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Relationship between Leadership Style and Employee Commitment in Bank of Abyssinia

**Project Work Submitted to Addis Ababa University, School of
Commerce in Partial Fulfillment of the Requirement for the Degree
of Masters in Business Leadership**

By

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ADDIS ABABA ETHIOPIA

STUDENT DECLARATION

I, the undersigned declare that this is my original work and that it has not been submitted to any other college, Institution or University other than Addis Ababa university, School of commerce for the academic credit.

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STUDENT CERTIFICATION

This research report has been presented for examination with my approval as the appointed advisor and both of my Examiners.

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ABSTRACT

*The main objective of this study is to investigate the relationship between leadership styles and employee commitment in Bank of Abyssinia, Addis Ababa selected Branch offices. The study employed descriptive research design with emphasis on the relationship of leadership styles on the employee commitment in Bank of Abyssinia. The target population of interest in this study was made up of non-management employees of 12 grade three branch staffs of the bank, who were 322 in total which is obtained from the HR department. The sample size consists of a list of 50 randomly selected staffs from each of the 12 branch offices. Data was collected using questionnaire (two separate instruments namely Multifactor leadership questionnaire, **MLQ** & Organizational Commitment questionnaire, **OCQ**) and analyzed using the Statistical Package for Social Science (SPSS). The findings were presented using tables and charts. Correlation analysis was also being employed to test the relationship between the independent and dependent variables. The findings of the study revealed that transformational leadership style has significant and positive correlation with affective, continuance and normative employee commitments while transactional leadership style has not significant and positive correlation with all the three types of commitment. A laissez-faire leadership style is found to be not significantly correlated with affective & normative commitment but significantly and positively correlated with continuance commitment. Finally depending on the research work the researcher recommended that the bank could work on strengthening and intensively using Transformative leadership style by equipping managers on the skills needed for transformational leadership since this leadership style has proved to be significantly correlated with employee commitment.*

Keywords: Leadership styles, Employee commitment, BOA

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LIST OF ABBREVIATIONS

BOA Bank of Abyssinia

HR Human Resource

MLQ Multi factor Leadership Questionnaire

OCQ Organizational Commitment Questionnaire

SPSS Statistical Package for Social Science

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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

The challenges presented by changing organizational environment has forced organizations to be prepared to cope with the rapid change in business dynamics by continuously adopting required changes in their strategies, structures, and leadership styles etc. so that they can remain competitive in the market places. In the other hand the workplace changing dramatically and demands for the highest quality of product and service is increasing. To remain competitive in the face of these pressures, employee commitment is crucial. Much has been written about the need for improving the education, training and development of organizational work force. As important as this is, Hersey & Blanchard (1984) argue that, at least equal emphasis must be given to improving the quality of leadership in business is to succeed in achieving greater employee commitment and there by its profitability.

Leadership is regarded as a key factor in the initiation of transformative change in organizations, with leaders having the capacity to espouse and entrench behaviors and attitudes that result in a positive effect on individuals, teams, and organizations. Achua and Lussier (2013), define leadership as the influencing process of leaders and followers to achieve organizational objectives through change. They continue to define influence as the process of a leader communicating ideas, gaining acceptance of them, and motivating followers to support and implement the ideas through change. The essence of leadership is anchored on the ability of a leader to influence how employees respond in an organization (Lilian, 2017).

Leadership is executed in different styles depending on the leader personality and the situation at hand. Irwin (2014) suggests that style is the outward face of a leader because it is the most readily observable way we interact with others. There are various evolutionary models of leadership styles that have been developed, a majority of them lying along a continuum of job centeredness and employee centeredness. Studies conducted by the university of Michigan's Survey Research center and the Ohio state university, offer models which focus on two main dimensions of leadership styles including initiating structure style behaviors and consideration style behaviors (Lilian, 2017).

Commitment can be defined as the relative strength of an individual's identification with an organization and involvement in the organization. Organizational commitment refers to the acceptance of organizational values and willingness to stay in the organization. Commitment to organization is linked to key word related factors such as, employee absenteeism, employee turnover, and employee performance and employee citizenship behavior. Organizational commitment can be categorized into three components namely: affective commitment, continual commitment & normative commitment (Meyer & Herscovitch, 2001).

The subject of leadership styles and organizational commitment has attracted global interest leading to a lot of research in these areas in order to confirm that leadership styles have an effect on the different types of employee commitment. So on upcoming research I would like to prove whether different types of leadership styles relate with the commitment of the employees in our financial institutions specifically banking sector with exclusive study on the Bank of Abyssinia.

1.2 Background of the study organization

The Government of Ethiopia allowed the establishment of private banks and insurance companies in 1994, the Ethiopian banking sector is currently comprised of a central bank (National bank of Ethiopia), two government owned banks and sixteen private banks according to the latest report published in end of 2018. Abyssinia Bank was incorporated as a share company on 10 September 1986 in accordance with commercial code of Ethiopia of 1960 and the licensing and supervision of Banking Business Proclamation No 84 (1994).

The bank obtained a banking service of license from the national Bank of Ethiopia, and with registered with the trade industry and tourism Bureau of the Addis Ababa city Administration, over the years. Abyssinia Bank Built itself in to progressive and modern banking institution endowed with a strong financial structure and a strong management as well as a large and ever increasing customers and correspondent. Today Abyssinia Bank is a full service bank that offers its customers full range of commercial Banking service with a network that includes 311 Branches. Abyssinia Bank priority in the coming years is to strength its capital base, maximizing return on equity and Benefits from the latest technology in order to keep going with the latest development in the local and international services industry.

According to the banks' official website the Vision of the bank is As "Abyssinia" is the ancient name of our great nation and that of the pioneer bank of the land, Bank of Abyssinia's vision is to live up to this legacy through continuous innovation and provision of world- class banking services, and its mission is to provide full-fledged domestic and international banking services through qualified and motivated employees, utilization of modern technology, through socially and ecologically responsible practices, as well as ensuring profitability and growth. Finally Bank of Abyssinia is guided by values like Integrity, Honesty and Loyalty, Efficient Customer Service, Commitment, Equal Employment Opportunity, Employees Satisfaction, Team Spirit, Good Corporate Governance, Social Responsibility, Innovation, and Fair return to Shareholders.

1.3 Statement of the Problem

Dramatic changes in the global economy over the past years have had significant implication for commitment and reciprocity between employers and employees. For example, increasing global competition, scarce resources and employee engagement and commitment costly resources, high labor costs, consumer demands for ever higher quality and investor pressure for greater returns on equity have prompted organizations to restructure themselves. At some companies restructuring has meant reductions in staff and in layers of management (Lilian, 2017).

Many of the previous researches have suggested a positive direct relationship between leadership style and employee commitment. To mention some of these, Bučiūnienė & Škudienė (2008) identified positive relationship between leadership styles and employee commitment. Ponnu & Tennakoon (2009) also indicates that ethical leadership behavior has a positive association with employees' organizational commitment. Also Avolio (2004) discovered that transformational leader is generally associated with employee commitment though it is limited to only one variable of leadership styles excluding others.

It's known that employee organizational commitment could be measured by factors like employee turnover, absenteeism and organizational citizenship. Hence, according to the publication of Ethiopian Business Review (2014), regarding staff retention: the way Ethiopian Banks Do, states that: employees in Ethiopian financial institutions switch working places primarily in search of better pays and benefit packages. This was aggravated as banks particularly public owned ones, didn't put in place effective staff retention strategies. However

several of these banks have already practicing to offer attractive salary and benefit packages. The move is helping the banks to stay competitive. Some organizations are better than others when it comes to attracting and retaining the best talent. If there is a secret behind that success it starts with looking beyond salary. So it depends on the leadership skills and styles that their management staffs exhibiting depend the commitment levels of the staffs and it's the core triggering factor to lead the researcher to conduct a research on BOA staffs how they relate the commitment and leadership styles.

Consequently, this study is considered important to determine the relationship between the different leadership styles like transformational leadership style, transactional leadership style and laissez-fair leadership style of first line supervisors and managers like customer service manager, branch manager, HR manager, relationship manager etc and the different commitment of non-management staffs like customer service officer, customer relations officer, credit officer, HR officer, trade service officer, attorney etc. at the BOA.

1.4 Research Questions

For the validity of this research the following research questions will be raised and examined:

- ✓ What are the perceptions of non-management staffs about leadership styles and employee commitment at BOA?
- ✓ What is the relationship between transformational leadership style and affective, continuance and normative employee commitment?
- ✓ What is the relationship between transactional leadership style and affective, continuance and normative employee commitment?
- ✓ What is the relationship between laissez-faire leadership style and affective, continuance and normative employee commitment?

1.5 Research Objectives

The overall aim of this study is to explore the relationship between leadership style and employee commitment of Bank of Abyssinia on those selected branches which are located at the capital city of the country, Addis Ababa.

To achieve this aim, the specific objectives of the study will be

- To identify the employees' perception about transactional, transformational & laissez-faire leadership styles
- To assess the affective, continuance & normative commitment level of employees
- To examine the relationship between different leadership styles and its result on various employee commitment.

1.6 Significance of the Study

The findings to this study would be intended to equip the senior management team and the human resource department of Bank of Abyssinia to come up with effective interventions to develop the capability of managers in the organization to apply the leadership styles that were most likely to elicit employee commitment.

In addition to that the study is expected to add to the existing body of knowledge on the impact of leadership styles on employee organizational commitment and will avail data for future research.

