ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

MBA PROGRAM

The mediating role of Employee Satisfaction in the relationship between Leadership Qualities and Employee organizational Commitment in the selected Commercial Banks located in Addis Ababa

BY

Melaku Berhanu

ADVISER

Dr. Yitbarek Takele

A research project submitted to Addis Ababa University College of Business and Economics, MBA Program for the partial fulfillment of the requirements for the Degree of Masters in Business Administration

March 2021

Addis Ababa, Ethiopia

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

MBA PROGRAM

The mediating role of Employee Satisfaction in the relationship between Leadership Qualities and Employee organizational Commitment in the selected Commercial Banks located in Addis Ababa

By:-Melaku Berhanu

Approved By: - Board of Examiner

_____	_____
Chairman, Department	*Signature*
_____	_____
Advisor	*Signature*
_____	_____
Examiner	*Signature*
_____	_____
Examiner	*Signature*

DECLARATION

I, the undersigned, declare that this thesis is my original work and has not been presented for a degree in any other University and that all the sources of material used for the thesis have been duly acknowledged.

Name: ***Melaku Berhanu***

Signature: _____

Date: _____

Confirmed by:

Yitbarek Takele(Dr.) *:* _____ _____

Advisor ***Signature*** ***Date***

Acknowledgment

I would like to express my deepest appreciation to Associate Professor Yitbarek Takele (PhD, MBA, MA Econ) for his dedication, advices and technical supports on SPSS PLUS AMOS software and research model design for preparing this research and extend my regards and blessings to all of those who have supported me in any respect during the completion of my study. In addition, a special thanks goes to Ato Firew Beyene for his support on statistical data output/ SPSS PLUS AMOS/ in collaboration with my advisor.

Contents

List of Table

List of Figures

ABBREVIATIONS

CBE: Commercial Bank of Ethiopia

S.C: Share Company

AC: Affective Commitment

CC: Continuance Commitment

NC: Normative Commitment

LMX: Leader-Member-Exchange

MLQ: Multifactor leadership questionnaire

OCQ: Organizational commitment questionnaire

MSQ: Minnesota Satisfaction Questionnaire

NBE: National Bank of Ethiopia

SPSS: Statistical Package for Social Sciences

ABSTRACT

This study scrutinizes the mediate role of Employee Satisfaction in the relationship between Leadership Qualities and Employee organizational Commitment in the selected Commercial Banks located in Addis Ababa. Data was gathered by closed ended questionnaires distributed to the selected four commercial banks (Awash Bank, Commercial bank of Ethiopia, Debub Global Bank and Addis International Bank) using simple random sampling technique. The scales used were the Multifactor Leadership Questionnaire (MLQ), Minnesota Satisfaction Questionnaire (MSQ), and the Organizational Commitment Questionnaire (OCQ). The samples were taken from the selected four commercial banks. The study population consists of the selected four commercial banks, which have 1,974 branches, and 47,980 employees in the target location and 397 employees were randomly selected from each stratum using sample generator. After the data was cleaned EFA (Explanatory Factor Analysis) was done to obtain the rotated component matrix, which was used as an input for CFA (Confirmatory Factor Analysis) and only 380 respondents were used as the main resources analyzed by using Structural Equation Model (SEM) on (SPSS plus AMOS-24) software. Some of the results were according to the expectation after theory examination, but others were surprisingly contradictive. The results showed Employee job satisfaction partially mediates the relationship between leadership quality and employee affective commitment. There is again a competitive mediation between leadership qualities and employee continuance commitment via employee job satisfaction. Further, there is no indirect effect of leadership qualities and employee normative commitment. This study also confirms that Leadership qualities have a positive and significant impact on employee job satisfaction and employee organizational commitment. The finding of the study is expected to provide a source of information for policy makers, researchers and human resources professionals to understand the role of intervening variable (employee job satisfaction) on the link between independent variable(leadership qualities) and dependent variable(employee organizational commitment) from Ethiopian banking sector context.

Keywords: Employee Satisfaction, Leadership Qualities, Employee organizational Commitment

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Today banking system faces with substantial changes in a very business setting as a result of globalism and radical changes and developments within the system, national and international regulation, and try to gain a competitive advantage in such a competitive business environment. Consistent with the literature superior performance of Banks, largely rely on the work outcomes of their staff that powerfully committed to their organizations. One organizational factor that's thought to be a key determinant of organizational commitment may be a leadership (Mowday et al., 1982). Leadership is a process of interaction between leaders and followers where the leader attempts to influence followers to achieve a common goal (Northouse, 2010; Yukl, 2005)

Studies were conducted on leadership from numerous frames of reference in different periods and the same era. Starting from the behavior theory and trait theory via the situational theory and contingency theory to Charismatic and transformational leadership, scholars have tried to explore the determinants of effective leadership. During the era of the 1980s, the research on leadership shifted from transactional to MLQ. Earlier models of activity have been specified as contingency models. Throughout the time of the Eighties, the incorporative pace of conversion led to the Multi-factor Leadership Questionnaire models, which focused on vision as well as Charisma. In different parts of the world, the development of MLQ is perceived otherwise. The interpretations of MLQ have been made in different ways and subsist today; they provide directions about the leader's role. The multi-factor leadership questionnaire model developed by Bass in 1985enlisted four characteristics of the MLQ which were symbolized by 4 Is, i.e., Idealized Influence, Intellectual Stimulation, Inspirational Motivation, and Individual Consideration (Bass, 1985).

A study conducted on the commercial bank of Ethiopia suggests that there is a positive relationship between transformational leadership and organizational commitment dimensions. Specifically, transformational and transactional leadership behaviors have a positive relationship to affective commitment, followed by normative commitment and so followed by continuance commitment (Desalegn, 2017).

Commitment is closely related to satisfaction (Vandenberg & Lance, 1992). Dimitriandes (2006) explores the nature of interrelationships between satisfaction and commitment in Greece service organizations and establish that commitment is considerably associated with satisfaction.

However, consistent with the researcher's data, there is hardly any literature that will provide any information regarding MLQ, employee satisfaction, and job commitment in different sectors of Ethiopia in general and the banking sector in particular. Besides the fact that a great deal of research has been conducted in leadership style and its consequences like job satisfaction and job commitment, there is still a huge gap to fill with regards to the role of leadership quality in the Banking sector.

1.2. Background History of Banking Industry in Ethiopia

For the last decade, the Ethiopian financial institutions in general and banking industries, in particular, have shown impressive progress in terms of number and service which not only creates employment opportunities but also enhances the business activities in the Ethiopian economy.

The first bank to be established in Ethiopia was the Bank of Abyssinia in 1905. At the time, an agreement was reached between Emperor Menelik II and a representative of the British-owned National Bank of Egypt Mr. Ma Gillivary to open a new bank in Ethiopia. The bank was managed by Egyptian National Bank and was given different rights among which is the right to issue notes and coins and the promise not to allow any bank to establish in the country in the next 50 years.

In 1931, the Bank of Abyssinia was replaced by the Bank of Ethiopia which was wholly owned by the government and members of the Ethiopian aristocracy, becoming the first 100% African-owned bank on the continent; it was also authorized to issue notes and coins and to act as the government's bank. It operated for only a few years, being closed after the Italian invasion. During the Italian occupation, several Italian banks opened branches in Ethiopia (Harvey, 1995).

During the five-years of the Italian occupation banking activity of the country was relatively expanded. At that time, the Italian banks were particularly active. As a result, most of the banks that were in operation during this period were Italian banks. Like Banco di' Italia, Banco di Roma and Banco di Napoli. After independence from Italy's brief occupation, in 1941 another foreign bank, Barclays Bank came to the country where the role of Britain was paramount owing to its strategic

planning during the Second World War, and it remained operational until its withdrawal in 1943. Then on April 15, 1943, the Ethiopian government established the State Bank of Ethiopia. This Bank was operating as both a commercial and a central bank until 1963 when it was remodeled into today's National Bank of Ethiopia (NBE), (the Central Bank, re-established in 1976) and the Commercial Bank of Ethiopia (CBE).

The National Bank of Ethiopia with more power and duties started its operation in January1964 and the commercial bank of Ethiopia took over the commercial banking activities of the former State Bank of Ethiopia.

All privately owned financial institutions including three commercial banks, thirteen insurance companies, and two non-bank financial intermediaries were nationalized on 1 January 1975. The nationalized banks were reorganized and one commercial bank (the Commercial Bank of Ethiopia), a National Bank (recreated in 1976), two specialized banks (the Agricultural and Industrial Bank – renamed later as the Development Bank of Ethiopia, and a Housing and Saving Bank – renamed later as the Construction and Business Bank and recently absorbed by the Commercial Bank of Ethiopia) as well as one insurance company– Ethiopian Insurance Company were formed. Following the regime change in 1991 and the liberalization policy in 1992, these financial institutions were reorganized to work on a market-oriented policy framework. Besides, new privately-owned financial institutions were also allowed to work along with the publicly-owned ones (Geda, 2006). As a result, the number of banks operating in the country reached 18 of which 16 are private, and the remaining 2 are state-owned. Both public-owned and private banks that are operating currently in the country are listed in the following table 1.1.

Table 1.1: List of commercial banks operating in Ethiopia (As of June 30,2019)

S/N	Name	Year of Establishment	Current No. of Branches	No. of Staffs (including Outsourced)
1	Abay Bank S.C	2010	192	1720
2	Addis International Bank S.C	2011	68	475
3	Awash International Bank S.C	1994	410	9055
4	Bank of Abyssinia S.C	1996	336	6534
5	Berhan International Bank S.C	2010	200	3853
6	Bunna International Bank S.C	2009	205	3520
7	Commercial Bank of Ethiopia	1963	1444	37720
8	Cooperative Bank of Oromia S.C	2005	389	4369
9	Dashen Bank S.C	1995	413	9733
10	Debub Global Bank S.C	2012	52	730
11	Development Bank of Ethiopia	1909		
12	Enat Bank S.C	2013	45	540
13	Lion International Bank S.C	2006	227	4599
14	Nib International Bank S.C	1999	261	4972
15	Oromia International Bank S.C	2008	265	3647
16	United Bank S.C	1998	274	4064
17	Wegagen Bank S.C	1997	340	4561
18	Zemen Bank S.C	2009	43	885
	Total No. of commercial Banks Branches		**5,164**	**100,977**

Source: DGB internal source

1.3. Statement of the Problem

Financial institutions or banks play an essential function in the economy of any country. They play a very crucial role in mobilizing, saving, and other deposits from people who have the surplus in order to facilitate investment in the economy. Their mission and objectives shall be accomplished if there are effective leadership and employee commitment in the banking industry. It is also understandable that leadership is the vital ingredient for employee commitment for the overall performance of commercial banks.

Morris and Steers (1980) have linked leadership behavior to employee's organizational commitment and found positive correlations between high respect for leaders, high hierarchical structure level and organizational commitment.

Job satisfaction and leadership style are the factor that positively affects employee's organizational commitment. Banks can control this factor to enhance employee's organizational commitment to increase productivity and reduce turnover of the employees (Ayesha et al., 2013). A Study conducted by Seniat (2016), transformational and transactional leadership behaviors play more important role in developing and improving affective, continuance and normative commitment than the laissez-faire leadership style at the African Union Commission Headquarters.

Empirical studies conducted on the employee satisfaction and its relationship with leadership qualities and organizational commitment in different sectors in most wealthy societies. According to Sharma and Patterson (2000), MLQ have been found to be positively associated with job satisfaction and job commitment. Studies conducted by Rad and Yarmohammaddin's (2006) in health services conclude that employees' source of job satisfaction were mainly from the merits system, compensation, policies and working conditions rather than their leaders leadership quality. On the same note, Evans (2001) has reported that there is no direct link between the academicians and their leaders' motivational support in ensuring that their subordinates' were satisfied with their jobs. Given most of these studies show inconsistencies in the findings which may be due to the context, conducting more empirical studies and tests will provide more insights into the mediating variable of employee job satisfaction on the relationship between leadership qualities and organizational commitment in banking sector in a developing country such as Ethiopia.

Therefore, the intension of this research is to fill this gap on how MLQ influence employee organizational commitment and assess whether there is the role of employee job satisfaction as intervening variables in the relationship between the existing leadership qualities (MLQ) and employee organizational commitment (Affective , Calculative and Normative) in the selected Commercial Banks located in Addis Ababa.

1.4. Research Objectives

This section of the study deals with the general and specific objectives, which are listed separately as follow:

1.4.1. Main Objective

The research aims to investigate the mediating role of employee satisfaction in the relationship between leadership qualities and organizational commitment of employees in the selected four commercial banks in Addis Ababa.

1.4.2. Specific Objective

- To analyze the direct effect of leadership qualities and employee job satisfaction in the selected Commercial Banks, Addis Ababa;
- To analyze the direct effect of leadership qualities and employee organizational commitment in the selected Commercial Banks, Addis Ababa;
- To analyze the direct effect of employee satisfaction and employee organizational commitment in the selected Commercial Banks, Addis Ababa;
- To examine whether employee satisfaction mediates the relationship between Leadership qualities and employee commitment in the selected Commercial Banks, Addis Ababa;

1.5. Research Question

All the employees working in an organization experience various levels of job satisfaction or employee job satisfaction, which ultimately leads to employee organizational commitment. This employee commitment can be caused by several factors. Such as working conditions (extrinsic) and working assignment (intrinsic). Leadership Qualities have a great influence on employee commitment. In this research, the main problem is the mediating role of employee job satisfaction in the relationship between the existing leadership qualities (MLQ) and employee organizational

commitment (Affective, Calculative and Normative) in the selected Commercial Banks located in Addis Ababa. To deal with the research objectives, the subsequent general question is asked:

What are the roles of the leadership quality in supporting the various sorts of performance?

The research divides this question into the subsequent sets of sub-questions:

- Does leadership quality affect employee commitment in the selected Commercial Banks?
- Does leadership quality affect employee job satisfaction in the selected Commercial Banks?
- Does employee job satisfaction affect employee commitment in the selected Commercial Banks?
- Does employee job satisfaction have a significant role in mediating the relationship between leadership qualities and employee organizational commitment in the selected Commercial Banks?

1.6. Research Hypothesis

The hypothesis is incorporated in this study. The hypotheses consist of three variables, i.e., Leadership qualities (Individual Consideration, Inspirational Motivation, Idealized Influence, Intellectual Stimulation, Contingent reward, Management by exception (active and passive), Laissez-faire leadership quality), Employee job satisfaction, and Employee Commitment (Affective, Continuance and Normative Commitment). The core hypotheses of this research are four, which are set using the research questions specified above (1.4) and tested, are given below:

- H1: There is a significant and positive relationship between leadership qualities and employee job satisfaction in the selected Commercial Banks, Addis Ababa;
- H2: There is a significant and positive relationship between Employee Job Satisfaction and Employee Commitment in the selected Commercial Banks, Addis Ababa;

  There are three sub-hypotheses for H2

  H2a: Employee Job Satisfaction has a significant and positive effect on Affective Commitment

  H2b: Employee Job Satisfaction has a significant and positive effect on Continuance Commitment

  H2c: Employee Job Satisfaction has a significant and positive effect on Normative Commitment

- H3:There is a significant and positive relationship between Leadership Qualities and Employee Commitment in the selected Commercial Banks, Addis Ababa;
  - H3a: Leadership Quality has a significant and positive effect on Affective Commitment
  - H3b: Leadership Quality has a significant and positive effect on continuance Commitment
  - H3c: Leadership Quality has a significant and positive effect on Normative Commitment
- H4: There is mediating role of employee job satisfaction on the relationship between leadership qualities and employee commitment in the selected Commercial Banks, Addis Ababa.
  - H4a: Employee job satisfaction mediates the relationship between Leadership Quality and Affective Commitment
  - H4b: Employee job satisfaction mediates the relationship between Leadership Quality and Continuance Commitment
  - H4c: Employee job satisfaction mediates the relationship between Leadership Quality and Normative Commitment

1.7. Significance of the Study

The rationale of this research is to identify leadership quality factors that influence employee organizational commitment among employees of the selected Commercial Banks in Addis Ababa and evaluate the role of employee job satisfaction as an intervening variable. Furthermore, it sought to recommend effective ways of improving employee's job satisfaction levels in those Banks to get their commitment. Likewise, the outcomes of this study would be significant provide the government, management of the banks, Commercial Banks' workers' union as well as similar organizations with fair views of an attitude of a satisfied and dissatisfied workforce which ultimately affect employee organizational commitment at the workplace. Consequently, guide them in their negotiations for better conditions of service. Besides, it would be an input for future researchers in similar topics and be an accompaniment to the existing literature.

1.8. Scope of Study

1.8.1. Delimitations

Simon (2011) defined delimitations as those characteristics that define the boundaries and limit the scope of this study. Delimitations are factors that are in the researcher's control. Delimiting factors include the research questions, choice of objectives, theoretical perspectives, variables of interest, and the population one chooses to investigate. The first delimitation was the problem itself. The

researcher could have chosen other related problems but rejected those problems. The purpose statement includes an explicit or implicit understanding of what the study will not cover and explains the intended accomplishments of the study. It also examines the dimensions of leadership quality factors (Individual Consideration, Inspirational Motivation, Idealized Influence, Intellectual Stimulation, Contingent reward, Management by exception (active and passive), Laissez-faire leadership) as independent variables to measure their role on dependent variables. The dependent variables are dimensions of Affective, Calculative (Continuance), Normative Commitment, and checking the role of employee satisfaction as an intervening variable in the relationship between independent and dependent variables. The kind of commitment studied in this paper is an organizational commitment which suggests that the professional or work (job) commitment of the selected commercial banks staff in Addis Ababa is beyond the scope of this research.

The design of this study focused on department or branch level managers and subordinates in various branches of these banks located in the Addis Ababa area as the inclusion criteria for selecting participants to conduct an in-depth study and to make the research manageable and cost-effective.

1.8.2. Limitations

Simon (2011) defined a limitation as a potential weakness in a study that is out of the researcher's control. So that barrier the researcher came across in the process of data collection are First, the study was limited only to the selected four commercial banks located in Addis Ababa. The second limitation of this study was caused by the COVID-19 pandemic because it affects the participants willingness to respond to the survey questionnaires and the availability to participate within the period set. Moreover, the data collection for this study involved a cross-sectional or a single-point-in-time data collection, which restricted the study. Unfortunately, missing data and inappropriately filled questionnaires were also a limitation for this study

1.9. Definition off key Variables

Leadership Quality Factors, Employee job Satisfaction as intervening and Employee organizational commitment Variables

Leadership Qualities- Independent Variable

- Factor 1 – Idealized Influence: Indicates whether you hold subordinates' trust, maintain their faith and respect, show dedication to them, appeal to their hopes and dreams, and act as their role model (Bass, 1998);
- Factor 2 – Inspirational Motivation: Measures the degree to which you provide a vision, use appropriate symbols and images to help others focus on their work, and try to make others feel their work is significant (Bass, 1998);
- Factor 3 – Intellectual Stimulation: This shows the degree to which you encourage others to be creative in looking at old problems in new ways, create an environment that is tolerant of seemingly extreme positions, and nurture people to question their values and beliefs of those of the organization(Bass, 1998);
- Factor 4 – Individualized Consideration: Indicates the degree to which you show interest in others' well-being, assign projects individually, and pay attention to those who seem less involved in the group(Bass, 1998);
- Factor 5-Contingent Reward: it involves clarification of expectation and tasks necessary to gain rewards, as well as the application of incentives to persuade followers' motivation(Bass, 1998);
- Factor 6-Management by Exception (Active): focusing attention on irregularities, mistakes, exceptions, and deviations from standards. MBE concentrates full attention on dealing with mistakes, complaints, and failures(Bass, 1998);
- Factor 7- Management by Exception (Passive): failing to interfere until the problem becomes serious and waiting for things to go wrong before taking action(Bass, 1998);
- Factor 8-Non-leadership- laissez-faire: avoids getting involved when important issues arise and also avoids making decisions(Bass, 1998);

Employee organizational Commitment-Dependent Variable

- Affective commitment: a measure of how much the employee wants to stay with the organization and feels emotionally attached (Meyer & Allen, 1991);
- Continuance commitment: a measure of how much the employee needs to stay with the organization because the cost of leaving is too highland (Meyer & Allen, 1991);

- Normative commitment: a measure of how much the employee feels obligated to stay with the organization because it is the moral and right thing to do (Meyer & Allen, 1991).

Employee job Satisfaction - Mediating Variable

- Employee Job satisfaction: 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.

1.10. Organization of the Study

This research has five chapters. The first introductory section of the research consists of the background of the study, statement of the problem, objectives, and hypotheses of the study, significance of the study, and delimitation and limitation of the study. The second section discusses a related literature review of the past studies conducted on employee job satisfaction, employee job commitment, and leadership qualities and their theoretical perspectives. The third chapter presents the research methodology and design used in this thesis. This part of the researcher also incorporated research method, population and sampling technique, sample size, source of data and data collection instruments, method of data analysis, presentation and interpretation, validity, reliability test, and ethical consideration.

In the fourth chapter, the data presentation analysis and discussion are provided. Furthermore, this section of the research analyzes the relationship between employee job satisfaction, employee's job commitment, and leadership qualities by using the quantitative method and tries to find out the mediating role of employee satisfaction in the relationship between leadership qualities and employee commitment. Finally, the last chapter of the research includes a summary, conclusions, and a set of recommendations derived from the research findings.

CHAPTER TWO

LITERATURE REVIEW

This part of the study tries to provide the most important concepts of leadership qualities, employee satisfaction, and employee job commitment. It also caters preliminary insight into those concepts as well as their relationships by focusing on preceding literature relevant to this study.

