standardized Regression Weights

			Estimate
JS	<---	LS	.713
OC	<---	LS	.646
OC	<---	JS	.446
TfL	<---	LS	.854
TrsL	<---	LS	.558
LfL	<---	LS	.244
Affective	<---	OC	.529
Normative	<---	OC	.481
Continua	<---	OC	.571
Pay	<---	JS	.408
Team	<---	JS	.276
Comm	<---	JS	.183
Superv	<---	JS	.431
Work	<---	JS	.311
Prom	<---	JS	.412

The above table shows the standardized regression weights of independent variable (leadership style), mediating variable (job satisfaction) and dependent variable (organizational commitment). The findings of table above indicate that the regression coefficient of the major variable is

positive. As a result, the path coefficient Beta value of leadership style and job satisfaction is 0.713. This indicates an increase in one standard deviation of leadership style from its mean is expected job satisfaction to increase by 0.713 of its own standard deviation from its mean while holding another relevant variable constant. Similarly, an increase in one-unit standard deviation of job satisfaction from its mean is expected organizational commitment to increase by 0.446 of its own standard deviation from its mean while holding another relevant variable constant. Also, an increase in one standard deviation of leadership style from its mean is expected organizational commitment to increase by 0.646 of its own standard deviation from its mean while holding another relevant variable constant.

4.4. Analysis of a Mediation Effect

As mediator variable can be used to understand the impact of independent variable on dependent variable, and break down interesting causal relationships to determine the possible mechanism causing such relationships, it has become an issue of concern to the researchers. The main purpose of mediation analysis is to check whether the causal effect of the independent variable X on the dependent variable Y is caused by the mediator. Hence, after the addition of the mediator, the part or all relationships between the independent variable and dependent variable should be explained. If the proportion of the indirect effect against the total effect is greater, it indicates a higher mediating effect. The three regression equations of the mediation model proposed by Barron & Kenny (1986) are as follows:

$$Y = C_0 + C' X + e_1 \dots\dots\dots (1)$$

$$M = a_0 + a X + e_2 \dots\dots\dots (2)$$

$$Y = b_0 + Cx + bm + e_3 \dots\dots\dots (3)$$

Regression Equation (2) is inputted into Regression Equation (3) to obtain Regression Equation (4)

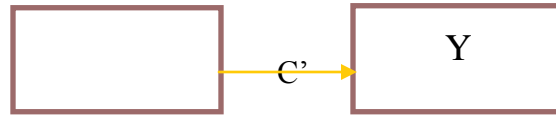
$$Y = (b_0 + a_0b) + (c + ab) X + (be_2 + e_3) \dots\dots\dots (4)$$

Compare the coefficients X of Regression Equation (1) and Regression Equation (4) to get

$$C' = C + ab \dots\dots\dots(5)$$

$$\text{Namely } C' - C = ab \dots\dots\dots (6)$$

- This is the basic equation of the mediation model. Regression Equation (1) can be represented by Figure below.



The above figure shows the impact path of independent variable (X) on the dependent variable (Y), path coefficient 'c' is also known as the total effect of the independent variable (X) on the dependent variable (Y). Generally, the total effect 'c' is expected to be significantly different from zero. This study explored whether the impact of the independent variable (X) on the dependent variable (Y) is from another factor, which is termed as the mediator variable represented by M. Hence, mediation analysis at least has three variables including the independent variable (X), dependent variable (Y) and the mediator variable (M). The relationships are often represented by the following path graph