1.7 Scope of the Research

The conceptual scope of this study is in order to examine the relation between leadership style and employee commitment at the BOA. Due to inadequacy of time the researcher geographical scope is bound to be concentrated only on those branch offices which are located in the capital of the country and focused on Grade III branches of BOA.

Regarding the methodological scope, the sample frame includes only the non-management staffs i.e. those staffs who are having minimum of BA degree on their related field of discipline and being engaged in professional job, since the research is intended to check the leadership styles of those first line supervisors and above by their immediate followers, therefore the results may not be used to generalize for the other financial sectors or other types of organizations.

In addition the research used multifactor leadership questionnaire & organizational commitment questionnaire and SPSS was employed to analyze data.

1.8 Limitation of the Research

Some constraints such as time and lack of sufficient fund hindered the need to include a large sample size that could nearly represent the total population of the study. In order to get a stronger picture of the issues in the different organizations I would have liked to involve a large number of respondents. But due to the time frame limitations provided by our study program this was not possible. The shortage of up to date reference materials and research works, specifically to the Ethiopian context also narrowed the content of the study. In addition to already mentioned limitations some of the respondents were found too busy to read the questions properly and tick the answered just for the sake of completing the survey quickly. Finally lack of adequate experience and efficiency to prepare the standard report might affect the paper.

1.9 Organization of the Study

This project work is organized in to six chapters; chapter 1 is already presented in the current section, the content of the following chapters are briefed here. Chapter 2 provides an overview of the state of the art analysis of the existing literature. Chapter 3 presents the methodology used in this thesis. The chapter includes the research approach and as well as describes the data collecting and analysis method used. Chapter 4 analyses and presents the research finding obtained through the research methodology by showing how each of the research questions has been answered and how these findings together contribute to the main purpose of the study. Finally, Chapter 5 ends the project with conclusion and a set of suggestions derived from the research findings and the conclusion of this work. At the end of the paper references and a set of appendices are included that contain the questionnaire of the survey forms used to collect primary data for this work and other supplementary documents of the study.

CHAPTER TWO

LITERATURE REVIEW

2.0 THEORETICAL LITERATURE REVIEW

2.1 Introduction

According to Steers *et al.*, (1996), leadership is a key element to understanding the behavior of individuals in organizations. Precisely how leadership is defined is difficult to determine since it can be viewed from different perspectives depending on the assumptions and philosophical context of the theory being promoted. Leadership as a discipline is generally placed under the umbrella of organizational behavior and relates to work in psychology, and in particular organizational and industrial psychology (Robbins, 1998).

The existing leadership and management research suggests that the leadership style of managers can lead to higher measures of organizational commitment in their direct reports. As previously suggested there is a significant body of literature that implies the relationship of leadership style to employees' organizational commitment. Some of these researches (Avolio, 2004, Lo 2009) have demonstrated positive relationships between numerous leadership styles and employee attitudes, motivation and performance, all of which can affect to employee commitment levels.

Also the benefits of employee organizational commitment have been well documented in the existing management literature. Committed employees are more likely to develop patterns of punctuality or to be chronically present at work (Brockner 1992; Hunt and Morgan, 1994). Employees that are committed are also less likely to leave the organization to explore other opportunities (Allen and Meyer, 1990). Organizational commitment has also been shown to positively affect motivation, organizational citizenship, and job performance (Lok & Crawford, 1999; Meyer & Becker, 2004).

2.2 The Concept of Leadership

Leadership can be of many facets and they differ in effectiveness in terms of consequences of their action towards internal and external stakeholders. Since organizations today are faced with

many challenges, especially with the constant change in technology, economic, social, political and legal conditions and internal processes, flexibility is required in resource utilization and in the promotion of continuous learning (James & Collins, 2008; Leavy & McKiernan, 2009). Therefore, there is a need for leaders in organizations to contribute not only in terms of knowledge or ideas but also in making right decision and responding to the changes.

Leadership has existed for as long as people have interacted, and it is present in all cultures no matter their economic or social makeup. Although leadership is an age old concept, it remains a complex term that researchers and scholars grapple with continuously. One of the main reasons is the extensive number of definitions for this term. It is commonly punned that there are nearly as many definitions of leadership as there are researchers and commentators. As cited in Trottier *et al.*, 2008, some researchers and commentators rely on narrow definitions for ease of communications (e.g., leadership is the act of getting other people to do what they would not otherwise willingly do (Bennis, 1959) or for specific research interests (e.g. the investigation of power relationships) (French and Raven, 1995).

Leadership can be defined as a complex social process, rooted in aspects of values, skills, knowledge, as well as ways of thinking of both leaders and followers. Thus it is all about the continuous process of establishing and maintaining a connection between who aspire to lead and those who are willing to follow (Hersey & Blanchard, 1984). Furthermore, it has been the focal point of many academic research projects and of more than dozen journals in the market.

Many academicians and researchers have made vital contributions in the different theories as well as practices of leadership, and after of extensive research the subject of leadership has emerged as a legitimate discipline. However, there is still agreement about what leadership actually is. Many of scholars and researchers agreed that leadership is a combination of skills and behaviors which exhibit those skills (Bass, *et al.*, 2003; Bolden *et al*, 2003; James & Collins, 2008).

Hersey & Blanchard (1984) defines leadership as the process of influencing the activities of an individual or a group in efforts toward goal achievement in a given situation. Similarly, Bass (1997) defined leadership in different terms from earlier to the recent times. The earlier definitions identified leadership as a focus of group process and movement, personality in action.

The next type considered it as the art of inducing compliance. The more recent definitions conceive leadership in terms of influence relationships, power differentials, persuasion, influence on goal achievement, role differentiation, reinforcement, initiation of structure, and perceived attributions of behavior that are consistent with what the perceivers believe what leadership to be. Finally, he concluded that as leadership may involve all these things. Therefore, leadership in the organizational context in this study is related to the person who is appointed by the organization or owner to follow up the whole or sub activities of the organization as well as the subordinates' report to whom in the context of a work place relationship.

2.3 Leadership Theories

The earliest theories of leadership focused on the performance of great men. For instance, “without Moses, the Israel’s would have remained in Egypt and without Winston Churchill the British would have given up in 1940s (James & Burgoyne, 2001). Analysis of such heroic tributes gave rise to the great men theory of leadership, which contends that leaders are born, not made. This theory posits that certain individuals are endowed with leadership traits that cannot be learned (Parren& Burgoyne, 2001).

According to Lussier & Achua, 1994 a leadership theory is an explanation of some aspects of leadership. Accordingly, theories have practical values because they are used to better understand, predict and control successful leadership. So the main purpose of a theory is to inform practice. It has been said that there is nothing as practical as a good theory. There are four major classifications of leadership theory including Trait, Behavioral, contingency, and Integrative.

2.3.1 Trait Theory of Leadership

Early leadership studies were based on the assumptions that leaders are born, not made. Researchers want to identify a set of characteristics or traits that distinguished leader. Leadership trait theories attempt to explain distinctive characteristics accounting for leadership effectiveness. Researchers analyzed physical and psychological trait or qualities such as high energy level, appearance, aggressiveness, self-reliance, persuasiveness and dominance in an effort to identify that all successful leader possessed.

The list of traits was to be used as prerequisite for promoting candidates to leadership positions. Only candidates all the identified traits are given leadership possessions. Hundreds of trait

studies were conducted during the 1930 s and 1940 s to discover a list of qualities. However, no one has come up with a universal list of traits that will guarantee leadership success; traits that are related to leadership success have been identified (Lussier & Achua, 1994).

2.3.2 Behavioral Theory of Leadership

By 1950 s most of the leadership research had changed its paradigm going from trait theories to focusing on what the leader actually did on the job (behavior) in the continuing quest to find the one best leadership style in all situations. Researchers attempt to identify differences in the behavior of effective leader versus ineffective leaders. Another sub category of behavioral leadership focuses on the nature of management work. Thus behavioral leadership theories attempt to explain distinctive styles used by effective leader or to define the nature of their work. Mintzberg's ten managerial roles are an example of behavioral leadership theory.

Behavioral research focuses on finding ways to identify behavior that will facilitate our understanding of leadership. Hundreds of studies examined the relation between leadership behavior and measures of leadership effectiveness. However, there was no one best leadership style for all the management situations. On the positive side Mintzberg's leadership theory is widely used to train leadership behavior task and people oriented leadership which have importance in accounting for leadership theory (Lussier & Achua, 1994).

2.3.3 Contingent Theory of Leadership

Both the trait and behavioral theories were attempts to find the one best leadership style in all situations. Thus they are called universal theories. In 1960 s it became apparent that there is no one best leadership style in all situations. Thus they are called universal theories. In the 1960s it became apparent that there is no one best leadership style in all situations; the right answer often depends on the situation.

Thus the leadership paradigm shifted to contingency theory. Contingency leadership theory attempted to explain the appropriate leadership style based on the leader, follower, and situation. In other words, it answers the question of which trait or behavior would result in leadership success given the situational variables. The contingency theory paradigm emphasizes the importance of situational factors including the nature of the work performed, the external environment and the characteristics of followers (Lussier&Achua, 1994).

2.3.4 Integrative Theory of Leadership

In the mid to late 1970s the paradigm began to shift to the integrative to tie the theories together or neo charismatic theory. As the name implies integrative leadership theory attempts to combine the trait, behavior and contingency theories to explain successful influencing leader follower relationship. Researchers try to explain why the follower of some leader is willing to work so hard and make personal sacrifice to achieve the group and organizational objectives or how effective leader influence the behavior of their followers. Theories identify behavior and traits that facilitate the leader effectiveness and explore why the same behavior by the leader may have a different effect on followers depending on the situations.

