



**SCHOOL OF COMMERCE**

**COLLEGE OF BUSINESS AND ECONOMICS**

**The Effect of Leadership Styles on Organizational Commitment:**

**The Case of Ethiopia Red Cross Society Headquarters**

A Research Thesis Presented to Addis Ababa University: School of Commerce in partial fulfillment of the requirements for the Masters' Degree of Arts in Business Leadership

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## Statement of Declaration

I, Sharon Dejenu, hereby declare that this Master thesis titled “ **The Effect of Leadership Style on Organizational Commitment: The Case of Ethiopia Red Cross Society Headquarters**” is an original work. I have carried out the present study independently with the guidance and support of the research advisor, Dr. Atsede Tesfaye. Any other research or academic sources used here in this study have been duly acknowledged. Moreover, this study has not been submitted for the award of any diploma, degree or any other higher education Program in this or any other institution.

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Declared by

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## Statement of Certification

This is to certify that Sharon Dejenu has carried out this project work on the topic “**The Effect of Leadership Style on Organizational Commitment: The Case of Ethiopia Red Cross Society Headquarters**”. This work is original in nature and is suitable for the awards of Master’s in business leadership.

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# Examiners Approval Sheet

Addis Ababa University School of Commerce

Department of Business Leadership

Post Graduate Program

The Effect of Leadership Style on Organizational Commitment: The Case of Ethiopia

Red Cross Society National Headquarters

By: Sharon Dejenu (GSR/4871/12)

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## **ABSTRACT**

*This study examines the effects of leadership styles on organizational commitment in Ethiopia Red Cross Society National Headquarters. The focus was on three leadership styles – transformational, transactional and laissez faire leadership styles. This study has provided deep structure on the three leadership styles relationship with organizational commitment. The study has been conducted by both primary and secondary research. The primary research was done using the quantitative approach with the help of a survey questionnaire and the secondary research was used through the review of previously published literatures. A total of 130 data records were analyzed using descriptive and inferential statistics with the help of the SPSS Version 20. The findings suggested that transformational leadership style and transactional leadership style have a significant positive effect on organizational commitment, however laissez-faire leadership style has a significant negative effect on organizational commitment. The study recommends transformational and transactional leadership style to fit the context of the humanitarian organization under study.*

**Keywords:** *Leadership Styles, Transformational Leadership Style, Transactional Leadership Style, Laissez-Faire Leadership Style, Organizational Commitment.*

# CHAPTER ONE

## INTRODUCTION

### **Introduction**

This chapter aims to describe the overall background of the study. It stresses about the background of the study, the company's background, the statement of the problem, the general and specific objectives, the significance of the study, the limitation and scope of the study. Furthermore, it describes the organizational structure and defines the different key terms of the study.

### **1.1 Background of the Study**

Over the past years, a lot of efforts have been invested to understand and study the nature, the outcomes, and the factors of organizational commitment. Employee's commitment is very essential as it leads the organization to favorable outcome (Rafiei, et al., 2014).. Satisfied, highly motivated, and committed employees represent the basis of competitive company. In this account, the growth of satisfaction is to be reflected in the increase of productivity, creativity, and in higher innovations (GABČANOVÁ, 2011). In other words, employees are the biggest asset of the company as they are the fuel to increase productivity, creativity, and efficiency.

Organizational behavior literature has indicated that among the major factors affecting organization success and failure are leadership styles and organizational commitment. (Biza & Irbo, 2020). Many pioneer researchers have also recognized that employee commitment (Brockner, et al., 1992; Meyer, et al., 2011; Allen & Meyer, 1990) and leadership styles (Bass & Avolio, 1993; Bass, et al., 2003; Trottier, et al., 2008) play a big role in determining the organization success and failure. (Daud, 2019) concluded that leadership style is a vital component to determine organizational commitment. Many recent articles (Alemayehu & Batisa, 2020; Akinida & Irbo, 2020) have also recommended a positive relationship between leadership styles and organizational commitment.

For centuries, the importance of leadership has been recognized in vast variety of cultural contexts. In the Western culture, concept of leadership gave birth in the writings of ancient Greek

philosophers such as Plato, and in European Renaissance writers for instance Machiavelli, among many others. The earliest empirical studies of leadership emerged in the late 19<sup>th</sup> century during the Industrial Revolution and continued to grow and accumulate throughout the 20<sup>th</sup> century (Berger, 2014).

Modern leadership theorists have found it extremely hard to pin down a single definition of leadership. Currently, leadership field has hundreds of definitions that apply to specific circumstances; however, it does not have a common working definition that addresses the fundamental objective elements of leadership (Walters, 2009). Nevertheless, leadership in nature is the process of influencing and attaining objective. This process is determined by different factors such as the characteristics, disposition, behavior perceptions, and attribution of the leaders and followers. Furthermore, it depends on the context in which the process of influencing occurs. The moral aim of leadership is to cultivate empowered follower that leads to moral outcomes that are achieved through moral manner (Hersey & Blanchard, 1984).

(Bass & Avolio, 1993) defined leadership styles as behaviors or processes that leaders undertake or participate in that enable remarkable things to be done within the organization. For this study, the context of leadership used is that of the organization, in which a person is appointed to lead or manage the company.

(Meyer & Allen, 1991) defined organizational commitment as a “a psychological state that (a) characterizes the employee’s relationship with the organization, and (b) has implications for the decision to continue or discontinue membership in the organization deterioration of employee commitment”. There are many reasons for the deterioration of employee commitment, among them, the major one is failure in leadership. For employees to become committed, management must introduce the right skills, so much so they become part of its culture. In this manner, there will be a well-structured top-down management with consistency and equity for everyone (Allen & Meyer, 1990).

Mowda (1998), suggested that organizational commitment is a crucial factor that promotes and increases the attachment of an individual to an organization. Employees that display organizational citizenship behavior are highlighted as committed employees, as they try their best to be dedicated and optimize their energies to obtain organizational goals.

It is very crucial for the organization to know what are the aspects that play an important role in making the employees commit to the company or in fostering their commitment (May-Chiun, et al., 2009). (Allen & Meyer, 1990) also suggest that if employee commitment is effectively managed, it can result in some welfare of the company such as employee performance, reduced turnover, and reduced absenteeism. Leadership style has been considered as one of the most important factors that can supplement employees' commitment and it is seen as the fuel for the attainment of organizational goals (Abasilim, et al., 2019).

Thus, employee commitment enhances the company's value and makes it more successful.

## **1.2 Background of the company**

The Ethiopian Red Cross Society (ERCS) is a humanitarian organization that offers services to communities (Ethiopian Red Cross Society, 2021).

The Ethiopian Red Cross Society (ERCS) was established by edict after the repercussions of the second war with Italy, on July 8, 1935. During that time, ERCS started operation by giving humanitarian services to wounded soldiers and civilian victims. On the September of 1935 ERCS was recognized as the 48<sup>th</sup> member of the International Federation of Red Cross and Red Crescent Societies. ERCS is auxiliary to the government, but it is also an independent humanitarian organization. (Ethiopian Red Cross Society, 2021).

ERCS serves communities that are affected by natural and manmade disasters through emergency responses, first aid, ambulance, essential drugs, water sanitation, family reunification and other helpful services to different communities. Furthermore, it works on risk reduction programs, climate change adaptation, institutional capacity building interventions, with the purpose of creating resilience households and communities (Ethiopian Red Cross Society, 2021).

According to (Ethiopian Red Cross Society, 2021), ERCS strategic objectives are the following:

- Save lives, protect livelihood, and contribute to community resilience.
- Promote culture of non-violence and peace.
- Enhance membership and volunteer management.
- Ensure financial self-reliance and optimize resource utilization.

- Pursue humanitarian diplomacy and enhance visibility and image building.
- Capacity building of HQ and Branches.
- Partnership development.

### **1.3 Statement of the problem**

One of the main factors of having a successful business is to create a great leadership impact in the organizations (Mahdi & Top, 2021). There have been many controversies about the correlation between leadership styles and organizational commitment (McCleskey, 2014). The controversy has been created regarding wheatear leadership styles influence organizational commitment.

Many previous researchers, (Alemu, 2019; Teshome, 2011; Abasilim, et al., 2019; Daud, 2019) have found that there is a significance of positive relationship between transformational leadership and organizational commitment. (Teshome, 2011), studied the relationship between leadership styles (transformational, transactional, and laissez-faire) and organizational commitment (affective, normative, and continuous) in Private Higher Education Institutions in Addis Ababa. On his study, findings revealed that the transformational leadership style has a significant and positive relationship with affective and continuous commitment, transactional leadership has a significant and positive relationship with normative commitment. However, his studies revealed that laissez-faire leadership style has an insignificant negative relationship with organizational commitment.

(Daud, 2019) emphasized on the fact that leadership style is a vital component to determine organizational commitment. Many recent articles (Alemayehu & Batisa, 2020; Akinida & Irbo, 2020) have also recommended a positive relationship between leadership styles and organizational commitment. However, the number of studies conducted in humanitarian organization is lacking especially in the context of Ethiopia. Therefore, this study is important to determine the leadership styles of humanitarian leaders (transformational, transactional, laissez-faire) and employee commitment of the humanitarian employees working under them. This study will fill a knowledge gap.

## **1.4 Research Objective**

### **1.4.1 General Research Objective**

The overall purpose of this study is to investigate the effect of leadership styles on organizational commitment at the Ethiopian Red Cross Society Headquarters.

### **1.4.2 Specific Research Objective**

To achieve the overall objective, the specific research objectives are the following:

- ✓ To examine the effect of transformational leadership style on organizational commitment in the Ethiopian Red Cross Society National Headquarters.
- ✓ To investigate the effect of transactional leadership style on organizational commitment in the Ethiopian Red Cross Society National Headquarters.
- ✓ To assess the effect of laissez-faire leadership style on organizational commitment in the Ethiopian Red Cross Society National Headquarters.

## **1.5 Research Questions**

In this study, the following research questions are developed to obtain an extensive understanding of the factors under investigation, and to provide an adequate argument for the results.

1. What is the effect of transformational leadership on organizational commitment in Ethiopia Red Cross Society National Headquarters?
2. What is the effect of transactional leadership on organizational commitment in Ethiopia Red Cross Society National Headquarters?
3. What is the effect of laissez-faire leadership on organizational commitment at the Ethiopia Red Cross Society National Headquarters?

