Leadership styles and organizational commitment: literature review

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Abstract

Purpose – The purpose of this paper is to examine the relationship between Bass’s (1985) leadership dimensions (transformational, transactional, and laissez-faire) and several outcome variables (employee extra effort, employee satisfaction with leader, leadership effectiveness) and organizational commitment.

Design/methodology/approach – This is a systematic literature review.

Findings – This review briefly discusses the conceptual framework and the Full Range Leadership Model (Bass, 1985) which include transformational leadership, transactional leadership, and laissez-faire leadership. Also discussed in this section were the abilities and the characteristics of transformational leaders. The leadership section was concluded with discussion on previous researches on transformational leadership. This review also provides a literature review on organizational commitment.

Originality/value – Described in this paper are the various definitions of organizational commitment and the three-component model of commitment. This paper also described the antecedents and outcomes of organizational commitment obtained from previous researches. This paper concluded with a discussion on the impact of transformational leadership on employee organizational commitment.

Keywords Leadership, Transformational leadership, Leadership effectiveness, Organizational commitment, Leadership styles

The past 50 years have witnessed extensive international research in the field of leadership. It is not surprising that there has been such an overwhelming focus from researchers because leadership issues are vital for organizational success (Kumar and Kaptan, 2007). Without strategic and effective leadership, it is difficult for members of organizations to sustain profitability, productivity, and a competitive advantage (Lussier and Achua, 2007). In recent years, leadership styles have become an important topic of study in the management field, and many researchers consider leadership style as an important variable in influencing how members of an organization function (Wu, 2009). Subsequently, leadership style has also been found as an important predictor of an organization performance (Bass et al., 2003).

The review of the literature demonstrates that there has been extensive research on organizational commitment over time (Mathieu and Zajac, 1990; Meyer and Parfyonova, 2010; Meyer et al., 2002; Mowday et al., 1982; Porter et al., 1974). The positive effects of organizational commitment have been well acknowledged in management literature. Commitment has repeatedly been identified in organizational literature as an important variable in understanding the work behavior of employees in organizations (Meyer et al., 2002; Meyer and Herscovitch, 2001; Mowday et al., 1979). Previous researchers suggest that commitment has an impact on several work-related attributes, such as intention to
stay (Chew and Chan, 2008; Mathieu and Zajac, 1990; Meyer et al., 2002; Porter et al., 1974), absenteeism (Angle and Perry, 1981; Meyer et al., 2002; Porter et al., 1974), and job satisfaction (Chughtai and Zafar, 2006; Meyer et al., 2002; Yousef, 2000). This is pertinent as organizations with committed employees can avoid the cost associated with high turnover rate and absenteeism. In addition, committed employees are more likely to have higher work motivation, as well as higher job performance (Abdul Rashid et al., 2003; Chen et al., 2006; Riketta, 2002; Samad, 2005; Yousef, 2000).

This review examines the relationship between Bass’s (1985) leadership dimensions (transformational, transactional, and laissez-faire) and several outcome variables (employee extra effort, employee satisfaction with leader, leadership effectiveness) and organizational commitment.

**Conceptual framework**

This review is based on Bass’s (1985) Full Range Leadership Model. The preferred leadership styles identified by Bass are transformational, transactional, and laissez-faire. Bass’s original theory included three types of transformational behavior (idealized influence, intellectual stimulation, and individualized consideration) and two types of transactional behavior (contingent reward and passive management by exception). A revision of the theory has added another transformational behavior called inspirational motivation and another transactional behavior called active management by exception to the theory (Bass and Avolio, 2004). Idealized influence and inspirational motivation are elements of charismatic leadership. The idealized influence behavior is split into two components: idealized influence behavior; and idealized influence attributions (Bass and Avolio, 2004). The original conceptualization of Full Range Leadership (Bass, 1985) has since evolved into the nine-factor model composed of idealized influence behavior, idealized influence attribution, inspirational motivation, intellectual stimulation, individualized consideration, contingent reward, active management by exception, passive management by exception, and laissez-faire (Bass et al., 2003).

Bass (1985) developed the MLQ based on the Full Range Leadership Theory. The most recent version of the MLQ, the MLQ (5X Short) was updated by Bass and Avolio (2004). The MLQ was formulated to assess the transformational, transactional, and laissez-faire leadership styles (Bass and Avolio, 2004). The MLQ contains five behavioral components for transformational leadership: idealized influence behavior; idealized influence attribution; inspirational motivation; intellectual stimulation; and individualized consideration. Transactional leadership consists of three behavioral components: contingent reward; active management by exception; and passive management by exception. Laissez-faire is the non-leadership factor. The MLQ is used to assess three outcome factors: extra effort; leader effectiveness; and employee satisfaction with leader.

It is to be taken into consideration that previous researchers have demonstrated that leadership styles have an impact on the level of organizational commitment of subordinates (Chen, 2004; Dale and Fox, 2008; Lok and Crawford, 1999, 2004; Rowden, 2000). According to Mowday et al. (1979), organizational commitment is an important variable in understanding the work behavior of employees. Mowday et al. (1979) developed the OCQ to measure the level of organizational commitment. Many researchers used the combination of MLQ and OCQ to assess the impact of leadership styles on organizational commitment of employees (Chen, 2004; Erkutlu, 2008; Limsila and Ogunlana, 2008; McGuire and Kennerly, 2006; Nguni et al., 2006). Both the MLQ
and OCQ are chosen in this research because these instruments are easy to use, have high level of reliability and validity, and are appropriate for assessing the relationship between leadership styles and organizational commitment.

Laissez-faire leadership
Laissez-faire is the absence of effective leadership (Yulk, 2010). Laissez-faire is used to describe leadership that avoids decision making, disregards problems, does not follow up, and refuses to intervene (Gill, 2006). Leaders who demonstrate laissez-faire leadership are indecisive and avoid taking leadership responsibility. Laissez-faire leaders play a passive role in group affairs, and they have no initiative to interact with group members (Sadler, 2003). The leaders avoid giving direction or making decisions and do not involve themselves in subordinates’ development. Laissez-faire leaders ignore problems and follower (Yulk, 2010), and they do not contribute to the growth of the follower (Northouse, 2007). Feedback, rewards, and leader involvement are totally absent in this type of leadership.

Transactional leadership
Burns (1978) developed the model of transactional leadership. Transactional leadership occurs when one person connects with others for the intention of an exchange of valued things that could be economic or political or psychological in nature (Burns, 1978). Burns noted that both parties have related purposes, but the relationship does not go beyond the exchange of valued benefits. The relationship is not likely to trigger extra-role behavior of followers (Erhart and Nauman, 2004). It also does not bind leader and follower together in a mutual and continuing pursuit of a higher purpose (Burns, 1978).