2.4 Full Range Leadership Model (FRLM)

The FRLM describes a full range of influencing styles from non-leadership to a powerful transformational leadership behavior which make a difference to outcomes for associates of the leaders. In other words, the range of behaviors start with transformational leader behavior to transactional leader behaviors reaching to the lowest leader interaction of laissez-fair leader behavior (MLQ undated; Bass *et al.*, 2003)

As we describe an idea or “pure” transactional leadership style and a “pure” transformational one, it is clear that organizations are likely to have cultures that are characterized by both styles of leadership. A leader may employ both styles at different times or in different amounts at the same time. Considerable recent research shows transformational leadership as elicited extra effort and performance from followers, over and above that expected in an exchange relationship with a purely transactional leader. The authors’ argument is that organizations should move in the direction of more transformational qualities in their cultures while also maintaining a base of effective transactional qualities (Bass & Avolio: Bass *et al.*, 2003).

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

Although multifactor theory is probably the most widely cited and comprehensive theory, Leadership is often conceptualized within behavioral domains varying from non-leadership, or laissez faire, to transactional leadership, which hinges on reward and punishment, to transformational leadership, which is based up on attributed and behavioral charisma (Bass & Avolio, 1993 as cited in Bučiūnienė & Škudienė, 2008). Figure 2.1 depicts these concepts.

Laissez-Faire Leadership

Acts noninvolved, displays indifference, Overlooks achievement, and ignores problems.

Transactional Leadership Elements

Management by exception, passive (MBE-P): only intervenes when standards are not met,

Management by exception, Active (MBE-A): Monitor follower performance and takes immediate action when deviations occur.

Contingent Reward (CR): clarifies what needs to be done and exchanges psychic and material reward for services rendered.

Transformational Leadership Elements

Individualized consideration (IC): develops, coaches, and teaches each follower.

Idealized influence attributed (II-A): instills pride and builds trust.

Idealized influence, behavior (II-B): emphasizes collective sense of mission and talks about values and beliefs.

Intellectual stimulation (IS): stimulates followers to view the world from new perspective: encourage problem solving, critical thinking and creativity.

Inspirational motivation (IM): express enthusiasm, optimism and confidence

Figure 2.1 Bernard Bass's revised Full range I leadership Model

2.4.1 Transformational Leadership Style

Transformational leadership is a process of influencing in which leaders change their associates' awareness of what is important, and move them to see themselves and the opportunities and challenges of their environment in a new way. Transformational leaders are proactive: they seek to optimize individual, group and organizational development and innovation, not just achieve performance "at expectations". They convince their associates to strive for higher level of potential as well as higher level of moral and ethical standards. Transformational leadership does not replace transactional leadership, but augments it in achieving the goals of the group (Bass 1997; Hall *et al.*, 2002).

In a transformational style there is generally a sense of purpose and a feeling of family. Leaders and followers share mutual interests and a sense of shared fates and interdependence. They go beyond their self-interests or expected rewards for the good of a team and the good of an organization. The inclusion of transformational assumptions, norms and values does not preclude individual pursuing their own goals and rewards. Superiors serve as mentors, coaches, role models, and leaders, socializing members into the cultures, not necessarily because they are expected to do so but because they feel a personal obligation to help new members assimilate into the culture. There is a rich set of norms which cover a wide range of behaviors, norms that will adapt to and change with external changes in the organization's environment (Bass & Avolio, 1993; Bolden *et al.*, 2003; MLQ, undated).

According to the leadership styles workbook published by mind tools limited 2009-2011, by contrast a person using a transformational leadership is a true leader. He or she inspires a team with a shared vision of a future. Transformational leaders are highly visible and spend a lot of time communicating. They don't necessarily lead from the front, as they tend to delegate responsibly among their team. While their enthusiasm is often infectious, they can often need to be supported by details people. According to well respected researchers Burns Bass and Avolio, for example there are four primarily characteristics components.

Component 1. Being a good role model – Transformational leader knows they are role models for team members. At a gut level, they realize that those members will behave in the same way that the leader has a clear set of admirable values and live those values in everything they do. This builds trust between themselves and their followers.

Component 2. Inspiration- Put plainly transformational leader know how to motivate people in a powerful fashion. They do this in three main ways i.e.

I they have high standards and challenge team members to meet or exceed those standards; this provides a strong and unites sense of purpose.

II Such leader are unfailingly, but realistically optimistic. To their core they know goals can be met and obstacles can be overcome.

III Transformational leaders communicate clearly on every level. They have the ability to paint a compelling picture of the future in such a way that team members know exactly what the goals are and what their roles are in achieving those goals.

Component 3. Commitment to ideas and creativity –transformational leader know that they hire team members for their brains, not their ability to perform role tasks. They want creativity from their teams so they actively seek it and promote it.

Component 4. Concern for individual team members – They have the ability to truly listen to the needs and concerns of individual members of the team. But it doesn't stop there: these leaders know that team members are the future of the team and of the organization. There for it simply makes sense to help them gain knowledge and experience. In short they are leaders who help team members become future leaders.

2.4.2 Transactional Leadership Style

A “pure” transactional style focuses on everything in terms of explicit and implicit contractual relationship. All job assignments are explicitly spelled out along with conditions of employment, disciplinary codes, and benefit structures. Self-interests are stressed. Employees work as independently as possible from their colleagues. Cooperation depends on negotiations not problem solving or a common mission. There is little identification of the employees with their organization, its mission or vision. Superiors primarily are negotiators and resource allocators (Bass & Avolio, 1993).

Transactional leader is based more on “exchange” between the leader and follower, in which followers are rewarded for meeting specific goals or performance criteria (Trohrtieret *al.*, 2008; Bass *et al.*, 2003). Rewards and positive reinforcement are provided or mediated by the leader.

Thus transactional leadership is more practical in nature because of its emphasis on meeting specific targets or objectives (James & Collins, 2008; Sosik & Dinger, 2007). An effective transactional leader is able to recognize and reward followers' accomplishment in a timely way. However, subordinates of transactional leaders are not necessarily expected to think innovatively and may be monitored on the basis of predetermined criteria. Poor transactional leaders may be less likely to anticipate problems and to intervene before problems come to the fore, whereas more effectively transactional leaders take appropriate action in a timely manner (Bass *et al.*, 2003)

Transactional leaders display behaviors associated with constructive and corrective transactions. The constructive style is labeled contingent reward and the corrective style is labeled Management-by-Exception (active and passive). Transactional leaders define expectations and promote performance to achieve these levels. Contingent reward and management by exception are two core behaviors associated with 'management' functions in an organization. Full range leaders do this and more (MLQ, undated; Bass *et al.*, 2003; Bolden *et al.*, 2003)

When we compare transactional and transformational leadership style a transactional leadership style is appropriate in many settings and may support adherence to practice standards but not necessarily openness to innovation and risk taking. A transformational leadership style creates a vision and inspires subordinates to strive beyond required expectations, whereas transactional leadership focuses more on extrinsic motivation for the performance of job tasks. Thus it is likely that transformational leadership would influence attitudes by inspiring acceptance of innovation through the development of enthusiasm, trust and openness, whereas transactional leadership would lead to acceptance of innovation through reinforcement and reward.

Bass outline the beginning of his theory of leadership, in which both transactional and transformational leadership is needed to enhance performance. Bass developed the full range leadership model based on his belief that transformational leadership and transactional leadership are not ends on a single continuum but rather are leadership patterns that all leaders' possess and use in differing amounts. For exceptional performance, transformational leadership behaviors need to augment transactional leadership behaviors (Bass & Avolio, 1993). So according to Bass the best performance is the result of using both transactional and transformational leadership behaviors with subordinates.

2.4.3 Laissez-Faire Leadership Style

Both the transformational and transactional leaders are describing as leaders who actively intervene and try to prevent problems, although they use different approaches. When researching these two active forms of leadership, one finds that they are often contrasted with the third style of leadership called laissez-faire leadership (Bass, 1990 as cited in Bučiūnienė & Škudienė, 2008). James & Collins (2008) describe the laissez-faire leader as an extreme passive leader who is reluctant to influence subordinates' considerable freedom, to the point of handing over his/her responsibilities. In a sense, this extremely passive type of leadership indicated the absence of leadership.

Laissez-faire type of leadership style has a negative impact on followers and associates-opposite to what is intended by the leader-manager. There are many behaviors that represent laissez-faire leadership as a 'do nothing' or 'hands-off' approach. Such behaviors include staying away from employees, shirking supervisory duties, and being "inactive rather than reactive or proactive".

Researchers have consistently reported that laissez-faire leadership is the least satisfying and least effective style of leadership. That is because these leadership behaviors are accompanied by little sense of accomplishment, little clarity, little sense of group unity, and followers do not hold as much respect for their supervisors (Trouttier *et al.*, 2008; Lok & Crawford, 1999). It is probably for these reasons that many researchers choose to exclude laissez-faire from their research involving only transactional and transformational leadership.

According to publication on leadership style work book (2009-2011) by Mind tools limited, laissez-faire leadership is an effective style when a team is generally made up of individuals who are very experienced and skilled self-starters and when the leader mentors what's being achieved and communicates those achievements or leave of them back to the team on regular basis. At the other end of the spectrum this approach can be disastrous in situations in which inexperienced team members need clear direction. Although laissez-faire leadership does have its place, it's rarely as effective as the transactional and transformational styles.