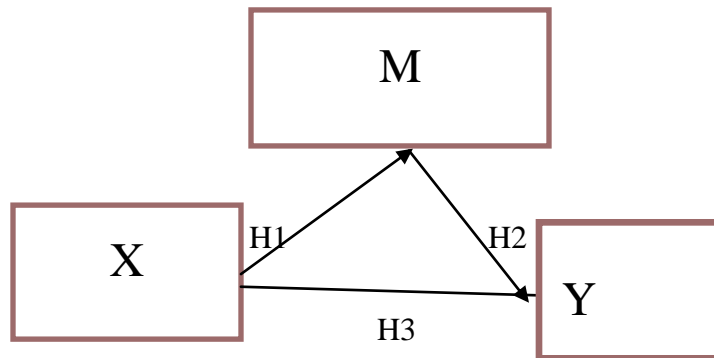


Figure 4.5. Basic mediator model

The above figure shows the typical mediation model; path coefficient c is termed as the direct effect of the independent variable (X) on the dependent variable (Y), also known as the effect of the control mediator variable (M) of independent variable (X) on dependent variable (Y), or the residual effect. Path coefficient a is the effect of independent variable (X) on mediator variable (M), also known as the first stage effect. Path coefficient b is the effect of the mediator variable (M) on the dependent variable (Y), also known as the second stage effect.

The multiplication of the first stage effect and second stage effect ab is known as the indirect effect. If the direct effect of independent variable (X) on the dependent variable (Y) after the addition of the mediator variable (M) is insignificant (namely, path coefficient c is significantly), it is known as the full mediation. If the direct effect of independent variable (X) on the dependent variable (Y) after the addition of the mediator variable (M) is significant (namely, path coefficient c is significantly), it is known as the partial mediation

A variable may be considered a mediator to the extent to which it carries the influence of a given independent variable (IV) to a given dependent variable (DV). Generally speaking, mediation can be said to occur when (1) the IV significantly affects the mediator, (2) the IV significantly affects the DV in the absence of the mediator, (3) the mediator has a significant unique effect on the DV, and (4) the effect of the IV on the DV shrinks upon the addition of the mediator to the model. These criteria can be used to informally judge whether or not mediation is occurring, but MacKinnon & Dwyer (1993) and MacKinnon, Warsi, & Dwyer (1995) have popularized statistically based methods by which mediation may be formally assessed. When a mediator analysis is performed, three different models are run and the coefficients of the models are compared with one another. When a mediator analysis is performed, three different models are run and the coefficients of the models are compared with one another. Models and hypotheses tested are as follows:

H1: Variable A affects variable B in the positive direction.

H2: Variable B affects variable C in the positive direction.

H3: Variable A affects variable C in the positive direction.

H4: Variable B plays mediator role in the relationship between Variable A and Variable C.

Once the three regression models given above are run separately, the results found are compared as seen in Table 8. As shown in Table 8, when the B variable is added in model 3, the coefficient of the relationship between A and C is lowered and turns to be insignificant. This indicates that the variable B has mediator role in the relationship between variable A and variable C. As a result, hypotheses H1, H2, H3 and H4 are accepted. In this way, the Baron and Kenny method

can be easily applied in the SPSS program in the presence of a third variable that plays a role of mediator variable between the two.

Table 4.11. Major Variable's Coefficients Result

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	11.049	.959		11.525	.000
	Leadership Styles	.376	.035	.526	10.689	.000

a. Dependent Variable: Organizational Commitment

Direct Effect 1 = X to Y (Leadership style to Organizational commitment) = 0.526

Coefficients

Model		Unstandardized		Standardized	T	Sig
2	(Constant)	13.405	.940		14.259	.000
	Leadership Styles	.299	.034	.450	8.688	.000

a. Dependent Variable: Job satisfaction

Direct Effect 2 = X to M (Leadership style to Job satisfaction) = 0.450

Coefficients

Model		Unstandardized		Standardized	t	Sig
		B	Std. Error	Beta		
3	(Constant)	11.521	1.223		9.419	.000
	Job satisfaction	.448	.056	.418	7.944	.000

a. Dependent Variable: Organizational Commitment

Direct Effect 3 = M to Y (Job satisfaction to organizational commitment) = 0.418.

From the above table the standardized coefficient result of the effect of leadership style on organizational commitment is 0.526, that of leadership style on job satisfaction and job satisfaction on organizational commitment are 0.450 and 0.418 respectively.