Consequently, Bass (1985) extended the work of Burns and developed transactional leadership theory. Bass proposed that transactional leadership is characterized by the transaction or exchange that takes place among leaders, colleagues, and followers. The exchange is based on the discussion between leaders and followers on the requirements and rewards that the followers will receive if they satisfy those conditions (Bass and Avolio, 1994). Transactional leaders exchange things of value with followers to advance both parties’ requirements (Ivey and Kline, 2010). Followers fulfill the leader’s requirement in exchange for praise and rewards or the avoidance of punishment for non-performance or lack of goal achievement (Bass et al., 2003). Thus, transactional leadership is realistic as it focusses on meeting the specific aims or goals (Aarons, 2006).

It is reiterated that transactional leaders do not focus on an employee’s personal development (Northouse, 2007). Instead, transaction-oriented leaders are more concerned with the accomplishment of the goals. Transactional leaders focus on clarifying tasks and offering rewards for positive performance and punishment for negative performance (Burns, 1978). Leaders reward the followers for behaviors and for performance that meet with the expectation of the leaders (Bass and Avolio, 1994; Northouse, 2007). Transactional leaders use their power to consult and influence followers to achieve desired outcomes (Avery, 2004; Bass, 1985). According to Bass (1985), transactional leaders motivate employees to produce the desired results by explaining the target that employees must achieved, showing employees how to achieve the target, clarifying the performance evaluation, providing feedback on job outcomes, and providing contingent rewards if employees met the target. According to Politis (2002), transactional leaders clarify the roles of the followers and specify what they must do to achieve the target. Leaders will respond to how well employees execute
their responsibilities and then the leaders decide either to reward or punish the employees. Thus, transactional leadership can be applied in many settings and is appropriate in encouraging employees to adhere to practice standards (Aarons, 2006).

Apart from that, transactional leaders provide followers with confidence and subsequently motivate followers to achieve desirable performance (Politis, 2002). In a study of 72 US Army platoons, Bass et al. (2003) found that transactional leadership contributes to effective leadership and is essential to successful performance. The study found that platoon leaders practice transactional leadership by articulating clear standards and expectations for performance. Subsequently the leaders reward platoon members for achieving specific goals. By providing clarity of expectations, transactional leaders positively contribute to enhancing the performance of the platoons (Bass et al., 2003).

Furthermore, transactional leaders motivate followers by offering some form of satisfaction based on need such as pay or other rewards in return for work effort (Sadler, 2003; Yulk, 2010). This leads to subordinates producing the results that leaders expect. However, subordinates fulfill leaders’ requests because of the exchange or rewards offered by leaders, not because they are devoted to their jobs. Yulk (2010) argued that the exchange process is not likely to produce passion and commitment among followers.

Components of transactional leadership

Transactional leadership consists of three components: contingent reward; active management by exception; and passive management by exception (Bass and Avolio, 2004). Contingent reward is the exchange process between leaders and subordinates. Leaders and subordinates negotiate about the task outcomes to be accomplished as well as the rewards for the accomplishment of the task. In contrast, both active and passive management by exception leaders act as monitors and intervene only in exceptional circumstances (Boerner et al., 2007). Management by exception is a practice where leaders intervene to correct follower performance either in anticipation of the problem (active management by exception) or after the problem occurs (passive management by exception).

Contingent reward. In transactional leadership, the leader sets clear goals and expectations of performance and selects appropriate motivating rewards (Bass et al., 2003). Transactional leaders tend to use directive style as they set objectives and performance standard as well as rewards for performance (Gill, 2006). Contingent reward is based on the agreement between leaders and followers on the performance objectives and standards to be accomplished. Transactional leaders set the promise to provide suitable rewards if subordinates achieve their assigned tasks. Employees will be rewarded for their achievement but will receive criticism or punishment for non-performance or lack of achievement. Both the leader and follower set the task outcomes to be accomplished by the follower in order to receive the rewards or to avoid penalties (Bass, 1985). Leader and employee agree on their roles and responsibilities to achieve the chosen outcomes (Bass, 1985).

Active management by exception. Active management by exception refers to a leader who sets objectives and performance standard, actively monitors employees’ jobs to look for errors and deviations, corrects the errors, and enforces rules and procedures (Gill, 2006). Active management by exception involves leaders who take initiative to observe employees’ behaviors and condemn bad behaviors (Wu et al., 2006).
Leaders systematically monitor employee performance and intervene when mistakes or problems occur. Leaders actively search for problems and correct errors as they are detected. Leaders interfere and take corrective actions when subordinates fail to perform up to the standard (Bass, 1985).

Passive management by exception. In passive management by exception leadership, leaders do not react to problems systematically. Leaders set the standard and wait for errors or problems to occur and then interfere reluctantly. Leaders let the employees do the job, and intervene only when employees make mistakes on their job (Gill, 2006). Passive management leaders wait for subordinate difficulties to be brought to their attention and intervene only when errors occur in the work of the employees (Limsila and Ogunlana, 2008).

Transformational leadership

One current approach is transformational leadership. It is one of the approaches that have attracted the attention of many researchers (Northouse, 2007) and has been the most influential leadership theory of the last two decades (Judge and Piccolo, 2004). The distinction between transformational and transactional leadership was first made by Burns (1978). Burns developed his theory based on his research of political leaders. Burns first introduced the concept of transforming leader. Burns stressed that transforming leadership “occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher level of motivation and morality” (p. 20). Thus, Burns described transformational leadership as a process rather than a specific behavior. According to Burns, transformational leaders are those who appeal to higher ideals and moral values and empower followers to produce profound and fundamental change. Burns argues that transformational leadership goes beyond the straightforward exchange relationship between leaders and followers as suggested in transactional leadership. Transformational leaders provide deeper levels of connection and higher levels of commitment, performance, and morality of both leader and follower (Burns, 1978).

In later years, Bass (1985) extended the research of Burns in military and industrial settings. Bass first applied transformational leadership to business organizations in his research of industrial executives. Bass extended the concept of transformational leadership by integrating organizational psychology with political science (Yammarino et al., 1998). In total, 70 male senior industrial executives as respondents in Bass’s research described a transformational leader as an individual who raised their awareness, shifted them to higher level needs, and drove them to go above their own self-interests, and to work harder beyond the expectation. Most respondents mentioned that they gave all the support needed and tried to satisfy their leader’s expectation of them. Thus, Bass noted that transactional leadership can provide satisfactory results in the short run, while transformational leadership can generate long-term effort, creativity, and productivity. Bass concluded that transformational leadership is a practice that changes and transforms people to go beyond expectations. Bass and Riggio (2006) have noted that “transformational leadership is, at its core, about issues around the processes of transformation and change” (p. 255).