2.1. The Concept of Leadership Qualities

The leadership in this study refers to the person who is appointed by the organization or owner to follow up the entire or sub-activities of the organization as well as the subordinates. A leader is a kind of person (with leadership qualities) who has the appropriate knowledge and skill to lead a group to achieve its ends willingly (Thomas, 2004). According to Fiedler (1967) leadership is "An interpersonal relationship in which power and influence are unevenly distributed so that one person can direct and control the actions and behaviors of others to a greater extent."

2.1.1 Theoretical Review on Leadership Theories

Several theories emerged and adhered because of their dominant assumption and explanation and again were criticized and led the way for the development of another theory because of their dearth. There are several leadership theories of which the major ones are discussed as follow:

I.Great Man Theory

Carlyle (1993) delineate in his "great man theory" that leaders are born and that only those men who are blessed with heroic qualities could ever emerge as leaders. Great men were born, not made. Researchers who support the Great Man theory believe that people are born to lead. This might embody members of royalty, superior military officers, and business heads. Today, many of us still hold this ancient belief, and despite the fact that this theory might sound old style, analysis suggests that some individuals have temperament traits, behaviors, and data that lend them to leadership (Yaverbaum and Sherman, 2008).

II.Traits Theory

The Traits leadership theory postulates that non-public characteristics (e.g. temperament traits, psychological feature skills, social skills) confirm associate people potential for leadership roles (Furham, 2005). Thus, in line with the traits theory, leadership are a few things intrinsic to the individual. The essential construct of the trait theory is that leaders may be outlined by bound characteristics or traits and these are what separate them from the cluster or society to that they belong (Navahandi, 2006). Consequently, the trait theory dictates that leaders beneath their birth were talented with special qualities that permit them to guide others. the foremost assumption being, that if bound traits or characteristics may be wont to distinguish between leaders and followers then existing political, industrial, and non secular leaders ought to possess them (Navahandi, 2006). Northouse (2004) listed intelligence, self-assurance, determination, integrity, and suitableness as major leadership traits.

The trait approach inferred that leadership coaching would solely be useful for those that already possessed the specified leadership characteristics (Hersey, Blanchard Johnson, 2006). Whereas the trait approach was intuitively appealing with a century of analysis to back it up, the attribute approach had did not take into account numerous leadership things (Northouse, 2004) or unable to ponder that leaders are the results of their conditions before they alter society, society needs to create them. This view also suggested that the leader alone is responsible for accomplishments and those who are successful meet the personality type, and the subordinate's role is not of importance (Bryman, 1992).

III.Behavioral Theory

After the trait theory, the behavioral approach came into existence. Researchers began to target the apparent leadership behaviors. It absolutely was referred to as behavioral leadership theory. Behavioral studies of leadership aim to spot behaviors that differentiate leaders from non-leaders (Robbins, 2003). Behavioral theories of leadership support that a group of explicit behaviors is often named a method of leadership. The behavior approach emphasizes what leaders and managers do on the work.

The general goal of the approach was to spot and live relevant leadership actions and behavioral patterns that cause high subordinate productivity and morale. Thus,

the researches focus changed from what leaders are to what leaders do. In oppositeness to the good Man Theory, behavioral Theories anticipate that nice leaders are made, not born. This theory focuses on the actions of leaders, not on the personalities or characteristics they possess. the idea is that the leader will become a good leader through observation, teaching, and experience (Robbins, 2003).

Thus, the speculation concentrates on leadership and not the leader, and i.e. it treats leadership as a characteristic that you simply will develop through apply. However, applying the behavioral theory needs patience as a result of knowing the behavioral designs and, really applying them takes recurrent failures and plenty of apply. Furthermore, this theory promotes the worth of leadership designs with a stress on concern for individuals and collaboration. It promotes participative decision-making and team development by supporting individual desires and orientating individual and cluster objectives.

IV.Contingency/Situational Theory

The Contingency/Situational Theory is additional involved with the context of applied leadership, that is left unaccounted for in each the Traits and behavioral theories. Here, the main target is on situational variables the leader modifies his or her leadership style consistent with his or her characteristics and also the context, i.e., the present state of affairs (Krumm, 2001). Consistent with proponents of this theory, a good leader is aware of a way to adapt his characteristics to the context. The contingency theories assume that the consequences of one variable on leadership square measure conditional different variables. Consistent with contingency theories, leaders should properly establish the essential characteristics of every state of affairs, establish that leader behaviors square measure needed, and then be versatile enough to exhibit these behaviors (Howell Avolio, 1993). Hersey and Blanchards (2006) Situational Leadership theory claims that a good leader adapts his or her leadership style to subordinate capacity to accomplish tasks (Robbins, 2003). That degree corresponds to the maturity of the subordinates. Thus, the leader can opt for a kind of leadership consistent with the subordinate maturity.

Fiedlers (1984) contingency theory postulates that there is no single best manner for managers to guide. Things can produce very different leadership style necessities for a manager. The answer to a social control state of affairs is conditional factors that impose on true. For instance, during a extremely routine (mechanistic) atmosphere wherever repetitive tasks square measure the norm, a

comparatively directive leadership style could end in the simplest performance, however, may be a dynamic atmosphere a additional versatile, participative style could also be needed.

Fiedler (1984) looked at three things that would outline the condition of a managerial task:

- Leader-member relations: How well do the manager and the employees get along?
- Task structure: Is the job highly structured, fairly unstructured, or somewhere in between?
- Position power: How much authority does the manager possess?

The key strengths of situational leadership are that it is directive and flexible, as it informs the leader how to respond in different situations. Knowing the expectations of the leader and followers underneath very different conditions and circumstances is crucial to leadership. Leadership involves amendment, and situational leadership is predicated on however leaders adapt to vary in numerous contexts. It requires adaptive to emerging technologies, pedagogies, and adoption of various innovations and needs highly technical and professional staffs that are at various competency levels in their careers. The character of some changes is speedy, eliciting adroit and skillful management of personnel and resources.

V.Path-Goal Theories

Path–goal theory was originally developed by Martin Evans in 1970 and expanded by Robert House in 1971 into a more complex contingency theory. Path-goal theory identifies four types of leaders' behavior that include supportive (relations oriented), directive (task-oriented), achievement-oriented, and participative leader behavior, as well as two aspects of the situation, namely, follower characteristics and task characteristics. In consideration of situations, leaders may use either of supportive, directive, achievement-oriented or participative behavior.

VI.Leader-Member-Exchange (LMX Theory)

The Leader-Member-Exchange (LMX) theory of leadership explains that the connection between managers and their subordinates develops over time as a results of rule-making processes and social exchange between them (Yukl, 1998). Managers continuously develop a additional favorable relationship with some subordinates than with others. Once there is strong mutual trust and loyalty,

subordinates are provided with more responsibility. A subordinate who is seen as trustworthy by a manager is more likely to be consulted for advice and given more responsibilities.

The LMX theory informs the characteristic of Transactional Contingency Reward leadership, that provides subordinates with help in exchange for his or her efforts and makes clear what reward, can be expected once structure goals square measure achieved (Avolio & Bass, 2004).

According to LMX relationship between a leader and a subordinate influences, the extent to that subordinates will be considered as part of an "in the group" or "out-group" (Bass, 1997). Membership of the "in the group" or "out-group" is determined by the extent to that the leader will work well with the subordinate and also the extent to that the latter is willing to hold out activities that transcend his formal verbal description. The most plans behind LMX is for the leader to develop several quality relationships with subordinates. These high-quality relationships can successively boost the subordinates' job satisfaction, job performance, and structure national, and this might conjointly cause increase productivity and attainment of structure goals (North house, 2015).

VII.Transactional and Transformational Leadership Theory

By the late Nineteen Seventies and early Nineteen Eighties, leadership theories began to maneuver off from the precise viewpoints of the leader, follower, and therefore the leadership context and toward processes that focused a lot of on the interactions between the leaders and followers. The transactional leadership model was initial delineate by Burns (1978), United Nations agency characterized leadership as transactional (producing lower-order changes in subordinates like behavioral changes) or transformational (producing higher-order changes in subordinates, like changes in information, understanding, or attitude).

Transformational Leadership Theory differentiates itself from previous theories in its target alignment to a bigger sensible. It seeks to interact the follower in activities out of a way of commitment to self, organization, and a method, which will cause some bigger social outcome. Transformational leaders elevate the morality and motivation of each the leader and therefore the follower (Burns, 1978).

Whereas transactional leadership is alleged to be a reciprocal exchange, it's believed that transformational leaders interact in interactions with followers supported common values, beliefs and goals (Burns, 1978).

VIII.Full Range Leadership theory

The Full-Range Leadership theory focuses on a full range of influencing styles from 'non-leadership' to powerful transformational leadership behaviors. The model captures different kinds of behaviors that make a difference to outcomes for associates of the leader. In other words, the range of behaviors starts with transformational leader behaviors to transactional leader behaviors reaching the lowest leader interaction of laissez-faire leader behaviors.

The Full-Range Leadership theory does not only picture the different characteristics that a leader has, but it also shows an arrangement of them and suggests at which intensity each dimension and sub-dimension should be enacted to have effective leadership in organizations (Avolio 2010).

As it can be described as an ideal or "pure" transactional leadership style and a "pure" transformational one, it is clear that organizations are likely to have cultures that are characterized by both styles of leadership. A leader may employ both styles at different times or in differing amounts at the same time. Considerable recent research provides evidence that shows transformational leadership as eliciting extra effort and performance from followers, over and above that expected in an exchange relationship with a purely transactional leader. The authors argue that organizations should move in the direction of more transformational qualities in their cultures while also maintaining a base of effective transactional qualities (Bass and Avolio, 1993; Bass et al. 2003).

Trottier et al. (2008) suggest that the Full Range Leadership theory of Bass is a strategic organization development intervention, designed to enhance the impact of leadership on employee commitment. They also emphasized that Bass's full range leadership model is an important part of the leading research as well as it presents researchers with a theory that can be empirically tested and provides insight into the duality that leaders face in current organizational settings.

Although the multifactor theory is probably the most widely cited and comprehensive, leadership is often conceptualized within behavioral domains varying from non-leadership, or laissez-faire, to

transactional leadership, which hinges on rewards and punishments, to transformational leadership, which is based upon attributed and behavioral charisma (Bass and Avolio, 1993).

2.2. The Concept of Employee Job Satisfaction

Human resources are considered the most valuable assets and a major factor to achieve organizational objectives. An organization can achieve success when its employees are committed and hard workers that can only be possible when they are satisfied with their jobs. Job satisfaction is a way to attract and retain the best people in the organization. Many researchers have attempted to classify the various elements of job satisfaction and study what outcomes these elements have on employee performance and commitment to an organization.

A definition of job satisfaction can be; it is a positive emotional response from the assessment of a job or specific aspects of a job (Smith et al., 1969). Employees' job satisfaction is very important for an organization because it ultimately impacts its development. Compare to the past, employees are more concerned with their jobs now and expect to get more satisfaction. They may make job satisfaction a base to stay in the current organization or leave it for another. According to Spector (1997) job satisfaction in terms of how people feel about their jobs and different aspects of their jobs.

2.2.1 Theoretical Review on Employee Satisfaction

Job satisfaction theories have a strong overlap with theories explaining human motivation. The most common and prominent theories in this area include Maslow's needs hierarchy theory; Herzberg's motivator-hygiene theory; the Job Characteristics Model; and the dispositional approach. These theories are described and discussed below:

I. The two-factor theory (motivator-hygiene theory)

Frederick Herzbergs (1957) two-factor theory makes an attempt to elucidate satisfaction and motivation within the work. This theory states that satisfaction and discontentedness area unit driven by motivation and hygiene factors, severally. Hygiene factors area unit options of the work like policies and practices, remuneration, benefits, and Work condition, Hygiene factors have to be compelled to be tacked 1st and also the incentive will follow the subsequent hygiene factors (extrinsic), Effective senior management, Effective supervisor, smart relationship with co-workers,

Satisfaction with regular payment, Job security, operating condition, Satisfaction with advantages. Consistent with Gerhard Herzberg motivators embody job content like responsibility, accomplishment, shallowness, growth, and autonomy.

Herzbergs (1967) agreement, as quoted in Ukaegbu (2000), intrinsic parts of the work area unit associated with the particular content of labor, like recognition, accomplishment, and responsibility. These were brought up as psychological feature factors and area unit vital parts in job satisfaction. Whereas inessential factors as parts related to the work surroundings, like operating conditions, salary, class size, workers assessment and superior practices, and advantages.

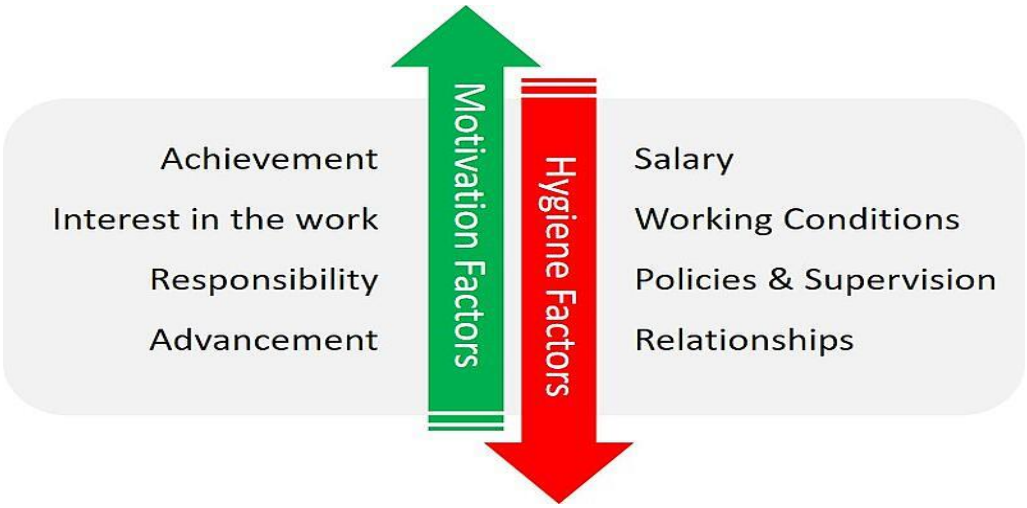

Figure 2.1: Two-factor theory (motivator-hygiene theory)

II. Hierarchy of needs

Although usually well-known within the human motivation literature, Maslows desires hierarchy theory was one in all the primary theories to look at the vital contributors to job satisfaction. The idea suggests that human desires kind a five-level hierarchy consisting of physiological desires, safety, belongingness/love, esteem, and self-actualization. Maslows hierarchy of desires postulates that there square measure essential desires that require to be met initial (such as, physiological desires and safety), before additional complicated desires are often met (such as, belonging and esteem).

Maslows desires hierarchy was developed to clarify human motivation normally. However, its main tenants apply to the work setting and are wont to make a case for job satisfaction. Therefore,

organizations wanting to enhance worker job satisfaction ought to decide to meet the fundamental desires of workers before reaching to address higher-order desires (Field, 2008).

Figure 2.2: Maslow's Five-level hierarchy (1943)

III. The Expectancy Theory

Expectancy theory is about the mental processes regarding choice, or choosing. This expectancy theory, proposed by (Vroom, 1964), focused on workers' individual specific motivation in the organization. The theory indicated that, based on the strength of the worker's expectancy of outcome and the attraction of the outcome after the workers acting, the workers decide to take their actions. Therefore, once workers believe that desired outcome will be obtained after hard work and that they will receive a reward from their companies after the desired outcome is reached, workers will make a full effort in their jobs to reach the goal of the organization (Vroom, 1964).

IV. Equity Theory

This theory was developed by John Stacey Adams, a work and behavioral man of science, in 1963. In step with Adams (1965), the focus of the speculation is on the exchange relationship wherever people provide one thing and expect one thing reciprocally. What the individual provides is termed inputs and on the opposite facet of the exchange, what the individual receives is termed outcomes. The third variable additionally to inputs and outcomes is termed the reference person or cluster. This reference cluster is a coworker, relative, neighbor, or cluster of coworkers. It should even be the person himself in another job or another social role.

V. Job Characteristics model

Concerning the job characteristics approach, research has revealed that the nature of an individual's job or the characteristics of the organization that the individual works for predominantly determine job satisfaction. Hackman & Oldham (1980) stated that a job characteristic is an aspect of a job that generates ideal conditions for high levels of motivation, satisfaction, and performance. Additionally, proposed five core job characteristics that all jobs should contain (skill variety, task identity, task significance, autonomy, and feedback). And also they defined the four personal and work outcomes.(Those are internal work motivation, growth satisfaction, general satisfaction, and work effectiveness). These characteristics have been added to the more popular dimensions of job satisfaction assessment the work itself, pay, promotional opportunities, supervision, and co-worker relations (Smith, Kendall, & Hulin, 1969).

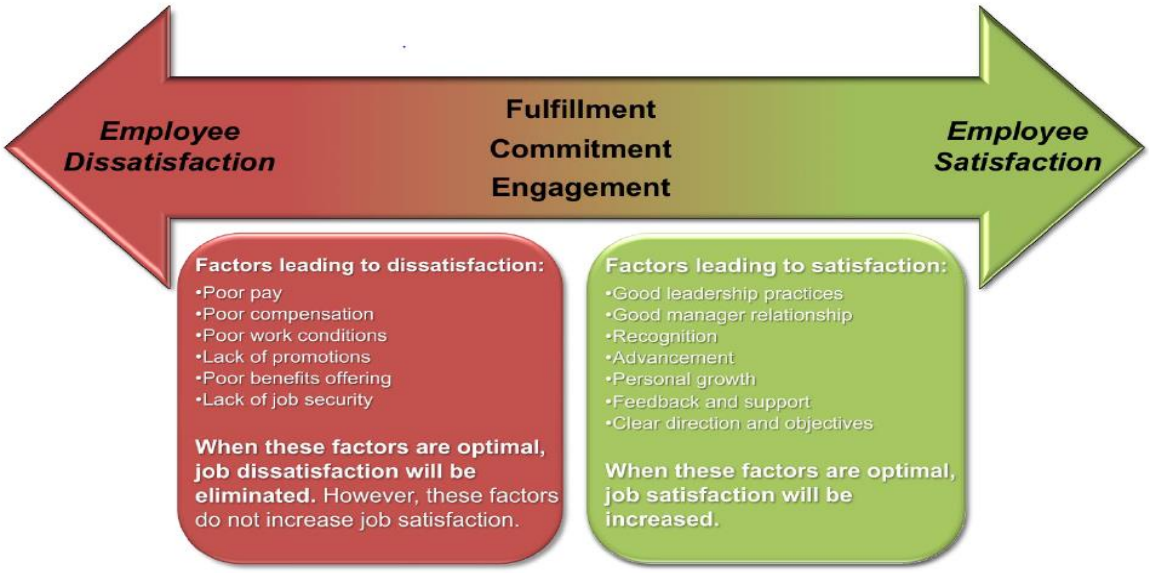

Figure 2.3: Job Satisfaction Model (Field, 2008)

2.2.2 Factors Affecting Job Satisfaction

Several factors like pay, promotion, autonomy, operating conditions, coworkers, higher-up support, etc. influence worker job satisfaction. Irvine et al, (1995) have highlighted the importance of labor characteristics (routine, autonomy, and feedback), however the work role is outlined (role conflict and role ambiguity), and work surroundings (leadership, stress, advancement opportunities, and participation) regarding job satisfaction. Job satisfaction consists of overall or general job satisfaction, still as a spread of satisfaction sides (Cranny etal., 1992). It's influenced by varied

factors like supervisors displays of non-verbal immediacy, communication satisfaction, effects of gender, and supervisors communication vogue (Madlock, 2006 Richmond et al, 1980 Hilgerman, 1998).

Lee Ahmad (2009) found that job satisfaction affects levels of job discontent, absence, grievance expression, tardiness, low morale, high turnover, quality improvement, and participation in decision-making.

Kalleberg, (1977) planned that job satisfaction consists of 2 parts. These are intrinsic (working assignment) and adventitious (working condition).Working condition is that the job surroundings that encompasses the link with management operate, a mentoring system, and others. Poor operating conditions, inefficient work organization, inadequate staffing, and social control practices can have an effect on employees turnover and perceptions of the organization and work (Banaszak Hines 1996). Therefore, the great operating condition is beneficial as a key issue for employees to develop a worth, improve job performance and increase employees retention in a corporation. As for the work assignment, it refers to the duty given to workers in order that they must implement their job with commitment and productivity (Kalleberg, 1977).

2.3. The Concept of Employee Commitment

Commitment is simply defined as loyalty and attachment of an individual or group to the organization. Organizational commitment is defined as a state in which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organization.

The commitment had been used by organizations to predict desired employee behavior in the areas of performance, absenteeism, and emotional attachment. Theoretically, organizational commitment has three components (Meyer and Allen, 1991): affective, continuance, and normative. Affective commitment is referred to as an employee's emotional attachment to the organization. Continuance commitment is the perceived economic value of remaining with an organization compared to leaving it. Normative commitment is an obligation to remain with an organization for moral or ethical reasons. However, studies have shown a relationship between ethical leadership behavior and employee's organizational commitment. Some of these studies revealed that high levels of perceived ethical leadership behavior are associated with higher levels of employee's organizational commitment (Ponnu and Tennakoon, 2009).

In a related fashion, there was a positive relationship on the impact of a leader's ethical behavior on the employee's level of commitment to the organization (Zhu, May, and Avolio, 2004). Employee commitment is also linked to improved quality of products, enhanced customer loyalty, and lower costs due to a decrease in employee turnover. Ferrell and Ferrell (1999) found a positive relationship between corporate citizenship (defined as economic, legal, ethical, and discretionary activities) and employee commitment to the firm. When employee commitment to the organization decreases; product quality drops, customers leave, and employee turnover skyrockets as ethical compliance declines. It is expected that leaders who exhibit ethical behavior would be more likely to consider the needs and rights of employees and treat them fairly.