Indirect Effect = Direct effect 2 (Direct Effect 3) = 0.45(0.418) = 0.1881

Total Effect = Indirect effect + Direct Effect 1 = 0.1881 + 0.526 = 0.7141

Table 4.12. Partial mediation standardized Coefficients Result						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
4	(Constant)	7.784	1.210		6.436	.000
	Job satisfaction	.244	.057	.227	4.238	.000
	Leadership Styles	.303	.038	.424	7.911	.000
a. Dependent Variable: Organizational Commitment						

When comparing the coefficient results of the direct effect of leadership style on organizational commitment to its result through indirect effect (job satisfaction as a mediator variable), there is a difference ($0.526 - 0.424 = 0.101$). As both are at a significant level, there is partial mediation effect of employee job satisfaction in the effect of leadership style on organizational commitment in Jimma University.

Table 1.13. Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.642 ^a	.412	.383	2.83122
a. Predictors: (Constant), Pro, Pay, LfL, TIC, NW, Com, TMEA, TW, Spv, TCR, TII, TMEP, TIM, TIS				
b. Dependent Variable: Organizational Commitment				

The table above shows, the R value obtained by regression is 0.642 and the adjusted R square value is 0.383 which mean that 38.3. % variations in employee job satisfaction have been explained by the all dimensions of leadership styles and 61.7 % is due to other factors. The Analysis of Variance (ANOVA) results of regression between predictor variables and job satisfaction shows that, the probability value of 0.000($p < 0.05$) indicates the relationship was highly significant in predicting how leadership style explains organizational commitment as shown on table below. The P value can explain the variation in the dependent variable. That is when the P value is less than 0.05 the independent variables explaining the variation in the dependent variable. Whereas, when the P value is greater than 0.05 then, the independent variables do not explain the variation in the dependent variable.

To this effect, since P-value is 0.000(P<0.05). All independent variables explaining the variation in the dependent variable (organizational commitment).

Table 4.14. ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1599.177	14	114.227	14.250	.000 ^b
	Residual	2284.503	285	8.016		
	Total	3883.680	299			
a. Dependent Variable: Organizational Commitment						
b. Predictors: (Constant), Pro, Pay, LfL, TIC, NW, Com, TMEA, TW, Spv, TCR, TII, TMEP, TIM, TIS						

The Beta Coefficient (B) result shows the strength of the effect of each independent variable to the dependent variable (organizational commitment) as shown on the above table. The mathematical model of multiple regressions below can be used to determine the quantitative, association between the variables:

The Multiple Linear Regression Model,

$$Y=B_0+B_1X_1+B_2X_2+B_3X_3+B_4X_4+B_5X_5+B_6X_6+B_7X_7+B_8X_8+B_9X_9+B_{10}X_{10}+B_{11}X_{11}+B_{12}X_{12}+B_{13}X_{13}+B_{14}X_{14}+e_1$$

Where; Y= Dependent Variable, B₀= Constant B_n= Coefficient

X_n= Represents the independent variables in the estimation model

X₁= Inspirational motivation X₂= Idealized influence X₃= Intellectual stimulation,

X₄= Individualized consideration, X₅=Contingent Reward,

X₆ = Management by Exception (Active), X₇= Management by Exception(Passive),

X₈ = Laissez-faire leadership X₉ = Payment, X₁₀= Teamwork, X₁₁= Communication,

X₁₂= Supervision, X₁₃= Nature of work, X₁₄ = Promotion

Table 4.15. Structural Regression Model

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.577	1.267		5.978	.000
	TIM	.487	.155	.165	3.153	.002
	TII	.540	.156	.179	3.463	.001
	TIS	.682	.162	.222	4.224	.000
	TIC	.221	.148	.077	1.488	.138
	TCR	-.324	.140	-.115	-2.308	.022
	TMEA	.146	.177	.042	.827	.409
	TMEP	.251	.163	.080	1.537	.125
	LfL	.381	.142	.127	2.693	.008
	Pay	.389	.187	.104	2.084	.038
	TW	.385	.189	.100	2.045	.042
	Com	-.080	.154	-.026	-.521	.603
	Spv	.478	.177	.137	2.698	.007
	NW	-.054	.149	-.018	-.358	.720
	Pro	.359	.141	.128	2.538	.012