Conversely, Burns (1978) conceptualized that transformational leadership and transactional leadership are at opposite extremes of a single continuum. Burns believed that leaders exhibit either transformational or transactional behavior. In contrast, Bass (1985) suggests that transformational leadership and transactional leadership are
two distinct dimensions. According to Bass, leaders will demonstrate both transformational and transactional leadership behaviors, but in different amounts. Bass (1998) reiterates that effective leaders are both transactional and transformational. Effective leaders are transactional because they practice social exchange elements in their relationship with subordinates, and they are transformational as they gain extraordinary level of commitment from subordinates (Bass, 1998). Leaders may display varying degrees of both transactional and transformational leadership, and effective leaders are those who combine both leadership styles (Aarons, 2006; Snodgrass and Shachar, 2008). Transformational leadership augments transactional leadership (Bass, 1985; Bass et al., 2003; Snodgrass and Shachar, 2008). Bass (1989) found that transformational leadership did augment transactional leadership when analyzing the fitness reports obtained by US Navy officers. Likewise, on the basis of 1,340 surveys from soldiers in 72 US Army platoons, Bass et al. (2003) provided empirical evidence of the augmentation effect of transformational leadership on transactional leadership. In predicting platoon performance, transformational leadership augmented transactional leadership when the transactional items were based on explicit contracts (Bass et al., 2003). Similarly, results of 184 graduate occupational therapy faculty members show that the performance level is greater when transactional leadership augmented transformational leadership (Snodgrass and Shachar, 2008).

Bass (1985) further developed a Full Range Leadership Model which classified leadership styles into three types: transformational leadership; transactional leadership; and laissez-faire leadership. Transformational leadership consists of four components: idealized influence (charisma); inspirational motivation; intellectual stimulation; and individualized consideration. Three leadership components were associated with transactional leadership: contingent reward, active management by exception, and passive management by exception. The laissez-faire leadership is now described as a lack of leadership. Bass developed the MLQ based on the Full Range Leadership Theory. The most recent version of the MLQ is the MLQ Form 5X updated by Bass and Avolio (2004). Further research in leadership was based on the Full Range Leadership Model and found that contingent reward and transformational dimensions were positively related to leader effectiveness (Tejeda et al., 2001).

Many other researchers have conducted studies in various settings to test the theory of transformational leadership (e.g. Bass et al., 2003; Boerner et al., 2007; Judge and Piccolo, 2004; Ling et al., 2008; Politis, 2002). Currently, efforts in transformational leadership are being performed by Wang and Howell (2010). They stressed that previous research in transformational leadership focussed primarily on the group level of analysis. Previous research failed to consider the impact of leadership behaviors at the individual level and at the group level, at the same time (Wang and Howell, 2010). For example Wu et al. (2010) investigated the effects of differentiated leadership (leaders behave differently toward group members) on group effectiveness at the group level only. Wu et al. (2010) developed a group-level model of dual-focus leadership based on Bass’s (1985) theory to examine the effects of transformational leadership behavior at group level. The model includes individual-focussed (individualized consideration and intellectual stimulation) and group-focussed (idealized influence and inspirational motivation) leadership which were measured using the MLQ. In their study of 70 work groups with 70 leaders and 573 members from eight companies in the southwestern USA, Wu et al. (2010) found that group-focussed leadership facilitates group identification and collective efficacy while individual-focussed leadership creates divergence in leader identification and member...
self-efficacy. Wu et al. (2010) concluded that group-focused transformational leadership contributes to group effectiveness while differentiated individual-focused leadership within groups reduces group effectiveness.

Drawing on Wu et al.’s (2010) theoretical development, Wang and Howell (2010) developed a dual-level transformational leadership scale. The dual-level transformational leadership was intended to measure individual-focused behavior at the individual level and group-focused behavior at the group level. This instrument is validated using a sample of 203 members from 60 work groups in a Canadian company. Results from the individual level of analysis showed that individual-focused transformational leadership was significantly associated with both task performance and personal initiative. Similarly, at the group level of analysis, the result revealed that the group-focused transformational leadership was significantly related to both group performance and helping behavior. Thus, effective leaders need to exhibit different sets of transformational leadership behavior to enhance individual performance and to drive team performance as a whole (Wang and Howell, 2010).

**Transformational leaders**

Transformational leaders focus on the individual needs and personal development of followers. According to Bass (1985), transformational leaders encourage subordinates to do more than the expected. Bass asserts that transformational leaders can achieve that in several ways: first, by making subordinates aware of the importance and value of task goals; second, by making subordinate go beyond their own self-interest for the sake of the organization; and third, by making subordinates increase their high-level needs.

Furthermore, transformational leadership emphasizes the importance of appreciating and valuing subordinates (Stone et al., 2004). Transformational leaders arouse the emotion and achievement of followers. Leaders using transformational leadership are more concerned about progress and development of employees. Transformational leaders are also concerned with intrinsic motivation, values, and employee development. As a result, followers feel trust, admiration, loyalty, and respect toward transformational leaders (Yulk, 2010).

Transformational leaders identify and develop shared values and empower others (Owen et al., 2004; Ozaralli, 2003), influence subordinates to produce not only quality work but more quantity, and use creativity in problem solving of subordinates (Limsila and Ogunlana, 2008). It must be taken into account that transformational leadership focuses on a leader’s transforming abilities. It is a process of changing and transforming employees by increasing motivation, building commitment, and empowering them to achieve organizational goals (Yulk, 2010). In other words, transformational leaders are able to enhance the commitment of employees through shared values and shared vision (Sadler, 2003). Transformational leaders change things by crafting the vision and by influencing followers to buy into the vision (Lussier and Achua, 2007). In addition, transformational leaders focus on the organization and direct follower commitment toward organizational goals. They influence followers to focus on collective interest instead of self-interest (Lussier and Achua, 2007). By doing this, they are able to inspire followers to a higher level of performance (Yulk, 2010).

**Components of transformational leadership**

It is pertinent to note that Bass and Avolio (2004) have conceptualized transformational leadership as containing the following four behavioral components.
Idealized influence. Idealized influence is related to charisma (Bass, 1985; Gill, 2006) and to the ability of the leader to be a role model for subordinates and to truly lead the way (Bass, 1985; Bass et al., 2003). Idealized influence leaders consider followers’ needs over the leader’s own needs (Bass et al., 2003). Followers admire and want to identify with the leaders and their mission. Leaders with charisma attract subordinates with their high standards of moral and ethical conduct (Northouse, 2007). Leaders with charisma have the ability to persuade others and to connect with followers. Moreover, the leader with charisma provides a clear vision and sense of purpose, arouses emotion, and shares successes and risks with followers. Thus, followers admire and want to emulate their leaders (Bass et al., 2003). This factor makes subordinates want to share and commit to the vision set by the leader.