2.3.1 Theoretical Review on Employees' Commitment

Affective, continuance, and normative commitment are the factors that aid in determining the scope of organizational commitment. While individual characteristics affect organizational commitment, and this includes experiences associated with the work that plays a particular role in affective commitment and investments in work play a specific role in continuance commitment. Social experiences and organizational investments are active in affective commitment (Tayfun&Catir, 2014)

Figure 2.4: Significant factors of organizational commitment

a) Affective Commitment

Employees with a sound affective commitment continue employment with the organization because they enjoy working with the organization. There are four distinct groups identified concerning affective commitment: Personal characteristics, job characteristics, Work experience, a structural characteristic. However, the majority of the attention in this research area has been dedicated mainly to work experiences, as it is substantially flexible within the organization to affect employees' commitment (Clinebell, Skudiene, Trijonyte, & Reardon, 2013). Employees with high levels of affective commitment to their organization are anticipated to overcome their turnover intentions and to stay with the organization, as they know this is advantageous to their organization (Vandenberghe, 2014).

b) Continuance Commitment

According to Becker (1960), continuance commitment is a tendency to engage in steady lines of activity based on the individual's perception of the 'costs' connected with discontinuing the activity. The concept of continuance commitment is obtained from the perception of the costs associated with leaving, and the perception of a lack of employment options. Employees who have continuance commitment continue with the organization because they need to do so. Discontinuing employment with the organization will terminate job-related opportunities like seniority, pension, job experiences, and status. Therefore, any factor that increases the anticipated cost of discontinuing the job could be acknowledged as a forecaster of continuance commitment (Meyer & Allen, 1991).

c) Normative Commitment

Normative commitment is outlined because the totality of internalized normative demands to perform in an exceedingly means that meets structure goals and interests (Wiener, 1982). Normative commitment relates to staff commitment supported a perception of the commitment to a specific organization. Staff in operation at first from the normative part of commitment use their efforts on behalf of the organization as they believe they ought to (Allen Meyer, 1990). Normative commitment absolutely manages the connection between emotional commitment and energy. Also, few studies show that job satisfaction has positive results on each emotional and normative commitment (Fu, Bolander, Jones, 2009).

2.4. Empirical Review of Related Studies

According to Jing and Every,(2008), there is no best way of thinking about leadership, rather different kinds of leadership reflect social and historical roots, depending on the context. Hmidifar (2010) also conducted a similar study by using a questionnaire; the result showed that there is a significant positive influence of transformational leadership factor on employee job satisfaction. Transformational leadership behavior was found to significantly affecting predicting variable and in some cases transactional leadership behavior. Transactional leadership style provides high satisfaction and organizational identification as compared to transformational leadership style (Riaz, &Haider, 2010).

Leaders within organizations can adopt appropriate leadership styles to affect employee job satisfaction, commitment, and productivity. Employee job satisfaction refers to the attitude of employees towards their jobs and the organization, which employed them (Voon, et al, 2011).

Effective leadership and employee job satisfaction are two factors that have been regarded as fundamental for organizational success. Employees with high job satisfaction are likely to exert more effort in their assigned tasks and pursue organizational interests. An organization that fosters high employee job satisfaction is also more capable of retaining and attracting employees with the skills that it needs (Voon, et al, 2011).

Bushra, Usman, and Naveed (2011) investigated the relationship between transformational leadership and job satisfaction among 133 bank employees in Lahore, Pakistan. They found that transformational leadership has a positive influence on the general job satisfaction experienced by 42% of participants, indicating their preference for this particular leadership style.

Employees are less committed towards their organization when they are dissatisfied at work therefore they will be emotionally and mentally affected and eventually will quit the organization. Thus, one of the mediums for the employee's contribution assessment is through their attitude on the organizational commitment and job satisfaction towards the organization and overall contribution of the employee to the organization (Yiing& Ahmad, 2009). Previous studies have proved the relationship between organizational commitment and job satisfaction (Caykoylu et al., 2007; Chen, 2007; Jernigan et al., 2002; Lok and Crawford, 2001; Samad, 2005; Yousef, 2001).

Samad (2005) and Rashid et al. (2003) in their studies in Malaysia resulted, that job satisfaction and employee performances are some other factors that are associated with the relationship between leadership behavior and organizational commitment.

2.5. Conceptual Frame Work

This conceptual framework of the study presents a summary diagram of the proposed model after reviewing various literatures for scrutinizing the mediating role of employee job satisfaction in the relationship between leadership qualities and employee commitment. A model developed after a review of various literature shows employee commitment as the dependent variable and leadership qualities as the independent variable and employee job satisfaction as mediating variable. While developing the conceptual model, various models by different authors are considered. The Full Range Leadership Development Model, developed by Bass and Avolio (1994), was the basis of the research.

This theory involves three general components transformational leadership, transactional leadership and non-leadership which allows measuring the relationship between different leadership qualities (i.e. Idealized Influence, Inspirational Motivation, Intellectual Stimulation, Individualized Consideration, Contingent reward, Management by exception, and laissez-faire) and the components of employee commitments (affective, continuance and normative). Furthermore, the research examines the mediating role of employee job satisfaction in the link between dependent and independent variables. While studying and measuring employee job satisfaction Hertzbergs hygiene and motivation theory are taken into consideration.

2.6. The mediating role of Job Satisfaction

There are very limited studies about mediating role of job satisfaction on the relationship between leadership qualities and organizational commitment, especially in the Ethiopia banking industry. Mohamad (2012) concluded in its findings that the mediating analysis indicated that job satisfaction mediates the relationship between perceived transformational leadership style and organizational commitment. Oladipo, et al.(2018) investigated and proposed that leadership style has a significant effect on organizational commitment indirectly through the mediation of job satisfaction. It means that a good leadership style increase employee job satisfaction and higher job satisfaction can improve commitment. Nguni et al. (2006) as cited by Mohamad (2012): job satisfaction appeared to

be a mediator of the effects of transformational leadership on teachers' organizational commitment and organizational citizenship behavior. Chen et al., (2009) also cited by Mohamad (2012) concluded in their discoveries that an aspect of transformational leadership namely individualized consideration only affects organizational commitment when job satisfaction is considered as a mediating variable. Hashemi et al. (2012) concluded in their studies that job satisfaction, as a mediator was correlated significantly with organizational commitment.

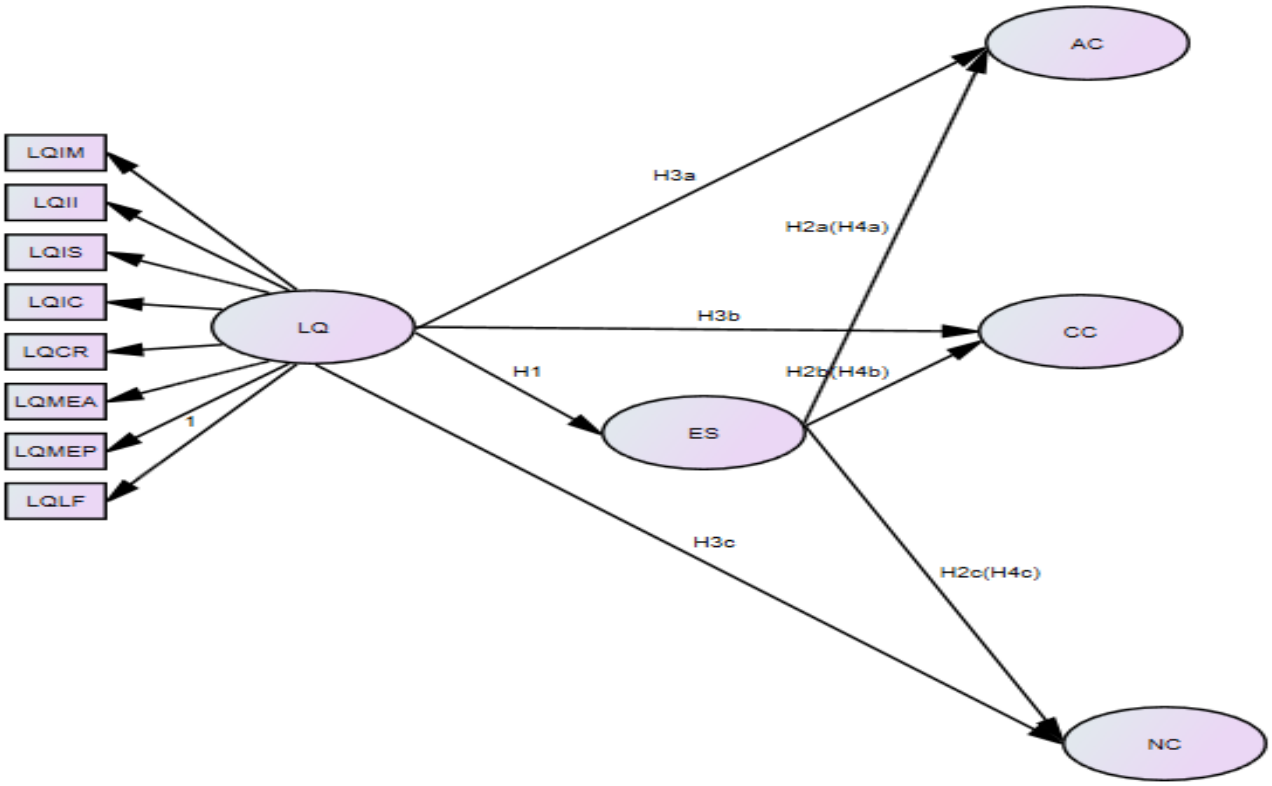

Figure 2.5: Conceptual framework

CHAPTER THREE

RESEARCH METHODOLOGY AND DESIGN

The main purpose of this chapter is to give deep information on the methodology of the research which is used to find out the mediating role of employee satisfaction in the relationship between leadership qualities and employee job commitment in the selected Commercial Banks in Addis Ababa, Ethiopia. The research approach, research design, research method, data collection instrument, target population, and sample design, model specification and variable description, method of data analysis, proposed reliability, and validity tests, and finally ethical consideration are discussed in detail.

3.1. Research Approach

The three research approaches are advanced: (a) qualitative, (b) quantitative, and (c) mixed methods. Qualitative research is an approach for finding out and sympathetic the meaning individuals or groups attribute to a social or human problem. Quantitative research is an approach for testing objective theories by inspecting the relationship among variables. These variables, in turn, can be measured, typically on instruments, so that numbered data can be analyzed using statistical procedures. Mixed methods research is an approach to analysis concerning collecting both quantitative and qualitative data, assimilating the two forms of data, and using distinct designs that may involve metaphysical assumptions and theoretical frameworks. The core assumption of this form of examination is that the combination of qualitative and quantitative approaches provides a more complete understanding of a research problem than either approach alone. This research primarily focuses on effects; the research approach used in this research is the quantitative research approach.

3.2. Research Design

3.2.1 Purpose of the research

There are three types of researches based on the purpose of the research. The first one is Explanatory research intends to answer the question why some variables have an effect on other variables or the explanatory research seek to analysis a theory which is a set of logically organized and interconnected principles, rules, assumptions, statements and propositions which are

employed to explain, describe and forecast the phenomenon (Ahmed, 2014). Explanatory research tries to go beyond the findings of exploratory research and descriptive research to understand the real reasons behind the phenomenon (Kothari, 2004; Saunders et al, 2009). It distinguishes between dependent and independent variables. The second one is Descriptive research is defined as a research method that illustrates the characteristics of the population or phenomenon studied. This methodology focuses more on the "what" of the research subject than the "why" of the research subject. The descriptive research method mainly focuses on describing the nature of a demographic segment, without focusing on "why" a particular phenomenon occurs. In other words, it "describes" the subject of the research, without covering "why" it happens. The third one is Exploratory research is defined as research used to investigate a problem that is not clearly defined. It is conducted to have a better understanding of the existing problem, but will not offer conclusive results. For such research, a researcher starts with a general idea and uses this research as a medium to identify issues, which can be the focus for future research. An important aspect here is that the researcher should be willing to change his/her direction subject to the revelation of new data or insight. Such research is usually carried out when the problem is at a preliminary stage. It is often referred to as the grounded theory approach or interpretive research as it is used to answer questions like what, why, and how Saunders et al. (2007).

Therefore, to examine the role of leadership qualities on employee commitment, a descriptive survey design was employed. This is because it enabled the researcher to collect and describe a large variety of data related to leadership qualities and employee organizational commitment. As argued by Kumer (1999) descriptive research design is used to describe the nature of the existing conditions.

3.2.2 Research strategies

Research has different components such as research topic, the research standpoint, the research design and research method. These components of research are organized with a research strategy. The four research strategies are case study, qualitative interviews, quantitative survey, and action-oriented research (Johnson, & Onwuegbuzie,2004). Since explanatory research is applied, the research strategy applicable is a quantitative survey, and the study focused on one industry the research strategy is a case study.

3.2.3 Types of Data

There are two types of data when considered for research: Primary data and Secondary Data. Primary data is the kind of data that is gathered directly from the data source without going through any existing sources. It is mostly collected specially for a research project and may be shared publicly to be used for other research. Primary data is often reliable, authentic, and objective in as much as it was collected to address a particular research problem. It is noteworthy that primary data is not commonly collected because of the high cost of implementation. Secondary data is the data that has been collected in the past by someone else but made available for others to use. They are usually once primary data but become secondary when used by a third party. Secondary data are usually easily accessible to researchers and individuals because they are mostly shared publicly. This, however, means that the data are usually general and not tailored specifically to meet the researcher's needs as primary data does (Sagor,2011). Primary data is utilized for this research-based on the main objectives.

3.2.4 Data Collection Technique

A questionnaire is a research instrument consisting of a series of questions for the purpose of gathering information from respondents. Questionnaires can be thought of as a kind of written interview. They can be carried out face to face, by telephone, computer or post. Questionnaires provide a relatively cheap, quick, and efficient way of obtaining large amounts of information from a large sample of people. Data can be collected relatively quickly because the researcher would not need to be present when the questionnaires were completed. This is useful for large populations when interviews would be impractical. However, a problem with questionnaires is that respondents may lie due to social desirability. Accordingly, a self-administered and close-ended questionnaire with a pre-determined 5-point Likert scale for a response was distributed.

3.2.5 Time Horizon of the Collection Data

There are two types of data collection time horizons: cross-sectional study and Longitudinal Study. A cross-sectional study can be undertaken in which data are gathered just once, perhaps over a period of days or weeks, or months, in order to answer a research question. Such studies are called one-shot or cross-sectional studies. Longitudinal studies are used when the researcher wants to study people or phenomena at more than one point in time in order to answer the research question

(Rindfleisch, Malter, Ganesan, and Moorman, 2008). Since the study focuses on the mediate role of employee satisfaction in the relationship between leadership qualities and employee organizational commitment in the selected commercial banks located in Addis Ababa cross-sectional time horizon data collection is used.

3.3. Research Method

The study used the descriptive survey method by incorporating both quantitative and qualitative approaches with more emphasis on quantitative as the leading method through close-ended questions. The quantitative approach emphasizes investigating the mediating role of employees' satisfaction the link between leadership qualities and employee commitment of commercial banks, which could better be understood by collecting large quantitative data, in a formal, structured, and rigid manner. Furthermore, the qualitative approach was integrated into the study with information gained from document analysis, and hence, it helps to validate and substantiate the quantitative data. Thus, the approach was preferred on the ground that the influences of leadership qualities better perceived from the opinion survey of commercial banks' staff in Addis Ababa, Ethiopia.

3.4. Target Population and Sampling Design

3.4.1. Study Population

Population in research is the group of elements that a scholar intends to observe, evaluate or scrutinize (Denscombe, 2007).Thus, currently, eighteen banks are operating in the country, out of which two of them are publicly owned while; the remaining sixteen are owned by private. From the existing commercial banks in Ethiopia, seven of them have been in the business for more than twenty years, and the rest are less than twenty years. Since long-term existence in the market has an impact on leadership qualities, employee job satisfaction, and organizational commitment, the data for this research was collected from two banks, (Awash Bank and Commercial bank of Ethiopia) which stayed in the business for more than twenty years periods. As well as from other two banks, (Debub Global Bank and Addis International Bank) that stayed in the business for less than twenty years period. All staff members (47,980) who are working in 1,974 branches of the selected four commercial banks are considered as a target population. Out of the entire staffs working within the selected four commercial banks, the sample size was selected using simple random sampling technique and staffs (a department or manager level staff and subordinate) were drawn from the

randomly selected branches located in Addis Ababa using convenient sample technique. Likewise, the sample size was selected based on each bank's number of staffs' distribution with a total number of employees in the selected commercial banks proportionally.

3.4.2 Sampling

The purposive selection was used for selecting departments and a random sampling technique was used for respondents because such a sampling technique avoids researcher bias in selecting the sample and improves the external validity of the research. Four methods are identified to select random sampling, namely, simple, systematic, stratified, and cluster random sampling (Saunders, and Lewis, 2012). Of these, the Stratified random sampling method is used for this study. Stratified sampling is a type of sampling method in which the total population is divided into smaller groups or strata to complete the sampling process. The strata are formed based on some common characteristics in the population data. After dividing the population into strata, the researcher randomly selects the sample proportionally. Stratified sampling is a common sampling technique used by researchers when trying to draw conclusions from different sub-groups or strata. The strata or sub-groups should be different and the data should not overlap. While using stratified sampling, the researcher should use simple probability sampling. The population is divided into various subgroups such as age, gender, nationality, job profile, educational level, etc. Stratified sampling is used when the researcher wants to understand the existing relationship between two groups. The researcher can represent even the smallest sub-group in the population. There are two types of stratified sampling: one is proportionate stratified random sampling and another is disproportionate stratified random sampling. In the proportionate random sampling, each stratum would have the same sampling fraction. Now, to make it proportionate, the researcher uses one specific fraction or a percentage to be applied to its subgroups of the population. The only difference is the sampling fraction in the disproportionate stratified sampling technique. The researcher could use different fractions for various subgroups depending on the type of research or conclusion he wants to derive from the population.

3.5. Sample Size

Sample size refers to the number of elements chosen from a given population (Zikmund et al., 2010). The sample size is a part of a study population that is selected from the total population in a manner that ensures every diverse possible sample of the desired size has the same chance of being

selected (Peck, Olsen, & Devore, 2009). For the aim of this study, the Yamane (1967) formula was used to pick the sample size and calculated using the following formula:

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

In this, 'n' is the sample size, 'N' is the population size, one is the constant and 'e^2' is the margin of error, which is 5% for a 95% confidence interval. Using the above-portrayed statistical formula, the sample size of the study was determined as follows.

$$n = \frac{47{,}980}{1+47{,}980\ (0.05)^2} = 397$$

Based on the above Yamane (1967) formula the sample size for this study is 397. Since four banks were targeted for this research, the sample size is divided into four. The distribution of sample size for the four commercial banks is summarized in the following table. The determined sample size is selected randomly from each strata using sample generator.

Table 3.1: Number of targeted commercial bank's staffs and sample size distribution

No.	Name of Bank	The current number of branches	Number of staffs	Sample size	In %
1	Addis International Bank	68	475	99	20.84
2	Awash Bank	410	9055	99	1.093
3	Commercial bank of Ethiopia	1444	37720	100	0.265
4	Debub Global Bank	52	730	99	13.56
	Total	**1974**	**47980**	397	0.827

3.6. Source of Data and Data Collection Instruments

The primary data gathered through questionnaires from the employees of commercial Banks in Addis Ababa, which was distributed to the respondents (Department managers, Branch managers, and employees). Hence, for the principle of this study, a quantitative methodology containing a close-ended questionnaire was used as the measuring instrument. The close-ended questionnaires

can be administered to groups of people concurrently since they are less expensive and less time-consuming than other measuring instruments. Three separate survey instruments, namely multifactor leadership questionnaire (MLQ), Minnesota Satisfaction Questionnaire (MSQ), and organizational commitment questionnaire (OCQ), were used in this research to get quantitative information on leadership qualities, employee job satisfaction, and employees' organizational commitment respectively.

3.6.1 Multifactor Leadership Questionnaire (MLQ Form 5X)

Before selecting the Multifactor Leadership Questionnaire (MLQ Form 5X) for this research, several other instruments such as Situational Leadership Questionnaire and Least Preferred Coworker (LPC) were considered as possible measurements of leadership qualities. Though these instruments measure transformational and transactional leadership behaviors, the subscales and items do not concentrate on the separation or variation of these behaviors. Instead, their emphasis is on identifying the types of leadership qualities that are most appropriate for the situation (Bass et al., 2003; Avolio et al., 2004). For these reasons, none of them considered applicable for this research.

The Multifactor Leadership Questionnaire (MLQ) has been improved and tested since 1985with the result that many versions of the questionnaires developed. It is framed from the Full Range Leadership Model consisting of transformational, transactional, and laissez-faire leadership components .According to Özaralli (2003),a multifactor leadership questionnaire is considered the best-validated measure.

Respondents were asked to judge the extent to which their leader affianced in specific behaviors measured by the MLQ. The MLQ Form 5X is self-scoring and used 41 items. To measure the MLQ a Likert scale containing five points was used; which is labeled as 1=Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree, and5= Strongly Agree. Herein, a high score indicates high effectiveness of leadership qualities perception where as a low score implies low effectiveness perception on the scale.

3.6.2. Organizational Commitment Questionnaire (OCQ)

Although there is another identically named Organizational Commitment Questionnaire (OCQ) developed by Porter et al. (1974), it does not specify a clear delineation among the types of employee commitment. Also, comments by the authors caused concern about the Allen & Meyer OCQ's usefulness as a measure of employee commitment. For these and other reasons, Allen & Meyer's (1990) OCQ was selected as the measure of employees' organizational commitment for this study.

This Organizational Commitment Questionnaire consists of three dimensions as "Affective commitment", "Continuance commitment" and "Normative commitment". The selected OCQ is a self-scoring questionnaire and the responses to each of the 24 items (8 items for each dimension) are rated using a 5-point Likert scale labeled as 1=Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree, 5= Strongly Agree. Similarly, the score shows high employees' organizational commitment perception while the low score implies low perception in the scale.