2.5 Employee Commitment

Research shows that people use a variety of categories to type others (Abelson, 1976; Bern & Allen, 1974, as cited in David John c, 2001). One type of category that has emerged is that of the "committed" person (Norman, 1963, as cited in David John c, 2001) found commitments to be

an attribute on which individuals evaluate others and that commitment was distinct from other personal characteristics, such as extraversion. Commitment could be described as the holy grail of organizational behaviors and business psychology. The key objective of all management being to develop a positive corporate culture as manifested in values, norms and management style which combine to promote commitment (Peter & waterman, 1982 *et al.*, as cited in David John c, 2001). Penton (1987, as cited in David John c, 2001), states that obtaining employee commitment is key to quality and productivity improvement.

More over the central plank of human resource management is the development of employee commitment to the organizations (Guest, 1987). The rationale behind this is that committed employees will be more satisfied, more productive and more adaptable (Ibid).

When looking at employee commitment within an organization, it is the relative strength of an individual's identification with and involvement in a particular organization. In relation to this Allen & Meyer (1990) define employee commitment as a psychological state that characterizes the employee's relationship with the organization and has implication for the decision to continue employment with the organization. Similarly, they define a committed employee as being one "stays with an organization, attends work regularly, puts in a full day or more, protects corporate asset, and believes in the organizational goals". This employee positively contributes to the organization because of its commitment to the organization.

2.6 The Dimension of Employee Commitment

The most basic theory of employee commitment is Allen & Meyer's conceptualization. This theory differs from others in the nature of the psychological state being described. They identified three dimensions of employee commitment affective, continuance, and normative commitment. Normative commitment is a relatively new aspect of organizational commitment having been defined after the former ones (Allen & Meyer, 1990).

2.6.1 Affective Commitment

Affective commitment refers to an employee's emotional attachment to involvement in and identification with the organization and its goals. Affective commitment involves three aspects such as the formation of an emotional attachment to an organization, identification with, and the desire to maintain organizational membership. In this context, affective commitment situation

where the employees stay in the organization with their own will (Allen & Meyer, 1990; Meyer *et al.*, 2004).

2.6.2 Continuance Commitment

Continuance commitment is a commitment situation originating from the needs of employees to stay in the organization considering the costs of leaving. It refers to an awareness of the costs associated with leaving the organization as well as the willingness to remain in an organization because of the investment that the employee has with “nontransferable” investments. Nontransferable investments include things such as retirement, relationship with other employees, or things or things that are special to the organization. Continuance commitment also includes factors such as years of employment or benefits that the employee may receive that the unique to the organization (Hunt & Morgan, 1994).

In continuance commitment the employee considers the disadvantage of leaving the organization and avoids quitting. Moreover, continuance commitment is not a negative situation though it is considered to be a negative commitment type by the organizations. Those with high levels of continuance commitment stay with levels of the organization because they need to. Thus, the employee keeps his organization membership thinking it might cost him too much to leave the organization (Allen & Meyer, 1990).

This approach suggests that commitment is the outcome of inducement and contributions between an organization and an employee (Morris and Sharman, 1981). Commitment increases as more side bets are accumulated and if they are contingent upon continued employment in the firm. Age and tenure and to a lesser extent, education have been viewed as contributing to the development of continuous commitment (Angle and Lawson, 1993) [as cited in David 2001].

From a senior management perspective affective or continuance commitment might not be overly desirable, this form overly leverage employees to stay with the organization. However senior management wish for more from employees than compliance behaviors set to conform in a way which aids their continuous employment but which may add little to the performance of the organization. Moreover, it says little as to the development of commitment in the future (David, 2001).

2.6.3 Normative Commitment

The third dimension of employee commitment is normative commitment, which reflects a feeling of obligation to continue employment. Those with high level of normative commitment stay with an organization because they feel they ought to remain (Allen & Meyer, 1990). It has argued that normative commitment is only natural due to the way we are raised in society. Normative commitment can be explained by other commitments such as marriage, family, religion, etc. Therefore, when it comes to ones commitment to their place of employment, they often feel like they have a moral obligation to the organization (Meyer *et al.*, 2004)

Normative commitment is interpreted as the feeling that one ought to remain with organization because of personal norms and values .it provides a sense of moral duty or obligation and is associated with internationalization of the organizations norms, values, and acceptance of its goals and mission (David 2001).

The three component of employee commitment are a psychological state that either characterizes the employee's relationship with the organization or has the implication to affect whether the employee will continue with the organization. An individual can have similar or different levels of all types of commitment. They are not mutually exclusive. Thus, regardless of the definition, "committed" employees are more likely to remain with the organization (Allen & Meyer, 1990).

Meyer & Allen (1997) (as cited in Meyer *et al.*, 2004) found that employees that have a good relationship with their immediate work group have higher level of commitment to the overall organization will be higher. Accordingly, they argue that employees must be given numerous opportunities throughout the workplace to feel committed to the organization. Moreover, Ogboro (2006) concludes that worker's organizational commitment is significantly correlated to their perceived job security.

2.7 Level of Commitment

Pandall (1987) [as cited in David, 2001] distinguishes three level of commitment. Most descriptions relate to previously stated definitions of commitment. Nevertheless, by using levels we can see that employee commitment can occupy different stage of development.

- I. **High Level:** is a strong belief in the organizations goals and values.
- II. **Medium Level:** is a willingness to exert considerable effort on behalf of the organization.

III. **Low Level:** is a strong desire to continue as an organization member.

Such categorization may be useful when negotiating with senior management as to the desired level of commitment they require and is appropriate to the organization. It may also serve as a scale by which employees can gauge their self-perceptions of their commitment. It seemed that even at low level of commitment there can be positive consequences for the individual and the organization. Low levels can be functional for the organization if higher turnover and absenteeism associated with uncommitted individuals reduce the disruption which they might cause while at work. Low commitment levels are often associated with high labor turnovers, high absenteeism, poor performance and even sabotage. However, such an argument might help to confirm the view that senior management would wish employees to possess high level of affective commitment as opposed to similar levels of continuous commitment (David 2001).

2.2 EMPIRICAL LITERATURE REVIEW

2.2.1 The Relationship between Leadership style and Employee commitment

Previous researches have devoted a great deal of attention to the relationship between leadership behavior and organizational commitment. They have shown that organizational commitment is greater for employees whose leaders encourage their participation in decision making (Ugboro, 2006), who treat them with consideration (e.g. Shore & Wayne, 1993), fairness (Brockner *et al.*, 1992; Allen & Meyer, 1990) and are supportive of them (Allen & Meyer, 1990). Also, Mowday *et al.* (1979) [as cited in Ponnu & Tennakoon, 2009] has indicated supervision as one of the critical organizational factors that can influence employee commitment to the organization.

A relationship between commitment and leadership style has been reported in the organizational and management literatures. Several studies found a positive relationship between the two variables. For instance, Lo *et al.*, (2010) concluded that the leadership styles of supervisors are important dimension of the social context because they shape subordinates organizational commitment in various important ways. Likewise, Ponnu & Tennakoon (2009) indicate that ethical leadership behavior has a positive impact on employee organizational commitment and employee trust in leaders.

On the other hand, the study results on the relationship among leadership style, organizational culture and employee commitment in university libraries by Awan & Mahmood (2009) shows

that the leadership style (in their case autocratic or laissez faire) has no effect on the commitment of employees in university libraries. Instead most of the library professionals seemed to be highly committed with their organizations i.e., they favored results-oriented culture. Similarly, Lok & Crawford (1999) reported that the leadership style variable, a bureaucratic environment, often resulted in a lower level of employee commitment and performance, whereas Hunt and Liesbscher (1973) [as cited in Bučiūnienė & Škudienė, 2008] discovered a negative association between these two variables.

James & Collins (2008) suggests that employees develop global beliefs of perceived organizational and perceived supervisor support. Due to the norm of mutual relationship, this support makes the employee feel obligated to exhibit beneficial organizational commitment. Also Awan and Mahmood (2009) depicts that employee commitment reflects the quality of the leadership in the organization. Therefore, it is logical to assume that leadership behavior would have a significant relationship with the development of employee commitment.

In another study involving 156 participants, Lo *et al.* (2009) examined leadership styles and employees organizational commitment in Malaysia manufacturing industries to ensure the successful management of employees and to improve productivity and achievements of an organization. They discovered that several dimensions of transactional and transformational leadership have positive relationship with organizational commitment but the impacts are stronger for transactional leadership style. Similarly, Marmaya *et al.* (2011) investigated the employees' perception of leadership style among Malaysian managers and its impact on organizational commitment and then found that leadership tends to be more transformational than transactional.

The study by Bučiūnienė & Škudienė, (2008) has investigated the relationship between employees' organizational commitment dimensions and leadership styles and found positive correlations between a transformational leadership style and affective and normative employee commitments where as a laissez-faire leadership style was found to be negatively associated with employees' affective commitment. Davenport (2010) also measured the relationship between leadership style and organizational commitment as moderate by followers' locus of control and reported that suggests that separately leader style and locus of control are important drivers of organizational commitment.

Research findings have consistently highlighted the positive influence of transformational leadership on organizational outcomes. For instance, transformational leadership was found to result in lower employee turnover, increased organizational citizenship behavior (Dvir *et al.* 2002 as cited in Mannheim & Halamish, 2008) and lead to stronger organizational commitments (Bučiūnienė & Škudienė, 2008).

Likewise, Bycio *et al.* (1995) [as cited in Ponnu & Tennakon, 2009] examined how transformational leadership and transactional leadership affected employee levels of affective commitment, continuance commitment, and normative commitment. Findings revealed that transformational leadership was a better predictor of affective, continuance and normative commitment than transactional leadership.