According to Bass (1985), as role models for subordinates, charismatic leaders reinforce the image of competence, promote shared values and vision, arouse emotion, and enhance enthusiasm among subordinates. Bass asserts that charismatic leaders have unique traits; they have high self-confidence and self-esteem. This influence enables leaders to obtain full commitment and extra effort from followers (Gill, 2006).

Inspirational motivation. Yukl and Van Fleet (1982) described inspirational leaders as those who “stimulate enthusiasm among subordinates for the work of the group and says things to build their confidence in their ability to successfully perform assignments and attain group objectives” (p. 90). Inspirational leadership inspires subordinates to work hard and be committed to achieve organizational goals. Inspirational motivation relates to the ability of the leader to create and articulate the vision in a way that inspires followers and builds their loyalty and commitment (Hoyt et al., 2006). It is based on behavior exhibited by leaders, such as motivating people, generating enthusiasm, and modeling the appropriate behavior (Owen et al., 2004). It is believed that a leader with inspirational motivation sets high expectations for the followers. Such leaders inspire and motivate the followers by communicating a clear vision, aligning organizational goals and personal goals, and treating problems as opportunities to learn (Gill, 2006). This type of leader also arouses followers’ spirits by providing meaning and challenge to their work and encourages them to envision attractive future states (Bass et al., 2003). They develop team spirit among subordinates and encourage them to achieve more than they would in their own self-interest (Northouse, 2007).

Intellectual stimulation. Bass (1985) describes intellectual stimulation as leadership that arouses subordinates to challenge their own thinking and beliefs and to be creative in problem solving. Intellectual stimulation relates to a leader’s ability to intellectually challenge followers to go the extra mile, to be innovative and creative in problem solving, and to become active participants in group decision making (Hoyt et al., 2006; Limsila and Ogunlana, 2008). Intellectual stimulation includes asking followers for new ideas and new ways of doing things. Followers are included in the decision making process and are encouraged to develop new ideas and creative solutions when facing problems (Bass et al., 2003).

Individualized consideration. Consideration for subordinates is an important aspect of the leader-subordinate relationship (Bass, 1985). Individualized consideration allows leaders to build a strong relationship with each follower. The relationship goes beyond the mere exchange relationship. Leaders with individualized consideration have genuine concern for the follower’s individual needs, perspective, and personal development (Hoyt et al., 2006; Limsila and Ogunlana, 2008). Leaders appreciate the work of subordinates and delegate responsibilities to followers as a way of developing them.
Leaders act as coaches or mentors to the followers and give them constructive feedback (Bass et al., 2003; Gill, 2006; Sadler, 2003).

It is without doubt that individualized consideration is very important as it relates to a subordinate’s satisfaction with the leaders as well as to productivity (Bass, 1985). Leaders would personally help subordinates, support them, and use empowerment to help subordinates develop in their jobs. Such leaders create new learning opportunities and develop followers to successively higher levels of potential (Bass et al., 2003). Through this practice, leaders can develop followers into becoming leaders.

Researches on transformational leadership

Substantial attention has also been given to transformational leadership. This is due to its significant impact on some organizational outcomes. Bass (1985) confirms that transformational leaders can bring about big changes in organizations. The positive relationship between transformational leadership and the behavior of the followers is well documented in the literature (Camps and Rodriguez, 2011; Chen, 2004; Erkutlu, 2008; Limsila and Ogunlana, 2008; Lo et al., 2010; McGuire and Kennerly, 2006).

On a similar note, Camps and Rodriguez (2011) investigated the relationship between transformational leadership behavior and employees’ individual performance. The sample consists of 795 faculty members from 75 university departments in Costa Rica. The study found that there is a positive relationship between transformational leadership behavior of the leader and employability perception of the worker. The study revealed that transformational leadership behavior increases workers’ self-perceived employability, commitment, and performance. Those who work under transformational leaders have high self-perception of their employability and stay committed to their employers who have trusted and invested in them. This increased organizational commitment lead to higher employee performance (Camps and Rodriguez, 2011).

Tims et al. (2010) conducted a study to investigate the effect of transformational leadership behavior on the level of work engagement of the employees. The sample consisted of 42 employees from two different organizations in the Netherlands. The findings indicated that transformational leaders positively contribute to the work engagement of employees. Transformational leadership is positively related to subordinate work engagement, particularly when the subordinate is creative, innovative, and proactive. Transformational leaders boost employees’ optimism and subsequently enhance their work engagement (Tims et al., 2010).

Comparatively, results from a study of 152 employees from eight private organizations in Turkey by Ozaralli (2003) suggest that the ability of leaders to implement transformational leadership had increased both subordinates’ empowerment and team effectiveness. Employees who worked under transformational leaders expressed a high level of innovativeness, communicate efficiently among the group members, and achieve a high level of performance and goal accomplishment.

In another research, Snodgrass and Shachar (2008) investigated the impact of transformational leadership in a health care and higher education setting. Results from the study of 184 faculty members revealed that idealized influence attributes, intellectual stimulation, individualized consideration, and transactional contingent reward are positively correlated with leadership outcomes of extra effort, satisfaction, and leader effectiveness. In contrast the other transactional leadership dimensions (active management by exception and passive management by exception) and laissez-faire leadership show a negative relationship with leadership outcomes. Snodgrass and Shachar
concluded that transactional leadership, when augmented with transformational leadership, will increase the performance of employees. Thus, effective leaders are those who combine the best of both transactional and transformational leadership (Snodgrass and Shachar, 2008).

Concurrently, Ling et al. (2008) carried out a study using a sample of 121 CEOs from 121 small- to medium-sized firms (SMEs) to investigate the impact of CEO transformational leadership on the performance of the firm. They also examined the moderating effects of firm size, CEO founder status, and CEO tenure on the relationship between transformational leadership and firm performance. Ling et al. proposed that managers at the top should consider the benefit of adopting transformational leadership because the findings of the study revealed that transformational CEOs had a significant positive effect on the performance of the SMEs.

By means of a sample of 91 leaders from 91 companies in Germany, Boerner et al. (2007) found that transformational leadership significantly related to follower performance and innovation. Transformational leaders enhance follower performance by encouraging organizational citizenship behavior. In addition, transformational leadership boosts follower innovation by triggering controversial debate among followers (Boerner et al., 2007).