Based on the table above, the Beta value of inspirational motivation is (β)= 0.165, which means that as inspirational motivation increase by one percent (1%), organizational commitment increases by 16.5 % keeping other factors constant. Similarly, the Beta value of idealized influence (β) =.179, which means as idealized influence increased by 1%, organizational commitment increases by 17. 9% keeping other factors constant. Intellectual stimulation scored the highest beta value (β)= .222, which means as intellectual stimulation increased by 1% employee organizational commitment increases by 22.2 % keeping other factors constant. Laissez-faire leadership style scored the beta value (β)=0.127(12.7%), promotion (12.8%), supervision (13.7%), payment (10.4%) and team work (10%) which means their increase in one percent causes an increase in organizational commitment respectively keeping other factors constant. The beta value of contingent reward indicates (β) = - .115, as contingent reward increases by 1%, organizational commitment decreases by 11.5% keeping other factors constant. By contrast, individual consideration, management by exception (both active and passive), communication and nature of work are insignificant to organizational commitment.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents summary of major findings, conclusions and recommendations, limitations and recommendations for future researches.

5.1. Summary of Major Findings

A large number of respondents were administrative staff employees and the rest were academic staff. The number of female employees are greater than males. The administrative staff is composed of a large number of females. Whereas, academic staff constituted a large number of males. 43.7% are under diploma, 15 % are diploma, 24.7% are BA/BSc. holders. 14.7% are BA/BSc holders and 2% are PhD holders. %). There were 27% BA/BSc., 63% MA/MSc. and 10% PhD holders in Academic staff. 43.7% were under diploma, 15 % were diploma, 24.7%) were BA/BSc. holders. 61% of the administrative staff are under diploma, 15% are diploma, 23% are BA/BSc holders and only 1% are MA/MSc holders. 1% of respondents are working in the organization for less than two years, 30% are working for 3-5 years, 22.7% were working for 6-10 years and 79(26.3%) are working for more than 10 years in the organization.

Employee job satisfaction scored the highest Mean value ($M=3.57$, $SD=0.56$) followed by organizational commitment ($M=3.52$, $SD=0.6$). Leadership scored the least Mean Value ($M=3.35$, $SD= 0.63$). The Mean Score and Standard Deviation of transformational leadership dimensions' ranges from 3.21 to 3.63 and 1.172 to 1.252 respectively. inspirational motivation scored the highest mean value ($M=3.63$, $SD=1.221$) followed by idealized influence ($M=3.55$, $SD=1.194$). The Mean score and Standard Deviation of transactional leadership style ranges from 3.22 to 3.48 and 1.043 to 1.285 respectively. Management by exception-passive scored the highest Mean value ($M=3.48$, $SD=1.155$), followed by Management by Exception-Active ($M=3.34$, $SD=1.043$). Contingent reward has the least Mean value ($M=3.22$, $SD= 1.285$). Laissez-faire leadership style has the least Mean score than the rest leadership style ($M=2.885$, $SD=1.199$). Individualized consideration scored the third high Mean value ($M=3.41$, $SD=1.252$). Intellectual stimulation scored the least Mean value ($M= 3.28$, $SD=1.172$).

Based on the Mean score results of this study inspirational motivation (M=3.63, SD=1.221) is the most frequently used dimension of transformational leadership style. The Mean score and Standard Deviation for transactional leadership style ranges from 3.22 to 3.48 and 1.043 to 1.285 respectively. Management by Exception (Passive) scored the highest Mean value (M=3.48, SD=1.155). Laissez-faire leadership style has the least Mean score than the rest leadership styles (M=2.885, SD=1.199). Payment has the highest mean score value (M=3.97, SD= 0.960), of the different employee job satisfaction facets Normative commitment scores the highest mean value (M= 3.635, SD=1.0705) of organizational commitment factors. The Mean and Standard Deviation of employee job satisfaction facets results shows as the highest Mean score is that of payment (M=3.97, SD= 0.960) followed by teamwork (M=3.85, SD=0.933). The next Mean score value is that of communication (M=3.57, SD=1.147) followed by supervision (M=3.52, SD=1.029). The least mean score is that of nature of work (M=3.21, SD=1.180) next to promotion (M=3.31, SD=1.289).