3.6.3. Minnesota Satisfaction Questionnaire' (MSQ)

The Minnesota Satisfaction Questionnaire is one of the outputs from the "Work Adjustment Project" at the University of Minnesota; the fundamental assumption of this theory is that work fit is dependent on the correspondence between the individual skills and the reinforcements that exist in the work environment (Weiss et al., 1967). The selected MSQ is a self-scoring questionnaire and the responses to each of the 20 items are rated using a 5-point Likert scale which is labeled as the above two questionnaires

3.7. Research Measures

The Variables used in measuring Full Range Leadership qualities were considered separately as independent variables. The subscales for these variables are contained in the multifactor Leadership Questionnaire (MLQ Form 5X). On the other hand, three separate measures of employee commitment were used as dependent variables. These measures are the affective commitment scale, continuance commitment scale, and normative commitment scale of the OCQ. Furthermore, Employee job satisfaction is used as an intervening variable to measure the relationship between Independent and dependent variables.

Table 3.2 Independent and dependent variables:

Independent Variables		
Instrument	**Variables**	**scales**
Multifactor Leadership Questionnaire Form 5X	Leadership Qualities	▪ Idealized Influence ▪ Inspirational Motivation ▪ Intellectual Stimulation ▪ Individual Consideration ▪ Contingent Reward ▪ Management-by-Exception (Active) ▪ Management-by-Exception (Passive) ▪ Laissez –fair
Mediating Variable		
Minnesota Satisfaction Questionnaire' (MSQ)	Employee Job satisfaction	▪ Employee Job satisfaction
Dependent Variables		
Allen &Meyer's Organizational Commitment Questionnaire	Organizational Commitment	▪ Affective Commitment ▪ Continuance Commitment ▪ Normative Commitment

Secondary data was collected from Bank's various departments like Human Resource Development and planning and Business Development departments. Additionally, in terms of the nature of this study, the researcher extensively uses relevant data from previous works of other authors in the field, such as materials like leadership quality, employee Job satisfaction and employee commitment journals, other NBE's publications which include bulletin and different websites related to the topics.

3.8. Method of Data Analysis

Depending on the aim of the study, the researcher commences the data analysis process in order to change the raw data to a relevant, valid, and meaningful summary. Following

this, the raw data were gathered and cleaned properly for further analysis. After the data is cleaned EFA (Explanatory Factor Analysis) is done to obtain the rotated component matrix, which is used as input for CFA (Confirmatory Factor Analysis). CFA is used to test the validity of the data, which is used as an input for SEM (Structural Equation Modeling). Under SEM two models were analyzed using measurement model and structural model. Finally, the structural model is used to assess the meditational effect of employee commitment. All the descriptive and inferential statistics are analyzed using SPSS v24 and AMOS v24 software.

3.9. Ethical Consideration

Since Ethical considerations in research are critical, the data collected from respondents used only for the research purpose and kept confidential. The researchers do not reveal the names of the respondents and all the respondents have participated voluntarily. The researcher also tried to give proper acknowledgment or credit for all contributors of this research.

Participants were highly advised and encouraged to give an honest and genuine answer, opinion, suggestion in the course of the study. Manuals, policy, procedures, and other relevant documents collected from selected banks kept confidential and not disclosed to the third party in any form. Generally, the data collected in a way that did not harm the participants' wellbeing and privacy.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, AND DISCUSSION

The section is structured in a manner that aids in answering each research question and research hypothesis. After collecting data using a questionnaire, this chapter presents quantitative statistics to analyze data and test hypotheses. The chapter has seven major sections. Section 4.1 tests non-response bias, section 4.2 discusses questionnaire pilot testing, section 4.3 is about the profile of the respondents, section 4.4 assesses the quality of data, section 4.5 describe factor analysis, exploratory and confirmatory factor analysis, section 4.6 discusses the meditational effect of employees employee commitment and finally section 4.7 discusses findings of empirical results.

4.1. Testing for Non-Response Bias

Likely, data might not fully collect if the instrument is a questionnaire. Test for non-response bias must be conducted if there are questionnaires distributed but not collected. The study distributed 397 and picked up 380 usable questionnaires (response rate of 95%). Therefore, there is a requirement to check for non-response rate to see if there is any mean difference between late and early respondents using independent t-test in SPSS. It is common agreement as to how many respondents to take to test for non-response bias. There was no the consensus around the number of items, which should be tested. Armstrong and Overton, (1977) used 53 of the 112 items (47%); Lambert and Harrington (1990) chose 28 of 56 original questions; whilst Yaghi (2006) used 20 of the 74 items. This study used 50% of the collected data half of which are late respondents and half of them are early respondents. The t-tests results showed that for almost all of the items (98.24%) there was no significant difference between the late and early respondents ($p > .05$) indicating that non-response bias was not a problem for the data.

4.2. Questionnaire Pilot Testing

In business research, a questionnaire is a common tool used to collect data. This questionnaire should be piloted. The pilot test aims to refine the questionnaire to ensure that respondents have no problems answering the questions. It assesses, also, the validity and reliability of the questions (Saunders et al., 2009). A pilot study should be undertaken for pre-testing the questionnaire. Based on the results of the pilot study, the questionnaire may be edited (Kothari, 2004). A pilot study was conducted before the beginning of the full study. The objectives of the

pilot study were to establish that the respondents understand the questions in the survey, to solicit feedback for improvements to the instrument. Before forwarding, the main questionnaire 30 respondents were selected to undertake the pilot test. The responses showed the general ease of completion of the questionnaire and there were no comments or improvement suggestions from the respondents. Therefore, no further adjustments were needed. Besides, a reliability test was conducted to examine the internal consistency of the instruments employed in this study.

4.2.1. Validity

Validity refers to the extent to which an instrument measures what it is supposed to measure (Bryman and Bell, 2007). A measure's validity relies on the definitions of the variable that is used to design the measure. There are different types of validity such as content, external, construct (convergent and discriminate) validity. The questionnaire was evaluated by respondents (bank managers), Ph.D. candidates, and university lecturers and they responded that the contents included in the questionnaire were good and easy to understand implying that the instrument fulfills content validity. The questionnaire has an adequate sample size to make inference about the population, as a result, it fulfills external validity of the study can generalize about the population based on the sample. Convergent and discriminant validity are assessed in the factor analysis part of this chapter.

4.2.2. Reliability

Bordens and Abbott (2014) showed that reliability related to the extent to which a test measured consistently regardless of what it measured or whether or not a test produced the same results on different occasions. The measure was reliable when respondents gave the same answer in different situations. A question might be unreliable because it contained words that could be mis-understood, and, consequently, which might cause confusion. Researchers use multiple-item indicators to create reliable indicators. The values of Cronbach's alpha ranged from zero (observed items are not consistent) to one (they completely correlate). This means that internal consistency will be acceptable if Cronbach's alpha is high (George and Mallery, 2003). Hair et al. (2010) reported that Cronbach's alpha ought to be equal to or above 0.70 or 0.60.

In order to achieve Cronbach's alpha, the study may use a smaller sample (Ahmed 2014). Therefore, 30 initial questionnaires were delivered to and collected from Ethiopian banks in order to obtain some assessment related to the questions' reliability and validity, 25 usable questionnaires were returned (a response rate of 83.3 %.). This was an acceptable response rate according to Saunders et al. (2009) who recommended that a 30% response rate was reasonable

for questionnaires delivered and collected for a pilot test. This study used the following three criteria to evaluate reliability: First, Cronbach's alpha ought to be above 0.70 (Hair et al., 2010). Second, corrected item-total correlations ought to be retained if the value not less than 0.35 (Netemeyer et al., 2003). Correlated item-total correlations should not be less than 0.3 (Bernstein, 1994). This value revealed the extent to which, within a scale, an item correlated with the other items. It was employed to determine the items that ought to be retained on a scale to support construct validity. For better reliability, this study used 0.35 as a cutoff point. Third, the inter-item correlation should not exceed 0.8 for all pairs of items (Bernstein, 1994).

As can be seen in Table 4.1 shows that the measure of II began with 9 items. 2 Items were dropped because its correlated item-total correlations for IIQ1 and IIQ9 were 0.308 and 0.305 respectively, which is below 0.35. Hence, using 7 items Cronbach's alpha for II was 0.768. ES began with 20 items, of which 5 were dropped because their correlated item-total correlations were below 0.35 as a result; Cronbach's alpha for ES was increased to 0.904. IM, IS, IC, MEA, MEP, LF, AC, CC, NC, and LQ retained all of their items since their items satisfied all criteria.

Table 4.1 Instrument Reliability

Constructs	Cronbach's Alpha Before	No. of Items Proposed	No. of items dropped	No. items retained	Cronbach's Alpha After
Inspirational Motivation (IM)	0.803	5		5	0.803
Idealized Influence (II)	0.772	9	2	7	0.768
Intellectual Stimulation (IS)	0.835	5		5	0.835
Individual Consideration (IC)	0.805	6		6	0.805
Contingent Reward (CR)	0.855	5		5	0.855
Management Exception-Active (MEA)	0.85	4		4	0.85
Management Exception-Passive (MEP)	0.821	4		4	0.821
Laissez-Faire (LF)	0.818	6		6	0.818
Employee Satisfaction (ES)	0.875	20	5	15	0.904
Affective Commitment (AC)	0.824	8		8	0.824
Continuance Commitment (CC)	0.813	8		8	0.813
Normative Commitment (NC)	0.76	8		8	0.76
Leadership Qualities (LQ)	0.83	8	1	7	0.837

4.3. Description of Profile of the Respondents

The findings in Table 4.2 below revealed that nearly 67.4 percent of bank managers holding the position at branch levels was male. Most of the respondents (77.6 %) possessed an undergraduate degree. The majority of the respondents have had 6 years and above experience.

Table 4.2 Respondents Description

Variable	Category	Frequency	Percentage (%)
Gender	Male	256	67.4
	Female	124	32.6
	Total	380	100
Education Level	Diploma	12	3.2
	Degree	295	77.6
	Masters	72	18.9
	Ph.D. and above	1	0
	Total	380	100
Experience	0-2yrs	10	3
	3-5yrs	122	32
	6-10yrs	180	47
	11-15yrs	43	11
	16-20yrs	17	4
	21 and above	8	2
	Total	380	100

4.4. Data Analysis: Assessing the Quality of Data

4.4.1. Assessing the Sample Size

The researcher adopted Exploratory Factor Analysis (EFA); Confirmatory Factor Analysis (CFA) to reach the final research results. The sample size affected the accuracy of all the statistical estimates. Many researchers suggested rules of thumb for sample size minimums , which relied on the number of measured variables. For example, the cases/parameter ratio should

be 5:1 (Bentler and Chou, 1987; Kline, 2011), 10 or 15: 1 (Garson, 2009). The sample size should involve at least 100 to 200 cases in order to conduct structural equation modeling (Loehlin, 2004). The cases/parameter ratio was 5.37: 1, which is almost 5:1, and it is in between 5:1 and 10:1 plus the sample size used for this study was 380 which are suitable for performing the EFA; the CFA; and the structural model.

4.4.2. Assessing Common Method Bias

Common method bias assumes that a single factor explains the majority of the variance. Researchers rely on the same respondent who provides information about all the variables (Podsakoff et al,2012). Common method bias is a problem because it is considered to be the main source of measurement error which has a negative effect on the validity of the measure (Podsakoff et al,2003). Due to the method bias, correlations are inflated (Meadeet al, 2007). This study investigated this method because of using one questionnaire to measure all constructs. The unrotated factor analysis showed that the first factor accounted for 17.32% of the total variance. Therefore, the results suggested that there were no common variable since its value was not above 50% (Podsakoff et al, 2012) to threaten the data to be analyzed further (see Table 4.3).

Table 4.3 Total Variance Explained

Total Variance Explained Initial

Component	Initial Eigen values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.967	17.319	17.319	7.967	17.319	17.319
2	6.621	14.394	31.713	6.621	14.394	31.713
3	2.695	5.858	37.571	2.695	5.858	37.571
4	2.149	4.673	42.244	2.149	4.673	42.244
5	1.969	4.280	46.524	1.969	4.280	46.524
6	1.567	3.406	49.930			
7	1.388	3.017	52.948			
8	1.287	2.797	55.745			

9	1.143	2.484	58.229				
10	1.105	2.401	60.630				
11	1.008	2.192	62.822				
12	.940	2.043	64.864				
13	.893	1.941	66.805				
14	.836	1.817	68.622				
15	.785	1.707	70.329				
16	.764	1.660	71.989				
17	.735	1.599	73.588				
18	.700	1.522	75.110				
19	.694	1.508	76.618				
20	.650	1.412	78.030				
21	.615	1.337	79.367				
22	.600	1.303	80.671				
23	.584	1.269	81.940				
24	.569	1.238	83.178				
25	.539	1.172	84.350				
26	.527	1.146	85.496				
27	.498	1.082	86.578				
28	.469	1.019	87.597				
29	.450	.978	88.575				
30	.437	.951	89.526				
31	.423	.920	90.445				
32	.415	.902	91.347				
33	.409	.888	92.235				

34	.371	.806	93.041			
35	.370	.804	93.845			
36	.355	.771	94.617			
37	.330	.717	95.333			
38	.313	.680	96.014			
39	.306	.665	96.679			
40	.284	.618	97.297			
41	.259	.564	97.860			
42	.252	.547	98.408			
43	.224	.488	98.895			
44	.207	.450	99.345			
45	.198	.430	99.775			
46	.103	.225	100.000			

Extraction Method: - Principal Component Analysis.

4.4.3. Assessing Missing Data

In social science research, missing (or incomplete) pieces of data are a common problem. There are many reasons for the occurrence of missing data that, usually, are beyond the researcher's control. As an example, the respondent forgot to answer some items in the questionnaire, and he/she was absent on the day of data collection or some questions were sensitive for the respondent or missing data might occur because the questionnaire is too long. On the other hand, missing data may cause the following two negative effects on the research results: (1) it may produce biased estimates' and (2) it reduces the model's fit (Ahmed 2014). Hair et al, (2010) reported that variables or cases ought to be omitted if they had 50% or more missing data. Therefore, the researcher omitted 7 cases. The number of responses was reduced from 383 to 380 usable questionnaires; these were more than enough for EFA, CFA, and path analysis.

4.4.4. Assessing outliers

Outliers are extreme values that are either on one or a set of variables (Tinsley and Brown, 2000). Outliers can cause negative effects on data analysis. For example, data can contain Collinearity and non-normality can lead to negative variance estimates (Brown, 2006). These effects can deform statistical results that cannot be generalized. Outliers can occur as "a result of an error in the data file (e.g., entry of an incorrect value), a programming error (e.g., an error in recoding or transforming variables or a failure to identify missing data values correctly), or the presence of a valid but exceptional data point" (Tinsley and Brown, 2000). Outliers can be univariate related to cases with an extreme value on a single variable or these values exist in cases of two or more variables (multivariate outliers) (Kline, 2005). In order to find univariate outliers, the researcher used the frequency distributions of z scores. If the Z score is greater than 3.29 with $p < .001$, it indicates that there is a univariate outlier (Tinsley and Brown, 2000). Accordingly, based on the previous rule, there were no outlier cases in this study.

4.4.5. Assessing Multi-collinearity Assumption

Multi-collinearity refers to the assumption that the independent variables are uncorrelated. The researcher is able to interpret regression coefficients as the effects of the independent variables on the dependent variables when Collinearity is low. This means that we can make inferences about the causes and effects of variables reliably. Multi-collinearity occurs when several independent variables correlate at high levels with one another, or when one independent a variable is a near-linear combination of other independent variables. The more variables overlap (correlate) the less able researchers can separate the effects of variables (Keith, 2006). If this the assumption is not satisfied, autocorrelation is present. Multi-collinearity can result in misleading and unusual results, inflated standard errors, reduced the power of the regression coefficients that create a need for larger sample sizes (Jaccard et al., 2006; Keith, 2006). A widely used technique of identifying the existence of multi-collinearity is calculating variance inflation factor (VIF) between all independent variables. The VIF is an index of the amount that the variance of each regression coefficient is increased over that with uncorrelated independent variables (Keith, 2006). When a predictor variable has a strong linear association with other predictor variables, the associated VIF is large and is evidence of multi-collinearity (Shieh, 2010). A rule of thumb of Collinearity VIFs is 3.3 or lower to suggest no multi-collinearity in the model (Kock, 2013). As can be seen in Table

4.4, the study calculated VIF for all independent variables in SPSS and the results revealed that all of the VIF results are below the threshold of 3.3 indicating there is no multi-collinearity problem for the data.

Table 4.4 Statistics of Multicollinearity Test

No.	Independent Variable	Collinearity Statistics	
		Tolerance	VIF
1	IM	.721	1.387
2	II	.488	2.048
3	IS	.714	1.401
4	IC	.483	2.072
5	CR	.784	1.275
6	MEA	.382	2.619
7	MEP	.482	2.073
8	LF	.389	3.289
a. Dependent Variable: Affective Commitment			

4.4.6. Assessing Normality Assumption

Normality focuses on the extent to which the sample data distributes according to normal distribution (Hair et al., 2010). The researcher used skewness and kurtosis to evaluate the normality of the observed items. Skewness is "a measure of the asymmetry of the probability distribution of a real-valued random variable". On the other hand, kurtosis refers to "the peaked or flatness of the distribution compared to the normal distribution" (Landau and Everitt, 2003). Values of skewness can be positive, negative, or zero. Skewness value, which is zero, indicates a perfectly symmetrical distribution, whilst a positive skewness value indicates that the tail on the right side is longer. On the contrary, a negative value refers to left-tailed. On the other hand, a kurtosis value is zero for normal distributions, whilst it is negative for flat distributions (low kurtosis) and a positive value for peaked distributions (high Kurtosis). As a rule of thumb, the values of skewness and kurtosis should be between -1 and +1 in order to obtain a reasonably a normal distribution (Bachman, 2004). The study examined the indicators' univariate kurtosis and skewness and the values of skewness and kurtosis were well within their respective rule-of thumb

ranges (between -1 and 1) which provided support for univariate normality (see in the appendix B).

4.5. Data Analysis: Factor Analysis

Factor analysis is the oldest and best-known statistical technique for explaining the relationship between a set of observed and construct variables (Tinsley and Brown, 2000; Byrne, 2010). Factor analysis can be used for different purposes. Firstly, through calculating the factor loading, factor analysis can be employed for evaluating the validity of measurements. Secondly, factor analysis can be used to confirm or develop a theory through investigating the observed variables that belong to latent ones (unobserved variables). Thirdly, factor analysis is used to produce a smaller group of latent variables which consist of a larger set of observed variables (manifest variables) (Thompson, 2004; Albright and Park, 2009; Field, 2009).

Factor analyses are divided into two types. Firstly, Exploratory Factor Analysis (EFA) is described as the early stages of research to discover the interrelationships between a set of observed variables (Carrington, 2009). EFA is designed to explore the relationship between observed and latent variables when this relationship is uncertain or unknown. Therefore, it aims to determine the degree to which the observed variables are linked to their fundamental factors (latent variables). It is designed only to suggest and not to confirm groups or dimensions. Secondly, Confirmatory Factor Analysis (CFA) is a more complex set of techniques than EFA which is used to confirm specific hypotheses when the researcher knows that these measures correlate with the latent variable (Carrington, 2009). Based on a theory, the researcher suggests relationships (hypothesized structure) between the observed items and their factors that are tested statistically (Byrne, 2010).

4.5.1. Exploratory Factor Analysis (EFA)

EFA aims to obtain a set of dimensions (factors) that explain the structure of the interrelationships (correlations) between items that should relate to each other for the purpose of producing an appropriate structure model (Hair et al., 2010). The EFA's primary objectives are to find the factors, which consist of a set of measures; to discover the strength of the relationship between each factor and each observed measure; and to reduce a data set to a more manageable size whilst retaining as much of the original information as possible (Field, 2009). Using SPSS version 24, this study performed EFA and reliability analysis.

According to the results of the univariate analysis, which mentioned all univariate kurtosis and skewness values and supported the univariate normality, the researcher used the principal components method for factor extraction and used Variamax rotation to carry out factor interpretation.

There were, also, two SPSS generated statistical measures to evaluate the factorability of the data. These were Kaiser-Meyer-Olkin (KMO); and Bartlett's Test of Sphericity (Pallant, 2003). The KMO measure of overall sampling adequacy assesses the degree to which indicators are valid or appropriate for factor analysis. A KMO value is between 0 (Factor analysis is likely to be inappropriate) and 1 (Factor analysis yield reliable factors). Kaiser (1974) recommended that the KMO value might be excellent, great, good, middling, and unacceptable (above 0.9, between 0.8 and 0.9, between 0.7 and 0.8, between 0.5, 0.7, and less 0.5, respectively). In this study, Table 4.5 showed that KMO was 0.918 (excellent) indicating that this data was suitable for conducting factor analysis or this sample was factorable. Moreover, Bartlett's test of Sphericity tests a null hypothesis; this supposed that the population correlation matrix was an identity matrix. This test depended on the assumption of normality that was proved above. Table 4.5 reported that Chi-Square was 6086.969 with ($df = 1275$, $p<0.001$) which means that variables were related to one another. Therefore, the study was able to continue to complete the remaining steps of the factor analysis.

Table 4.5 KMO and Bartlett's Test

KMO and Bartlett's Test Initial		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.859
Bartlett's Test of Sphericity	Approx. Chi-Square	7676.196
	df	1035
	Sig.	0.000

4.5.1.1. Factor Extraction

Factor extraction is concerned with finding "the smallest numbers of factors that can be used to best represent the inter-relations among the set of variables" (Pallant, 2003). The two methods for this issue are as follows.