Another study sampled 704 military officers stationed at 13 units from seven bases located in Canada. This study demonstrated that transformational leadership is prevalent and effective at all hierarchical levels across the Canadian military (Ivey and Kline, 2010). The study also found that transformational leadership and contingent reward significantly predicted effective leadership outcomes at all rank levels of the Canadian military. Contingent reward also predicted followers’ job satisfaction and attitude toward a leader, but not as strongly as transformational leadership did. Thus, Ivey and Kline (2010) suggest that the Canadian military should continue to encourage transformational leadership and contingent rewards leadership at all hierarchical levels.

Similarly, the impact of transformational leadership on team performance and service quality in retail banks was investigated by Lee et al. (2011). The sample consists of 192 employees from 32 operational teams in 15 retail banks in Macau. The results revealed that transformational leadership has a critical role in the banking sector. One dimension of transformational leadership, intellectual stimulation, was positively related to team performance and service quality in the banks. Lee et al. (2011) assert that leaders adopting intellectual stimulation tend to encourage followers to challenge assumptions and norms, thereby enhancing team performance and service quality.

Organizational commitment

Organizational commitment is a variable receiving great attention from researchers (Chughtai and Zafar, 2006; Mowday et al., 1982). Among other reasons for the prominence in the organizational literature is that commitment has repeatedly been recognized as a significant factor that determines the work behavior of employees in organizations (Meyer et al., 2002; Meyer and Herscovitch, 2001; Mowday et al., 1979). Commitment is the factor that links employees to the organization (Meyer and Allen, 1997) and helps the organization succeed (Fornes et al., 2008; Mowday et al., 1982). Commitment has been found to be related to positive organizational outcomes such as job performance (Chen et al., 2006; Yousef, 2000), employee satisfaction (Chughtai and Zafar, 2006; Meyer et al., 2002; Yousef, 2000), and turnover (Angle and Perry, 1981; Meyer et al., 2002; Powell and Meyer, 2004).
Research shows that commitment has been defined in many different ways. There is a lack of consistency in the definition of commitment (Mat Zin, 1998), which contributed to the difficulty in understanding the results of the research (Darolia et al., 2010). However, the definition of organizational commitment by Porter et al. (1974) is the most widely used in current research, particularly in non-Western countries (Yousef, 2000). Porter et al. characterized organizational commitment by three psychological factors: first, a belief in and acceptance of organizational goals and values (identification); second, a willingness to exert considerable effort toward organizational goal accomplishment (involvement); and third, a strong desire to remain in an organization (loyalty).

The various definitions of commitment as demonstrated in Table I suggest that commitment can be viewed in terms of attitude and behavior. Indeed, Mowday et al. (1982) suggest that attitudinal and behavioral commitments are actually two stages of the same general process. Mowday et al. (1979) concur that:

It is more useful to consider the two (commitment attitudes and behaviors) as reciprocally related over time. The important issue is not whether the commitment process begins with either attitudes or behaviors, rather what is important is to involve the subtle interplay of attitudes and behaviors (p. 47).

From a review of the literature, Meyer and Allen (1991, 1997) identified three common themes in the conceptualization of commitment. They argue that the various definitions of commitment can be grouped into three general categories: affective orientation, behavioral orientation, and continuance commitment.

<table>
<thead>
<tr>
<th>References</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Becker (1960)</td>
<td>“Commitment comes into being when a person, by making a side bet, links extraneous interests with a consistent line of activity” (p. 32)</td>
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<tr>
<td>Kanter (1968)</td>
<td>Commitment is “the attachment of an individual’s fund of affectivity and emotion to the group” (p. 507)</td>
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<tr>
<td>Hrebiniak and Alutto (1972)</td>
<td>Commitment is “a structural phenomenon which occurs as a result of individual-organizational transactions and alteration in side bets or investment over time” (p. 556)</td>
</tr>
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<td>Porter et al. (1974)</td>
<td>Commitment is “the strength of an individual’s identification with and involvement in a particular organization” (p. 604)</td>
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<tr>
<td>Marsh and Mannari (1977)</td>
<td>“Committed employee considers it morally right to stay in the company, regardless of how much status enhancement or satisfaction the firm gives him or her over the years” (p. 59)</td>
</tr>
<tr>
<td>Salancik (1977)</td>
<td>Commitment is “a state of being in which an individual becomes bound by his actions” (p. 62)</td>
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<td>Meyer and Allen (1991)</td>
<td>Commitment is “a psychological state that (a) characterizes the employee’s relationship with the organization, and (b) has implications for the decision to continue or discontinue membership in the organization” (p. 67)</td>
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<td>Meyer and Herscovitch (2001)</td>
<td>“Commitment is a force that binds an individual to a course of action of relevance to one or more targets” (p. 301)</td>
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<tr>
<td>Pool and Pool (2007)</td>
<td>“Organizational commitment reflects the extent an individual identifies with an organization and committed to its organizational goals” (p. 353)</td>
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<tr>
<td>Aydin et al. (2011)</td>
<td>“Organizational commitment is a definite desire to maintain organizational membership, identification with the purposes, successes of organization, the loyalty of an employee, and a willingness to exert considerable effort on behalf of the organization” (p. 628)</td>
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Table I. Definitions of commitment
cost-based, and obligation or moral responsibility. The three categories were later referred to as affective, normative, and continuance commitment (Meyer and Allen, 1991, 1997).

**A three-component model of commitment**

Organizational commitment is viewed as a psychological state that ties employees to their organization (Meyer and Allen, 1997). Meyer and Allen (1991, 1997) suggest that commitment in an employee’s relationship with an organization can be categorized into three broad themes; that is, commitment is related to affective orientation toward the organization, recognition of cost associated with leaving the organization, and moral obligation to stay in the organization. They proposed a three-component model of organizational commitment: affective commitment; normative commitment; and continuance commitment. An employee might have a combination of all the three components of commitment (Meyer and Allen, 1991, 1997). A three-component model consists of the following components.

**Affective commitment.** Affective commitment is the desire to remain a member of an organization due to an emotional attachment to the organization (Allen and Meyer, 1990). Affective commitment is conceptualized as “a psychological state that characterizes an employee’s relationship with their organization” (English et al., 2010, p. 395). Committed employees “identifies with, is involved in, and enjoys membership in, the organization” (Allen and Meyer, 1990, p. 2). Individuals with strong affective commitments identify with the organization and are more committed to pursue their goals (Darolia et al., 2010). More specifically, with affective commitment the employees remain in an organization because they want to do so (Allen and Meyer, 1990).