## **1.6 Significance of the Study**

The significance of this study transpires in many aspects. The purpose of this study is to investigate the practice of leadership and organization commitment in the Ethiopian Red Cross Society National Headquarters. It is vital to comprehend the effect of the leadership styles under study on

organizational commitment and how these interconnections impact the humanitarian organization. Therefore, this study will be beneficial to different parties.

For the Ethiopian Red Cross Society National Headquarters, the findings will help them enhance their performance and will guide them to instill the right leadership style that will increase employee's commitment. Since little research have been done on leadership styles on humanitarian organization in the Ethiopian context, the findings will be useful for other NGOs that have similar structure as the Ethiopian Red Cross Society National Headquarters. For practitioners and different researchers, the findings would be a great instrument or could be used as a base for other studies. Furthermore, this study will add value to the Ethiopian literature regarding the subject matter. It could also be used by researchers as a tool to understand which leadership style is more effective in the organization context they are within.

### **1.7 Scope of the Study**

The focus of this study is assessing the effect of leadership styles on organizational commitment in the Ethiopian Red Cross Society National Headquarters. The study is explanatory and descriptive in nature. The data of this study is delimited to the employees of the Ethiopian Red Cross Society National Headquarters. Due to time constraint, and since the study is conducted in only one semester, data was collected from the Addis Ababa Headquarters of the Ethiopian Red Cross Society. This study assesses scope of transformational, transactional, and laissez-faire leadership as an independent variable to measure their effect on the dependent variable, organizational commitment.

### **1.8 Limitation of the Study**

There were some limitations hindering this study. Constraints include, time, demographic, shortage of literature in the Ethiopian context, and COVID19. Regarding time, the time given by the study program was noticeably short; the time the researcher was informed, and appointed advisor were minimal. This project was meant to be done within six months; however, this study was conducted in only three months due to the short notice from the study program, that was itself hampered by the pandemic. Therefore, the researcher was not able to reach all the branches in Ethiopia, hence the researcher conducted the study in the Addis Ababa Headquarters office. Consequently, this might affect the generalization of the findings to the whole Ethiopian Red Cross



Society. On demographic, results obtained might have been different if percentage for sex, age, time with institution, and education were different. The shortage of up-to-date reference materials in the Ethiopian context tapered the content of the study. COVID19 has been an issue for this study because the researcher was not able to move from place to place intrepidly to conduct the research, for this reason the researcher chose one centered place.

Furthermore, results might be different in different organizations depending on their context.

## **1.9 Definition of Key Terms**

**Leadership Style:** refers to the behavior of a leader when directing, motivating, and guiding followers or employees. It is a way of directing a group of people that reflects a specific character of a leader (Cherry, 2020).

**Transformational Leadership:** It describes leadership style that is focused on change within a project, team, or organization. This type of leaders works closely with their followers and share the bigger picture with them. They empower them and make them achieve goals willingly (Boogard, n.d.).

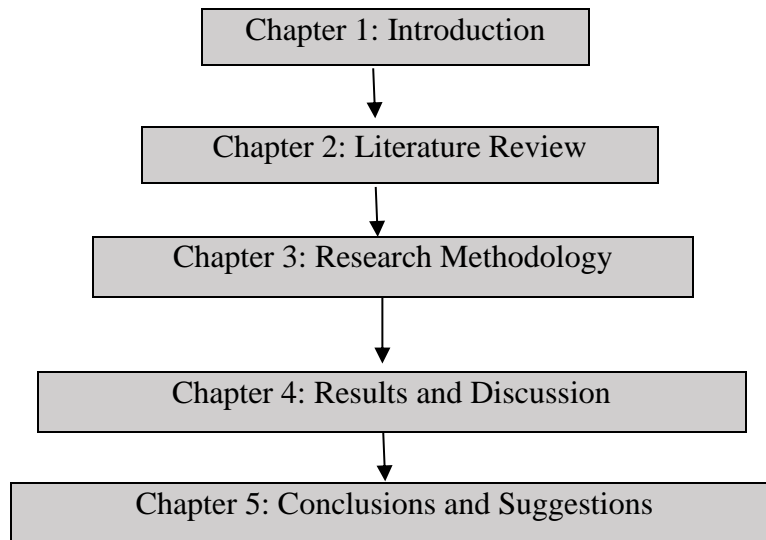
**Transactional Leadership:** it based on the transaction of leader-follower relationship. The transaction is based on the employee completing required task in exchange of benefit. This type of leadership is based on a reward-punishment base (Cherry, 2020).

**Laissez-faire Leadership:** involves managers or leaders that delegate responsibility to the employees with very less interference from their side. In this type of leadership style, leaders tend to be careless and delegate decision-making to followers, they intervene only when they are faced with a problem. There is no proactivity in this style (Boogard, n.d.).

**Organizational Commitment:** is an emotional and psychological dependence on the organization, in which an employee is very committed and wants to stay within the organization with loyalty and contributing what he/she can (Aghalari, et al., 2021).

## 1.10 Organization of the study

This study is organized into five chapters. Figure 1.1 presents the structure of this study. The contents of the chapter are briefly described below the figure.



*Figure 1-Outline of thesis*

The first chapter includes background of the study, background of the organization, statement of the problem, research objectives (general and specific), research questions, significance of the study, scope of the study, limitation of the study and definition of key terms. Chapter two provides an overview of the existing literature, it contains theoretical framework, conceptual framework, and empirical review. The third chapter illustrates the methodology used in this study, it describes the approach, the design, and the methods used in this thesis. Chapter four analyzes and presents findings derived from the different data and the interpretations to meet the objectives of the study. Finally, chapter five will provide the summery of findings, conclusion, and recommendation for this study.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITRATURE**

#### **Introduction**

This chapter aims to describe the overview of the related literature of the subject matter. It presents the related literature review of the variables, leadership styles and organizational commitment. Furthermore, it encloses the relationship between leadership styles and employee commitment. This chapter contains different definitions, theories, and functions of leadership styles and organizational commitment. It is an overview of both variables. This chapter includes three parts: theoretical review, empirical review, and conceptual framework.

#### **2.1 Theoretical Framework**

##### **2.1.1 Concept of Leadership and Leadership Styles**

Leadership is one of the most vital research topics in the business and academic sector and has made an immense progression in unveiling some of the enduring mysteries associated with leadership (Sunil Kumar, 2018). Leadership and leader are two of the most widely used terms in education and management science research, hence they have been defined by various researchers and scholars (Malik & Azmat, 2019). (Yukl, 1994) defined leadership as the process of influencing followers. A leader is one or more people who select, equips, trains, and influences one or more followers who have the attribute of different skills and capabilities and focuses the followers to the organization's objectives and vision engendering the followers to expand their physical and emotional energy willingly and passionately towards achieving the organization's goals (Winston & Patterson, 2006).

Leadership is crucial to organization's success. Leadership styles vary from situation to situation. Leaders adapt their leadership style based on the situation they are in or based on the demand and the working environment of an organization (Asghar & Oino, 2018).

## **2.1.2 Leadership Theories**

### **2.1.2.1 Great-Man Theory**

Leadership theory began with the great man theory. It was examined observing men who were already leaders. Carlyle, in 1847 his ‘great man theory’ suggested that leaders are born and there is an innate characteristic of leadership. These leaders are born and not made. The leaders in this theory according to him, were gifted with unique abilities, only those with types of gifts could be leaders. This theory promotes the idea of inheriting inborn leadership skills that only certain types of people can have. In line with this theory, (Northouse, 2007) a person could be a born leader or not.

### **2.1.2.2 Traits Theory**

Trait theories assume that most leaders are born with trait that differentiates them from others non-leaders who are not born with natural leadership traits. This theory focuses on traits such as intelligence, accountability, responsibility, creativity and other. These natural trait or qualities allow the leader to excel or shine in leadership. It highlights the importance of leadership skills and how these skills improve leadership performance (Bahirat, 2021).

### **2.1.2.3 Behavioral Theory**

Behavioral Theory’s fundamental belief is that leaders are not born, rather they are made. It assumes that anyone could become a leader, there is no innate requirement to become a leader. This theory opened a new approach for researchers, that of the measurement of leadership is not just skills or inborn attributes (Yukl, 2001). This theory states that fruitful leaders with a specific style and influencing strategy are prone to lead employees or followers to achieve or obtain organizational goals (Ansari, 1990). This theory bases its assumptions on behavior rather than quality. In contrary to the trait theory and great-man theory, the behavioral theory assumes that effective leadership requires only a learning process, which in time will give a person the right skills and knowledge to become a leader. Anyone could be a leader by learning (Bahirat, 2021).

#### **2.1.2.4 Contingency Theory**

The contingency theory states that there is no one best way or specific best leadership style that is applicable in every situation. The theory explains that there are different factors that influence a situation. After considering the circumstances and the different factors affecting the situation, the leader must choose the right leadership style that is applicable for the specific situation. Researchers such as Hodgson and White suggest that leadership's effectiveness is found in balancing needs, context, and behavior. Effective leaders are the ones who have the capability to assess the needs of employees and can analyze different situations and act accordingly (Bahirat, 2021). Contingency leadership suggests that a leader's success is dependent on factors such as positional authority, subordinate skills, and attitude (Admassie, 2018).

#### **2.1.2.5 Situational Leadership Theories**

Situational leadership theory is remarkably like the contingency theory, it is based on the consideration of different factors and variables that affect a certain situation or circumstance. This leadership theory does not assume that a specific leadership style is better than the other one. According to Paul Hersey, a leadership guru and a professor in the US, and Ken Blanchard, suggest that situational leadership theory has two variables, the leadership style, and the maturity of the follower. This theory proposes that different situations call for different leadership styles and decision-making style. A leader must be capable of deciding based on the circumstances and situations he/she is faced (Bahirat, 2021). According to (Teshome, 2011), this style sees leadership as the situation being exercised. Some situations demand autocratic style to be used, others require participative, and it all depends on the situations. In different levels of organizational structure there needs to be different types of leadership applied.