4.5.1.2. Communality

For any variables, the variances can be divided into two components. These are called common variances that are shared with other variables and the unique variance that is specific to that measure. The communality was interested in common variances (Field, 2009). Therefore, the communality related to how much of the variance in the variables had been explained or was accounted for by the extracted factors. Through the common source with others, the communality estimates a part of the variance in a variable. Low communality (below .5) may lead to its variable being omitted (Thompson, 2004). The principal component analysis starts with 51variables and common factors. Initially, it assumes that all variances are common. Hence, the communalities equal 1 before extraction. This means that there are common factors that, after extraction, represent the common variance in the data structure. The communalities after extraction represented the amount of variance in each variable that could be explained by the retained factors. All the variables in the data were above 0.5 indicating high communality (see in appendix B).

4.5.1.3. Factor Rotation

Table 4.6 contains the rotated factor loadings that related to the correlations between each item and its construct. The loadings reflect the strength of the relationship between a scale item and a particular construct or factor. The higher the loading, the better the representation that particular item has on the factor. Hair et al., (2006) recommended that factor loadings greater than 0.30 are the minimum requirement; loadings of 0.40 are considered more important; and loadings of 0.50 or greater is considered significant. Based on this guideline, items that have factor loadings of lower than 0.50 should be discarded to get items more representatives for their respective factors. The researcher used the options blank (0.50) to let SPSS print only the values greater than 0.50 (Field, 2005). In summary, the EFA results in five factors namely ES, LQ, NC, CC, and AC, consisting of 7, 3, 6, 5, and 3 questions respectively.

Table 4.6 Rotated Factor Loadings

Rotated Component Matrix[a]					
	1	2	3	4	5
ESQ10	.744				
ESQ8	.743				
ESQ6	.721				
ESQ11	.699				
ESQ5	.699				
ESQ9	.690				
ESQ12	.683				
ESQ15	.681				
ESQ7	.657				
ESQ1	.637				
ESQ14	.627				
ESQ2	.613				
ESQ16	.612				
ESQ3	.579				
LF		.876			
MEA		.821			
II		.789			
IC		.759			
MEP		.715			
NCQ4			.692		
NCQ3			.662		
NCQ5			.640		
NCQ6			.592		
NCQ2			.551		
NCQ8			.544		
NCQ1			.525		
CCQ3				.811	

CCQ4				.789	
CCQ2				.765	
CCQ5				.599	
CCQ1				.571	
ACQ6					.741
ACQ7					.654
ACQ5					.650
ACQ8					.552
ACQ9					.548
Extraction Method: Principal Component Analysis.Rotation Method: Varimax with Kaiser Normalization. a. Rotation converged in 5 iterations.					

4.5.2. Confirmatory Factor Analysis

There are broad ranges of analytical tools available to analyze quantitative research results. As a second-generation data analysis technique, structural equation modeling (SEM) stands out by offering benefits not provided by first-generation statistical techniques such as correlation analysis, exploratory factor analysis, multiple regression, discriminant analysis, analysis of variance or logistic regression (Bagozzi and Yi 2012; Haenlein and Kaplan 2004). SEM has the ability to evaluate latent variables in the measurement model and simultaneously test multiple relationships of latent variables in the structural model. Factor analysis and hypotheses are tested in the same analysis, hence providing a more rigorous analysis of the proposed research model (Gefen et al, 2000).

After identifying the underlying structure using exploratory factor analysis with a method of principal component analysis, confirmatory factor analysis (CFA) through structural equation modeling (SEM) was used to assess construct validity through model fit indices (Tabachnick and Fidell, 2007). CFA demands the presence of a theoretical framework, and an a priori theory the based assumption that defines how each variable loads on each factor and vice versa (Byrne 2001). CFA examines the link between factors and their measured variables. Hence, CFA represents what is termed a measurement model (Byrne, 2001). The measurement model is then evaluated for its ‘goodness of fit to the sample data by statistical means (Byrne, 2001). Structural equation modeling (SEM) is defined as “a statistical method that takes a confirmatory

(i.e., hypothesis-testing) approach to the analysis of a structural theory bearing on some the phenomenon". This theory represents "causal" processes that generate observations on multiple variables (Byrne, 2010). SEM aims to test the relationships between one or more independent and dependent variables by assessing the extent to which the hypothetical constructs are suitable or fit with the obtained data. These variables may be measured (manifest or observed) or latent. The observed variable, such as income, heart rate, or weight, is measured directly whilst the latent variable is not measured directly but through two or more observed variables, for instance, buying behavior or personality (Kline, 2005). This study conducted an SEM process using Analysis of Moment Structures (AMOS) version 24.0 for both measurement and structural models.

4.5.2.1. Measurement Model

The main purpose of using SEM to assess the measurement model is to find the most the parsimonious model which is well-fitting and valid. A measurement model is employed to evaluate construct validity in terms of convergent and discriminant validity to discover the extent to which the measures have adequate internal consistency by conducting the necessary tests and the acceptance levels for the goodness of fit. The full structural model will then only be valid and reliable when the measurement model is based on theory and well-defined constructs, so that the the subsequent structural model is based on a solid theoretical foundation (Paschke, 2009).

Construct Validity

Once the factor structure underlying each of the theorized research constructs was determined through EFA, it was necessary to assess construct validity further through CFA before assessing the structural model and testing the research hypotheses (Byrne, 2010; Hair et al, 2010). A a critical consideration in using the CFA is the sample size. A sample size above 200 is generally considered 'good' (Hair et al, 2010). Since the valid sample size for this study is 229, it meets the requirement.

Construct validity assesses the extent to which a set of measured items reflect the underlying factor model that those items are designed to measure (Hair et al, 2010). The construct validity focuses on the measurement of individual constructs. Two construct validity assessments convergent and discriminant were tested. The tests were undertaken for the full

measurement model (Lewis et al, 2005). This section provides an overview of convergent and discriminant validity and reports the results of the construct validity of the measurement model.

Convergent Validity

Convergent validity measures whether items of the same variable or construct measure the same thing and, therefore, reveal correlations to each other. In CFA, convergent validity measures whether items of the same latent factor share a proportion of variance (Hair et al, 2006). Convergent validity is, therefore, a direct measure of the extent of the relationship between an observed variable and a latent construct. According to Holmes- Smith (2007), convergent validity is achieved when this relationship, represented by factor loadings, is significantly different from zero. To assess the statistical significance of the factor loading, critical ratios and p-values were calculated for each factor loading. Critical ratios outside the -1.96 to +1.96 z-value range and p-values below $p<0.05$ indicate factor loadings that are significantly different from zero. This statistical test of the significant factor loading is the key criterion in assessing factor validity (Holmes-Smith, 2007).

Furthermore, regression weights, standardized regression weights, and squared multiple correlations (SMC) can be calculated to assess convergent validity. Standardized regression weights should be above 0.5, with values of above 0.7 optimal (Hair et al, 2006). SMC is squared standardized factor loadings and represent the extent to which a measured variable's variance is explained by a latent factor (Hair et al, 2006). SMC can also be used to assess the item reliability. An SMC between 0.3 and 0.5 indicates that the item is a weak but adequate measure of the construct (Holmes-Smith, 2007). An SMC of 0.5 calculates to a standardized loading of 0.7, which indicates that the item reflects the construct very well (Hair et al, 2006; Holmes Smith, 2007).

Discriminant validity

Discriminant validity measures to what extent latent variables differ from each other. In contrast to convergent validity, which is a measure within latent variables, discriminant validity is a measure between variables. Discriminant validity can be assessed based on correlations between different constructs. High correlations (above 0.8 or 0.9) between constructs indicate a lack of discriminant validity (Holmes-Smith 2007). In addition to model fit statistics, discriminant validity measures will be presented for the measurement model.

Goodness of Fit

Whether a measurement model is considered valid is dependent on the goodness of fit (GOF) indices. GOF indices indicate how well the model reflects the data, in other words, how well the the specified model reproduces the covariance matrix among the indicator items (Hair et al. 2006). There are various GOF indicators, although usually only a couple of which are reported. Generally, GOF indicators can be grouped into three categories: absolute measures, incremental measures and parsimonious fit measures. To ensure rigor in the empirical assessment, as suggested in the literature (Ho, 2006; Kline, 2005) multiple GOF indices are used. The literature is divided over the number of fit indices that should be reported (e.g. Kline (2005) suggests at least four), which fit indices are most appropriate, as well as the acceptable cut-off threshold (Hair et al, 2006; Kline, 2005).This study follows the advice by Weston and Gore, (2006); MacCallum and Austin, (2000); and McDonald and Ho, (2002) and presents the following fit indices: chi-square, normed chi-square, RMSEA, RMR, and CFI.

Table 4.7 Category of GOF Indices

Measure	GOF indices	Description	Cut off for good fit
Chi-Square (X^2)	Chi-Square (X^2)	Assess overall fit and the discrepancy between the sample and fitted covariance matrices. Sensitive to sample size.	p-value> 0.05
	Degrees of freedom	Covariance in the observed matrix less the number of estimated coefficients	
	Probability statistic (p-value)	The probability that the observed and estimated covariance matrices are equal	
(A)GFI	(Adjusted) Goodness of Fit	GFI is the proportion of variance accounted for by the estimated population covariance. Analogous to R^2. AGFI favors parsimony.	GFI ≥ 0.90 AGFI ≥0.90
(N)NFI TLI	(Non) Normed Fit Index and Tucker Lewis Index	An NFI of .95 indicates the model of interest improves the fit by 95% relative to the null model. NNFI is preferable for smaller samples. Sometimes the NNFI is called the Tucker Lewis index (TLI)	NFI ≥ 0.90 NNFI ≥ 0.95

CFI	Comparative Fit Index	A revised form of NFI.Not very sensitive to sample size. Compares the fit of a target model to the fit of an independent, or null, model.	CFI ≥.90
RMSEA	Root Mean Square Error of Approximation	A parsimony-adjusted index. Values closer to 0 represent a good fit.	RMSEA < 0.08
(S)RMR	(Standardized) Root Mean Square Residual	The square-root of the difference between the residuals of the sample covariance matrix and the hypothesized model. If items vary in range (i.e. some items are 1-5, others 1-7) then RMR is hard to interpret, better to use SRMR	SRMR <0.08

Based on different previous researches and researchers' goals, the researcher develops the full confirmatory factor analysis measurement model as shown in figure 4.2 below. The analysis of SEM begins with the model shown below. Using AMOS software the Goodness of Fit indices are obtained and summarized in Table 4.8. The result reveals that the proposed measurement model is **inadmissible**.

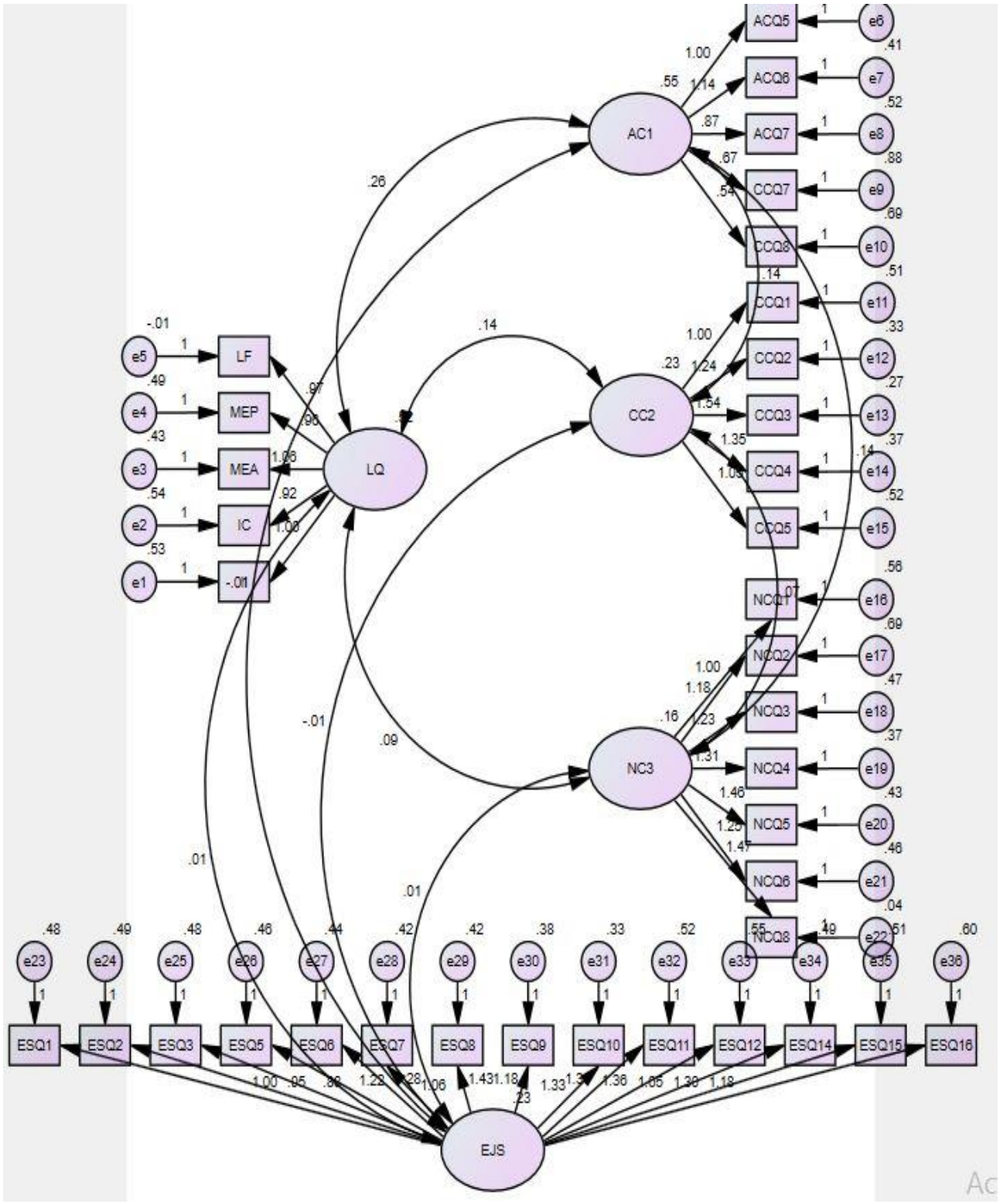

Figure 4.1The complete CFA measurement Model (Source Researchers AMOS output)

Table 4.8 Statistics for Proposed CFA Measurement Model

Initial Iteration							
Chi-Square		Absolute Fit Indices		Incremental Fit Indices		Parsimony Fit Indices	
X2	1309.193	RMSEA	0.057	CFI	0.877	PCFI	0.813
Df	584	RMR	0.048	IFI	0.878	PNFI	0.74
X2/Df	2.242	CMIN/DF	2.242	TLI	0.867	GFI	0.832
*****=p<0.001, **=p<0.01, *=p<0.05** **Rows with blank space indicate indicator is set as default**							
Item <--- Variable	Estimate	S.E.	C.R.	P	SMC	Comments	
II <--- LQ	0.706				0.498	Convergent Validity Holds	
IC <--- LQ	0.67	0.07	13.132	***	0.447	Convergent Validity Holds	
MEA <--- LQ	0.759	0.071	14.874	***	0.575	Convergent Validity Holds	
MEP <--- LQ	0.703	0.07	13.777	***	0.493	Convergent Validity Holds	
LF <--- LQ	1.009	0.052	18.554	***	1.019	Convergent Validity Holds	
AC5 <--- AC1	0.754				0.573	Convergent Validity Holds	
AC6 <--- AC1	0.796	0.083	13.716	***	0.634	Convergent Validity Holds	
AC7 <--- AC1	0.672	0.073	11.964	***	0.446	Convergent Validity Holds	
CC7 <--- AC1	0.47	0.081	8.394	***	0.221	Convergent Validity doesn't Hold	
CC8 <--- AC1	0.433	0.07	7.729	***	0.189	Convergent Validity doesn't	

						Hold
CC1 <--- CC2	0.56				0.313	Convergent Validity doesn't Hold
CC2 <--- CC2	0.722	0.125	9.934	***	0.519	Convergent Validity Holds
CC3 <--- CC2	0.821	0.146	10.548	***	0.677	Convergent Validity Holds
CC4 <--- CC2	0.73	0.134	9.995	***	0.534	Convergent Validity Holds
CC5 <--- CC2	0.575	0.121	8.6	***	0.331	Convergent Validity doesn't Hold
NC1 <--- NC3	0.421				0.22	Convergent Validity doesn't Hold
NC2 <--- NC3	0.424	0.2	5.676	***	0.242	Convergent Validity doesn't
NC3 <--- NC3	0.599	0.209	6.75	***	0.336	Convergent Validity doesn't Hold
NC4 <--- NC3	0.717	0.225	7.187	***	0.418	Convergent Validity Holds
NC5 <--- NC3	0.689	0.237	7.1	***	0.438	Convergent Validity Holds
NC6 <--- NC3	0.5	0.19	6.213	***	0.448	Convergent Validity Holds
NC8 <--- NC3	0.46	0.233	5.946	***	0.904	Convergent Validity Holds
ES1 <--- EJS	0.571				0.326	Convergent Validity doesn't Hold

ES2 <--- EJS	0.547	0.108	8.817	***	0.3	Convergent Validity doesn't Hold
ES3 <--- EJS	0.521	0.104	8.49	***	0.271	Convergent Validity doesn't Hold
ES5 <--- EJS	0.658	0.122	10.047	***	0.432	Convergent Validity Holds
ES6 <--- EJS	0.684	0.125	10.313	***	0.468	Convergent Validity Holds
ES7 <--- EJS	0.62	0.11	9.648	***	0.384	Convergent Validity doesn't Hold
ES8 <--- EJS	0.731	0.133	10.763	***	0.535	Convergent Validity Holds
ES9 <--- EJS	0.681	0.115	10.28	***	0.463	Convergent Validity Holds
ES10 <--- EJS	0.744	0.122	10.883	***	0.554	Convergent Validity Holds
ES11 <--- EJS	0.681	0.135	10.288	***	0.464	Convergent Validity Holds
ES12 <--- EJS	0.662	0.135	10.088	***	0.438	Convergent Validity Holds
ES14 <--- EJS	0.589	0.113	9.3	***	0.347	Convergent Validity doesn't Hold
ES15 <--- EJS	0.658	0.129	10.052	***	0.433	Convergent Validity Holds
ES16 <--- EJS	0.592	0.127	9.341	***	0.351	Convergent Validity doesn't Hold

Source: researcher Amos output

As can be seen in Table 4.8 above, the model fit indices shows, the value of X2/DF is 2.242 which is in the acceptable range (between 1 and 5), RMSEA has a value of .057 which is in the acceptable range (below .08/.1), RMR is .048 which is in the acceptable range (below .09). CFI, TLI and IFI values are .877, .878, and .867 respectively and all of these values almost fall within the acceptable range (above .90). The values of PCFI and PNFI are .813 and .74 respectively and both fall within the acceptable range (above .5). All standardized regression weights (estimates) are significant at a p-value of below 0.001(as described in ***). The critical ratios of the factor loadings are all significantly different from zero (above 1.96). Standardized regression weights (estimates) are expected to be above .5, but two items (NC1, NC2, CC1, and CC8 are below it. On top of that, to satisfy convergent validity squared multiple correlations (SMC) are not expected to be below .4 and the model shows that the SMC values for CC7, CC8, CC1, NC1, NC2, NC3, ES1, ES2, ES3, ES7, ES14, and ES16 are also lower than the 0.4 thresholds, suggesting a problem of item reliability and convergent validity. Hence, the proposed full measurement model needs to be re-specified. To re-specify the proposed model, CC7, CC8, CC1, NC1, NC2, NC3, ES1, ES2, ES3, ES7, ES14, and ES16 were deleted from the model and the Amos regression was run. As can be seen in Table 4.9, the correlations of all the latent variables are below the threshold of .8, indicating the existence of discriminant validity.