A study by Powell and Meyer (2004) revealed that affective commitment correlated significantly with four side-bet factors, namely, satisfying conditions, expectations, self-presentation concerns, and individual adjustments. A meta-analysis of the antecedents, correlates, and consequences of organizational commitment conducted by Meyer et al. (2002) found that affective commitment correlated negatively with withdrawal cognitions, employee turnover, absenteeism, and stress and work-family conflict. The meta-analysis also found that affective commitment has a strong positive relationship with both job performance and organizational citizenship behavior. Colquitt et al. (2010) concluded that employees who have high affective commitment are willing to exert extra effort whenever they can and tend to engage in more interpersonal and organizational citizenship behaviors.

**Normative commitment.** Normative commitment is a desire to remain a member of an organization due to a feeling of obligation (Allen and Meyer, 1990). Meyer and Herscovitch (2001) defined normative commitment as “the mind-set that one has an obligation to pursue a course of action of relevance to a target” (p. 316). Meyer and Parfyonova (2010) believe that normative commitment has two faces: “moral duty and indebted obligation” (p. 284). Normative commitment exists when employees have the feeling that to stay in the organization is the “right” or “moral” thing to do (Colquitt et al., 2010; Meyer and Allen, 1991). Thus, employees with strong normative commitment stay in the organization because they ought to do so (Meyer and Allen, 1991). According to Allen and Meyer (1990), employees will have a strong normative commitment when they believe that the organization expects them to be loyal. Employees would also have strong normative commitment if they have been influenced by others on the importance of being loyal to organization (Allen and Meyer, 1990). This in turn will make employees feel that the organization has invested so much in
them, and in return, they have to be loyal to the organization. They stay primarily due to obligation-based reasons (Allen and Meyer, 1990).

According to Colquitt et al. (2010), organizations can build normative commitment among employees in two ways: first, creating a feeling that employees are indebted to the organization; and second, becoming a charitable organization. Colquitt et al. noted that employees may feel obligated to be loyal to the organizations when they recognize that their organizations have spent so much in their training and professional development. The obligation makes employees feel guilty to leave. Similarly, when organizations engage in charitable activities, the employees feel proud of the organization and consequently enhance their normative commitment (Colquitt et al., 2010).

Continuance commitment. Continuance commitment is a desire to remain a member of an organization because of awareness of the cost associated with leaving it (Allen and Meyer, 1990). Meyer and Herscovitch (2001) described continuance commitment as “the perception that it would be costly to discontinue a course of action” (p. 316). Thus, employees continue employment in the organization because they need to do so (Meyer and Allen, 1991). Continuance commitment is associated with what employees have provided for the organization in the past. Past behavioral acts make the employees committed to the organization. Reciprocally, continuance commitment presents when employees feel that they will get benefit if they stay and they will incur cost if they leave. For example, employees may enjoy high pay and other benefits related to job seniority if they stay in their current organization, but such benefits may be lost if they move to another organization.

Thus, continuance commitment is the result of the side-bets and the perceived lack of choices for alternative employment outside the organization (Allen and Meyer, 1990; Becker, 1960; Powell and Meyer, 2004). Meyer and Allen (1984) describe side-bets as anything valuable to employees, such as time, effort, or money that they have invested in the organization over time, that would be lost if the employees resigned from the organization. Powell and Meyer (2004) identified seven side-bets as significant antecedents of continuance commitment. The side-bets are “expectations of others, self-presentation concerns, impersonal bureaucratic arrangements, individual adjustment, non-work concerns, lack of alternatives, and satisfying conditions” (Powell and Meyer, 2004, p. 165). The accumulations of side-bets over time increase the cost associated with leaving the organization and consequently enhance continuance commitment of the employees (Mathieu and Zajac, 1990; Powell and Meyer, 2004). Such situations make an employee decide to remain in the organization because, if she or he leaves, the accumulation investment would be lost. The lack of employment opportunities outside the organizations also contribute to higher continuance commitment (Colquitt et al., 2010). Employees would decide to stay if they believe that they have nowhere else to go. Cooper (2003) asserts that continuance commitment is not desirable by leaders because they expect more than just the compliance from their employees. Leaders expect employees to be more committed in their job and to produce high-quality work in order to improve performance of the organization.

Antecedents of organizational commitment
A meta-analysis by Mathieu and Zajac (1990) listed personal characteristics, job characteristics, group-leader relations, organizational characteristics, and role states as antecedents of organizational commitment. Meyer et al. (2002) conducted a meta-analysis and concluded that antecedents of organizational commitment include demographic variables, individual differences, work experiences, and investments.
In a comprehensive review of organizational literature, Fornes et al. (2008) noted that antecedents of workplace commitment include congruency, interesting work, clarity of purpose, equity and fairness, feedback and recognition, empowerment, and autonomy.

**Demographic factors as antecedents of organizational commitment**

Several studies have used demographic variables such as age, length of service, level of education, and marital status as predictors of commitment (Angle and Perry, 1981; Chughtai and Zafar, 2006; Steers, 1977), but disparate findings have emerged. The general arguments for linking such demographic variables with commitment were based on both role and exchange theory (Stevens et al., 1978). For example, the side-bet theory (Becker, 1960) suggests that certain factors such as an increase in age, longer tenure, role characteristics, and being woman increase individual investment in the organization and the cost associated with leaving. Similarly, Meyer et al. (2002) found a positive correlation between commitment and demographic variables such as age and tenure. Results from several studies suggest, however, that personal characteristics have no influence on commitment (Balfour and Wechsler, 1996).

Some of the important demographic factors of antecedents of organizational commitment include age, gender, marital status, level of education, length or service, and leadership styles:

1. **Age.** Some studies found that age is not related to commitment (Chughtai and Zafar, 2006; Iqbal et al., 2011). On the contrary, many researchers found that age is positively related to commitment (Angle and Perry, 1981; Cho and Mor Barak, 2008; Mathieu and Zajac, 1990; Rowden, 2000). Cho and Mor Barak (2008) found that older employees have higher level of commitment than younger employees. Older people have higher commitment because of fewer job alternatives for them (Mathieu and Zajac, 1990; Mowday et al., 1982). On the other hand, younger employees have less commitment to their organizations because they have less investment and very little history with the organization than do older employees (Dunham et al., 1994). Meyer and Allen (1984) suggest that older employees have higher commitment because they have better positions and are more satisfied with their jobs. Another possible explanation was that older people have higher commitment because they realize that they would incur more costs for leaving the organization than staying (Parasuraman and Nachman, 1987). However, several studies found a contrasting result that age was negatively related to commitment (Goulet and Frank, 2002; Kacmar et al., 1999). In a study of 228 employees in three sectors (public, non-profit, and for-profit), Goulet and Frank (2002) found that as age increased, the level of organizational commitment of employees decreased.