Consistent with previous studies, Avolio *et al.* (2004) found a positive association between transformational leadership and organizational commitment. Contrary to the previous research they found that transformational leadership at the indirect senior level had a more positive relationship with employees' level of organizational commitment as compared to the relationship between commitment and ratings of transformational leadership of the followers' immediate supervisor.

As cited in Bučiūnienė & Škudienė, (2008), Simon (1994) studied the impact of transformational leadership on organizational commitment and found that transformational leadership has a positive linkage with normative and affective commitment. On the other hand, a negative relationship was found between transformational leadership and continuance commitment.

Bass & Avolio (1993) claimed that organizations have a kind of culture, which is represented by the leaders who use transactional or transformational leadership styles. According to their findings, transformational cultures create long term commitment, whereas transactional cultures create only short term commitment. Mannheim & Halamish (2008) argues that when transformational leadership is enacted, members of organizations no longer seek merely self-interest, but that which is beneficial to the organization as a whole.

The findings of Brown and Dodd (2003) [as cited in Bučiūnienė & Škudienė, 2008] indicated a strong correlation between transformational leadership dimensions and affective commitment, a weaker but still a stronger positive correlation with normative commitment and no relationship

with continuance commitment. A negative relationship was found between transactional leadership dimensions and affective and normative commitment, and a statically significant correlation found with continuance commitment (Brown & Dodd, 1999)

Management styles can influence the commitment level of employees. Eisenberger *et al.* (1990) [as cited in Avolio *et al.*2004] argues that managers and organizations must reward and support their employees for the work that they do because this perceived support allows for more trust in the organization. They discuss that those employees who feel that they are cared for by their organizations and managers also have not only higher level of commitment, but that they are more conscious about their responsibilities, have greater involvement in the organization, and are more innovative.

To sum up as we have seen in this chapter there is plenty in the literature that describes leadership style and employee commitment from a multitude of angles and views many articles also repeat the same topic and findings and the author chose to include just to show that the findings are similar but from a wide range of domains. In many researches in the literature it was determined that there was a strong relationship between leadership styles and employee commitment (Lo *et al.*,2008; Avolio *et al.*,2004; Lok & Crawford, 1999; Awan Mahmood,2009; Ponnu & Tennakoon,2009).

These studies were generally conducted in business organizations, yet there have been few researches conducted in banking sector specifically in Ethiopia. Thus the aim of this research is to determine the relationship of leadership style ad employee commitment on BOA, Addis Ababa branch offices.

2.3 Conceptual Framework

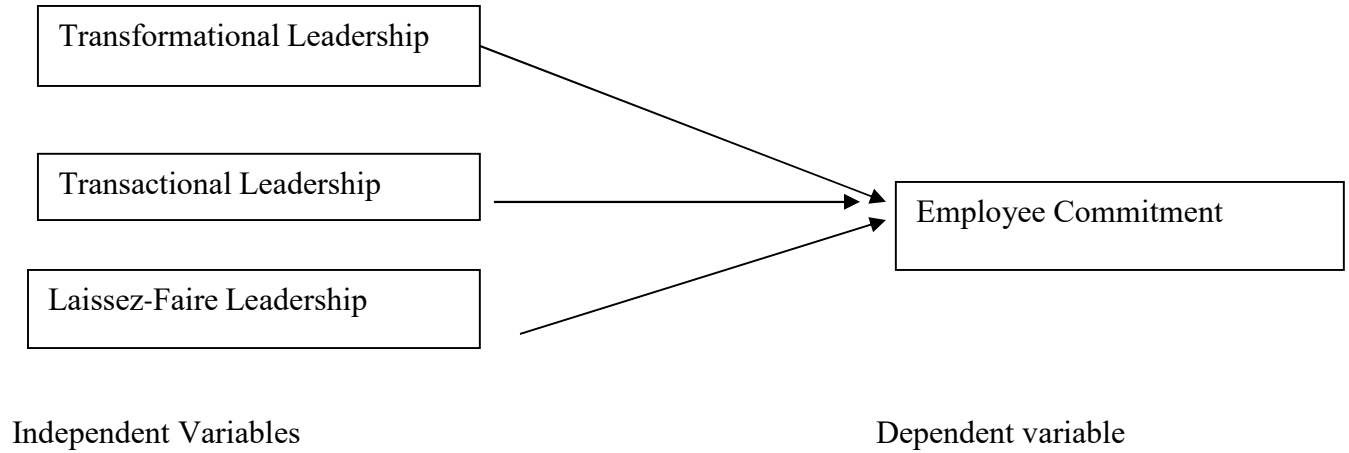


Diagram 2.2 conceptual framework

2.4 Hypothesis

H 0. Transformational Leadership has a positive and significant effect on Employee commitment.

H 1. Transformational Leadership does not have a positive and significant effect on employee commitment.

H 0. Transactional Leadership has a positive and significant effect on Employee commitment.

H 1. Transactional Leadership does not have a positive and significant effect on Employee Commitment.

H 0. Laissez-Faire Leadership has a positive and significant effect on Employee commitment.

H 1. Laissez-Faire Leadership does not have a positive and significant effect on Employee commitment.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Approach, Research Setting and Research Design

The study was intended to be carried out at Bank of Abyssinia, selected branch offices in Addis Ababa city. In this project work, a quantitative approach for collecting data was used which help us in the analysis. The analysis consists of both the results of data collection and theory presentation. The data was analyzed and theories were implemented accordingly.

The study was designed as a cross-sectional survey for the quantitative study which was used to gather the relevant and pertinent information with regard to the relation between leadership style and employee commitment. Quantitative research design refers to the scientific and statistical techniques used to depict the validity and reliability of the subject of study. The research design for this project work consists of four basic steps:

1. Selecting the possible sample size from the available population
2. Selecting the appropriate questionnaire
3. Interpretation
4. Analysis

3.2 Population and Sampling Procedure

Since the purpose of this study is to explore the relation between leadership style and employee commitment by surveying employees from BOA, the target population included the non-management staffs of Grade III branches of the bank located at Addis Ababa city. As per the information obtained from the banks corporate HRM, there are about 322 non-management staffs i.e. those staffs who are having minimum of BA degree and above on their field of study and who are currently working professional work, for which they are working at the capital in 12 Grade III branches of the bank as of 21st May, 2019.

More, the researcher would like to concentrate the focus area on grade III branches is because adequate leadership experience of those first line supervisors and managers, all the banking

activities are able to be performed at this branches and due to the fact that most of the staffs are relatively experienced and had longer stay with their immediate bosses.

As far as the researchers experience since there were little previous researches done on the same topic and related areas in Ethiopia and the researcher was interested to conduct a research work on this topic. The sample size was determined based on factors such as: time available, budget and proportionality to total population. The prerequisite for employees participation is that the employee must have worked one year and above with the current leader. Then proportional number of samples was allocated to main division and then each employee working in the 12 grade III branches have been randomly included in the sample.

To sum up a combination of purposive and incident sampling were being used to select samples. This was to insure that target groups within a population are adequately represented in the sample, and to improve efficiency by gaining greater control on the composition of the sample. Purposive sampling was employed on the research because the researcher had to narrow the focus area by purposively including grade III branches only and excluding other branches, taking in to consideration the experienced leadership skills of supervisors and longer experiences of staffs. In addition, while distributing the questionnaire each grade III branch staffs had 15.5% chance of being selected on the sample and the researcher used incident sampling to distribute among those selected staffs.

3.3 Sample Size Determination

Sample size refers to the number of elements selected from a given population. A sample size is a section of a study population that is selected from the total population in a manner that ensures that every different possible sample of the desired size has the same chance of being selected (Peck, Olsen, & Devore, 2009). Leary (2004), defines sample size as the process by which a researcher selects a sample of participants for a study from a population of interest. So due to time and financial limitations and the nature of the population using the sample determination method developed by Carvalho (1984), as cited by Zelalem (2005) a sample of 50 employees were selected from 12 Grade III branches. Therefore, almost 15.5% of each of the 12 office staffs is randomly selected while distributing the questionnaire to each branch. The following table shows the breakdown of population range the small, medium and large sample that can be drawn for the study

Table 3.1 Sample Size Determination

Population Size	Sample Size		
	Small	Medium	Large
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3201-10000	80	200	315
10001-35000	125	315	500

Source: (Zelalem, 2005: *Issues and Challenges of Rural water scheme: the case study of Burayu*)

The sample consists of participants of this study surveyed from 12 grade III branch offices found in Addis Ababa, city. The researcher distributed 50 questionnaires and 47 questionnaires were successfully completed and returned back with a non-response rate of 6%. Finally, the total sample sizes of 47 non-management staffs were used in this study.

Table 3.2 Number of Grade III branches as per their location

Branches	Total Number of Branches
Central Addis Ababa	4
East Addis Ababa	3
West Addis Ababa	5
	12

3.4 Data Sources and Type

In order to generate relevant data for this study both the primary and secondary data sources were considered. According to Biggam (2008), primary data is the information that the researcher finds out himself/herself regarding a specific topic. The main advantage with this type of data collection is that it is collected with the researches purpose in mind. This means that the

information resulted from it is more consistent with the research questions and purpose. The data collected by me is directly linked with the study important information.

As this study is basically empirical in nature, primary data was gathered from employees of the bank. Hence, the more emphasis is inclined to the primary data sources. The closed ended questionnaires which are designed on an ordinal scale of measurement basis were used to collect primary data, so that the variables could be ranked to measure the degree of their strength or the agreement or the disagreement of the respondents with the variables.