#### **2.1.3 Full Range of Leadership Model (FRLM)**

According to (Saqer, 2009), the full range leadership theory was first pinpointed by Burns in 1978 and it was more explained by Bass around 1985. According to (Bass, 1990), findings suggest that in the field of organizational leadership there are three dimensions of leadership, namely transformational leadership, transactional leadership, and laissez-faire leadership. These three leadership styles are the fusion of leadership.

The FRLM (full range of leadership model) is a model that depicts types of styles from non-leadership to transformational leadership practices. The model is the accumulation of different kinds of leadership practices with their respective outcomes. It begins with the transformational leader practice, continues with transactional leader practice and last it sinks to the lowest level of laissez-faire practice (Bass, et al., 2003).

### **2.1.3.1 Transformational Leadership Style**

Transformational leadership is also known as relationship leadership, it is based on relationships between leaders and followers. The leaders in this style encourage and inspire their followers to become better at their work and they cultivate their personal growth. These leaders are charismatic leaders, and they impede their followers to perform better (Bahirat, 2021).

Transformational leadership concepts go back to James V. Downton in 1973 and it was inflated by James Burns around 1978. After seven years, in 1985 Bernard M. Bass, an American researcher expanded the concept of transformational leadership including ways of measuring its success. The model developed by Bass encourages leaders to show authenticity and create inspiration in employees to achieve organizational objectives (White, 2018).

To define transformational leadership, it is the process of influencing employees or followers to higher purposes by creating awareness of what is valuable and empower them to become more self-aware so that they could take charge of opportunities and challenges coming their ways. They display characteristics such as proactiveness, they encourage their employees use their maximum potentials, they focus on innovation and always strive to think out of the box. They always motivate their employees or followers to exploit their potential optimistically and inspire them to have high moral and ethical standards. (Hall, et al., 2002). Transformational leadership focuses on concurrent problems, it defines standards, and empowers and cultivates the behavior of employees to achieve organizational objectives effectively (Middleton, et al., 2015; Arif & Akram, 2018).

(Bass, 1985) argues that transformational leadership includes four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration.

#### **1. Idealized influence**

The term implies being influential over ideals. In this aspect of the transformational leadership, the leaders must depict a role model picture to the employees or followers. In this element the leader is perceived or seen as a respectful person and he/she therefore is admired by the followers, who in return want to mirror the leader. Leaders in this dimension take risk and show different skills and attributes to the followers such as determination and persistence. Furthermore, they do things with a high ethical moral and standards (Gomes, 2014). Charismatic leadership is undoubtedly the most effective trait leadership style (Ojokuku, et al., 2012).

## **2. Inspirational Motivation**

Inspirational motivation is defined as the ability of leaders to give a sense of team spirit to the employees to achieve organizational goals, and to increase performance. The leader in this dimension, motivates and inspires the followers by creating ambitious and exciting vision. They make the followers passionate and inspire them to have the same desire as them. This dimension of transformational leadership rises from the use of communicative and effective styles of influence (Ngaithe, et al., 2016). In this element of transformational leadership style, the leaders communicate high expectations to make the employees have a compass of a shared vision within the organization they operate in (Bass & Avolio, 1994 ). Another important aspect of this element is the alignment of the individual to the organizational objective, which makes it very easier to attain organizational objectives and it is a way in motivating them to achieve personal goals (McCleskey, 2014). The alignment process to the organization's objective is the most important strategy used by leaders who belong in this element. Furthermore, the leaders offer meaning and challenge that encourages the work of the employees. Regarding this, the leader initiates a sense of enthusiastic team spirit by involving the employees in a positive vision for the future and by showing them how to achieve the organizational objective. Transformational leaders nurture their employee's commitment and teamwork spirit by defining, mission, strategic goals and vision of the organization creating a sense of determination in the employees (Renjith, 2015).

## **3. Intellectual Stimulation**

Intellectual stimulation is an essential element of the transformational leadership style. In this aspect of transformational leadership, leaders encourage employees or followers to question their values and beliefs and if necessary, they let them even question the leaders' assumptions and

decision when needed, in case their assumptions are outdated and cannot solve current problems (Elkins & T, 2003; Sundi, 2013). According to (Anjali & Anand, 2015), intellectual stimulation contributes to employee commitment to the organization. This in turn, implies that the organization will have the capability to meet short-term and long-term goals. Intellectual stimulation leaders challenge the thinking process of existing assumptions, stimulate change in the way employees think about problems, and advocate the use of metaphor and analogy (Stone, et al., 2004). By consistently looking for ways to get new knowledge, intellectual stimulation transformational leadership constantly presents and teaches, but also promotes and cultivates new and creative ideas from all members of the organization to solve problems (Bass, 2006). This element of transformational leadership suggests that leaders not only challenge the status quo, or they are the change agent; they also spark creativity amongst followers. This leader pushes followers to inspect new ways of doing things (Cherry, 2020).

#### **4. Individualized consideration**

Individualized consideration involves coaching and mentoring to support employees to make them reach their optimum potential (McCleskey, 2014). According to (Shadraconis, 2013), individualized considerations is a way for leaders to interact in a significant way to interact with their followers. Mutual and personal communication can both be seen as a strong point for the leader of the organization. In this component of leadership style, the leader focuses on the personal growth and development of everyone and fosters the employees by being their mentor. The leader gives independence, nurtures the employees, and standardizes working patterns encouraging them to attain organizational goals. Accordingly, the leader develops a two-way communication by actively listening to them and delegating tasks to make them grow both potentially and ethically. This element of transformational leadership involves support and encouragement from the leader's side to everyone. In this component the relationship is an open kind of relationship to create a sense of freedom in the employees to share their ideas and thoughts. Furthermore, the leader offers direct recognition to the contribution of each follower (Cherry, 2020).

#### **2.1.3.2 Transactional Leadership**

Transactional leadership style also known as management theories or exchange theories, is mainly focused on teamwork, supervision, organization. The basis of leadership in this theory is the



presence of rewards and punishment. Rewards are given to employees to make them perform better (Bahirat, 2021).

Transactional leadership focuses on explicit and implicit contractual relationship between leaders and employees. Tasks are described explicitly and in detail with benefit structures and disciplinary codes. Independence is key in this element of leadership style; members should work independently from their colleagues. In terms of cooperation's of employees, there must be negotiation. There is no problem solving or no common vision or mission. The employees do not identify with the organization's mission or vision. Leaders in this type of leadership are negotiators and resource allocators (Teshome, 2011).

Transactional leadership is a contractual or lawful relationship between a leader and an employee, which is dependent on their benefits (Winkler, 2010). This type of leadership style goes back to the carrot and stick theory to obtain organization objectives. Employees are compensated according to their performance, and they must meet the leader's requisite (Abasilim, et al., 2019).

According to (Avolio & Bass, 2004) transactional leadership includes three elements: contingent reward, active management by exception, and passive management by exception.

### **1) Contingent Reward**

The contingent reward is concerned with determining objectives and performance expectations to employees or to followers, by taking use of rewards and promotion as a tool to prompt them to achieve established goals (Akram, et al., 2016).

This type of transactional leadership styles focuses on reward and recognition. In contingent reward followers after carrying out their responsibilities, they are given recognition and rewards. In this sense, there is a requirement from the side of the leaders clarifying the expectations to the leaders. When employees achieve a goal, he/she gets rewarded (Towler, 2020).

### **2) Active Management by Exception**

Management by exception is the ceaseless surveillance or monitoring of leaders to make sure that expected performance is met, or tasks are well done, procedures reinforced, and problems are found and solved (Gill, 2012).

Leaders with active management by exception are prone to accept mediocracy, they settle for just expectations. They trust that their employees will deliver expected outcomes, however they do not expect more than that. The leaders do not cultivate, nurture, or inspire the employees more than what is required from them. They just want satisfactory result. When results are achieved, all parties are satisfied and the organization continuous as it is without any changes (Avolio & Bass, 2004). Risk taking, novel ideas or innovations are avoided in this component of transactional leadership style (Newaz & Khan, 2016).

### **3) Passive Management by Exception**

Passive management as the words itself states are passive leaders. These leaders are receptive, they are not proactive in anyway. They only respond to problems when they arise. They react at the spot instead of planning ahead, these leaders are passive (Yahaya & Ebrahim, 2016).

It is the style of transactional leadership agreements, goals, standards, or any road map to achieve objective. This leader is only moved when a problem arises, and he/she solves when it only rises (Newaz & Khan, 2016).

#### **2.1.3.3 Laissez-faire Leadership Styles**

Laissez-faire leadership style is the type of leadership in which leaders avoid decision making, lack in coordinating activities and they are absent when needed in crucial circumstances (Abasilim, et al., 2019). This leadership style comprises a non-interference policy, depicting a sense of carelessness and in respect to decision making and making a way in which employees use their own ways to obtain organizational objectives (Goodnight, 2011; Bhatti, et al., 2012).

Laissez-faire leadership shows a lack of leadership, and it is identified as a non-leadership style, since leaders in this style escape responsibility (Newaz & Khan, 2016). Laissez-faire leaders portray an extremely limited participation in crucial organization matters and are very disposed to procrastinate until a situation gets to a critical point. These leaders are known for their involvement avoidance, the main characteristic of laissez-faire leadership style. The avoidance behavior creates a low sense of self-esteem and frustration in the followers who deal with these leaders. Laissez-fair leaders show no or little care for the follower's action and the impact they make on

organization's outcome, instead they demotivate their followers. (Newaz & Khan, 2016) graded this leadership style as a non-leadership style.

### **2.1.4 The concept of Organizational Commitment**

Organizational commitment is defined as the degree in which employees are interested to their tasks assigned to a workplace. It is a sense of obligation that an employee has towards the mission, vision, and objectives. In organizations high satisfaction of employees is related to employee's commitment (Lee, et al., 2020 ). It is an appealing subject as is it strongly related to turnover, absenteeism, and organizational performance (Lee, 2005). Employee commitment results in high organizational efficiency, which in turn directs to improved performance, productivity, and overall improvement (Zaim, et al., 2020). Based on the current literature, means to investigate organizational commitment are the following (Mahdi & Top, 2021).

Mowda (1998), suggested that organizational commitment is a crucial factor that promotes and increases the attachment of an individual to an organization. Employees that display organizational citizenship behavior are highlighted as committed employees, as they try their best to be dedicated and optimize their energies to obtain organizational goals. This increase in a desire to be dedicated, causes the employees to be more committed, in turn this will lead to high performance and to productivity (Admassie, 2018).