2. **Gender.** Several studies investigating the relationship between gender and commitment have produced inconsistent results. Female has been observed as being more committed than their male counterparts (Angle and Perry, 1981; Mathieu and Zajac, 1990). In contrast, a study of 381 employees from a large corporation in Korea revealed that men are more committed to their organization than women (Cho and Mor Barak, 2008). A meta-analysis on the effect of gender on organizational commitment by Aydin et al. (2011) also found that males have higher level of commitment than females. However, most of the studies on the relationship between gender and commitment found that gender
is not a significant predictor of commitment (Al-Ajmi, 2006; Joiner and Bakalis, 2006; Kacmar et al., 1999; Stevens et al., 1978).

(3) Marital status. Empirical evidence suggests that married employees are more committed to the organization than unmarried employees (Angle and Perry, 1983; Mathieu and Zajac, 1990). Angle and Perry (1983) suggest that married people are more committed because they have more family responsibility as compared to unmarried employees. Financial burden and family responsibility increase the need of married employees to remain with the organization (Angle and Perry, 1983). The need for job security and stability to support their family makes married people more committed to their organization. However, Joiner and Bakalis (2006), in their study of casual academicians in Australia, found that married academicians are less committed as compared to their unmarried counterparts. In another study, Chughtai and Zafar (2006) found that marital status was not related to organizational commitment.

(4) Level of education. Studies found that commitment and level of education are negatively related (Angle and Perry, 1983; Iqbal et al., 2011; Joiner and Bakalis, 2006; Mathieu and Zajac, 1990; Rowden, 2000; Tansky et al., 1997). One possible explanation for this negative relationship is that the increases in the level of education improve external job alternatives (Mathieu and Zajac, 1990). Highly educated employees generally have more opportunities to change jobs and, therefore, show a lower commitment to their organization (Chughtai and Zafar, 2006; Joiner and Bakalis, 2006). In addition, employees with high levels of education have low affective commitment as they are likely to have higher expectations than the organization is able to satisfy (Mowday et al., 1982; Tansky et al., 1997). However, other studies found that level of education was not related to organizational commitment (Balfour and Wechsler, 1996; Chughtai and Zafar, 2006).

(5) Length of service. Research indicates that length of service or tenure is positively related to organizational commitment (Iqbal et al., 2011; Mathieu and Zajac, 1990; Meyer and Allen, 1997; Meyer et al., 2002; Salami, 2008). According to Meyer and Allen (1997), the positive relationship suggests that highly committed employees remain in the organization while uncommitted employees leave. Iqbal et al. (2011), in their investigation of 65 faculty members from five universities in Saudi Arabia, found that length of service in the organization is the best positive predictor of an employee’s commitment. Iqbal et al. posit that the longer a faculty member stays in the organization, the higher is his or her responsibility toward the organization. Meyer and Allen (1997) noted that employees may develop an emotional attachment with the organization during their employment. This emotional attachment is enhanced over a long period, which makes it difficult for the employee to switch jobs (Iqbal et al., 2011; Meyer and Allen, 1997). Years spent in an organization can be considered as an employee’s personal investment in the organization. The personal investments include time, promotion, pay, and position as suggested in Becker’s (1960) side-bet theory (Iqbal et al., 2011). These personal investments increase the level of commitment and deter employees from leaving the organization (Iqbal et al., 2011). However, Walumbwa et al. (2005) found a contrasting result. Their study of bank employees in Kenya and the USA revealed that organizational tenure was
negatively related to organizational commitment. Chughtai and Zafar (2006) found that length of service was not related to organizational commitment. Similarly, Balfour and Wechsler (1996) found that length of service was not an antecedent of organizational commitment of employees in public organizations.

(6) Leadership style. An impressive amount of research provided empirical evidence that leadership style is an antecedent of organizational commitment. Past research using a variety of leadership and commitment measures in various settings consistently showed a positive linkage between leadership style and organizational commitment. For example, Yousef (2000) examined the linkages between leadership behavior and organizational commitment in 50 major organizations in the United Arab Emirates. The sample consisted of 430 employees. The study found significant positive relationships between leadership behavior and organizational commitment. Employees are highly committed to their organizations, more satisfied with their jobs, and produce higher job performance when they work under the supervision of leaders who adopt consultative or participative leadership behavior (Yousef, 2000).

A similar study by Yiing and Ahmad (2009) produced empirical evidence that leadership behaviors were positively related to organizational commitment. The leadership behavior questionnaire (LBDQ) and Affective Commitment Scale developed by Allen and Meyer (1990) was administered to 238 employees from various career backgrounds in Malaysia. It was found that employees are highly committed and highly involved in their organization when their leaders adopt directive, participative, and supportive leadership behaviors.

In a study of 337 managers between the ages of 26 and 45 from Hong Kong and Australia, Lok and Crawford (2004) found that leadership styles are important antecedents of organizational commitment. The results revealed that consideration leadership style positively influences the level of employees’ commitment.

Dale and Fox (2008) studied organizational commitment of a large manufacturing corporation located in the Midwest. The study encompassed 147 full-time employees; ages ranged from 21 to 59 years. The study utilized Mowday et al.’s (1979) nine-item OCQ scale and the LBDQ. The study found that leadership styles (initiating structure and consideration) were positive predictors of organizational commitment.

A recent study by Awan and Mahmood (2010), however, produced a contrary result. From a sample consisting of 115 professional librarians from 30 universities in Pakistan; they investigated whether leadership style has an impact on employees’ commitment. The study utilized the T-P Leadership Questionnaire, which contained 35 items derived from the LBDQ to measure the autocratic and laissez-faire leadership styles. The study also utilized 15 statements in an Employee Commitment Questionnaire to measure the level of organizational commitment of employees. The results revealed that the majority of chief librarians practice autocratic leadership style and the majority of respondents were very highly committed to the organizations. However, no relationship was found between leadership style and employee’s commitment.

Outcomes of organizational commitment
Organizational commitment was found to have a positive relationship with several favorable work outcomes. According to Suliman and Iles (2000), organizational commitment was the “driving force behind an organization’s performance” (p. 408).
Organizational commitment is positively related to performance (Chughtai and Zafar, 2006), job satisfaction (Angle and Perry, 1981; Chughtai and Zafar, 2006; Meyer et al., 2002; Mowday et al., 1979; Pool and Pool, 2007; Porter et al., 1974), motivation (Mathieu and Zajac, 1990), and organizational citizenship behavior (Riketta, 2002). Studies also found that organizational commitment is negatively related to absenteeism (Angle and Perry, 1981; Farrel and Stamm, 1988), and turnover rate (Angle and Perry, 1981; Chughtai and Zafar, 2006; Porter et al., 1974).