Secondary data serves researchers with the opportunity to better understand and explain the research problem. Thus it is very important to start a review of the existing data with a clear mindset of what it is that one wants to accomplish with the study. This will help the researcher save time and effort because he/she can easily discard data that has no relevance for its own study. This can result in information that can only be used partially for a specific study.

The secondary data are used to get better insight on the research topic, to establish the viable platform for the theoretical framework constituting the basis of this research, and to design the sample frame and questionnaire for retrieving the primary data. Another advantage of using secondary data is its comparability character. I used it to validate and compare the data get through questionnaire to existing literature and articles.

3.5 Data Gathering Instruments

For the purpose of this study a close ended questionnaire was used as a measuring instrument. The close ended questionnaire can be administered to groups of people simultaneously, since they are less costly and less time consuming than other measuring instruments. Two separate instruments namely Multifactor leadership questionnaire (MLQ) and organizational commitment questionnaire (OCQ) were used in this research to obtain quantitative information on leadership styles and employees' organizational commitment respectively.

3.5.1 Multifactor Leadership Questionnaire (MLQ form 5X)

Prior to selecting the multifactor leadership questionnaire (MLQ form 5X) for this research, several other instruments such as Managerial Grid, Situational Leadership Questionnaire, and Least Preferred Coworker (LPC) were considered as possible measurements of leadership

behaviors. Though these instruments measure transformational and transactional leadership behaviors, the subscales and items do not focus on a separation or differentiation of these behaviors. Instead their emphasis is on identifying the type of leadership behaviors that are most appropriate for the situation (Bass *et al.*, 2003; Avolio *et al.*, 2004). For these reasons, none of them were considered appropriate for this project work.

The MLQ has been improved and tested since 1985 with the result that many version of the questionnaire have been developed. It is formulated from the full range leadership model consisting of transformational, transactional, and laissez-faire leadership behaviors with nine subscales. Bass & Avolio (1995) [as cited in Bass *et al.*, 2003], presented the MLQ form 5X with nine subscales of leadership styles.

Participants were requested to judge the extent to which their leader engaged in specific behaviors measured by the MLQ. The MLQ form 5X is self-scoring and used 27 items excluding least relevant ones in our countries context to measure the nine subscales (3 items for each) in this study. These items are rated using a 5-point likert scale labeled as 0-not at all, 1-once in a while, 2-sometimes, 3-fairly often & 4-frequently/always. High score shows high effectiveness of leadership style perception while low score implies low effectiveness perception in the scale.

Each of the leadership style has their own scales: transformational leadership scales are idealized influence (Attributed), idealized influence (Behavior), inspirational motivation, intellectual stimulation, & individual consideration. Transactional leadership scales include contingent reward, management-by-exception (Active) & management-by-exception (Passive) & laissez-faire leadership scales as acts non involved, displays indifference, overlooks achievement and ignores problem.

3.5.2 Organizational Commitment Questionnaire (OCQ)

In this project the researcher adapted employee commitment questionnaire which was previously used by Lilian Githuk (2017) while measuring the effects of leadership styles on employee commitment in Nongovernmental organizations.

This employee commitment questionnaire consists of three dimensions as “identity with the organization” which is affective commitment in our scenario, “Willingness to stay” which is equivalent of continuance commitment and “organizational loyalty” which can be named as normative commitment. Each of the dimensions is having four descriptive criteria under their

title. The selected employee commitment questionnaire is a self-scoring questionnaire and the responses are rated using a 5-point likert scale labeled as 0-Strongly disagree, 1-Disagree, 2-neutral, 3-Agree, 4-strongly agree. High score shows high employees organizational commitment perception while low score implies low perception in the scale.

3.6 Independent and Dependent Variables

The variables those are used in measuring full range leadership behavior were considered separately as independent variables. The subscales for these variables are contained in the multifactor questionnaire form 5X. On the other hand, three separate measures of employee commitment were used as dependent variables. These measures are affective commitment (identity to the organization), continuance commitment (willingness to stay) & normative commitment (organizational loyalty).

3.7 Data Analysis and Presentation

After the data collected it is necessary to utilize statistical techniques to analyze the informational, as this study is quantitative in nature. Therefore, the survey data is processed using SPSS Version 20. First the relevant data was coded summarized and then transferred to analyzed and presented.

Frequency tables were used to summarize the respondent's profile in the form of frequency and percentages whereas the descriptive statistics such as mean and standard deviation of employees' answers to leadership styles and employee commitment scales were calculated in order to determine employees' perception of leadership styles and employees' organizational commitment.

Subsequently the researcher employed correlation analysis to investigate the relationship between various leadership styles and commitment dimensions. The correlation analysis supported in deterring both the form and degree of the relationship between the leadership style and employee commitment.

3.8 Ethical consideration

The researcher addressed ethical consideration of confidentiality and privacy. The researcher used rigorous and conscious effort at all times to sustain the promise. While administering the questionnaire a guarantee was given to the staffs of BOA that their names should not be revealed in the questionnaire and research report. Since the research is focused on subordinates as target groups and they are the one who examine the success of their leaders, their responses remained anonymous apart from being linked to a particular leader. Moreover, participants received a verbal and written description of the study and informed consent was obtained before the survey. The participation on the study was on voluntary basis and the responses were confidential. Finally a copy of the final report could be given to the organization if necessary.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

This chapter presents and discusses the results of the study. Several key findings emerged that shed light on leadership styles and its association with employee commitment. Findings about the demographics of study participants, and the statistical analyzes used to answer the recent questions also presented. This helped to interpret and understand the results.

4.1 Demographic Characteristics of Respondents

The questionnaire was distributed equitably among men & women though men are slightly greater in number (53.7%). So we can say that findings are quite representative of both sexes, so we may conclude that BOA is an equal opportunity organization where gender equality is observed well in addition it will pave the way as an opportunity for future female leaders.

Table 4.1 Respondents by Sex Category

Sex	Respondents by Percentage	Respondents by Figure
Male	53.7	25
Female	46.3	22

Source: Fields Survey, 2019

Among the respondents more than half are in the age range of 26-35(55%) followed by the youth (under 26) age category with a significant 35% share. Thus we can deduce that overwhelming majority of respondents are either youth or middle age people. This is quite expected as majority of work force are within the stated age ranges in Ethiopian case. So it may show as that it is the reflection of the countries working force and the bank could understand from this that there is potential labor force for creativity and technology.

Table 4.2 Respondents by Age Group

Age Group	Respondents by age (%)	Respondents by figure
under 26	35.0	16
26-35	55.0	26
36-45	10.0	5
Total	100.0	47

Source: Fields Survey, 2019

As to Educational level it is expected that majority of respondents would at least have a first degree. That was actually the case as can be seen from the below Table. More than 2/3rd of respondents have First degree and Quarter of respondents have Masters' degree.

Table 4.3 Respondents by educational level

Educational Level	Respondents by Educational level (%)	Respondents by Educational level (Figure)
Bachelor's degree	70	33
Some master's credits, no degree	2.5	1
Master's degree	25	12
Some post-master's credits	2.5	1

Source: Fields Survey, 2019

Table 4.4 Respondents by Marital status

Marital Status	Respondents by Marital status (%)	Respondents by Marital status (Figure)
Married	28.2	13
Single	71.8	34
Total	100.0	47

Source: Fields Survey, 2019

Regarding the marital status of the respondents, more than 2/3rd of respondents are Singles whereas the remaining are married men & Women

Respondents by job position

The data obtained through the questionnaire shows that more than half of respondents are customer service officers followed by credit officers each claiming 51.4% & 18.9% respectively. This is quite representative as we all know that every bank has lots of windows on which boundary spanners (customer service officers) work that does great deal of banking activity followed by credit officers that work on credit feasibility, assessment and administration to the customer

Table 4.5 Respondents by Job position

Job Position	Respondents by job position (%)	Respondents by position(Figure)
Customer service officer	51.4%	24
Credit officer	18.9%	9
Principal credit Admin	8.1%	4
Cashier	5.4%	3
Senior customer service officer	5.4%	3
Branch Controller	2.7%	1
Cash supervisor	2.7%	1
Supervisor	2.7%	1
Teller	2.7%	1

Source: Fields Survey, 2019

4.2 Overall Perception of Leadership Levels

Majority of BOA employees adamantly believe that their leaders provide them in exchange of their efforts.58% of respondents have said their leaders do the same either fairly often or frequently if not always. On the other hand, fairly less than half of respondents (47.9%) perceived that their leaders fairly often or frequently re-examine critical assumption to question whether they are appropriate or not signaling that this is less likely to occur.

40.2% of BOA leaders avoid interfering in problems before they become serious. However, they tend to correct mistakes & irregularities whenever they occur at greater extent. 58.7% claimed that they do correct mistakes or failures at least fairly often.

40% of employees claimed their leaders avoid getting involved whenever important issues arise. They observed them fairly often or frequently if not always getting themselves engaged on these important issues. 44.7% of respondents claimed leaders in BOA engage talks about their important values & beliefs. Leaders in BOA are good at looking out different perspectives. More than half (53.2%) claimed that they fairly often or frequently look after different perspectives to address problems. Majority of leaders at BOA are optimistic about the future. They tend to speak optimistically about the future fairly often or frequently (56.5%)

Nearly half of respondents claimed that their leaders instill pride on their subordinates for being associated with themselves (49.8%). And to nearly the same extent (50.1%) leaders at BOA discuss with employees as to targets to be achieved by them. This in turn is quite similar with the number of respondents who stated that their leaders talk enthusiastically about what needs to be accomplished fairly often or frequently (49%).