### **2.1.5 The Three component Model**

There are different definitions of organizational commitment, however the three-component model developed by Meyer and Allen (1991,1997) is the most accepted way of looking at organizational commitment (Kell & Motowidlo, 2013). This model includes three dimensions: affective, continuance, and normative commitment.

#### **2.1.5.1 Affective Commitment**

Affective commitment takes place when employees feel a sense of duty to their organization (Sardar & Mahdi, 2021). It is also related to the individuals powerful believe in the organization's mission, vision, and objectives (Ali & Sagsan, 2020; Ali, 2021). These types of employees

naturally identify organizational intelligence and goals that are suitable for the organization, and they organize and fulfill it with their work. Affectively committed employees feel respected and valued, act as ambassadors to their companies and they generally contribute a lot to the organization (Admassie, 2018).

Affective commitment comprises three aspects, these are: formation of individual attachment to organization, identification with mission and vision of the organization, which is observed through their desire to achieve organizational goals, and the desire to maintain organizational membership (Nigussie, 2019). Employees with the affective commitment continue employment by choice, they are more inclined to work with their own desire. Affective employees are especially important to the organization since they are tied emotionally with it, and they will always strive to achieve organizational objectives with dedication (Allen & Meyer, 1990).

### **2.1.5.2 Normative Commitment**

Normative commitment is defined as the degree in which employees commit to their organization because of a moral duty and it relates to the urge of employees to stay at the organization. (Admassie, 2018). Employees that are normatively committed feel the urge to stay at the organization they work in (Balassiano & Salles, 2012).

Normative commitment is a sense of obligation to stay in an organization. The obligation might be different, it may be believing, expectation, or maybe the idea that one is not doing the right thing. It is the inclination to believe that one must stay in an organization because one feels a big sense of obligation to stay and be committed to the organization (Kamal & Shawkat, 2020).

### **2.1.5.3 Continuance Commitment**

Continuance Commitment, also known as fear of loss commitment, takes place when employees take the time to consider the pros and cons or the advantage and disadvantages of leaving the organization. They might feel like leaving the job will be more beneficial. However, they feel a sense of staying in their present organization (Amin & Ahmed, 2020). In this element of commitment, the employees are fearful and unconfident. They think that there is no better opportunity if they leave, or they will be faced with some sort of challenge that they cannot deal

with. Job satisfaction is not the reason they stay, it is more of having no choice (Ali & Sagsan, 2020; Shawkat, et al., 2020).

This dimension of organizational commitment focuses on cost and benefits. It measures the need for employees to stay for a reasonable beneficial return. They might stay in the organization because of the salary, economic benefits, appraisal, or promotion. Therefore, these employees are inclined to stay for these reasons (Nigussie, 2019).

## **2.2 Empirical Review**

### **2.2.1 Transformational Leadership and Organizational Commitment**

(Cilek, 2019), while investigating effect of organizational commitment on organizational performance, found a significant positive relationship between transformational leadership styles and organizational performance. (Daud, 2019), conducted a study and found that transformational leadership styles significantly affect job performance in a State-Owned Banks in West Kalimantan, Indonesia.

(Alemayehu & Batisa, 2020), conducted a study on the effects of leadership style on organizational commitment at Wolaita and Dawro Zone Transport Private Limited Companies, findings suggest that transformational leadership style has a significant positive effect on normative commitment but not on continuous commitment. They notified that transformational leadership style has further effect on organizational commitment. (Akinida & Irbo, 2020), conducted the same study in the University of Mada Walabu and found a significant positive relationship between transformational leadership style behavior and organizational commitment. (Qadir & Yeşiltaş, 2020), while investigating the same issue found a positive relationship between transformational leadership styles.

### **2.2.2 Transactional Leadership and Organizational Commitment**

(Alemayehu & Batisa, 2020), in their study found a significant positive relationship between transactional leadership style and both continuance and normative commitment. (Nigussie, 2019), also found a significant positive relationship between transaction leadership behavior and organizational commitment.

(Akinida & Irbo, 2020), found a weak, but positive relationship between transactional leadership style with continuance commitment and normative style, however they found no relationship for transactional leadership style with affective commitment. (Admassie, 2018), found a significantly positive relationship between transactional leadership style and organizational commitment at Betezatha General Hospital and Girum General Hospital.

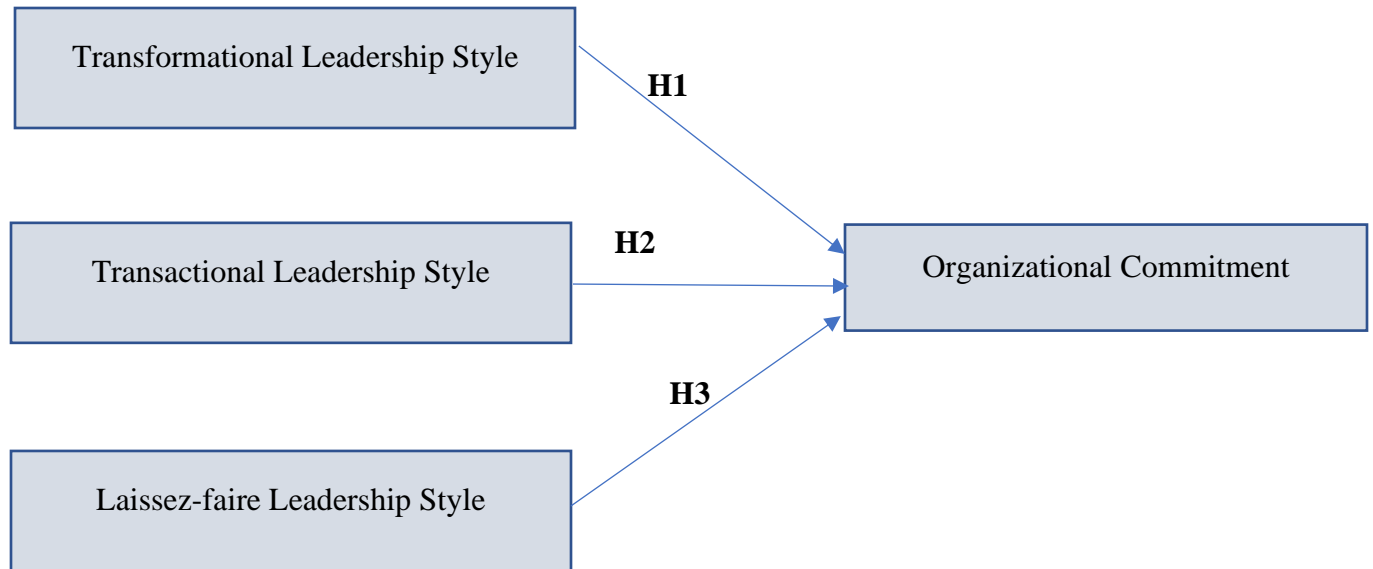
### **2.2.3 Laissez-faire Leadership and Organizational Commitment**

(Akinida & Irbo, 2020), in their study conducted at the University of Madda Walabu, found a significant and positive correlation between laissez-faire leadership style and continuance commitment, but found a significant and negative relationship between laissez-faire leadership style and affective commitment.

(Admassie, 2018), found a significant negative relationship between laissez-faire leadership style and organizational commitment.

### **2.3 Conceptual Framework**

The conceptual framework of this study is organized according to the objectives of the study. As shown in the figure 2 below, the conceptual framework depicts the independent and the dependent variables of the study.



*Figure 2- Conceptual Framework*

The independent variables of the study are the three leadership styles: transformational, transactional, and laissez-faire. The dependent variables of the study are organizational commitment, the three dimensions in one, affective, normative, and continuance commitment. Previous studies on the relationship between the two variables revealed a correlation between the variables. The aim of the study is to investigate the effect of the independent variables (transformational, transactional, and laissez-faire) on the dependent variable (organizational commitment).

## **2.4 Research Hypothesis**

The hypotheses of this study were constructed subsequently to a careful empirical review and based on the proposed conceptual framework as follows:

*Hypothesis 1:* Transformational leadership style has a significant and positive effect on organizational commitment.

*Hypothesis 2:* Transactional leadership style has a significant and positive effect on organizational commitment.

*Hypothesis 3:* Laissez-faire leadership style has a significant and negative effect on organizational commitment.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **Introduction**

This chapter aims to describe the research methodology of the study. It provides an overview of the research methodology. It discusses the research approach, design, the sampling procedure and methods, and the data collection methods. Furthermore, it discusses issues such as reliability, validity, and ethical consideration.

#### **3.1 Research Design**

A research design is the process of collecting data, analyzing, and presenting them. Research designs are selected based on the purpose of the study (Boru, 2018). The purpose of this study is to investigate the effect of leadership styles on organizational commitment. Therefore, for this study, the research designs selected are descriptive and explanatory research design.

The purpose of descriptive statistics is to provide a picture of a situation and present where someone or something is situated and to study how things relate to each other. On the other hand, explanatory research design explains and accounts for descriptive information. Explanatory design focuses on causes and reasons and provides evidence to support predictions (Boru, 2018).

Hence, this study used both descriptive and explanatory design as it describes as it gives a current picture of Ethiopia Red Cross Society Headquarter. Furthermore, it studies the effect of the leadership styles practiced in the Ethiopian Red Cross Society Headquarters on organizational commitment.

#### **3.2 Research Approach**

This study used a quantitative approach. Quantitative research involves the collection and analysis of numerical data to draw results. It can be used for different reasons such as making prediction, testing causal relationship, and generalization results. One can use quantitative research when doing a correlational, and a descriptive research (Bhandari, 2021). Hence, this study uses a quantitative approach since the study is descriptive and it involves testing a causal relationship.

### 3.3 Sampling Method and Procedure

#### 3.3.1 Target population

Target population is the group of people from which to conduct research and draw conclusion from (Barnsbee, 2018). For this study, the target population are the employees of the Ethiopian Red Cross Society Headquarters. According to HRs of the humanitarian organization, for this study the target population amounts to 272 employees. Hence, the sampling frame is 272.

The choice of target population was made on purpose, as the Headquarters of the Ethiopian Red Cross Society represents the managerial structure of the organizational.