Abdul Rashid et al. (2003) investigated the impact of organizational commitment on the financial performance of 202 companies listed in the Kuala Lumpur Stock Exchange. The results revealed that the majority of respondents (62.4 percent) have continuance commitment, 32 percent have affective commitment, while only 6 percent have normative commitment. The results of the study show that organizational commitment had significant influence on performance.

Other studies have also demonstrated that organizational commitment had a positive influence on job performance (Chen et al., 2006). Chen et al. (2006) compared organizational commitment and job performance of accounting professionals and managers in Taiwan and the USA. The study found that the American sample reported higher level of organizational commitment and job performance than the Taiwanese sample. Despite the difference, organizational commitment was found to be positively related to job performance of the employees in both samples.

Yousef (2000) found that organizational commitment is positively related to both job satisfaction and performance. Contrary to Yousef (2000), Yiing and Ahmad (2009) found that organizational commitment is negatively correlated with job satisfaction. However, the linkages between organizational commitment and job performance were not evident the Yiing and Ahmad study.

Transformational leadership style and organizational commitment

Past studies have examined the relationship between transformational leadership style and organizational commitment. In a study of employees at steel companies in Taiwan, Chen (2002) found that both transformational and transactional leadership behaviors have a weak positive correlation with organizational commitment. The results revealed that idealized influence, inspirational motivation, and individual consideration leadership behaviors were more correlated with organizational commitment than other leadership behaviors. Thus, Chen concluded that transformational leadership behaviors are more related to organizational commitment than transactional leadership behaviors. In 2004, Chen extends his previous study at 84 manufacturing and service organizations in Taiwan. The study found significant positive correlations between transformational leadership and organizational commitment and culture.

Limsila and Ogunlana (2008) conducted a study in the construction industry in Thailand. Their result indicates that transformational leadership style has a positive impact on work performance and organizational commitment of subordinates. Transformational leadership style was found to have a significant association with leadership outcomes (effectiveness, satisfaction, and extra effort) and commitment. The results suggest that transformational leaders are likely to gain commitment from subordinates, whereas transactional and laissez-faire leaders are not.

In a study of engineers and scientists in Singapore, Lee (2005) found that both transformational and transactional leadership have a positive impact on all dimensions of leader member exchange (LMX) and organizational commitment. In contrast, transactional leadership was found to have a negative association with only one
dimension of LMX: loyalty. Lee concluded that transformational leadership has positive associations with affective and normative commitment. In contrast, the impact of transactional leadership is greater on affective than normative commitment (Lee, 2005).

In a similar study, Lo et al. (2010) utilized questionnaires consisting of MLQ, the 12-item LMX scale, and TCM to investigate the moderating impact of LMX on 156 employees in 11 manufacturing companies in East Malaysia. The study found that intellectual stimulation, idealized influence, and inspirational motivation directly influenced affective and normative commitment. In addition, intellectual stimulation and individualized consideration directly influenced continuance commitment. They concluded that transformational leadership was related to organizational commitment. In a study involving 722 participants from 60 boutique hotels in Turkey, Erkutlu (2008) found a significant positive relationship between all components of transformational leadership and both job satisfaction and organizational commitment. In contrast, transactional and laissez-faire approaches were found to negatively influence job satisfaction and organizational commitment. Evidence suggests that individual consideration has the highest positive correlation with the dependent variables, while laissez-faire has the highest negative correlation with dependent variables (Erkutlu, 2008).

Ismail et al. (2011) conducted a study of 118 employees from one US subsidiary firm in the state of Sarawak, Malaysia. Questionnaires were developed based on items modified from the MLQ, OCQ, and empowerment literature to measure transformational leadership, organizational commitment, and empowerment. The findings of the study revealed that transformational leadership positively and significantly correlated with both the empowerment and the organizational commitment of employees. Respondents perceived that transformational leaders had increased employees’ empowerment and subsequently increased the level of organizational commitment among employees.

In their study of nurses and nurse managers from 21 not-for-profit hospitals in the Midwest region, McGuire and Kennerly (2006) utilized two types of MLQ – the rater form and the leader form – to collect information regarding the leadership style of nurse managers. The nurse managers completed the leader form to self-assess their leadership style, while the staff nurses assessed the leadership style of their manager using the rater form. The staff nurses also completed the OCQ questionnaires to assess their level of organizational commitment. The results revealed that all the transformational leadership subscales on the MLQ were significantly correlated with organizational commitment. Idealized influence showed the strongest positive correlation with organizational commitment. Similarly, all transactional subscales demonstrated statistically significant correlation except for the management by exception subscale. The results validate that transformational leadership enhances the level of organizational commitment among subordinates.

Likewise, in a study of 1,443 Canadian Forces personnel from five Army units, Tremblay (2010) found a positive association between transformational leadership and both mediating variables (fairness perception and leader trust), which in turn positively linked to organizational commitment. In contrast, transactional leadership was negatively correlated with both mediating variables. The study also found that organizational commitment was negatively related to the turnover rate of Canadian Forces personnel.

Walumbwa et al. (2005) conducted a study of 164 employees from seven banks in Kenya and 197 employees from five banks in the USA. Utilizing the MLQ, the OCQ, and Job Descriptive Index, the study compared the effect of leadership style on work-related
attitudes between the Kenyan and the American samples. The results in both countries revealed that despite cultural differences, transformational leadership has positive relationships with both organizational commitment and job satisfaction.

Conclusion
The changing nature of higher education suggests that effective leadership and committed employees are needed to cope with the demand foisted upon universities. Thus, with the various changes and reforms in higher education in many countries, it is crucial for universities to investigate the effectiveness of leadership as well as the level of commitment among employees. The theory of organizational commitment by Meyer and Allen (1997) suggested that “by understanding when and how commitments develop and how they help shape attitudes and behaviors, organizations will be in a better position to anticipate the impact that change will have and to manage it more effectively” (p. ix).

The plethora of literature on leadership and organizational commitment addresses the issues in developed countries. Very few studies on this topic have been conducted in the developing countries. In addition, limited studies have been conducted on leadership styles and organizational commitment in higher education institutions.

This review briefly discusses the conceptual framework and the Full Range Leadership Model (Bass, 1985), which include transformational leadership, transactional leadership, and laissez-faire leadership. Also discussed in this paper were the abilities and the characteristics of transformational leaders. The leadership section was concluded with discussion on previous researches on transformational leadership.

This review also provides a literature review on organizational commitment. Described in this section are the various definitions of organizational commitment and the three-component model of commitment. This paper also described the antecedents and outcomes of organizational commitment obtained from previous research. This paper concluded with a discussion on the impact of transformational leadership on employee organizational commitment.

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