Coming to spending of time on teaching and coaching employees, leaders of the company proved to do it less often. 44.7% do it either frequently or more often. Yet nearly half of respondents believe that leaders tend to be selfless by going beyond their interest for the good of their subordinates (48.9%).

More than half of leaders (52.2%) were also perceived as paying individualized attention. This implies that the leaders pay attention not only as to what employees share in common but what each employee has in particular. Half of respondents on the other hand believe that their leaders have acted in a way that builds their trust claiming that they fairly often or frequently do the same (49.5%).

Leaders of BOA were perceived good in relation to considering moral & ethical consequences of their action. 60.9% of respondents claimed their leaders fairly often or frequently observe the moral & ethical considerations when making decisions. On the other hand, 39.4% of respondents claimed their leaders avoid making decisions fairly often or frequently.

55.3% of respondents have observed their leaders helping them develop in their strength. Moreover, leaders in BOA emphasize need for collective sense of mission, express satisfaction when employees meet their expectations, expresses confidence that goals will be achieved with 51.1%, 61.7% & 63.8% of respondents experiencing such leadership characteristics respectively.

4.3 Overall Perception of Commitment STYLES

Only 35.6% of employees feel that their values & company values are in alignment. 37.8% are neutral as to the same. 60% and 66.7% of employees claimed that they are happy being member of the organization & enjoy talking to others about their organization respectively at least fairly often. 55% of respondents on the other hand feel that their work contributes to organizational goals and objectives.

Significantly less than half of respondents believe that it would be hard for them to leave their organization even if they wanted to (37.8%). 53.3% believe that they would stay in the organization due to the support they get from their manager. For 43.2% of respondents their current position is inspiring. 33.4% worry what would happen if something bad happens to the company while they are not around.

51.1% believe in the value of remaining loyal to the organization. The same portion of respondents also felt inspired to provide the best service to their partners & colleagues. 37.7% believe that they feel they owe to their organization for what it has done for them. 57.8% are ready to put an effort more than they are expected to help their company. Great majority (69%) of respondents believed that the company inspires the very best in them.

4.4 Perception of Leadership Style

Generally, employees of BOA believe that the leadership style employed by their leaders is sometimes transformational, sometimes transactional & sometimes laissez-faire, however Laissez-faire is employed less often than the other two leadership styles.

Table 4.6 Leadership style employed by BOA leaders

Leadership Style	Leadership style employed by BOA Leaders(Mean Score)
Transformational leadership	2.49
Transactional leadership	2.18
laissez-faire	1.96

0=Not at all 1=once in a while 2=sometimes 3=fairly often 4=frequently, if not always

Source: Fields Survey, 2019

Breaking down further on the above leadership styles we can see that as far as Transformational leadership style, employees of BOA believes that all transformational leadership characteristics (below table) are sometimes employed in their organization.

Table 4.7 Transformational Leadership Characters

	Transformational leadership characteristics(Mean Score)
idealized influence(attributed)	2.43
idealized influence(behavior)	2.51
Inspirational motivation	2.61
intellectual stimulation	2.46
individualized consideration	2.45

0=Not at all 1=once in a while 2=sometimes 3=fairly often 4=frequently, if not always

Source: Fields Survey, 2019

On the other regarding to Transactional leadership style, all three styles (contingent reward, management by exception(active) & Management by exception(passive) have been observed, however the extent to which Passive management by exception is implemented is lesser than the other two Transactional leadership styles. This tells us that leaders in BOA are less likely to wait for problems to occur to give solutions. Rather they tend to address them before they occur. On the other hand, the extent to which non transactional (Lassie faire) leadership styles get implemented is lesser with a mean score of 1.96.

Table 4.8 Transactional leadership characters

	Transactional leadership style characteristics(Mean Score)
Contingent reward	2.58
Management by exception(active)	2.09
Management by exception(passive)	1.87

0=Not at all 1=once in a while 2=sometimes 3=fairly often 4=frequently, if not always

Source: Fields Survey, 2019

4.5 Perception of Employee Commitment

The researcher has also tried to measure the level of perception of BOA employees regarding organizational commitment level. Commitment level was measured by three basic indicators of identity with organization (that measures the extent to which employees identify themselves with organization and their objectives are in accordance with company objective.), willingness to stay &loyalty (extent to which they like to exert effort &get inspired).

Table 4.9 Organizational commitment indicators rating

	Organizational commitment indicators rating(Mean Score)
Identity with organization	2.54
Willingness to stay	2.22
Organizational loyalty	2.43

0=Not at all 1=once in a while 2=sometimes 3=fairly often 4=frequently, if not always

Source: Fields Survey, 2019

As we can from the table above employees of BOA have medium level of organizational commitment as they only sometimes identify themselves with organization, willing to stay in the organization & feel loyal to the company.

4.6 Relationship between Transformational leadership style & Organizational Commitment

A correlation analysis has been undertaken between overall transformative leadership score & the average value of affective commitment items. There is a significant positive relationship between Transformational leadership & affective commitment as shown in the table below. For affective commitment this suggests that leadership behaviors which involve building trust, inspiring a shared vision, encouraging creativity, emphasizing development, and recognizing accomplishment is positively related to how employees feel about wanting to stay with the BOA.

Table 4.10 Correlation between transformational leadership and affective commitment

Correlations

		Transformational leadership	Affective commitment
Transformational leadership	Pearson Correlation	1	.565**
	Sig. (2-tailed)		.000
	N	47	45
Affective commitment	Pearson Correlation	.565**	1
	Sig. (2-tailed)	.000	
	N	45	45

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

There is a positive and significant relationship between Transformative leadership & continuance commitment as depicted in the below table.

Table 4.11 correlation between transformational leadership and continuance commitment

Correlations

		Transformational leadership	Continuance commitment
Transformational leadership	Pearson Correlation	1	.463**
	Sig. (2-tailed)		.001
	N	47	45
Continuance commitment	Pearson Correlation	.463**	1
	Sig. (2-tailed)	.001	
	N	45	45

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

Like the other two commitment types the relationship between Transformational leadership and normative commitment is strong and positive.

Table 4.12 Correlation between transformational leadership and normative commitment

		Correlations	
		Transformational leadership	Organizational loyalty
Transformational leadership	Pearson Correlation	1	.585**
	Sig. (2-tailed)		.000
	N	47	45
Organizational loyalty	Pearson Correlation	.585**	1
	Sig. (2-tailed)	.000	
	N	45	45

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

In conclusion we can deduce that there is a strong relationship between transformational leadership and organizational commitment as witnessed in all three types of commitment. This indicates that a transformative leader is more likely to attain the highest level of commitment from his employees.

4.7 Relationship between Transactional Leadership & Organizational Commitment

No significant relationship was noticed as far as Transactional leadership & affective commitment are concerned. This implies that the practices of Rewarding on performance, expressing satisfaction on employee upon meeting objectives or looking after and solving mistakes can't guarantee employee feeling as member of organization and attachment to it.

Table 4.13 Correlation between transactional leadership and affective commitment

		Correlations	
		Transactional leadership	Affective commitment
Transactional leadership	Pearson Correlation	1	.098
	Sig. (2-tailed)		.520
	N	47	45
Affective commitment	Pearson Correlation	.098	1
	Sig. (2-tailed)	.520	
	N	45	45

Likewise, Transactional leadership is not significantly related with Continuance commitment & Normative commitment implying that mere solving of irregularities and mistakes as well as transacting appreciation and reward for good performance does no good to retain employees nor to attain employee loyalty.

Table 4.14 Correlation between transactional leadership and continuance commitment

		Correlations	
		Transactional leadership	Continuance commitment
Transactional leadership	Pearson Correlation	1	.214
	Sig. (2-tailed)		.158
	N	47	45
Continuance commitment	Pearson Correlation	.214	1
	Sig. (2-tailed)	.158	
	N	45	45

Table 4.15 Correlation between transactional leadership and normative commitment

		Correlations	
		Transactional leadership	Normative commitment
Transactional leadership	Pearson Correlation	1	.242
	Sig. (2-tailed)		.110
	N	47	45
Normative commitment	Pearson Correlation	.242	1
	Sig. (2-tailed)	.110	
	N	45	45

4.8 Relationship between Laissez-Faire and Organizational Commitment

Laissez-faire leadership style is significantly correlated with continuance commitment whereas is not correlated with Affective & Normative commitment. Thus we can conclude that laissez-faire leadership style could make employees stay in organization but not feel identity and loyalty to the organization.

Table 4.16 Correlation between laissez-faire leadership and affective commitment

Correlations

		Laissez-faire	Affective commitment
Laissez-faire	Pearson Correlation	1	.050
	Sig. (2-tailed)		.746
	N	47	45
Affective commitment	Pearson Correlation	.050	1
	Sig. (2-tailed)	.746	
	N	45	45

Table 4.17 Correlation between laissez-faire leadership and continuance commitment

Correlations

		Laissez-faire	Continuance commitment
Laissez-faire	Pearson Correlation	1	.320*
	Sig. (2-tailed)		.032
	N	47	45
Continuance commitment	Pearson Correlation	.320*	1
	Sig. (2-tailed)	.032	
	N	45	45

*. Correlation is significant at the 0.05 level (2-tailed).

Table 4.18 Correlation between laissez-faire leadership and normative commitment

Correlations

		Laissez-faire	Normative commitment
Laissez-faire	Pearson Correlation	1	.100
	Sig. (2-tailed)		.513
	N	47	45
Normative commitment	Pearson Correlation	.100	1
	Sig. (2-tailed)	.513	
	N	45	45

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND SUGGESTIONS

5.1 Summary of Major Findings

Upon on summarizing the major findings that addressed our research questions, we will arrive at the below findings that will have administrative implication for BOA.