Table 4.9 Statistics of Discriminant Validity of Proposed Measurement Model

Initial Iteration		
Constructs	Correlation	Comments
LQ <--> AC	0.485	Discriminant Validity Holds
LQ <--> CC	0.402	Discriminant Validity Holds
LQ <--> NC	0.323	Discriminant Validity Holds
LQ <--> EJS	0.041	Discriminant Validity Holds
AC <--> EJS	-0.02	Discriminant Validity Holds
CC <--> EJS	-0.054	Discriminant Validity Holds
NC <--> EJS	0.072	Discriminant Validity Holds
AC <--> CC	0.389	Discriminant Validity Holds
AC <--> NC	0.485	Discriminant Validity Holds
CC <--> NC	0.359	Discriminant Validity Holds

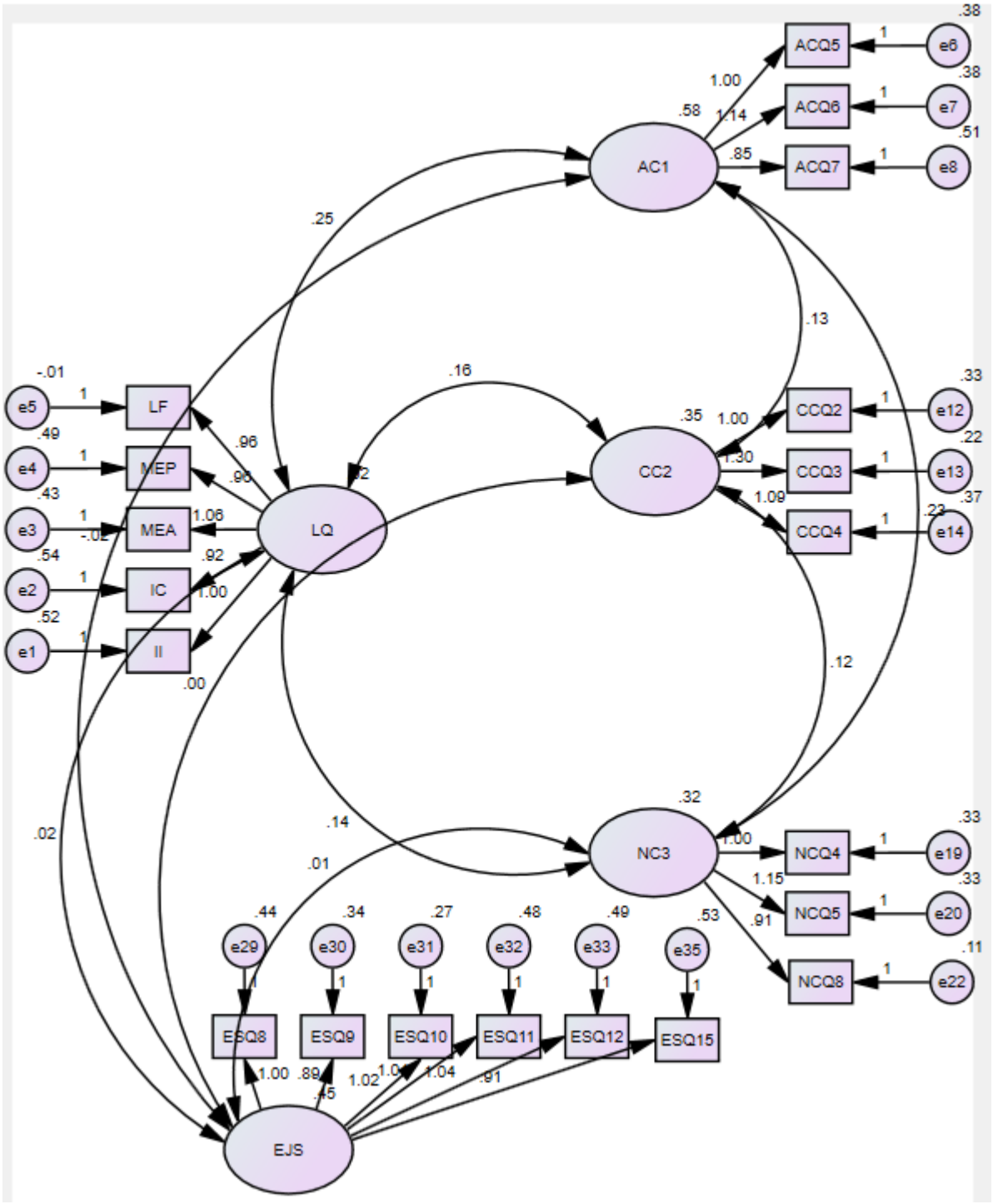

Figure 4.2Re-specified Structural Model (source: researcher Amos output)

Table 4.10 Statistics of Final CFA Measurement Model

After Variable Deleted							
Chi-Square		Absolut Fit Indices		Incremental Fit Indices		Parsimony Fit Indices	
X2	312.22	RMSEA	0.05	CFI	0.956	PCFI	0.805
Df	160	RMR	0.041	IFI	0.956	PNFI	0.77
X2/Df	1.951	CMIN/DF	1.951	TLI	0.948	GFI	0.922
*****=p<0.001, **=p<0.01, *=p<0.05** **Rows with blank space indicate indicator is set as default**							
Item <--- Variable	Estimate	S.E.	C.R.	P	SMC	Comments	
II <--- LQ	0.708				0.501	Convergent Validity Holds	
IC <--- LQ	0.672	0.07	13.176	***	0.452	Convergent Validity Holds	
MEA <--- LQ	0.762	0.071	14.932	***	0.58	Convergent Validity Holds	
MEP <--- LQ	0.704	0.069	13.795	***	0.495	Convergent Validity Holds	
LF <--- LQ	1.006	0.052	18.558	***	1.012	Convergent Validity Holds	
AC5 <--- AC1	0.776				0.603	Convergent Validity Holds	
AC6 <--- AC1	0.815	0.083	13.684	***	0.664	Convergent Validity Holds	
AC7 <--- AC1	0.67	0.071	12.025	***	0.449	Convergent Validity Holds	
CC2 <--- CC2	0.718				0.515	Convergent Validity Holds	
CC3 <--- CC2	0.853	0.1	12.966	***	0.727	Convergent Validity Holds	
CC4 <--- CC2	0.727	0.088	12.403	***	0.529	Convergent Validity	

						Holds
NC4 <--- NC3	0.703				0.494	Convergent Validity Holds
NC5 <--- NC3	0.749	0.093	12.394	***	0.56	Convergent Validity Holds
NC8 <--- NC3	0.835	0.07	12.9	***	0.697	Convergent Validity Holds
ES8 <--- EJS	0.71				0.504	Convergent Validity Holds
ES9 <--- EJS	0.715	0.071	12.638	***	0.512	Convergent Validity Holds
ES10 <--- EJS	0.798	0.074	13.91	***	0.637	Convergent Validity Holds
ES11 <--- EJS	0.711	0.083	12.564	***	0.505	Convergent Validity Holds
ES12 <--- EJS	0.706	0.083	12.479	***	0.498	Convergent Validity Holds
ES15 <--- EJS	0.641	0.08	11.4	***	0.411	Convergent Validity Holds

Table 4.10 reveals that all the model fit indices are within the acceptable range and all observed variables have convergent validity. As can also see from table 4.11, all the latent variables correlation is below 0.8 indicating the existence of discriminant validity. Consequently, the overall model fit was acceptable.

Table 4.11 Statistics of Discriminant Validity of Final Measurement Model

After Variable Deleted		
Constructs	Correlation	Comments
LQ <--> AC	0.455	Discriminant Validity Holds
LQ <--> CC	0.373	Discriminant Validity Holds
LQ <--> NC	0.346	Discriminant Validity Holds
LQ <--> EJS	0.044	Discriminant Validity Holds
AC <--> EJS	-0.04	Discriminant Validity Holds
CC <--> EJS	-0.012	Discriminant Validity Holds
NC <--> EJS	0.028	Discriminant Validity Holds
AC <--> CC	0.29	Discriminant Validity Holds
AC <--> NC	0.544	Discriminant Validity Holds
CC <--> NC	0.363	Discriminant Validity Holds

Final Reliability

Once all the measurement factors underlying the research constructs have been empirically derived and validated, the instrument is checked for reliability before proceeding with the structural model (Lewis et al, 2005). Reliability assesses how consistent the items measuring a construct are and as such ensures the trustworthiness of the measurement instrument. A common statistic for evaluating reliability is the coefficient of internal consistency (Cronbach's Alpha). This statistic should be computed for each of the factors that passed all tests of validity. The recommended and widely accepted threshold in the literature is 0.7 (Hair et al, 2010). Table 4.12 provides the reliability estimates of each of the variables; they are all above 0.7, which satisfies the recommended threshold in the literature. Thus, the measurement instrument is reliable.

Table 4.12 Instrument Reliability

Constructs	Cronbach's Alpha After
Employee Satisfaction (ES) / (EJS)	0.860
Affective Commitment (AC)	0.793
Continuance Commitment (CC)	0.808
Normative Commitment (NC)	0.788
Leadership Qualities	0.868

4.5.2.2. Structural Model

Assessment of model fit in SEM is a two-step process (Hair et al, 2006). The first step involves testing the full measurement model's fit, as well as its construct validity. The goal of testing the the measurement model is to establish how well the observed variables of a hypothesized construct relate to one another. This was reported in the previous chapter and the result shows acceptable model fit and validity. However, the test of the full measurement model does not investigate the nature of the relationships between constructs beyond simple correlations. As such, a the measurement model is a means towards establishing the fit and validity of a structural model, rather than an end in itself (Hair et al, 2006). Thus, the second step in the process requires testing of the structural model, including the significance of the structural relationships. The structural model can be tested only after adequate measurement and construct validity are established, as the latter is the groundwork for the structural model. Hence, this section reports on the tests of the structural model. The validity and acceptability of the structural model can be evaluated in terms of (1) model fit, that is, GOF indices; (2) comparing factor loadings of the structural model to that of the underlying measurement model; and (3) the size, direction and significance of the estimated structural parameters. Table 4.13 provides a description of the above tests and the rule of thumb criteria for what constitutes an acceptable value based on recommendations of SEM literature.

Table 4.13 Tests for Structural Model Validity

SEM Tests	Description	Acceptable values
Structural model fit	Assesses the extent of the structural model fit of the sample data using the GOF indices used for the measurement model	See Table 4.7
Comparison of loadings of the structural model and the measurement model	Assesses closeness of the parameter loadings of the structural and measurement models	The difference in loading should be 0.05 or less
Size and significance of parameter estimates	Significance of the parameter estimates based on the corresponding p-values	$p<0.05$

Source: Hair et al. (2006)

Figure 4.3 presents the structural model, which shows the relationship between constructs or latent variables or unobserved variables that are easy to understand.

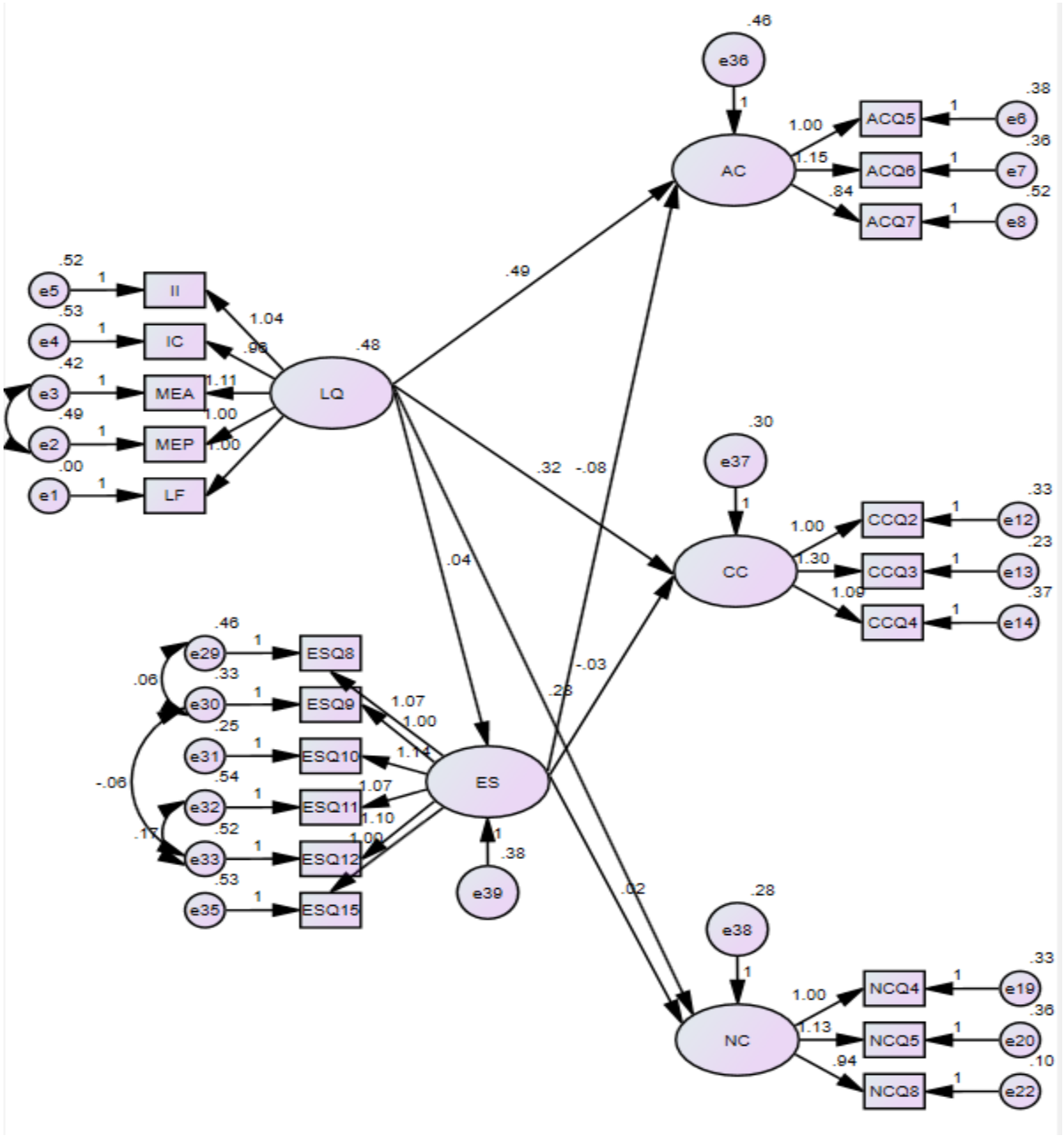

Figure 4.3 Structural Model (Source: researcher Amos output)

Support for and the acceptability of the structural model is evaluated based on the four criteria outlined in Table 4.14 First, the structural model's fit statistics are evaluated. The model fit statistics of the structural model are shown in Table 4.14.

Table 4.14 Model Fit Statistics for Structural Model

Initial Iteration							
Chi-Square		Absolute Fit Indices		Incremental Fit Indices		Parsimony Fit Indices	
X2	332.131	RMSEA	0.054	CFI	0.95	PCFI	0.795
Df	159	RMR	0.059	IFI	0.95	PNFI	0.76
X2/Df	2.089	CMIN/DF	2.089	TLI	0.94	GFI	0.92

The model's normed chi-square (X2/DF) is within the acceptable range. All the incremental fit indices also meet the threshold value of greater than 0.90 and the model is acceptable in terms of CFI, IFI, and TLI. The model's absolute fit index value is also within the recommended range in terms of RMSEA (0.054). Regarding RMR (0.059), the result is within the threshold value. Further, the model's parsimony fit indices values are acceptable in terms of PCFI and PNFI, which show relatively higher value than the corresponding measurement model. Hence, the full structural model, as indicated in Figure 4.3, is supported and accepted in terms of the selected fit indices in SEM literature.

Second, the loading estimates of the structural model are compared against the loading estimates of the corresponding measurement model. The structural model is expected to show similar or close loadings to that of the measurement model (Hair et al, 2006). In this regard, most of the loading estimates of the structural model are virtually unchanged from the measurement model. Only four standardized estimated loadings show change and the maximum change in standardized loadings are 0.022, which is not above the 0.05 limit (Hair et al, 2006). This indicates the existence of parameter stability among the measured items in the two models, which provides further support for the validity of the structural model. The comparison is shown in Table 4.15 below.

Table 4.15 Comparison for loadings of the measurement model and structural model

Item <--- Variable	Loadings from Measurement Model	Loadings from Structural Model	Loading Difference	Comment
II <--- LQ	0.709	0.71	-0.001	Similar Loading
IC <--- LQ	0.674	0.675	-0.001	Similar Loading
MEA <--- LQ	0.763	0.764	-0.001	Similar Loading
MEP <--- LQ	0.704	0.705	-0.001	Similar Loading
LF <--- LQ	1.004	1.004	0	Similar Loading
AC5 <--- AC	0.776	0.775	0.001	Similar Loading
AC6 <--- AC	0.815	0.823	-0.008	Similar Loading
AC7 <--- AC	0.67	0.661	0.009	Similar Loading
CC2 <--- CC	0.718	0.717	0.001	Similar Loading
CC3 <--- CC	0.853	0.851	0.002	Similar Loading
CC4 <--- CC	0.727	0.73	-0.003	Similar Loading
NC4 <--- NC	0.703	0.699	0.004	Similar Loading
NC5 <--- NC	0.749	0.727	0.022	Similar Loading
NC8 <--- NC	0.835	0.857	-0.022	Similar Loading
ES8 <--- EJS	0.696	0.695	0.001	Similar Loading
ES9 <--- EJS	0.731	0.731	0	Similar Loading
ES10 <--- EJS	0.812	0.812	0	Similar Loading
ES11 <--- EJS	0.665	0.666	-0.001	Similar Loading
ES12 <--- EJS	0.682	0.683	-0.001	Similar Loading
ES15 <--- EJS	0.645	0.645	0	Similar Loading

The third set of criteria for assessing the validity of the structural model is investigating the size, direction, and significance of the structural parameter estimates. Table 4.16 presents the structural path estimates and five of the seven paths are significant.

Table 4.16 Direct Effects

	Estimate	S.E.	C.R.	P	Remark
EJS <--- LQ	0.122	0.059	0.2067	0.035	Significant
AC <--- LQ	0.495	0.062	8.018	0	Significant
CC <--- LQ	0.32	0.049	6.552	0	Significant
NC <--- LQ	0.276	0.046	5.954	0	Significant
AC <--- EJS	-1.178	0.372	-3.163	0.042	Significant
CC <--- EJS	-0.032	0.056	-0.571	0.568	Not Significant
NC <--- EJS	0.017	0.053	0.321	0.748	Not Significant

4.6. Testing the Meditational Effect of Employee Satisfaction

Mediation analysis was performed to test the mediating effect on ES. This research has one major hypothesis on mediation and each major hypothesis has three sub-hypotheses for mediating effects. The effect of the independent variable X (or exogenous construct) on a mediator M is represented by a. The effect of the mediator on the dependent variable Y (or endogenous construct) is represented by b. M is regarded as a third variable or an intermediary variable in the link between X and Y (Fairchild and Mc Quillin, 2010). Therefore, the indirect the effect is a product term of a x b. While the total effect of X and Y relationship includes two parts that are the direct effect of X on Y represented by c and the indirect effect of X on Y through M (a x b). Total effect of X on Y is c' = (axb) + c.

The following procedures were conducted to analyze mediation that is explained as follows. First, it is crucial to identify the significance of the indirect effect to establish mediation and to decide between two major categories of mediation or non- mediation. Before identifying the indirect effect, the path coefficients of both direct and indirect and their significance were

estimated simultaneously by using Amos version 24. The significance of indirect effects was assessed by employing procedures.

Second, the classification of mediation or non-mediation is identified based on whether direct the effect is significant or not. The p-values for indirect effects were obtained from the bootstrap result using bias-corrected confidence intervals in Amos. Next, to determine the type of mediations or non-mediation according to the criteria listed below (Zhao et al, 2010).

1. Complementary mediation occurs if both indirect effect and direct effects are significant and have the same directions.
2. Competitive mediation occurs if indirect effects and direct effects are both significant and have opposite directions.
3. Indirect-only mediation occurs if the indirect effect is significant, but no direct effect.
4. Direct-only non-mediation occurs if the direct effect is significant, but not indirect effect.
5. No effect non-mediation occurs if both direct and indirect effects are insignificant.

Complementary mediation is known as partial mediation in Baron and Kenny's approach. While the indirect-only mediation is the same as full mediation. However, competitive mediation, direct-only non-mediation and no effect non-mediation fall under no- mediation category in Baron and Kenny's approach may cause projects to be discarded (Zhao et al, 2010).

There are several implications for the type of mediation or non-mediation established. First, when the first three cases; complementary, competitive, and indirect-only mediation occur, the data support the hypotheses for mediation. Second, in both complementary and competitive mediation, the mediator identified is consistent with the hypothesized theoretical framework, and the significant direct effect signals that there is a second possibly omitted mediator that can be examined in any future study. The sign of the direct effect signals for the sign of an omitted indirect path. Third, indirect-only mediation implies that the mediator identified is consistent with the hypothesized theoretical framework and there is no need to test for further indirect effects. The sign of the direct effect in direct only non-mediation implies that it is yet undiscovered mediators. Finally, the no-effect non-mediation is a failure for testing mediation (Zhao et al, 2010).

Table 4.17 Hypothesis Testing of the Structural Model

Hypothesis	Exogenous Variables	Mediator Variable	Endogenous Variable	Path Coefficients	P-value	Results	Type of the mediating Effect
DIRECT EFFECT							
H1	LQ		ES	0.122 (a)	0.035(*)	Supported	
H2a	ES		AC	(-1.178) (b1)	0.042	Supported	
H2b	ES		CC	(-0.032) (b2)	0.568	Not Supported	
H2c	ES		NC	0.017(b3)	0.748	Not Supported	
H3a	LQ		AC	0.495	***	Supported	
H3b	LQ		CC	0.32	***	Supported	
H3c	LQ		NC	0.276	***	Supported	
INDIRECTEFFECT							
H4a	LQ	ES	AC	(-0.131) (a*b1)	0.004(**)	Supported	Competitive Mediator
H4b	LQ	ES	CC	(-0.0039) (a*b2)	0.013(*)	Supported	Competitive Mediator
H4c	LQ	ES	NC	(0.0021) (a*b3)	0.063(*)	Not Supported	Direct Only Non-Mediation

4.7. Discussions of Empirical Findings

The discussion part of the analysis tried to answer both the very central objective of the study and the research questions that the study wants to test. The central objective of the study is to investigate effect of leadership quality on employee commitment via employee satisfaction. Further, the study answers three additional research questions. The first is to empirically test the effect of leadership quality on employee satisfaction. The second is about the direct effects of leadership quality on employee satisfaction. The third is about the direct effect of employee satisfaction on employee commitment. Consequently, the discussion part of the study is presented in four sections.

4.7.1. The effect of Leadership qualities on employee job satisfaction among selected commercial banks

H1: There is a significant and positive relationship between leadership qualities and employee job satisfaction among selected commercial banks

Using Amos version 24 analyses was done and the finding of the structural equation modeling shows that it was empirically supported. According to the results of the model, leadership qualities have positive and significant effect on employee job satisfaction. From the result, the path coefficient is about 0.122 at p-value less than 0.035. This result is consistent with most of previous studies Faizan, R., & Zehra, N. (2016), Fang, Y. (2001), and Haque, A. & Aston, J. (2016). Research results of Brown (1992) have shown that the two main types of leadership in organizations that are likely to influence the employee's job satisfaction are the transactional and the transformational one. The transactional kind of leaders are the ones who tend to act within the frame of the prevailing culture, while the transformational kind of leaders often work towards change and adaptation of the culture to their own vision. Brown (1992) has stressed that a good leader must have the ability to change those elements of organizational culture that impede the performance of a company. Ogbonna and Harris (2000) found that leadership is indirectly linked to performance, while the specific characteristics of an organizational culture (e.g. competitiveness, originality) are directly linked to it. Since the result does not support the hypothesis, **hypothesis H1 is accepted.** In addition, the rejection of hypothesis one is consistent with most of the result of other researchers.