#### 3.3.2 Sampling Size Determination

Sampling is choosing a subset from the target population of interest (Turner, 2020). To determine the sample size, one must take note of the nature of the population (if it is heterogeneous or homogenous), the nature of the study (whether it is quantitative or qualitative), and the availability of resources such as finance, and time (Kothari, 2004). The sample size for (n) is determined by using the equation explained by (Kothari, 2004). The sample size of this study was drawn as follows:

$$n = N/1 + (N \times e^2)$$

n = sample size

N = target population

e = Standard error (5%)

1 = Constant

Hence, N= 272 and e=5%

$$n = 272/ (1 + (272 \times (5\%)^2))$$

$$n = 272/ (1 + (272 \times 0.0025))$$

$$n = 272/1+0.68$$

$$n = 272/1.68 = 161.94 \text{ approximately } 162$$

### **N = 272 and n = 162**

Therefore, the study conducted in Ethiopia Red Cross Society National Headquarters has the sample size of 162 employees excluding security guards and cleaners.

### **3.3.3. Sampling Design**

To obtain valid conclusion from results of a study, one must choose a sample that is representative of the target population. There are two ways of sampling methods: probability sampling and non-probability sampling. Probability sampling method uses random selection and helps make statistical inferences about the general population. Non-probability sampling methods includes a non-random selection that usually is dependent on convenience and other issues, it is easier to collect data using this method (McCombes, 2021). For this study, probability sampling method is selected because the nature of the study is quantitative and requires statistical inferences to draw results.

For this study, simple random sampling is selected. Simple random sample is a sample that is selected randomly from the population. In this sampling method, everyone (every individual of the of the population) has equal chance of being selected for the study. Furthermore, this method has high internal and external validity since it involves randomization (Thomas, 2021). For this reason, simple random sampling technique is used for this study.

## **3.4 Source of Data and Data Collection Methods**

### **3.4.1 Data Collection Methods**

Data collection is the process of gathering information in a well-mannered and planned way, and to draw results after analyzing it. Data is divided into two: primary and secondary data. Primary data is collected at first hand, and it involves both qualitative and quantitative methods. While secondary data involves gathering data from different sources such as articles, books, and journals (Upadhyay, 2021). This study uses both, primary and secondary data collection. For the primary

study, the researcher uses a questionnaire to conduct the study. For the secondary data collection, the researcher went through some articles, journals, and books.

The primary data was collected through survey questionnaire by using the drop and pick method to ensure high response rate. The researcher chose questionnaire because it is a standardized means through which respondents get the same questions within the same format. Furthermore, questionnaires can provide a quantitative description of the respondent's experience, attitude, and opinion.

This study uses a quantitative approach that involves a close-ended questionnaire as a measurement instrument. Close-ended questionnaires are easy instruments to use when addressing large group of people simultaneously. The researcher used demographic questions that only fits the objective of the study. The researcher chose this instrument because it is less costly and consumes less time. The specific questionnaires used in this study are two, MLQ (multifactor leadership questionnaire) for the leadership styles and OCQ (organizational commitment) for organizational commitment.

### **3.4.2 Demographic Questions**

The demographic question in this study includes, age of respondents, gender of respondents, educational qualification, and work experience in Ethiopia Red Cross Society Headquarters. The researcher disregarded other factors such as marital status, experience in other organizations as it is irrelevant to the objectives of the study. Therefore, to study the variables of the study, the researcher chose the above-mentioned demographic questions.

### **3.4.3 Multi Factor Leadership Questionnaire 5x**

The Multifactor Leadership Questionnaire (MLQ) has been improved and tested in 1985 as cited in (Bass, et al., 2003) this study, the questionnaire has been formulated from the Full Range of leadership model consisting of transformational, transactional, and laissez-faire.

The researcher modified and edited the questionnaire to fit the context of the study. The questionnaires items for this study are 19 in total. Based on the first objective, the first 10 items of the MLQ measure transformational leadership style. According to the second objective, items 11-

16 of the MLQ addresses transactional leadership style. From the third objective, item 17-19 assesses laissez-faire leadership style.

The MLQ items are rated using a five-point Likert scale, categorized as 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, and 5=strongly agree. High scores depict high effectiveness perception of the leadership style under investigation, while low score portrays low effectiveness perception of the leadership style under study.

#### **3.4.4 Organizational Commitment Questionnaire**

There are different types of instruments to measure organization commitment. This study uses the organizational commitment questionnaire developed by Porter, Mowday and Steers in 1982. OCQ is a unidimensional instrument. On an empirical assessment of organizational commitment measures, (Tayyab, 2007) provided an evidence for the reliability and one-dimensionality of OCQ, Therefore, a unidimensional OCQ is used in this study.

The items of the OCQ are 9. And they all address the objectives accordingly. The OCQ items are rated using a five-point Likert scale, categorized as 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, and 5=strongly agree. High scores depict high effectiveness of employee's commitment to the Ethiopian Red Cross Society Headquarters, while low score portrays low effectiveness of employee's commitment.

#### **3.5 Methods of Data Analysis**

The result of this survey is presented using descriptive and inferential statistics. (Bhandari, 2021) outlined the use of both descriptive and inferential statistics. According to her, descriptive statistics helps summarize the features of a data set, while inferential statistics helps make conclusions and predictions based on data. This study used both methods. The data analysis of this study presented frequencies in form of tables. After data collection, the information's received were coded and then entered and analyzed by SPSS version 20 software tool. The demographic questions were presented in frequencies and percentage. Descriptive statistics illustrated numbers of information to give an overall picture of the data collected. Person correlation was used in this study to analyze the relationship of the variables. As for the inferential statistics, a well-defined regression analysis was used to study the variables and test the hypotheses.

### **3.6 Reliability and Validity**

Reliability refers to how consistently a method measures variable, if the same result can be consistently achieved by using the same methods under the same situations, the measurement is considered reliable. On the other hand, validity refers to how accurately a method measures what it is intended to measure, it is about the accuracy of the measure (Middleton, 2019). There are different reports about the acceptable values of Cronbach alpha, ranging from 0.70 to 0.95, a low value of alpha could be due to a low number of questions, poor inter-relatedness between items or heterogeneous constructs (Tavakol and Dennick, 2011). With this being said, the study will be measuring the reliability and validity of the research instruments by using Cronbach Alpha with the help of the SPSS software.

### **3.7. Ethical Considerations**

This study emphasizes on the ethical consideration as on the other parts of the study. Respondents were given full information about the study and the objectives of the study prior to data collection. Confidential information of the humanitarian organization and the employees was not disclosed to anyone, information was only used to study the variables and their relationships. Hence, respondent's identity remained anonymous in this study.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

#### Introduction

This chapter aims to illustrate the data analysis, interpretation, and findings of the study. In this section of the study, the data collected are analyzed through descriptive statistics and inferential statistic with well supported tables and interpretations.

#### 4.1 Reliability Analysis

Table 1- Reliability Analysis

Variables	Number of Items	Cronbach's Alpha
<b>Transformational Leadership Style</b>	10	.834
<b>Transactional Leadership Style</b>	6	.889
<b>Laissez-faire Leadership Style</b>	3	.826
<b>Organizational Commitment</b>	9	.738

*Source: (Own Survey, 2021)*

In this study, reliability is measured and is accepted as an important indicator of a study's quality. Thus, the researcher used Cronbach's Alpha with the help of SPSS software to assess the internal consistency and reliability of the instrument. Cronbach Alpha is the most used measurement for reliability especially in social sciences and the acceptance level is of higher than 0.7 (Wright & Bonett, 2014). Based on Table-1 above, the results show that instruments used in this research is reliable.

## 4.2 Response Rate of Respondents

**Table 2- Response Rate of Respondents**

<b>Response Status</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Distributed Questionnaire</b>	162	100%
<b>Returned Questionnaire</b>	130	80.25%
<b>Not returned Questionnaire</b>	32	19.75%

*Source: (Own Survey, 2021)*

This study assessed the effect of leadership styles on organizational commitment by which questionnaires were distributed to Ethiopia Red Cross Society National Headquarters. The above Table-2 depicts the percentage of returned and unreturned surveys. (Pallant, 2005), suggested that a response rate of 50% is adequate, while a response rate of 60% is good and a reporting rate of 70% and above is excellent. As shown in the table above, 162 questionnaires were distributed in total, from which 130 were returned amounting to 80.25%, while there were only 32 unreturned questionnaires which were equivalent to 19.75% of the total questionnaire. Therefore, the response rate for this study is 80.25%, making it acceptable.

## 4.3 Demographics of Respondents

This section of the study summarized the demographic characteristics of the respondents, it included age, gender, educational level, and work experience of the respondents. The objective of the demographic analysis is to have a relevant background of the respondents. Therefore, this section describes the characteristics of the respondents in terms of the above-mentioned factors.



**Table 3- Age**

	<b>Frequency</b>	<b>Percent</b>	<b>Cumulative Percent</b>
<b>26-36 years</b>	28	21.5	21.5
<b>37-47 years</b>	64	49.2	70.8
<b>48-58 years</b>	38	29.2	100.0
<b>Total</b>	130	100.0	

*Source: (Own Survey, 2021)*

According to the above Table-3, Ethiopia Red Cross Society National Headquarters employees are older in age. The results show that 28 (21.5%) employees are of age 26-36, while 64 (49.2%) employees are of age 37-47, and the rest 38 (29.2) employees are of age 48-58. The table shows that more than half of the employees are older in age. Accordingly, it can be said that the organization is composed of older people implying more experience, more knowledge, and high skills.

**Table 4-Gender**

	<b>Frequency</b>	<b>Percent</b>	<b>Cumulative Percent</b>
<b>Male</b>	82	63.1	63.1
<b>Female</b>	48	36.9	100.0
<b>Total</b>	130	100.0	

*Source: (Own Survey, 2021)*

According to the above Table-4, Ethiopia Red Cross Society National Headquarters employees is composed of 82 (63.1%) male and 48 (36.9%) female. The percentage for female is low.