Normative commitment scores the highest Mean value (M= 3.635 SD=1.0705) followed by continuance commitment (M=3.50, SD=0.9845). Affective commitment scored the least Mean value (M=3.42, SD= 1.052). Transformational and Transactional leadership styles are moderately correlated to employee job satisfaction with a correlation coefficient (r)= 0.409 and 0.380 significant at $p < 0.01$ level (2- tailed). Laissez-faire leadership style is insignificant to job satisfaction. Similarly, transformational and transactional leadership styles are positively correlated to affective, normative and continuance commitments by having a correlation coefficients (r) = 0.481, 0 .386, 0 .281 and 0.212, 0.186, 0. 280 significant at $p < 0.01$ level (2-tailed) respectively. Laissez-faire leadership style is positively correlated continuance and normative commitment having a correlation coefficient (r) = 0.176 and 0.144 significant at $p < 0.01$ and 0.05(2-tailed) respectively. But, Laissez- faire leadership style is insignificant to affective commitment. Job satisfaction has a correlation coefficient of (r) = 0.353, 0.283 and 0.258 significant at $p < 0.01$ (2-tailed) respectively.). Transformational and transactional leadership styles are positively correlated to employee job satisfaction with a correlation coefficient (r)= 0.409 and 0.380 respectively significant at $p < 0.01$ level (2- tailed). They are positively correlated to affective, normative and continuance commitments by having a correlation coefficients (r) = 0.481, 0 .386, 0 .281 and 0.212, 0.186, 0. 280 significant at $p < 0.01$ level (2- tailed) respectively.

5.2. Conclusions

Numerous references to leadership and job satisfaction and organizational commitment are available. A key concern with researching leadership is that it is very rare to find managers in organizations' who truly display the true characteristics of transformational leaders in their ability to inspire, offer individual consideration and intellectual stimulation to employees. While there is a plethora of literature available on leadership, particularly transformational leadership, there is a paucity of research examining the actual relationship between transformational, transactional and laissez-faire leadership and its impact on levels of employee commitment

This study analyzed the data gathered from academic and administrative staff. The study indicated that majority of Jimma University employees are administrative staff. The Central administrative staff constitute a large portion of employees. The number of males in academic staff is higher than that of females. In contrast, the number of females in administrative staff is higher than that of males. The total number of female employees is greater than that of males. This implies as the staff is composed of large number of females.

Overall findings from this study suggest that transformational, transactional and laissez-faire leadership behaviors do play important roles in determining levels of affective, continuance and normative commitment. The results of this study indicated that leadership styles are important prerequisites for employees to be committed to the organization in which they are working.

Transformational leadership has moderate correlation with job satisfaction, affective and normative but, low correlation with continuance commitment. Similarly, transactional leadership has moderate correlation with job satisfaction but, low correlation with all organizational commitment factors. Laissez-faire leadership is insignificant to job satisfaction and affective commitment, but it has low correlation with normative and continuance commitments. Job satisfaction is moderately correlated to affective commitment but, there is low correlation between job satisfaction, normative and continuance commitments. Transformational leadership being proven as more predictive of employee job satisfaction and organizational commitment.

5.3. Recommendations

5.3.1. Recommendations for Improvement

- Comprehensive information should be given to all current managers on the basis of an in-depth understanding of leadership and what particular type of leadership style they display. It could provide managers with constructive feedback and assist them in leading their departments/teams more effectively.
- Transformational leadership training for these managers is suggested as developing management in this way will not only help them to motivate, stimulate and engage their employees but it will also enhance the overall commitment of the educational institution.
- The formal training of leaders could be reinforced by the implementation of a leadership mentorship program where the managers are provided with constant developmental feedback on his/her behaviors and how they can link to this the ideal qualities that foster effective and proactive transformational leadership behavior.
- The human resource managers could focus their talent management strategy on attracting, developing and retaining transformational leaders which as result in the long-term, could impact the work in a more positive regard as employees become and remain satisfied and committed.

5.3.2. Recommendations for Future Research

Although leaders are believed to be important for building employee commitment, scientific research has proven that several other variables such as self-efficacy, optimism, self-esteem and satisfaction with co-workers all have a positive effect on commitment. Therefore, to determine the most effective way to enhance employee commitment, future research that includes such variables would be required.