4.7.2. Employee Job Satisfaction significant and positive on Employee Commitment among selected commercial banks

H2: There is a significant and positive relationship between Employee Job Satisfaction and Employee Commitment among selected commercial banks

Sub hypothesis are H2a, H2b, and H2c, which states that Employee job Satisfaction has a significant and positive effect on Affective Commitment, Employee Satisfaction has a significant and positive effect on Continuance Commitment, and Employee Satisfaction has a significant and positive effect on Normative Commitment. H2a has fully accepted for that it complies with the result.

Employee satisfaction has a significant and negative effect on affective commitment with a standardized path coefficient of -1.178 and p-value of 0.042. However, Employee satisfaction has insignificant and negative effect on continuance commitment inconsistent with the result of different scholars. The standardized path coefficient for the relationship between employee satisfaction and continuance commitment is -0.032 with p-value of 0.568. In addition, employee job satisfaction has insignificant positive effect on normative commitment. The relationship between employee satisfaction and normative commitment is positive with standardize path coefficient of 0.017 with p-value of 0.748. To conclude H2a, H2b, and H2c are partially accepted since one side of the hypothesis lies with the result but in general from the result, **H2 should be rejected** and the rejection of H2 is inconsistent with work of Marius, W. (2009) which states that employee satisfaction fully predicts employee commitment.

From the result, one can conclude that banks employees are committed due to the incentive they obtain not from the satisfaction from the work. In most times banks, give different incentives and additional opportunities that make the employees to be committed rather letting the employees to love and concentrate the work by itself. From the standardized path coefficient for affective commitment, it is negative and is about 117.8%, which is not possible and effective. Whereas continuance commitment has been affected by negative 3.2% by employee job satisfaction, which is too small to consider its effect and employee job satisfaction has only 1.7% effect on normative commitment.

4.7.3. H3: There is a significant and positive relationship between Leadership Qualities and Employee Commitment. And has three sub hypotheses

H3a: Leadership Quality has a significant and positive effect on Affective Commitment

H3b: Leadership Quality has a significant and positive effect on continuance Commitment

H3c: Leadership Quality has a significant and positive effect on Normative Commitment

Leaders with Charisma and the ones who motivate their subordinates by taking them as different and special entities and fulfilling their emotional needs are defined as having MLQ. The role of leaders in such situations is that of supervisors and that of referees. The leaders in such cases help their subordinates in building their abilities and performance. Leadership styles and employee job commitment are considered the essential factors for organizational success and employees are the most important asset in an organization. Therefore, organizations need to have efficient leaders to lead and motivate their employees in their daily operations so that they can achieve the organizational goals Wong & Sohal (2002).

The above table 4.17 holds the statistics stating the regression analysis that leadership qualities on the affective commitment, continuance commitment, and normative commitment. Variation of the dependent variable, affective commitment has been explained by the variation of the dimensions of the leadership quality. The standardized path coefficient for affective commitment is about 0.495 with path coefficient of less than 0.005. This indicates that leadership quality has a positive and significant effect on affective commitment. The result also reveals that leadership quality in general has 49.5% effect on affective commitment. This means that if the leadership quality is increased by one its effect will increase the affective commitment of employees by about 49.5%. The result further reveals that the standardized path coefficient of leadership quality on continuance commitment was 0.32, having a p-value less than 0.005, which is significant. It shows that leadership quality has a significant positive impact on the continuance commitment. The standardized path coefficient of leadership quality for normative commitment was 0.276 with a p-value less than 0.005, indicating that leadership quality has significant positive impact on the normative commitment of the employees. It further reveals that the hypothesis of leadership quality has impact on the overall employee's commitment and therefore hypothesis **H3 is fully accepted**. The result of this hypothesis is consistent and similar to the result of different researchers like Faizan, R., &Zehra, N. (2016), Fang, Y. (2001), and Haque, A. & Aston, J. (2016).

4.7.4. H4: There is mediating role of employee satisfaction on the relationship between leadership qualities and employee commitment . This main hypothesis is sub divided in to three-sub hypothesis:

H4a: Employee satisfaction mediates the relationship between Leadership Quality and Affective Commitment

H4b: Employee satisfaction mediates the relationship between Leadership Quality and Continuance Commitment

H4c: Employee satisfaction mediates the relationship between Leadership Quality and Normative Commitment

This section of the analysis tried to answer the research question "what are the indirect effects of leadership qualities on employee commitment via employee job satisfaction?" It tried to identify the type of meditational role of employee job satisfaction playing on the interaction between leadership qualities and the three types of employee commitments. Under this research question, there are three sub-hypotheses (H4a, H4b and H4c). The classification of the type of mediation and the criteria for mediation is based on the works Zhaoet al, (2010).

The first sub-hypothesis states that employee job satisfaction has an indirect positive effect on affective employee commitment. Empirical results of the study revealed that employee job satisfaction has a statistically significant indirect effect on affective employee commitment with standardized path coefficients of -0.043 significant with P value of 0.003. As per the mediation criteria forwarded by Zhao et al, (2010), employee job satisfaction is competitive mediator between leadership qualities and affective commitment implying that the mediator identified is consistent with the hypothesized theoretical framework, and the significant direct effect signals that there is second possibly omitted mediator that can be examined in any future study. Hence, H4a is accepted. The result of this study corroborates the findings of Lok and Crowford, 2004.

The second sub-hypotheses under H4 states that employee job satisfaction has an indirect positive effect on continuance commitment. As per the results of SEM using Amos, employee job satisfaction has statistically significant effect on employee continuance commitment. The standardized path coefficient is -0.00012 with p-value of 0.013. Based on the findings of the study, employee job satisfaction is competitive mediator between leadership qualities and continuance commitment implying that the mediator identified is consistent with the hypothesized theoretical framework, and the significant direct effect signals that there is second possibly omitted mediator

that can be examined in any future study. Moreover, employee job satisfaction is not a mediator in the interaction of leadership quality and employee normative commitment. This indicates that there might be another possible mediator between leadership quality and employee normative commitment. The finding of the study shows that the strongest effect of employee job satisfaction is on employee affective commitment as compared to employee continuance and normative commitment.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This final chapter presents outline of Major findings, conclusions and contributions from the analysis findings and direction for future research are discussed.

5.1. Summary of major findings

The general objective of the study was to investigate the mediating role of employee job satisfaction on the relationship between leadership qualities and employees job commitment among selected commercial banks. Results have indicated that leadership quality is vital for employee job satisfaction and organizational commitment in banks.

- This research revealed that nearly 67.4 percent of bank managers holding the position at branch levels were male. In addition, most of the respondents (77.6 %) did possess an undergraduate degree and have six years and above experience;
- The model fit indices are within the acceptable range and all observed variables have convergent validity and all the latent variables correlation is below 0.8 indicating the existence of discriminate validity. As a result, the overall model fit was acceptable;
- Leadership qualities (path coefficient is about 0.122 at p-value less than 0.035) have positive and significant effect on employee job satisfaction among selected commercial banks;
- Employee satisfaction has a significant and negative effect on affective commitment among selected commercial banks with a standardized path coefficient of -1.178 and p-value of 0.042;
- The relationship between employee satisfaction and normative commitment is positive with standardize path coefficient of 0.017 with p-value of 0.748;
- Leadership quality has significant and positive impact on the overall employee's commitment;
- Employee job satisfaction has an indirect positive effect on affective employee commitment among the selected commercial bank with standardized path coefficients of -0.043 significant with P value of 0.003, which imply that competitive mediator between leadership qualities, and affective commitment;

- Employee job satisfaction has an indirect positive effect on continuance commitment, which imply that competitive mediator exist between leadership qualities and continuance commitment; and
- Employee job satisfaction is not a mediator in the interaction of leadership quality and employee normative commitment.

5.2. Conclusion

The research aimed to analyze the mediating role of employee job satisfaction in the relationship between leadership qualities and employees organizational commitment in the case of some selected commercial banks. First, the paper concludes that the direct relation between leadership quality is better that the indirect relationship via employee job satisfaction. Second, employee job satisfaction partially mediates the relationship between leadership quality and employee affective commitment. The third conclusion from the study is that there is a competitive mediation in between leadership qualities and employee continuance commitment via employee job satisfaction. The fourth conclusion form the result, there is no indirect effect of leadership qualities and employee normative commitment. And the finding of the research indicates that leadership qualities has a positive and significant impact on employee commitment. In addition, leadership qualities do have significant effect on employee job satisfaction and their relation is positive.

Generally, the majority of agree level response show that employees believe in the leadership qualities and are satisfied in their job and will be committed to their organization. While as the next big number, neutral responses indicate that respondents are in doubt to maintain membership in the organization.

5.3. Recommendations

Based on the major findings and the conclusions, the following recommendations were forwarded.

- Bank leaders must analyze the workforce profile and address the concerns of all employees in order to make those commercial banks a better place to work.
- Banks are expected to create and implement ongoing training programs for all employees in order to maintain the modernized leadership qualities.
- It is recommended that the commercial banks must offer their employees competitive remuneration in different terms, in order to keep the best, skilled and competent employee.

- It is suggested that the commercial banks required working on employees who fell to stay in the organization because of different difficulties and need; like salary increment and not as desirable place to work.
- Similarly, the organizations need to facilitate the necessities demanded by employee at different time to make them stable.

In general, In general, it is critical for all targeted commercial banks to assess the leadership quality, employee job satisfaction, and organizational commitment of their employees on a regular basis, and to provide leadership development training if necessary.

Recommendations for Further Studies

This study focused on the role of employee satisfaction as a moderator in the relationship between leadership qualities and employee organizational commitment. The results are limited to four Commercial Banks in Addis Abeba (Addis International Bank, Awash Bank, Commercial Bank of Ethiopia, and Debub Global Bank). As a result, additional research must be conducted in other banks and branches. Other similar studies also need to be carried out on private and public institutions to determine whether the mediate role is the same or there are other moderating factors.

REFERENCES

Adam, J. S. (1965) Injustice in social exchange In L. Berkowitz (Ed.), Advances in Experimental social psychology (pp. 267-300). New York

Allen, N. J., & Meyer, J. P. (1990).The measurement and antecedents of affective, continuance, and normative commitment to the organization. Journal of Occupational Psychology, 63, 1-18.

Armstrong, J. S., & Overton, T. S. (1977). Estimating nonresponse bias in mail surveys. Journal of marketing research, 14(3), 396-402.

Ayesha Masood, Qurat-Ul-Ain, Rabia Aslam,and Muhammad Rizwan(2013)Factors Affecting Employee Satisfaction of the Public and Private Sector Organizations of Pakistan, International Journal of Human Resource Studies, ISSN 2162-3058.

Avolio, B.J. & Bass, B.M. (1999).Re-examining the components of transformational and transactional leadership using the Multifactor Leadership Questionnaire. Journal of Occupational & Organizational Psychology.

Avolio, B., & Bass, B. (1991).The full-range of leadership development. Binghamton, NY: Center for Leadership Studies. Full Range Leadership Development

Bagozzi, R. P., & Yi, Y. (2012). Specification, evaluation, and interpretation of structural equation models. Journal of the academy of marketing science, 40(1), 8-34.

Kalleberg, A. L. (1977). Work values and job rewards: A theory of job satisfaction. American sociological review, 124-143.

Baron, M. R. and Kenny D. A. (1986), "The Moderator-Mediator Variable Distinction in Social Psychological Research: Conceptual, Strategic, and Statistical Considerations", Journal of Personality and Social Psychology, 51(6), 1173-1182.

Bass, B. M., &Avolio, B. J. (1994).Improving organizational effectiveness through transformational leadership.Thousand Oaks, CA: Sage Publications.

Bass, M (1997) "Personal selling and transactional/transformational leadership", The Journal of Personal Selling & Sales Management

Bass B M (1985) Leadership and performance beyond expectations (New York: The Free Press).

Bentler, P. M., & Chou, C. P. (1987). Practical issues in structural modeling. Sociological methods & research, 16(1), 78-117.

Becker, H. S. (1960). Notes on the concept of commitment. American Journal of Sociology, 66(1), 32-40. doi:10.1086/22282

Bell, E., & Bryman, A. (2007). The ethics of management research: an exploratory content analysis. British journal of management, 18(1), 63-77.

Bernstein, D. P., Fink, L., Handelsman, L., Foote, J., Lovejoy, M., Wenzel, K., ... & Ruggiero, J. (1994). Initial reliability and validity of a new retrospective measure of child abuse and neglect. The American journal of psychiatry.

Bentler, P. M., & Chou, C. P. (1987). Practical issues in structural modeling. Sociological methods & research, 16(1), 78-117.

Best, J. W. & Kahn, J. V. (2003). Research in Education. 9th Edition, Prentice-Hall of India Private Limited, New Delhi.

Bordens, K. S., & Abbott, B. B. (2014). Research Design and Methods: A Process Approach. Ninth Edit.

Bosman, &Nalla, M. (2009).Police organizational culture and job satisfaction: A comparison of law identification. Leadership Quarterly Journal, 16(4), 569-589.

Brown, R. (1992). Managing the “S” curves of innovation. Journal of Business & Industrial Marketing.

Burns, J. M. (1978). Leadership.New York: Harper & Row.

Bushra, F., Usman, A &Naveed A. (2011) Effect of Transformational Leadership on Employees‘ Job Satisfaction and Organizational Commitment in Banking Sector of Lahore (Pakistan) International Journal of Business and Social Science, 2(18), 261.

Byrne, B. M. (2010). Structural equation modeling with AMOS: Basic concepts, applications, and programming 2nd Edition.

Carlyle, T. (1993).On heroes, hero worship and the heroic in history. Berkeley, CA: University of California Press.

Christian,Ukaegbu (2000). Working condition and employee's commitment in indigenous private Manufacturing firms in Nigeria, The Journal of Modern Africa Studies, 38 (2), 295-324.

Creswell, J. W. (2007). Qualitative inquiry and research design: Choosing among five approaches (2nd ed.). Thousand Oaks, CA: Sage.

Clinebell, S., Skudiene, V., Trijonyte, R., & Reardon, J. (2013). Impact of leadership styles on employee organizational commitment. Journal of Service Science (JSS), 6(1), 140. doi:10.19030/jss.v6i1.8244

Daft, R.L. (2005). The Leadership Experience, Third Edition. Thomson-Southwestern, Vancouver

Denscombe, M. (2007). "Critical incidents and learning about risks: the case of young people and theirm health" In M. Hammersley (ed) Educational Research and Evidence-based Practice (204-219). London: Sage and The Open University.

DasalegnWorku (2016). Leadership Behavior in CBE and Its Effect on Employee Performance: The Mediating Role of Organizational Commitment, Addis Ababa university

Evanschitzky, H., Iyer, G. R., Plassmann, H., Niessing, J., & Meffert, H. (2006). The relative strength of affective commitment in securing loyalty in service relationships. Journal of business research, 59(12), 1207-1213.

Evans, L. (2001). Developing deeper into morale, job satisfaction and motivation among education professionals. Educational Management & Administration , 29, 291-306.

Fairchild, A. J., & McQuillin, S. D. (2010). Evaluating mediation and moderation effects in school psychology: A presentation of methods and review of current practice. Journal of school psychology, 48(1), 53-84.

Faizan, R., & Zehra, N. (2016). Quality work-life as predictor to organisational commitment under contrasting leadership styles: IT Responses from Pakistans private software houses. Global Journal of Management and Business Research.

Fang, Y., Vilella-Bach, M., Bachmann, R., Flanigan, A., & Chen, J. (2001). Phosphatidic acid-mediated mitogenic activation of mTOR signaling. Science, 294(5548), 1942-1945.

Ferrell, O.C. and Ferrell, L. (1999).The Role of Ethical Leadership in Organization Performance, Journal of Management System.

Fiedler, E. (1967). A theory of leadership effectiveness. New York: McGraw-Hill, Inc.

Fiedler, F. E., &Chemers, M. M. (1984). Improving leadership effectiveness: The leader match concept (2nd ed.). Hoboken, NJ: Wiley.

Frederick, Herzberg (1975). How do you motivate employees: Fifteen concepts of managerial successes. Harvard Business Review, 16-17

Furham, A. (2005). Leadership.In A. Furnham (Ed.).The psychology of behavior at work: The individual in the organisation. New York: Psychology Press.

Fu, F. Q., Bolander, W., & Jones, E. (2009). Managing the drivers of organizational commitment and salesperson effort: An application of Meyer and Allen's three component model. The Journal of Marketing Theory and Practice, 17(4), 335 350.doi:10.2753/mtp1069-6679170403

Hackman, J., & Oldham, G. (1970). Work Redesign. Reading, MA: Addison-Wesley.

Hackman, J. R.; Oldham, G. R. (1976). "Motivation through the design of work: Test of a the Smith, P.C.

Haenlein, M., & Kaplan, A. M. (2004). A beginner's guide to partial least squares analysis. Understanding statistics, 3(4), 283-297.

Hashemi, S. M., Nadi, H. K., Hosseini, S. M., &Rezvanfar, A. (2012).Explaining Agricultural Personnel's Entrepreneurial Behavior: The Mediating Effects of Job Satisfaction and Organizational Commitment. International Journal of Business And Social Science, 3(6): 299-308.

Haque, A. U., & Aston, J. (2016). A relationship between occupational stress and organisational commitment of it sector's employees in contrasting economies. Polish Journal of Management Studies, 14(1), 95-105.

Hersey, P., Blanchard, K., & Johnson, D. (2006).Management of organizational behavior: Utilizing human resources.Academic Internet Publishers.

Ho, D. L., Hammouda, B., Kline, S. R., & Chen, W. R. (2006). Unusual phase behavior in mixtures of poly (ethylene oxide) and ethyl alcohol. Journal of Polymer Science Part B: Polymer Physics, 44(3), 557-564.

Holmes-Smith, P. (2007). An applied introductory course in structural equation modelling using AMOS. School Research Evaluation and Measurement Services (SREAMS), Melbourne.

Howell, J.M. &Avolio, B.J. (1993).Transformational leadership, transactional leadership, locus of control, and support for innovation: Key predictors of consolidated business unit performance.Journal of Applied Psychology.

Garson, J. W. (2009). Modal logic.

Geda, Alemayehu(2006). "The Structure and Performance of Ethiopia's Financial Sector in the Pre- and Post-Reform Period with a Special Focus on Banking," WIDER Working Paper Series 112, World Institute for Development Economic Research (UNU-WIDER).

Gefen, D., Straub, D., & Boudreau, M. C. (2000). Structural equation modeling and regression: Guidelines for research practice. Communications of the association for information systems, 4(1), 7.

George, D., & Mallery, P. (2003). Reliability analysis. SPSS for Windows, step by step: a simple guide and reference, 14th edn. Boston: Allyn & Bacon, 222-232.

Gronemus, J. Q., Hair, P. S., Crawford, K. B., Nyalwidhe, J. O., Cunnion, K. M., & Krishna, N. K. (2010). Potent inhibition of the classical pathway of complement by a novel C1q-binding peptide derived from the human astrovirus coat protein. Molecular immunology, 48(1-3), 305-313.

Irvine, D.M. and Evans, M.G. (1995), Job satisfaction and turnover among nurses: Integrating research findings across studies. Nursing Research, 44(4), 246-53.

Kline, R. B. (2011). Convergence of structural equation modeling and multilevel modeling.

Kothari, C. R. (2004). Research methodology: Methods and techniques. New Age International.

Kumar, R. (1999) Research Methodology: A Step-by-Step Guide for Beginners. Sage Publications, London, Thousand Oaks, New Delhi.

Krumm, D. J. (2001).Leadership.In D. J. Krumm. Psychology at work Kumar, R., Research Methodology, London: SAGE Publications, 1996. Quantitative Research.

Lambert, D. M., & Harrington, T. C. (1990). Measuring nonresponse bias in customer service mail surveys. Journal of business Logistics, 11(2), 5-25.

Lok, P., & Crawford, J. (2004). The effect of organisational culture and leadership style on job satisfaction and organisational commitment: A cross-national comparison. Journal of management development.

MacCallum, R. C., & Austin, J. T. (2000). Applications of structural equation modeling in psychological research. Annual review of psychology, 51(1), 201-226.

Maslow A. H. (1943).A theory of human motivation. Originally Published in Psychological Review, 50, 370-396.

Maxham III, J. G., & Netemeyer, R. G. (2003). Firms reap what they sow: the effects of shared values and perceived organizational justice on customers' evaluations of complaint handling. Journal of Marketing, 67(1), 46-62.

McDonald, R. P., & Ho, M. H. R. (2002). Principles and practice in reporting structural equation analyses. Psychological methods, 7(1), 64.

Meyer, J.P., Allen, N.J., & Smith, C.A. (1993).Commitment to organizations and occupations: Extension and test of a three-component conceptualization. Journal of Applied Psychology, 78, 538-551.

Meyer,J.P., &Allen, N. J. (1991).A three-component conceptualization of organizational commitment. Human Resource Management Review, 1(1), 61-89. doi:10.1016/10534822(91)90011-z

Meyer, J. & Allen, N. (1997) Commitment in the workplace: Theory, research, & application. Thousand Oaks, CA: Sage Publications.

Meyer, J. P. & Allen, N. J. (2004).TCM Employee Commitment Survey, Academic Users Guide 2004.1993 Revised Version, Used With Permission, University of Western Ontario.

Miles, M.B., &Huberman, M. (1994). Qualitative data analysis: an expanded sourcebook (2. ed.). London

Mohamad, M. S. (2012). Transformational Leadership and Employees' Job Satisfaction And Commitment: A Structural Equation Investigation. Journal of American Science, 8(7): 11-19.

Morris, J. & Steers, R. M. (1980).Structural influences on organizational commitment. Journal of Vocational Behavior,17.