**Table 5-Education Level**

	<b>Frequency</b>	<b>Percent</b>	<b>Cumulative Percent</b>
--	------------------	----------------	---------------------------

<b>Bachelor's degree</b>	63	48.5	48.5
<b>Master's Degree</b>	67	51.5	100.0
<b>Total</b>	130	100.0	

*Source: (Own Survey, 2021)*

Table-5 shows that 63 (48.5%) Ethiopia Red Cross Society National Headquarters employees are bachelor's degree holders and the rest 67 (51.5%) are master's degree holder. This implies that the employees of Ethiopia Red Cross Society National Headquarters are highly educated as the organization requires highly skilled employees as it is a humanitarian organization. Master's degree holders dominate the organization, and this justifies the age of the respondents. As shown in the table, the organization however does not accept nothing less than bachelor's degree.

**Table 6-Work Experience**

	<b>Frequency</b>	<b>Percent</b>	<b>Cumulative Percent</b>
<b>Less than 2 years</b>	7	5.4	5.4
<b>2 to 6 years</b>	55	42.3	47.7
<b>7 to 10 years</b>	8	6.2	53.8
<b>More than 10 years</b>	60	46.2	100.0
<b>Total</b>	130	100.0	

*Source: (Own Survey, 2021)*

The above Table-6 illustrated that there are only 7 (5.4%) employees with a work experience of less than 2 years, 55 (42.3%) employees with 2-6 years' work experience, 8 (6.2%) employees with 7-10 years' work experience, and 60 (46.2%) with work experience of more than 10 years. This implies that most employees are seniors, and it justifies their education level in Table-5 and their age in Table-4. As many of the employees worked for more than 10 years, they are older in age, and they are highly educated.

## 4.4 Descriptive Analysis

This section describes the overall perception of the respondents regarding the effect of leadership style on organization commitment in Ethiopia Red Cross Society National Headquarters. The results were summarized through strongly disagree, agree, neutral, strongly agree, agree, mean scores and standard deviations. Consequently, the mean indicated to what extent the sample group on average agreed or disagreed on the different questions. Higher mean implies the agreement of more respondents with the statements, while lower mean has the implication of more respondent's disagreement with the statements.

### 4.4.1 Analysis on Transformational Leadership Style

**Table 7-Descriptive Statistics for Transformational Leadership Style**

SN	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My leader is approachable and friendly.	-	5.4% (7)	4.6% (6)	32.3% (42)	57.7% (75)
2	My manager maintains a friendly working relationship with subordinates.	-	5.4% (7)	15.4% (20)	36.9% (48)	42.3% (55)
3	My manager does little things that make it pleasant to be a member of the group.	-	13.1% (17)	16.9% (22)	64.6% (84)	5.4% (7)
4	All team members are given opportunities to attend relevant trainings and conferences.	-	6.9% (9)	26.9% (35)	49.2% (54)	16.9% (22)
5	My leader spends time teaching and coaching.	-	16.9% (22)	36.9% (48)	40.8% (53)	5.4% (7)
6	Our leader puts suggestions made by us into actions.	-	5.4% (7)	20% (26)	57.7% (75)	16.9% (22)
7	My leader assigns me to tasks.	-	-	5.4% (7)	76.9% (100)	17.7% (23)

<b>8</b>	My manager listens receptively to subordinates' ideas and suggestions.	0.8% (1)	10.8% (14)	10.8% (14)	50% (65)	27.7% (36)
<b>9</b>	My manager consults with employees before making key decisions.	6.2% (8)	-	20% (26)	51.5% (67)	22.3% (29)
<b>10</b>	My leader gives me complete freedom in decision making and problem solving.	0.8% (1)	20.8% (27)	21.5% (28)	37.7% (49)	19.2% (25)

Source: (Own Survey, 2021)

Table-7 shows that (75) 57.7% of respondents strongly agree that their leader is approachable and friendly, while (42) 32.3% of the respondents agree, (6) 4.6% of them are neutral, and (7) 5.4% disagree. It also shows that (55) 42.3% of the respondents strongly agree that their manager maintains a friendly working relationship with subordinates, while (48) 36.9% of them agree, (20) 15.4% are neutral, and (7) 5.4% disagree. The table above also illustrated that (7) 5.4% of the respondents strongly agree that their manager does little things that make it pleasant to be a member of the group, (84) 64.6% of them agree, (22) 16.9% are neutral, and (17) 13.1% disagree. In addition, it depicts that (22) 16.9% of respondents strongly agree that all team members are given opportunities to attend relevant trainings and conferences, (54) 49.2% of them agree, (35) 26.9% are neutral, and (9) 6.9% disagree. In the table it is also shown that (7) 5.4% of respondents strongly agree that their leader spends time teaching and coaching, while (53) 40.8% of them agree, (48) 36.9% are neutral, and (22) 16.9% disagree. The table shows that (22) 16.9% of the respondents strongly agree that their leader puts suggestions made by them into actions, (75) 57.7% of them agree, (26) 20% are neutral, and (7) 5.4% disagree. Furthermore, it is shown in the table that (23) 17.7% of the respondents strongly agree that their leader assigns them to tasks, (100) 76.9% of them agree, and the remaining (7) 5.4% are neutral. As mentioned in the table above, (36) 27.7% of respondents strongly agree that manager listen receptively to subordinates' ideas and suggestions, (65) 50% of them agree, (14) 10.8% are neutral, only (1) 0.8% respondent strongly disagree. It is shown in the table that 22.3% of the respondents strongly agree that their manager consults with employees before making key decisions, (67) 51.5% of them agree, (26) 20% are neutral, and the remaining (8) 6.2 % strongly disagree. In addition, the table shows that (25) of the respondents strongly agree that their leader give them complete freedom in decision

making and problem solving, while (49) 37.7% of them agree, (28) 21.5% are neutral, (27) 20.8% disagree, and the only (1) 0.8% respondent strongly disagree.

#### 4.4.2 Analysis on Transactional Leadership Style

**Table 8- Descriptive Statistics for Transactional Leadership Style**

SN	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My leader is lacking control directing, which he/she does not explain the actions to us.	11.5% (15)	34.6% (45)	18.5% (24)	30.8% (40)	4.6% (6)
2	My leader refuses to explain his/her actions.	28.5% (37)	38.% (50)	6.2% (8)	26.9% (35)	-
3	My leader avoids him/herself from goal setting and decision making.	20% (59)	45.4% (59)	18.5% (24)	16.2% (21)	-
4	My leader delay responding to urgent questions.	14.6% (19)	43.8% (57)	8.5% (11)	33.1% (43)	-
5	My leader avoids him/herself from getting involved when important issues arise.	13.1% (17)	51.5% (67)	8.5% (11)	26.9% (36)	-
6	My leader waits for things to go wrong before taking action.	20% (26)	29.2% (38)	20.8% (27)	30% (39)	-

Source: (Own Survey, 2021)

Table-8 shows that (6) 4,6% of the respondents strongly agree that their leader is lacking control directing, which he/she does not explain the actions to them, (40) 30.8% of them agree, (24) 18.5% are neutral, (45) 34.6% of them disagree, and the remaining (15) 11.5% strongly disagree. The table also shows that (35) 26.9% of the respondents agree that their leader refuses to explain his/her actions, (8) 6.2% of them are neutral, (50) 38% disagree, and (37) 28.5% strongly disagree. It is shown in the table that (21) 16.2% of the respondents agree that their leader avoids him/herself from goal setting and decision making, while (24) 18.5% of them are neutral, (59) 45.4% disagree, and the (59) 20% of them strongly disagree. In addition, the table illustrates that (43) 33.1% of the respondents agree that their leader delay responding to urgent questions, (11) 8.5% are neutral,

(57) 43.8% of them disagree, and the (19) 14.6% of them strongly disagree. In the table, it is also shown that (36) 26.9% of the respondents strongly agree that their leader avoids him/herself from getting involved when important issues arise, (11) 8.5% are neutral, (67) 51.5% of them disagree, and (17) 13.1% of them strongly disagree. Furthermore, the table depicts that (39) 30% of the respondents agree that their leader waits for things to go wrong before taking action, (27) 20.8% are neutral, (38) 29.2% of them disagree, (26) 20% of them strongly disagree.

#### 4.4.3 Analysis on Laissez-faire Leadership Style

**Table 9- Descriptive Analysis on Laissez-faire Leadership Style**

SN	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My leader maintains definite standards of performance.	-	20.8% (27)	33.1% (43)	40.8% (53)	5.4% (7)
2	My leader makes clear what one can expect to receive when performance goals are achieved.	5.4% (7)	16.2% (21)	35.4% (46)	31.5% (41)	11.5% (15)
3	My leader is effective in meeting organizational requirements.	-	11.5% (15)	40% (52)	36.9% (48)	11.5% (15)

Source: (Own Survey, 2021)

Table-9 shows that (7) 5.4% of respondents strongly agree their leader maintains definite standards of performance, (53) 40.8% of them agree, (43) 33.1% are neutral, and (27) 20.8% disagree. It also shows that (15) 11.5% of respondents strongly agree that their leader makes clear what one can expect to receive when performance goals are achieved, (41) 31.5% of them agree, (46) 35.4% are neutral, (21) 16.2% of them disagree, and the rest (7) 5.4% strongly disagree. The table also presents that (15) 11.5% of the respondents strongly agree that their leader is effective in meeting organizational requirements, (48) 36.9% of them agree, (52) 40% of them are neutral, and (15) 11.5% disagree.