- A combination of both quantitative and qualitative research methodology could be used in future to elicit more in-depth and richer information pertaining to this research topic.
- Comparing organizational commitment level in relation to respondents' profile as a determinant factor for more clarification of the issue under study is recommended.
- Comparative study of academic and administrative in relation to their level job satisfaction and organizational commitment affected by different leadership style is required.

References

- Abate, D. (2018). *Research Methodology: Handbook for Research Students and Practitioners*. Addis Ababa, Ethiopia: Mega Publishing and Distribution P.L.C.
- Ajay K Garg, D. R. (2013). The Relationship Between Leadership Styles and Employee commitment at a Parastatal Company in South Africa. *International Business & Economics Research Journal* – November 2013 Volume 12, Number 11 , 1411-1436.
- Alemu Kebede and Getinet Worku (2017). The Influence of Leadership Styles on Employees' Job Satisfaction in Ethiopian Public Universities ., Vol. 13, No. 3, Pages 165-176
- Anyango, C. A. (2015). *Effects of Leadership Styles on Employee Performance*;
- Bass, B., & Riggio, R. E. (2006). *Transformational Leadership* (2nd ed.). Mahwah, N.J.: Lawrence Erlbaum
- Byrne, B.M. (1998), *Structural Equation Modeling with LISREL, PRELIS and SIMPLIS: Basic Concepts, Applications and Programming*. Mahwah, New Jersey: Lawrence Erlbaum Associates.
- Chowdhury, R. G. (2014). *A Study on The Impact of Leadership Styles on Employee Motivation and Commitment: An Empirical Study Of Selected Organisations in Corporate Sector* .
- Fulas, B. M. (2017). *Effects of Leadership Style on Job Satisfaction at Heineken Ethiopia* .
- Fidell, L.S. (2007), *Using Multivariate Statistics* (5th ed.). New York: Allyn and Bacon.
- Girma T. Niguse, H. (2018). *The Effects of Organizational Culture on Organizational Commitment: The Mediating Role of Job Satisfaction, in Case of Oromia Forest and Wild Life Enterprise* .
- Githuka, L. (2017). *Effects of Leadership Styles on Employee Commitment in Non-Governmental Organizations: A Case Study of Christian Aid* .
- G/Mariam, L. (2018). *Effect of Leadership Style On Employees Performance at Wegagen Bank S C* .
- Kothari. (1990). *Research Methodology, Methods and Techniques*. Second Revised Edition. -303
- Leshem, S. & Trafford, V. (2007). Overlooking the conceptual framework, *Innovations in Education and Teaching International*, 44(1), 93-105.
- Loganathan, R. (2013). *The Influence of Leadership Styles on Job Satisfaction at Acellulose Pulp Mill in Kwazulu-Natal* .

- Lok & Crawford. (2014). The effect of organizational culture and leadership style on job satisfaction and organizational commitment. Article in Journal of Management development .
- Loke, J. C. (2001). Leadership Behaviours: Effects on Job Satisfaction, Productivity and Organizational Commitment.
- MacCallum, R.C., Browne, M.W., and Sugawara, H., M. (1996), "Power Analysis and Determination of Sample Size for Covariance Structure Modeling," *Psychological Methods*, 1 (2), 130-49.
- McDonald, R.P. and Ho, M.-H.R. (2002), "Principles and Practice in Reporting Statistical Equation Analyses," *Psychological Methods*, 7 (1), 64-82.
- Miles, M.B., & Huberman, M. (1994). *Qualitative data analysis: an expanded source book* (2. ed.). London
- Muhammad Haroon. (2012). Relationship of Leadership Styles, Employees Commitment and Organization Performance (A study on Customer Support Representatives). Article in *European Journal of Economics, Finance and Administrative Sciences* · June 2012.
- Nidadhavolu, A. (2018). Impact Of Leadership Styles on Employee Job Satisfaction and organizational Commitment – A Study in The Construction Sector in India .
- Nidadhavolu, A. (2018). .Relationship of Leadership Styles, Employees Commitment and Organization Performance (A study on Customer Support Representatives). (n.d.).
- Oliver, W. (2012). The Impact of Leadership Styles on Employee Engagement .
- Robina Odaya Orute D. S. Leadership Style and Employee Job Satisfaction in Kakamega County, Kenya .
- Saba Habtom Araya and Dr. Ma Haiyan . (2015). How Job Satisfaction Factors Affects Components of Organizational Commitment: Study on Employees of Star Hotels in Eritrea . *International Journal of Human Resource Studies* ISSN 2162-3058 2015, Vol. 5, No. 4 , 99.
- Syed Muhammad Azeem,Nadeem Akhtar. (2014). Job Satisfaction and Organizational Commitment among Public Sector Employees in Saudi Arabia. *International Journal of Business and Social Science* Vol. 5, No. 7;
- Setyaningrum1, R. P. (2017). Relationship Between Servant Leadership in Organizational Culture, Organizational Commitment, Organizational Citizenship Behaviour and Customer Satisfaction. *European Research Studies Journal* Volume XX, Issue 3A, ,PP 554-569 .
- Shevlin, M. (2007), "A time and a place for incremental fit indices," *Personality and Individual Differences*, 42 (5), 869-74.