Mowday, R., Porter, L. and Steers, R. (1982) Employee—Organization Linkages: The Psychology of Commitment, Absenteeism, and Turnover. Academic Press, New York.

M Waris, A Khan, I Ismail, A Q Adeleke and S Panigrahi (2018). Impact of leadership qualities on employee commitment in multi-project-based organizations, IOP Publishing Conf. Series: Earth and Environmental series 140

Navahandi, A. (2006). The art and science of leadership (4th Edition).NJ: Pearson Education.

Northouse, P. G. (2004). Leadership: Theory and practice (3rd ed.). Thousand Oaks, CA: Sage Publications.

Northouse, P. G. 2010. Leadership, theory and practice (5th ed.). Sage, Thousand Oaks, CA.

Northouse, P.G. (2015). Leadership: Theory and Practice (7th edition). Los Angeles, CA: Sage Publications, Inc.

Nguni, S., Sleegers, P., & Denessen, E. (2006). Transformational and transactional leadership effects on teachers' job satisfaction, organizational commitment, and organizational citizenship behavior in primary schools: The Tanzanian case. School effectiveness and school improvement, 17(2), 145-177.

OladipoKolapoSakiru, IsmiArif Bin Ismail, Bahaman Abu Samah, AdekanyeBusayoTemitope(2018) Relationship between Leadership Styles and Organizational Commitments among Lecturers in Public Universities: Job Satisfaction as Mediating Variable, IOSR Journal of Humanities And Social Science (IOSR-JHSS) Volume 23.

Özaralli N (2003). Effects of transformational leadership on empowerment and team effectiveness,Leadership& Organization Development Journal 24(6) 335.

Ogbonna, E., & Harris, L. C. (2000). Leadership style, organizational culture and performance: empirical evidence from UK companies. international Journal of human resource management, 11(4), 766-788.

Jaros, S. (2007).Meyer and Allen Model of Organizational Commitment: Measurement Issues. The Icfai Journal of Organizational Behavior.6(4);1-3

Jing, F. F., & Avery, G. C. (2008) Missing Links in Understanding the relationship between leadership and organizational performance. International Business & Economics Research Journal, 7 (5), 67-78.

Johnson, R. B., & Onwuegbuzie, A. J. (2004). Mixed methods research: A research paradigm whose time has come. Educational researcher, 33(7), 14-26.

Ponnu, C.H. and Tennakoon, G. (2009) ―The Association between Ethical Leadership and Employee Outcomes- the Malaysian Case‖, Electronic Journal of Business Ethics and Organization Studies, 14(1): 21-32.

Peck, R., Olsen, C., & Devore, J. (2009). Introduction to Stastistics and Data Analysis (3rd Ed.). California, USA: Cengage Learning

Rad, A.M.M., & Yarmohammadian, M.H. (2006). A study of relationship between managers' leadership style and employees' job satisfaction. Leadership in Health Services , 19, 11-27.

Rindfleisch, A., Malter, A. J., Ganesan, S., & Moorman, C. (2008). Cross-sectional versus longitudinal survey research: Concepts, findings, and guidelines. Journal of marketing research, 45(3), 261-279.

Robbins, S.P. (2003). Organisational behaviour.(10th edn.).Upper Saddle River, NJ: Prentice Hall.

Sagor, R. (2011). The action research guidebook: A four-stage process for educators and school teams. Corwin Press.

Sharma N and Patterson P G (2000) Switching costs, alternative attractiveness and experience as moderators of relationship commitment in professional, consumer services Int. J. Serv. Ind. Manag. 11 470.

Saunders, M. N., & Lewis, P. (2012). Doing research in business & management: An essential guide to planning your project. Pearson.

Saunders, M., Lewis, P. and Thornhill, A. (2007) Research Methods for Business Students.4th Edition, Financial Times Prentice Hall, Edinburgh Gate, Harlow.

Senait Hailu(2016) .Relationship between Perceived Leadership Styles and Organizational Commitment: the Case of the African Union Commission Headquarters, Addis Ababa university

Seyoum Teffera and Ayalew Shibeshi(1989), Fundamentals of Educational Research for student and Beginning Researchers, Addis Ababa University

Simon, M. K. (Ed.). (2011). Dissertation and scholarly research: Recipes for success Seattle, WA: Dissertation Success, LLC

Smith, P. C., Kendall, L. M., &Hulin, C. L. (1969), Measurement of satisfaction in work and retirement Chicago, IL: Rand McNally

Spector, P., (1997). Job Satisfaction Application, Assessment, Cause and Consequences, Sage Publications, London

Sousa, J., Cruz, A. and Martins, H. (2011), "Minnesota Satisfaction Questionnaire – PropriedadesPsicométricas e ValidaçãonumaPopulação de ProfissionaisdeFarmácia", Paper presented at the Jornadas de Iniciação à InvestigaçãoClínica,CentroHospitalar do Porto, Portugal, 2011.

Thompson, B. (2004). Exploratory and confirmatory factor analysis. American Psychological Association.

Tinsley, H. E., & Brown, S. D. (Eds.). (2000). Handbook of applied multivariate statistics and mathematical modeling. Academic press.

Trottier, T., Van Wart, M., and Wang, X. (2008).Examining the Nature and Significance of Leadership in Government Organizations. Public Administration Review.

Voon, M. L., &Ayob, M. C. (2011) The influence of leadership styles on employees' job satisfaction in public sector organization in Malaysia. International Journal of Business ,Management& Social Sciences , 2 (1), 24-32.

Vroom, V. H. (1964). Work and Motivation.New York: John Wiley &Sons.Whaley, K. W. (1994). Leadership and teacher job satisfaction. NASSP Bulletin, 78(564), 46-50.

Wang, L., Ying, G. G., Zhao, J. L., Yang, X. B., Chen, F., Tao, R., ... & Zhou, L. J. (2010). Occurrence and risk assessment of acidic pharmaceuticals in the Yellow River, Hai River and Liao River of north China. Science of the Total Environment, 408(16), 3139-3147.

Weston, R., & Gore Jr, P. A. (2006). A brief guide to structural equation modeling. The counseling psychologist, 34(5), 719-751.

Wiener, Y. (1982). Commitment in organizations: A normative view. Academy of Management Review, 7(3), 418-428. doi:10.5465/amr.1982.4285349

Wong, A., & Sohal, A. (2002). An examination of the relationship between trust, commitment and relationship quality. International journal of retail & distribution management

Yamane, Taro. (1967). Statistics: An Introductory Analysis, 2nd Edition, New York: Harper and Row..

Yaghi, A. (2006). Training transfer in human resources management: A field study on supervisors. Mississippi State University.

Yaverbaum, E., and E. Sherman (2008). The Everything Leadership Book, 2nd ed. Avon, MA: F+W Publications, Inc

Yeh, J. R., Shieh, J. S., & Huang, N. E. (2010). Complementary ensemble empirical mode decomposition: A novel noise enhanced data analysis method. Advances in adaptive data analysis, 2(02), 135-156.

Yukl, G (1998), Leadership in Organisations, 4th edn, Prentice Hall, Upper Saddle River, NJ.

Yukl, G. A. 2005. Leadership in organizations (6th ed.). Upper Saddle River, NJ: Prentice-Hall

YusniatiIshak and Abd Rahim Romle, PhD (2005) The Mediating Effect of Job Satisfaction on The Link Between Leadership Style and Organizational Commitment, Australian Journal of Basic and Applied Sciences, Pages: 45-49.

Zikmund, W. G., Babin, B. J., Carr, J. C., & Griffin, M. (2010).Business ResearchMethods.South-Western, OH: Cengage Learning.

Zhu, W., May, D.R. &Avolio, B.J. (2004) The Impact of Ethical Leadership Behavior on Employee Outcomes: The Roles of Psychological Empowerment and Authenticity. Journal of Leadership & Organizational Studies, 11(1): 16-26.

Zhao, X., Lynch Jr, J. G., & Chen, Q. (2010). Reconsidering Baron and Kenny: Myths and truths about mediation analysis. Journal of consumer research, 37(2), 197-206.

APPENDICES

Appendix A: ***Questionnaire***

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

MBA PROGRAM

Questionnaires to be filled by selecting the Bank staffs in Ethiopia

Dear participant / Respondents,

This questionnaire is designed to explo**re "The Mediating role of Employee satisfaction in the relationship between Leadership qualities and Employee organizationalCommitment in the selected Commercial banks in Addis Ababa".** This study is conducted in partial fulfillment of the requirements for the Master's degree in Business Administration from Addis Ababa University.

Your response is vital to the outcome of the study and you are requested to complete and objectively answer all questions. The research is going to be carried out based on your responses and other relevant data that could support it. It forms a major part of the research and the information you will enable the researcher to critically analyze the mediating role of employee job satisfaction in the relationship between leadership quality and Employee Commitment.

It will be a great contribution if you may complete all the items covered in the questionnaire since your opinion is of utmost importance. I thank you in advance for sharing your valuable experience and time in completing the questionnaire.

Please tick (√) or provide your own answers where applicable.

Part I. Demographic profile of participant/Respondents

1.1. Gender Male □ Female □

1.2. Age Bracket

□Less than 25 Years □ 26-34 Years □ 35-44 Year

□ 45-54 Years □ Over 54Years

1.3. Marital status

□ Single □ Married □ Other Specify _____

1.4. Educational Background

□ Certificate □ Diploma □ BA/BSC Degree

□ MSc/ MA □ Other Specify _____

1.5. Service Year in Banking Sector

□ Less than 2 Year □ 2-5 Years □ 6-10 Years □ More than 10 Years

1.6. Your Position in the Bank

□ Division Manager □ Branch Manager

□ Cashier□ Other Specify _____

1.7. Name of Your Bank _____

Part II. Questionnaires on the Mediating Role of Employee satisfaction in the Relationship between leadership qualities and Employee organizational Commitment in the selected commercial Banks (Addis Ababa)

Multifactor Leadership Questionnaires (MLQ) developed by Avolio& Bass (2004) were adopted and used to measure leadership qualities for this study purpose**.** Please express your level of agreement for leadership Quality. Thus, please circle what you have selected based on the following description.1=Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree, 5= Strongly Agree

LEADERSHIP QUALITIES					
Inspirational motivation					
Statement	**Scale**				
Articulates a compelling vision of the future	1	2	3	4	5
Talks enthusiastically about what needs to be accomplished	1	2	3	4	5
Expresses confidence that goals will be achieved	1	2	3	4	5
Talks optimistically about the future	1	2	3	4	5
Encourages employees to become good team players.	1	2	3	4	5
Idealized influence					

Talks about his/her most important values and beliefs.	1	2	3	4	5
Specifies the importance of having a strong sense of purpose.	1	2	3	4	5
Emphasize the importance of having a collective sense of purpose	1	2	3	4	5
Considers the moral and ethical consequences of decisions.	1	2	3	4	5
Instills pride in me for being associated with him/her.	1	2	3	4	5
Goes beyond self-interest for the good of the group.	1	2	3	4	5
Acts in ways that builds my respect.	1	2	3	4	5
Display a sense of power and confidence.	1	2	3	4	5
Talks about his/her most important values and beliefs.	1	2	3	4	5
Intellectual stimulation					
Re-examines critical assumptions to question whether they are appropriate.	1	2	3	4	5
Seeks differing perspectives when solving problems.	1	2	3	4	5
Gets me to look at problems from many different angles.	1	2	3	4	5
Suggests new ways of looking at how to complete assignments.	1	2	3	4	5
Stimulated me to look at things in new ways	1	2	3	4	5
Individual consideration					
Spends time teaching and coaching.	1	2	3	4	5
Treat me as an individual rather as a member of a group.	1	2	3	4	5
Considers me as having different needs, abilities, and aspirations from others.	1	2	3	4	5
Increases my willingness to try harder.	1	2	3	4	5
Heighten my desire to exceed.	1	2	3	4	5
Helps me to develop my strength	1	2	3	4	5
Contingent reward					
Provides me with assistance in exchange for my efforts.	1	2	3	4	5
Discusses in specific terms that is responsible for achieving performance targets	1	2	3	4	5
Makes clear what one can expect to receive when performance goals are achieved.	1	2	3	4	5
Expresses satisfaction when I meet expectations	1	2	3	4	5
Provides me with assistance in exchange for my efforts.	1	2	3	4	5
Management by exception-Active					
Focuses on poor performance of his or her employees.	1	2	3	4	5

Quickly takes corrective actions if he or she detects any failure or deviations from standards.	1	2	3	4	5
Constantly monitors my performance.	1	2	3	4	5
Tells me what I have done wrong rather than what I have done right.	1	2	3	4	5
Management by exception-Passive					
It requires a failure to meet an objective for my supervisor to take action.	1	2	3	4	5
does not care about solving problems.	1	2	3	4	5
does not start making decisions until problems become serious or a crisis situation arises.	1	2	3	4	5
Directs my attention towards failures to meet standards	1	2	3	4	5
Laissez-faire					
Fails to interfere until problems become serious	1	2	3	4	5
Waits for things to go wrong before taking action	1	2	3	4	5
Shows that he/she is a firm believer in "If it ain't broke, don't fix it."	1	2	3	4	5
Demonstrates that problems must become chronic before taking action.	1	2	3	4	5
Does not care much what others do unless the work is absolutely essential	1	2	3	4	5
Does not challenge status quo.	1	2	3	4	5

Minnesota Satisfaction Questionnaire' (MSQ) were adopted and used to collect the primary data requirements related to employee satisfaction. Please express also your level of agreement for Employee satisfaction. Thus, please circle what you have selected based on the following description.1=Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree, 5= Strongly Agree

EMPLOYEE JOB SATISFACTION					
Statement	**Scale**				
Being able to keep busy all the time.	1	2	3	4	5
The chance to work alone on the job.	1	2	3	4	5
The chance to do different things from time to time.	1	2	3	4	5
The chance to be "somebody" in the community	1	2	3	4	5
The way my boss handles his/her workers	1	2	3	4	5
The competence of my supervisor in making decisions.	1	2	3	4	5

Being able to do things that don't go against my conscience.	1	2	3	4	5
The way my job provides for steady employment	1	2	3	4	5
The chance to do things for other people.	1	2	3	4	5
The chance to tell people what to do.	1	2	3	4	5
The chance to do something that makes use of my abilities.	1	2	3	4	5
The way company policies are put into practice.	1	2	3	4	5
My pay and the amount of work I do.	1	2	3	4	5
The chances for advancement on this job	1	2	3	4	5
The freedom to use my own judgment.	1	2	3	4	5
The chance to try my own methods of doing the job.	1	2	3	4	5
The working conditions.	1	2	3	4	5
The way my co-workers get along with each other.	1	2	3	4	5
The praise I get for doing a good job.	1	2	3	4	5
The feeling of accomplishment I get from the job.	1	2	3	4	5

Organizational Commitment Questionnaire (OCQ) were adopted and used to collect the primary data requirements related to employee organizational Commitment. Please express your level of agreement for your employees' commitment. Thus, please circle what you have selected based on the following description.1=Strongly Disagree, 2= Disagree, 3=Neutral, 4= Agree, 5= Strongly Agree

Employees' organizational Commitment					
Statement					
Affective Commitment(AC)	**Scale**				
I would be very happy to spend the rest of my career with this Bank.	1	2	3	4	5
I enjoy discussing about my Bank with people outside it.	1	2	3	4	5
I really feel as if this Bank's problems are my own.	1	2	3	4	5
I think that I could easily become as attached to another Bank as I am to this one.	1	2	3	4	5
I do not feel like 'part of the family' at my Bank.	1	2	3	4	5
I do not feel 'emotionally attached' to this Bank	1	2	3	4	5
This Bank has a great deal of personal meaning for me.	1	2	3	4	5

I do not feel a 'strong' sense of belonging to my Bank.	1	2	3	4	5
Continuance Commitment(CC)					
I am not afraid of what might happen if I quit my job without having another one lined up.	1	2	3	4	5
It would be very hard for me to leave my Bank right now, even If I wanted to.	1	2	3	4	5
Too much in my life would be disrupted if I decided to leave my Bank now.	1	2	3	4	5
It wouldn't be too costly for me to leave my Bank now.	1	2	3	4	5
Right now, staying with my Bank is a matter of necessity as much as desire.	1	2	3	4	5
I feel that I have very few options to consider leaving this Bank.	1	2	3	4	5
One of the few serious consequences of leaving this Bank would be the scarcity of available alternatives.	1	2	3	4	5
One of the major reasons I continue to work for this Bank is that leaving would require considerable personal sacrifice—another Bank may not match the overall benefits I have here.	1	2	3	4	5
Normative Commitment(NC)					
I think that people these days move from bank to bank too often.	1	2	3	4	5
I do not believe that a person must always be loyal to his or her Bank.	1	2	3	4	5
Jumping from Bank to Bank does not seem at all unethical to me.	1	2	3	4	5
One of the major reasons I continue to work in this Bank is that I believe loyalty is important and therefore feel a sense of moral obligation to remain.	1	2	3	4	5
If I got another offer for a better job elsewhere I would not feel it was right to leave my Bank.	1	2	3	4	5
I was taught to believe in the value of remaining loyal to one Bank.	1	2	3	4	5
Things were better in the days when people stayed in one Bank for most of their careers.	1	2	3	4	5
I do not think that to be a 'company man' or 'company woman' is sensible anymore.	1	2	3	4	5

Appendix B:

Descriptive Statistics

	N	Skew ness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
IMQ1	380	-.814	.125	.516	.250
IMQ2	380	-.744	.125	.472	.250
IMQ3	380	-.550	.125	.488	.250
IMQ4	380	-.471	.125	-.082	.250
IMQ5	380	-.501	.125	.011	.250
IIQ2	380	-.733	.125	.446	.250
IIQ3	380	-.568	.125	.449	.250
IIQ4	380	-.578	.125	.411	.250
IIQ5	380	-.748	.125	.848	.250
IIQ6	380	-.598	.125	.552	.250
IIQ7	380	-.608	.125	.147	.250
IIQ8	380	-.407	.125	-.180	.250
ISQ1	380	-.613	.125	-.014	.250
ISQ2	380	-.729	.125	-.118	.250
ISQ3	380	-.524	.125	-.470	.250
ISQ4	380	-.539	.125	.244	.250
ISQ5	380	-.599	.125	.339	.250
ICQ1	380	-.608	.125	-.005	.250
ICQ2	380	-.798	.125	.689	.250
ICQ3	380	-.655	.125	.171	.250

ICQ4	380	-.516	.125	-.133	.250
ICQ5	380	-.772	.125	.636	.250
ICQ6	380	-.676	.125	.068	.250
CRQ1	380	-.866	.125	.752	.250
CRQ2	380	-.932	.125	.772	.250
CRQ3	380	-.876	.125	.875	.250
CRQ4	380	-.757	.125	.781	.250
CRQ5	380	-.729	.125	-.021	.250
MEAQ1	380	-.478	.125	-.039	.250
MEAQ2	380	-.405	.125	-.213	.250
MEAQ3	380	-.366	.125	-.128	.250
MEAQ4	380	-.427	.125	.071	.250
MEPQ1	380	-.628	.125	.316	.250
MEPQ2	380	-.507	.125	.062	.250
MEPQ3	380	-.522	.125	.181	.250
MEPQ4	380	-.709	.125	.653	.250
LFQ1	380	-.760	.125	.085	.250
LFQ2	380	-.987	.125	.836	.250
LFQ3	380	-.818	.125	.322	.250
LFQ4	380	-.629	.125	-.046	.250
LFQ5	380	-.555	.125	.266	.250
LFQ6	380	-.715	.125	.661	.250
ESQ1	380	-.447	.125	.074	.250
ESQ2	380	-.608	.125	.399	.250

ESQ3	380	-.708	.125	.825	.250
ESQ5	380	-.513	.125	-.039	.250
ESQ6	380	-.534	.125	.001	.250
ESQ7	380	-.621	.125	.452	.250
ESQ8	380	-.633	.125	.293	.250
ESQ9	380	-.620	.125	.415	.250
ESQ10	380	-.826	.125	1.007	.250
ESQ11	380	-.600	.125	.020	.250
ESQ12	380	-.477	.125	-.310	.250
ESQ13	380	-.343	.125	-.477	.250
ESQ14	380	-.394	.125	-.038	.250
ESQ15	380	-.379	.125	-.235	.250
ESQ16	380	-.662	.125	.275	.250
ACQ1	380	-.714	.125	.208	.250
ACQ2	380	-.582	.125	-.006	.250
ACQ3	380	-.616	.125	.078	.250
ACQ4	380	-.739	.125	.109	.250
ACQ5	380	-.454	.125	-.071	.250
ACQ6	380	-.285	.125	-.609	.250
ACQ7	380	-.439	.125	-.030	.250
ACQ8	380	-.583	.125	.020	.250
CCQ1	380	-.695	.125	.372	.250
CCQ2	380	-.902	.125	1.169	.250
CCQ3	380	-.933	.125	.950	.250

CCQ4	380	-.958	.125	1.234	.250
CCQ5	380	-.775	.125	.619	.250
CCQ6	380	-.922	.125	.694	.250
CCQ7	380	-.630	.125	-.195	.250
CCQ8	380	-.706	.125	.362	.250
NCQ1	380	-.798	.125	.825	.250
NCQ2	380	-.760	.125	.325	.250
NCQ3	380	-.459	.125	-.003	.250
NCQ4	380	-.535	.125	.153	.250
NCQ5	380	-.727	.125	.640	.250
NCQ6	380	-.917	.125	1.133	.250
NCQ7	380	-.551	.125	-.147	.250
NCQ8	380	-.360	.125	-.456	.250
IM	380	-.669	.125	1.150	.250
II	380	-.924	.125	.445	.250
IS	380	-.550	.125	.157	.250
IC	380	-1.021	.125	.892	.250
CR	380	-.829	.125	.945	.250
MEA	380	-.869	.125	.445	.250
MEP	380	-.608	.125	.037	.250
Valid N (list wise)	380				