#### 4.4.4 Analysis on Organizational Commitment

**Table 10-Descriptive Analysis on Organizational Commitment**

SN	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am willing to put in a great deal of effort beyond that normally expected to help this organization be successful.	-	-	11.5% (15)	38.5% (50)	50% (65)
2	I talk up of this organization to my friends as a great organization to work for.	-	4.6% (6)	15.5% (15)	36.9% (48)	46.9% (61)
3	I would accept almost any kind of job assignment, in order to keep working for this organization.	-	-	26.2% (34)	43.8% (57)	30% (39)
4	I feel that my values and organization's values are very similar.	-	-	11.5% (15)	70.8% (92)	17.7% (23)
5	I am proud to tell others that I am a part of this organization.	-	-	7.7% (10)	58.5% (76)	33.8% (44)
6	This organization really inspires the very best in me in the way of job performance.	5.4% (7)	10% (13)	19.2% (25)	36.2% (47)	29.2% (38)
7	I am extremely glad that I chose this organization to work for over others I was considering at the time I joined.	-	12.3% (16)	17.7% (23)	46.9% (61)	23.1% (30)
8	I really care about the fate of this organization.				67.7% (88)	32.3% (42)
9	For me this is the best of all possible organization for which to work.		8.5% (11)	10.8% (14)	52.3% (68)	28.5% (37)

Source: (Own Survey, 2021)

Table-10 shows that (65) 50% of the respondents strongly agree that they are willing to put in a great deal of effort beyond that normally expected to help the organization be successful, (50) 38.5% of them agree, and the rest (15) 11.5% are neutral. It also shows that (61) 46.9% of the respondents strongly agree that they talk up of the organization to their friends as a great organization to work for, (48) 36.9% of them agree, (15) 15.5% are neutral, and the rest (6) 4.6% disagree. It also portrays that (39) 30% of the respondents strongly agree that would accept almost any kind of job assignment, in order to keep working for this organization, (57) 43.8% of them

agree, and the rest (34) 26.2% are neutral. In addition, the table shows that (23) 17.7% of the respondents strongly agree that they feel that their values and organization's values are very similar, (92) 70.8% of them agree, and the rest (15) 11.5% are neutral. The table shows that (44) 33.8% of the respondents strongly agree that they are proud to tell others that they are a part of this organization, (76) 58.5% of them agree, and the rest (10) 7.7% are neutral. It also shows that (38) 29.2% of respondents strongly agree that the organization really inspires the very best in me in the way of job performance, (47) 36.2% of them agree, (25) 19.2% are neutral, (13) 10% of them disagree, and the rest (7) 5.4% strongly disagree. Furthermore, it shows that (30) 23.1% of respondents strongly agree that they extremely glad that they chose this organization to work for over others they were considering at the time they joined, (61) 46.9% of them agree, (23) 17.7% are neutral, and (16) 12.3% disagree. It also shows that (42) 32.3% of the respondents strongly agree that they really care about the fate of the organization, (88) 67.7% of them agree. Finally, the table shows that (37) 28.5% of the respondents strongly agree that for them this is the best of all possible organization for which to work, (68) 52.3% of them agree, (14) 10.8% are neutral, and the rest (11) 8.5% disagree.

#### 4.4.5 Overall Descriptive Analysis

**Table 11- Mean Score of Respondents**

<b>Variables</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Transformational Leadership Style</b>	130	3.8608	.53462
<b>Transactional Leadership Style</b>	130	2.5244	.87064
<b>Laissez-Faire Leadership Style</b>	130	3.3564	.79315
<b>Organizational Commitment</b>	130	4.0983	.44523
<b>Valid N (listwise)</b>	130		

*Source: (Own Survey, 2021)*



The above Table-11 shows the overall result in which transformational leadership style has a mean of (3.8608) and standard deviation of (0.53462), the mean for this variable is higher than the average value of 2.5 in five-point Likert scale measurement. The transactional leadership style has a mean of (2.5244) and standard deviation of (0.87064) which is average, and this shows more statements were responded as neutral and disagree. The laissez-faire leadership style has a mean of (3.3564) and standard deviation of (0.79315) which is more than average and hence can be said that most statements were mostly agree and strongly agree. The last variable organizational has a mean of (4.0983) and with standard deviation (0.44523) this mean shows a number greater than average and it shows that the statements were mostly on the agree side.

#### 4.5 Pearson Correlation Analysis

A correlation describes the relationship or association between variables. Correlation analysis has a value between -1 and +1. Thus, positive values indicate positive relationship and negative values indicate negative relationship between variables. The table below shows the Pearson correlation value and the meaning associated to it. Pearson correlation analysis was used in this study to provide evidence to construct validity.

**Table 12- Correlation Matrix**

		<b>Organizational Commitment</b>
<b>Transformational Leadership Style</b>	Pearson Correlation	.465**
	Sig. (2-tailed)	.000
	N	130
<b>Transactional Leadership Style</b>	Pearson Correlation	.413**
	Sig. (2-tailed)	.000
	N	130

<b>Laissez-Faire Leadership Style</b>	Pearson Correlation	-.143
	Sig. (2-tailed)	.010
	N	130
<b>**.</b> Correlation is significant at the 0.01 level (2-tailed).		

Source: (Own Survey, 2021)

The above Table-12 shows that transformational leadership style has a Pearson correlation value of (0.465) with organizational commitment as well as is significant ( $p=0.000$ ). This means that transformational leadership has a moderate positive relationship with organizational commitment as one increases the other decreases. It can also be inferred that transactional leadership style has a Pearson correlation value of (0.413) and significant at ( $p=0.000$ ) with organizational commitment. This means that transactional leadership style has a positive moderate relationship with organizational performance. Lastly, the laissez-faire leadership style has a Pearson value of (-0.143) and as well as significant ( $p=0.010$ ), this shows that laissez-faire leadership style has a negative moderate relationship with organizational commitment.

#### 4.6. Multicollinearity Test

**Table 13- Multicollinearity Test**

Model		Collinearity Statistics	
		Tolerance	VIF
<b>1</b>	Constant		
	Transformational Leadership Style	.552	1.811
	Transactional Leadership Style	.722	1.386
	Laissez Faire Leadership Style	.719	1.390

Source: (Own Survey, 2021)

Multicollinearity is a test for determining existence of multicollinearity among independent value and variance influence factor (VIF). According to (Field, 2005), the tolerance value shall be greater

than 0.2 and the VIF should be less than 10. The above Table-11 shows that tolerance of all variables is greater than 0.2, and the VIF of all variables were less than 10, therefore there is no multicollinearity effect.

## 4.7 Regression Analysis

This study used multiple regression model in which the cause-and-effect relationship between leadership style and organizational commitment is to be studied. In the regression analysis, both the existence of significant relationship and the direction of relationship between these variables are to be tested.

### 4.7.1 Model Summary

**Table 14-- Model Summary**

<b>Model Summary</b>				
<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
<b>1</b>	.518 <sup>a</sup>	.268	.251	.38540
<b>a. Predictors: (Constant), Laissez-Faire Leadership Style, Transactional Leadership Style, Transformational Leadership Style</b>				

*Source: (Own Survey, 2021)*

In the linear regression model, the coefficient R Square summarizes the amount or proportion of variance of the dependent variable in association with the predictors that is the independent variables. According to Table-14, the model summary of the regression shown as R Square of (.268) implies that 26.8% variation of organizational commitment can be explained by the three independent variables (transformational leadership style, transactional leadership style, and laissez-faire leadership style). This also implies that the rest 73.2% is explained by other variables that affect organizational commitment not included in the study.

## 4.7.2 ANOVA

**Table 15- ANOVA Table**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.856	3	2.285	15.386	.000 <sup>b</sup>
	Residual	18.715	126	.149		
	Total	25.571	129			
<b>a. Dependent Variable: Organizational Commitment</b>						
<b>b. Predictors: (Constant), Laissez-Faire Leadership Style, Transactional Leadership Style, Transformational Leadership Style</b>						

Source: (Own Survey, 2021)

The ANOVA statistics shown in the above Table-15 is used to present the regression model significance. If the number found in Sig. column is less than the critical value of alpha ( $\alpha$ ), then the effects is said to be significant. The model shows an F-significance value at df (3,126)  $p < 0.05$  which implies that the model is best fitted and significant.

## 4.7.3 Coefficient of Variable

**Table 16- Multiple Regression Analysis**

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

<b>1</b>	(Constant)	3.300	.364		9.066	.000
	Transformational Leadership Style	.346	.085	.415	4.050	.000
	Transactional Leadership Style	.116	.046	.226	2.521	.013
	Laissez Faire Leadership Style	-.073	.050	-.130	-1.451	.022
<b>a. Dependent Variable: Organizational Commitment</b>						

Source: (Own Survey, 2021)

In the above Table-16, the standardized coefficient column shows the contribution that and individual variable makes to the model. The Beta weight is the average amount of the dependent variables increasing when the independent variables increase by on standard deviation with all the other independent variables held constant. Based on the standardized coefficients ( $\beta$ ) and Sig. value it can be seen that all independent variables have a significant effect on organizational commitment at different significance level and different relationships. The following section discusses each independent variable direction and significance with the independent variable.

### **I. Transformational Leadership Style**

The relationship of transformational leadership style and organizational commitment is significant with  $p= (0.000)$  which is less than 0.05 and a positive relationship with (Beta=.415) according to Table 16.

### **II. Transactional Leadership Style**

The relationship of transactional leadership style and organizational commitment is significant with  $p= (0.013)$  which is less than 0.05 and a positive relationship with (Beta=.226) according to Table-16.

### **III. Laissez-faire Leadership Style**

The relationship of laissez-faire leadership style and organizational commitment is significant with  $p = (0.022)$  which is less than 0.05 and a negative relationship with (Beta=-.130) according to Table-16.

## **4.8 Hypothesis Testing**

### **H1: Transformational leadership style has a significant and positive effect on organizational commitment.**

Referring to Table-16 the relationship between transformational leadership style and organizational commitment has a sig value of ( $p = 0.000$ )  $< 0.05$  ( $\beta = .415$ ). This implies that transformational leadership style has a significant and positive relationship with organizational commitment, hence Hypothesis 1 is accepted. Moreover, referring to Table-12, this relationship is supported by the correlation table which shows significant and positive relationship as well. These findings were consistent with the of other researchers who studied the relationship between these two variables such as (Cilek, 2019; Daud, 2019; Qadir & Yeşiltaş, 2020). These findings implied that transformational leadership style is directly related to organizational commitment, as one increases the other increases.

### **H2: Transactional leadership style has a significant and positive effect on organizational commitment.**

Referring to Table-16 the relationship between transactional leadership style and organizational commitment has a sig value of ( $p = 0.013$ )  $< 0.05$  ( $\beta = .226$ ). This implies that transactional leadership style has a significant and positive relationship with organizational commitment, hence Hypothesis 2 is accepted. Moreover, referring to Table-12, this relationship is supported by the correlation table which shows significant and positive relationship as well. These findings were consistent with that of other researchers who studied the relationship between these two variables such as (Admassie, 2018; Alemayehu & Batisa, 2020; Nigussie, 2019). These findings implied that transactional leadership style is directly related to organizational commitment, as on increases the other also increases.