- Stephen P. Robbins and Timothy A. Jones. (2013). *Organizational Behavior* .
- Sunday Samson Babalola (2016). The Effect of Leadership Style, Job Satisfaction and Employee-Supervisor Relationship on Job Performance and Organizational Commitment. *The Journal of Applied Business Research*, Volume 32, Number 3
- Sušanj, Z. ((2012). Fairness Perceptions and Job Satisfaction as Mediators of the Relationship Between Leadership Style and Organizational Commitment. *International Journal of Human Resource Studies* ISSN 2162-3058 2015, Vol. 5, No. 4
- Umer Paracha, A. Q.-U.-H. (2012). Impact of Leadership Style (Transformational Transactional Leadership) on Employee Performance & Mediating Role of Job Satisfaction” Study of Private School (Educator) in Pakistan .
- Tadesse, G. (2014). *Methodology and Writing up Research: A Hand Book for Students and Supervisors*. Addis Ababa: Mega Publishing and Distribution PLC.
- Tahir, H. (2015). Leadership style and Organizational Performance: A Comparative study between Transformational and Transactional Leadership styles. *IBT Journal of Business Studies (Formerly Journal of Management & Social Sciences)* Vol. 11, No. 2, (Fall2015) 257-274, 257-274.
- Voon, M.L., Lo, M.C., Ngui, K.S., & Ayob, N.B. (2011). The influence of leadership styles on employees’ job satisfaction in public sector organizations in Malaysia. *International Journal of Business, Management and Social Sciences*, 2(1), 24-32.
- Wendimu Umar (2014). *Principal Instructional Leadership Performance and Influencing factors*
- Weiping Jiang (2017). *The Impact of Transformational Leadership On Employee Sustainable performance: The Mediating Role Of Organizational Citizenship Behavior*.
- Yaya, J. (2016). A Review of Leadership Theories, Principles, Styles and their Relevance to Management of Health Science Libraries in Nigeria . *Journal of Educational Leadership and Policy* Vol. 1, No. 1., 17-26.
- Yuan, K.H. (2005), *Fit Indices Versus Test Statistics*, *Multivariate Behavioral Research*, 40 (1), 115-48. Kline, R.B. (2005), *Principles and Practice of Structural Equation Modeling* (2nd Edition ed.). New York: The Guilford Press.

Appendix
JIMMA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
MASTERS OF PUBLIC MANAGEMENT -MPM PROGRAM

Questionnaires filled by Respondents

Dear respondent;

This questionnaire is developed to conduct a research under **the Effect of Leadership Style on Organizational Commitment through Employee Job Satisfaction in Jimma University**. Your responses to this study will help me in evaluating the significance of Leadership Style in Jimma University and could contribute to the field of organizational management and allow the leaders and managers to understand leadership management styles, employee's job satisfaction and how it affects the overall organizational commitment. Your participation in the survey is completely voluntary, and all your responses are anonymous. The purpose of this study is purely academic It will take 10-15 minutes to complete.