### **H3: Laissez-faire leadership style has a significant and negative effect on organizational commitment.**

Referring to Table-16 the relationship between laissez-faire leadership style and organizational commitment has a sig value of ( $p= 0.022$ )  $< 0.05$  ( $\beta = -.130$ ). This implies that laissez-faire leadership style has a significant and negative relationship with organizational commitment, hence Hypothesis 3 is accepted. Moreover, referring to Table-12, this relationship is supported by the correlation table which shows significant and negative relationship as well. These findings were consistent with that of other researchers who studied the relationship between these two variables such as (Akinida & Irbo, 2020; Admassie, 2018). These findings implied that the laissez-faire leadership style is indirectly related to organizational commitment.

**Table 17- Summary of Hypotheses**

<b>Hypotheses</b>	<b>Outcomes</b>
H1: Transformational leadership style has a significant and positive effect on organizational commitment.	Accepted
H2: Transactional leadership style has a significant and positive effect on organizational commitment.	Accepted
H3: Laissez-Faire leadership style has a significant and negative effect on organizational commitment.	Accepted

# **CHAPTER FIVE**

## **SUMMARY OF FINDINGS, CONCLUSION**

### **AND RECOMMENDATION**

#### **Introduction**

The study tried to assess the effect of leadership styles on organizational commitment in the case of Ethiopia Red Cross Society National Headquarters. The specific objectives of the study were, to examine the effect of transformational leadership style on organizational commitment, to investigate the effect of transactional leadership style on organizational commitment, and to assess the effect of laissez-faire leadership style on organizational commitment. Overall, this chapter provides a summary of findings, conclusions, and recommendations.

#### **5.1 Summary of the Findings**

The main findings are discussed and summarized below based on the analysis results discussed in chapter four. The major findings are as follows:

- From the descriptive analysis it can be inferred that most employees are male (63.1%) and female employees hold (36.9%), a low percentage. Moreover, it was found that most employees (49.2%) are older in age ranging from 37-4, which shows that the workforce is senior and has a lot of experiences. Furthermore, most of the employees hold a master's degree with experiences more than 10 years in the organization. This justifies the employees age and years of experiences within the Ethiopia Red Cross Society National Headquarters. Moreover, it was also shown in the correlation matrix results consistent with the regression analysis that transformational leadership style had a positive significant relationship with correlation value (0.465) and ( $p=0.000$ ), transactional leadership style had a positive and significant relationship with correlation value (0.413) and ( $p=0.00$ ), and lastly laissez- faire leadership style having a negative and significant relationship with correlation value (-0.143) and ( $p=0.010$ ).



- The ANOVA statistics presented the regression model significance. An F-significance value of at df (3, 126) with ( $p = 0.00$ )  $< 0.05$  was established showing that there is a probability of less than 0.05 of the regression models. Thus, the model was significant.
- All the independent variables of the study (transformational leadership style, transactional leadership style and laissez-faire leadership style) have a significant effect on the dependent variable, organizational commitment however their variance differs. Transformational leadership style was shown to have a value of ( $p = 0.000$ )  $< 0.05$  and ( $\beta = 0.415$ ), that is a positive and significant relationship with organizational commitment. The transactional leadership style was shown to have a value of ( $p = 0.013$ )  $< 0.05$  and ( $\beta = 0.226$ ), that is a positive significant relationship with organizational commitment. And lastly laissez- faire leadership style was shown to have a value of ( $p = 0.022$ )  $< 0.05$  and ( $\beta = -0.130$ ), that is a negative and significant relationship with organizational commitment.

## 5.2 Conclusion

- From the descriptive analysis it can be concluded that the employees of the Ethiopia Red Cross Society National Headquarters are dominated by men workers, with most of them highly educated having master's degree and mostly older employees. Furthermore, from the correlation matrix it can be concluded that transformational and transactional leadership style have a positive moderate relationship with organizational commitment while laissez-faire leadership style has a negative moderate relationship with organizational commitment.
- Based on the objectives of the study, attempts have been made to provide answers for the following research questions:
  1. What is the effect of transformational leadership style on organizational commitment in Ethiopia Red Cross Society National Headquarters?
    - Transformational leadership style has a significant and positive effect on organizational commitment with a standardize beta of (0.415). Thus, transformational leadership has a positive effect on organizational commitment
  2. What is the effect of transactional leadership style on organizational commitment in Ethiopia Red Cross Society National Headquarters?

- Transactional leadership style has a significant and positive effect on organizational commitment with a standardized beta of (.226). Thus, transactional leadership has a positive effect on organizational commitment.
3. What is the effect of laissez-faire leadership style on organizational commitment in Ethiopia Red Cross Society National Headquarters?
- Laissez-faire leadership style has a significant and negative effect on organizational commitment with a standardized beta of (-.130). Thus, laissez-faire leadership has an indirect effect with organizational commitment.

### **5.3 Recommendation**

Referring to the findings and conclusion statements, the following recommendations are presented:

- According to the findings and conclusion, it is recommended to use more of transformational leadership style and transactional leadership style in the Ethiopia Red Cross Society Headquarters as they have a positive relationship with organizational commitment. As the recommended leadership styles are practiced within the humanitarian organization, the employees will tend to be more committed.
- Continues training and internal discussion in higher level of management should take place, motivating leaders to be more transformational and transactional at the same time and equipping them with skills that enable them to motivate the employees.
- The organization, furthermore, should define expectations clearly and reward and give recognition to the employees who meet expectation or vice versa. Incentives and rewards should be defined as well to motivate employees.
- Different programs such as idea sharing sessions should be established that enables the two parties (leaders and employees) to enhance their relationship. There must be an environment where there is transparency, clarity, and open-mindedness.

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## APPENDIX



### COLLEGE OF BUSINESS AND ECONOMICS PROGRAMS OF GRADUATE STUDIES SCHOOL OF COMMERCE

#### QUESTIONNAIRE INTRODUCTION

**Dear Respondent,**

My name is Sharon Dejenu I am a student of Master of Business Leadership at Addis Ababa University School of Commerce. I am conducting this research as partial requirement to fulfill my master's degree. The objective of this questionnaire is to collect information on the topic I am entitled which is **“The Effect of Leadership Styles on Organizational Commitment: A Case Study on Ethiopia Red Cross Society**. Your input is highly valued as it is the bases to my findings. I would really appreciate if you could please take the time to fill out the questionnaire. Furthermore, please make sure to fill out all the items, as one response has value.

The questionnaire in your hands is particularly important to me and to your organization as it can give you a picture of where your organization is. Therefore, I urge you to be genuine and answer all the questions sincerely. This will take you no less than 15 minutes as the items are short and precise. I assure you that the responses you give are strictly confidential and you will remain anonymous, as the questionnaire does not require your identity. Thank you in advance for you

patience and willingness to fill out the form. After filling out the questionnaire, please make sure to return it back as soon as possible.

Many thanks again for your support and for taking your precious time to fill out this questionnaire. For further questions, clarifications, and comments, please do not hesitate to contact me via email or through the phone: - [sharondejenu01@gmail.com](mailto:sharondejenu01@gmail.com), +251-983-36-22-24

## **Part I: General Information (Demographic Characteristics of the Respondents)**

**Instructions:** Please tick in the right box.

### **1. Age**

Below 25 years ( )    26-36 years ( )    37-47 years ( )    48-58 years ( )    Above 59 ( )

### **2. Gender (sex)**

Male ( )                      Female ( )

### **3. Education level**

Certificate/diploma ( )    Higher/Advanced diploma ( )    Bachelor degree ( )    Master's Degree ( )

### **4. For long have you worked in the Ethiopia Red Cross Society**

Less than 2 years ( )    2 to 6 years ( )    7 to 10 years ( )    More than 10 years( )

## **Part II: Leadership Styles**

This part of the questionnaire is to describe the leadership style of your superior or manager as you perceive it. Please answer the items by ticking from 1-5 the choices you believe relates to you most. Please find here below the rating scale. Thank you for your cooperation.

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

No.	Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		0	1	2	3	4
	<b>Transformational Style:</b>					
1.	My leader is approachable and friendly.					
2.	My manager maintains a friendly working relationship with subordinates.					
3.	My manager does little things that make it pleasant to be a member of the group.					

4.	All team members are given opportunities to attend relevant trainings and conferences.					
5.	My leader spends time teaching and coaching.					
6.	Our leader puts suggestions made by us into actions.					
7.	My leader assigns me to tasks					
8.	My manager listens receptively to subordinates' ideas and suggestions.					
9.	My manager consults with employees before making key decisions.					
10	My leader gives me complete freedom in decision making and problem solving.					
	<b>Transactional style:</b>					
11	My leader is lacking control directing, which he/she not explains the actions to us.					
12	My leader refuses to explain his/her actions.					
13	My leader avoids him/herself from goal setting and decision making.					
14	My leader delay responding to urgent questions.					
15	My leader avoids him/herself from getting involved when important issues arise.					
16	My leader waits for things to go wrong before taking action.					

	<b>Laissez-Faire style:</b>					
17	My leader maintains definite standards of performance.					
18	My leader makes clear what one can expect to receive when performance goals are achieved.					
19	My leader is effective in meeting organizational requirements.					

*Source: Bass and Avolio 1990 Multifactor Leadership Questionnaire*

### **Part III: Organizational Commitment**

Below are statements that represent feelings that individuals might have. Please tick from 1-5 with the statement you relate with most. Thank you in advance for your cooperation.

<b>No.</b>	<b>Item</b>	<b>1 Strongly Disagree</b>	<b>2 Disagree</b>	<b>3 Neutral</b>	<b>4 Agree</b>	<b>5 Strongly Agree</b>
1	I am willing to put in a great deal of effort beyond that normally expected to help this organization be successful.					
2	I talk up of this organization to my friends as a great organization to work for.					

3	I would accept almost any kind of job assignment, in order to keep working for this organization.					
4	I feel that my values and organization's values are very similar.					
5	I am proud to tell others that I am a part of this organization.					
6	This organization really inspires the very best in me in the way of job performance.					
7	I am extremely glad that I chose this organization to work for over others I was considering at the time I joined.					
8	I really care about the fate of this organization.					

**Source: *Allen and Meyer's (1996) Organizational Commitment scale***