Instruction: To participate, please put a tick mark (√) to your preferences. If you have any query, you can contact me through the following addresses:

Email: *margadaba92@gmail.com* **Phone no:** +251917639046/+251939758046

A. Respondent's Profile

1. **Staff:** Academic Administrative
2. **Gender:** Male Female
3. **Age group:** 18-30 31-40 41-50 51-60 Above 60
4. **Educational level:** Under Diploma Diploma BA/BSc. Master PhD
5. **Years of working in the organization:** 1-2 3-5 6-10 Over 10
6. **Marital status:** Single Married Divorced Widow
7. **Salary Scale:** Below 600 601-1650 1651-3200 3201-5250 5251-7800 7801-10900
 Above 10900

Part 2: The following section is about leadership styles; employee job satisfaction facets and organizational commitment factors needs a response of employees. Please tick your preferences on one the 5-points Likert scale prepared for this purpose;

5= Strongly Agree, 4= Agree, 3=Neutral 2= Disagree 1= Strongly Disagree

A. Multifactor Leadership Questionnaire

Dimensions	Items	5	4	3	2	1
TIM 1.	My manager encourages employees to become a good team player.					
TIM 2.	My manager has a clear understanding and inspires with his/her future plans.					
TII1.	My manager talks about his values and beliefs.					
TII 2.	My manager is a facilitator.					
TIS 1.	My manager has stimulated me to look at things in a new way.					
TIS 2.	My manager thinks about old problems in new ways.					
TIC 1.	MY manager considers at my personal feelings.					
TIC 2.	My manager is aware and pays attention to my needs and concerns.					
TCR 1.	My manager tells us what to do if we want to be rewarded for our work.					
TCR 2	My Manager gives me special recognition at my good performance.					
TME 1	My manager expects the best performance and will not settle for a second best.					
TME 2.	Manager tells me the standards I need to know to carry out my work.					
LFL 1.	My manager does not care what others do unless the work is absolutely essentials					
LL 2.	My manager does not challenge the status quo					

JSS	Job Satisfaction Facets Item	5	4	3	2	1
OR1.	It is clear to me what my role demands in meeting the organization objectives.					
OR2.	I will be working for the same organization in the next 2 years.					
TW1.	My team is an inspiration for me to do best at my job.					
TW 2.	My team provides support me at work whenever needed.					
I 1.	If something unusual comes up, I know where to go to find a solution.					
I 2.	The organization informs me about all the resources and tools for the proper implementation of my activities.					
R1.	My senior managers encourage me to give my best effort.					
R2.	I feel that my opinion is heard and valued by my superior.					
PE 1.	I think I go beyond my limits to fulfill a task.					
PE 2.	I think I have had enough training to solve customer issues.					
PE 3.	The management involves me while taking leadership decisions.					
PE 4.	I experience personal growth such as upgrading my skills and learning other tasks apart from my regular to-dos.					
Fb 1.	I have received constructive feedback from my manager.					
Fb 2.	My manager praises me when I have done a good job.					
WLB 1.	I think the environment at work helps me strike the right balance between my workplace and my personal life.					
WLB 2.	I think my manager understands a healthy balance between work life and personal life.					
FR 1.	I think my manager treats all team members equally.					
FR 2.	I think my organization has the right policies for the promotion of all employees.					

C. Organizational Commitment Questionnaire

Factors	Items	5	4	3	2	1
ACS 1.	I do not feel like part of the family at the organization. ^R					
ACS 2.	The organization has a great deal of personal meaning for me.					
ACS 3.	I do not feel emotionally attached to the organization. ^R					
ACS 4.	I feel a strong sense of belonging to the organization.					
NCS1.	I think that people these days move from organization to organization too much.					
NCS2	Jumping from organization to organization does not seem unethical to me.					
NCS3	I believe that loyalty is important and therefore I feel a sense of moral obligation to remain.					
NCS4.	Things were better in the days when people stayed with one organization for most of their careers.					
CCS1.	Right now, staying with the organization is a matter of necessity as much as desire.					
CCS2.	I feel that I have too few options to consider leaving the organization.					
CCS3.	One of the few serious consequences of leaving the organization is lack of the scarcity of available alternatives.					
CCS4.	It would be very difficult for me to leave the organization right now, if I wanted to.					

Source: Blackwell Publishers, 1999