- All three styles of leadership i.e. Transformational, Transactional & laissez-faire are applied sometimes. But Transformational is more applied followed by Transactional. Hence we can't simply generalize that only one type of leadership style is followed
- All attributes of Transformational leadership styles are applied in BOA in almost a similar magnitude. Yet inspirational motivation & idealized Influence (behavior) are slightly more applied.
- Among the transactional leadership style attributes contingent reward is more frequently applied.
- Overall organizational commitment perceptions are medium. Slightly Affective commitment outweighs other types of commitments
- There is a strong positive relationship between Transformational leadership and affective commitment
- There is a strong positive relationship between Transformational leadership and continuance commitment. More, there is a strong positive relationship between Transformational leadership and Normative commitment
- Transactional leadership is not significantly related with Affective commitment
- Transactional leadership is not significantly related with Continuance commitment
- Transactional leadership is not significantly related with Normative commitment
- Laissez-faire leadership style is not significantly correlated with Affective commitment
- Laissez-faire leadership style is significantly and positively correlated with Continuance commitment
- Laissez-faire leadership style is not significantly correlated with normative commitment.

5.2 Conclusion

The main objective of the research is to examine the relationship between leadership styles and employees organizational commitment in BOA. According to the analysis results and discussion of the study, conclusions are made on the nature and relationship of leadership styles and employee commitment.

The study concludes that BOA as an organization employed all types of leadership styles except the laissez-faire leadership style, which is less prevalent and the rest transformation and transaction are being more applied. So we can generalize from this that the managers and supervisors are duly carrying out their duties of building the trust and pride on their employees, aligning the strategic objectives of the company with their subordinates, creating sense confidence and optimistic approach in their employees & they emphasize on the human capital development of subordinates.

The pattern of mean scores for transactional leadership styles subscales suggests that some respondents perceive their leaders need to be improved. Due to the mean in management by exception (Passive) implies that their leaders are less likely to wait for problems to occur to give solutions rather than not being proactive.

Consistent to other findings affective commitment has highest mean score followed by normative commitment and then continuance commitment has the least score. Therefore, it can be said that employees' perception of organizational commitment is positive. These mean scores suggest that some employees felt more about wanting to stay followed by obligation to stay and less about having to stay with BOA.

5.3 Suggestions

Based on the above stated major findings the BOA is advised to:

- Further work on strengthening and intensively using Transformative leadership style by equipping managers on the skills needed for Transformational leadership since this leadership style has proved to be significantly correlated with employee commitment. some actions that might be focused include:
 - Improve on communicating beliefs and values,
 - creating optimistic future in the minds of employees,
 - creating collective sense of mission
 - continuously building their mental strength
 - spending time teaching and coaching employees
 - Build pride and esteem on employees to be associated with the company
 - To prioritize employee in what they do, be self-less to meet the needs of their subordinates

Implications for Future research

Being among few of its kinds in Ethiopia& its tremendous importance to companies in enhancing their managerial efficiency to get the maximum level of employee commitment, this research topic is worthy working on. The researcher has tried to work on it by using a peculiar case of Banking sector specifically BOA. Future research can work on:

- Relationship of leadership style with organizational commitment by incorporating multiple companies in same sector
- Relationship of leadership style with organizational commitment by incorporating multiple companies in different sector

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APPENDICES

Appendix A: Operationalization of Leadership Styles and Employee commitment

Transformational Style Operationalization

- Idealized influence (attributed): instills pride and builds trust.
- Idealized influence (behavior): emphasizes collective sense of mission, and talks about values and beliefs.
- Inspirational motivation: expresses enthusiasm, optimism and confidence
- Intellectual stimulation: encourages problem solving, criteria thinking and creativity.
- Individualized consideration: develops, coaches & teaches

Transactional Style Operationalization

- Contingent reward: Recognizes accomplishment and clarifies expectation
- Management-by-exception (active): takes immediate action to correct problem and highlights mistakes or errors.
- Management-by-exception (passive): waits for problem to become chronic or serious before correcting.

Laissez-faire style Operationalization

- Laissez-faire: acts noninvolved, displays indifference, overlooks achievement,& ignores problem

Employee commitment Operationalization

- Affective commitment: wants to stay with the organization and feels emotionally attached
- Continuance commitment: needs to stay with the organization because the cost of leaving is too high
- Normative Commitment: feels obligated to stay with the organization because it is the moral and right thing to do so.

Appendix B: Multifactor leadership Questionnaire (MLQ) form 5X scoring key

Description	Leadership Factors	Raw Factor	#	#	#
	Transformational	Idealized Influence(Attributed)	9	14	17
	Transformational	Idealized Influence(behavior)	6	18	25
	Transformational	Inspirational Motivation	8	12	27
	Transformational	Intellectual stimulation	2	7	23
	Transformational	Individualized Consideration	13	15	22
Constructive Transaction	Transactional	Contingent Reward	1	10	26
Corrective Transaction	Transactional	Management-by-exception (Active)	4	19	20
Corrective Transaction	Transactional	Management-by-exception (passive)	3	11	16
	Non-transactional	Laissez-faire	5	21	24

Appendix C: Rating of leadership items

	N	Mean	Std. Deviation
provides me with assistance in exchange for my efforts	46	2.587	0.90863
re-examines critical assumptions to question whether they are appropriate	46	2.3913	0.95402
fails to interfere until problems become serious	46	2.0435	1.22849
focuses attention on irregularities,mistakes,exceptions, and deviations from standards	46	2.413	1.10707
Avoids getting involved when important issues arise	45	1.9556	1.24235

talks about their most important values and beliefs	47	2.4255	0.94971
seeks differing perspectives when solving problems	47	2.4681	1.01833
talks optimistically about the future	46	2.5435	1.00458
instills pride in me for being associated with him/her	45	2.2889	1.10005
discusses in specific terms who is responsible for achieving performance targets	47	2.4468	0.99583
waits for things to go wrong before taking action	47	1.617	1.22569
talks enthusiastically about what needs to be accomplished	47	2.4894	0.90583
spends time teaching and coaching	47	2.3404	1.08901
goes beyond self-interest for the good of the group	47	2.3617	0.98743
treats me as an individual rather than just as a member of a group	46	2.413	1.12696

	N	Mean	Std. Deviation
demonstrates that problems must become chronic before taking action	46	1.9783	1.12525
acts in ways that build my respect	47	2.5957	0.85108
considers the moral & ethical consequences of decisions	46	2.587	0.88383
keeps track of all mistakes	47	1.8936	1.04744
directs my attention toward failures to meet standards	46	2.0435	1.09456
avoids making decisions	46	1.7391	1.25494
helps me to develop my strengths	47	2.5745	0.92653
suggests new ways of looking at how to complete assignments	47	2.5106	0.88151
delays responding to urgent questions	47	2.1277	1.26176

emphasizes the importance of having a collective sense of mission	47	2.5106	0.88151
expresses satisfaction when i meet expectations	47	2.6809	0.88726
expresses confidence that goals will be achieved	47	2.766	0.96036

Appendix D: Organizational commitment items

	N	Mean	Std. Deviation
i find that my values and the organization values are very similar	45	2.1333	0.94388
i am very happy being a member of this organization	45	2.6222	0.98371
i enjoy talking about my organization to people outside the organization	45	2.7111	0.89499
i understood how my work contributes to the organizations goals & objectives	45	2.7111	0.94441
it would be very hard for me to leave my organization right now even if i wanted to	45	2.1778	1.11373
I am happy to stay in this organization because of the support i have from my manager	45	2.4667	0.96766
my current position is inspiring for me	44	2.1364	1.15317
sometimes i worry about what might happen if something was to happen to this organization and i was no longer a member	45	2.0889	1.04059
i believe in the value of remaining loyal to one organization	45	2.2889	1.16037
i feel inspired to provide the best service to our partners and/or my colleagues	45	2.5333	1.01354
i feel that i owe this organization quite a bit	45	2.2667	1.00905

because of what it has done for me			
i am willing to put in a great deal of effort beyond the normally expected in order to help this organization be successful	45	2.6	0.93905
this organization really inspires the very best in me in the way of job performance	45	2.4667	1.07872

Appendix E: Multifactor Leadership Questionnaire (MLQ)

Addis Ababa University, School of commerce

Dear Respondent,

I am a Master of Business leadership program student at Addis Ababa University, school of commerce. As part of my Master's Degree requirement, I am expected to successfully conduct research on a relevant topic on my area of concentration (Business Leadership).

This study will look at **The Relationship between Leadership Style and Employee Commitment, a case study on Bank of Abyssinia, Addis Ababa Selected Branch offices**

I would like to request you to spend some of your valuable time (10-15Minutes) to complete this questionnaire to the best of your knowledge. Thank you in advance for accepting to be a contributor. Your response will be treated with the confidentiality it deserves.

To maintain anonymity, we have not included names in the questionnaire.

Your sincerely,

TewodrosAlemu

For more information, please contact on:

Tel +251986 89 45 79

Email Teddygone123@gmail.com

Multifactor Leadership Questionnaire (MLQ)

This questionnaire is designed to help you describe your leader/manager leadership style as you perceive it. Please answer items below by circling a number from **0 to 4** that best reflects your perception. Judge how frequently each statement fits your manager. The word "others" may mean your peers, clients, direct reports, supervisors, and/or all of these individuals. If you are unsure or do not know the answer, leave the answer blank. I would like to thank you in advance for your indispensable cooperation.

Use the following rating scale:

0	1	2	3	4
Not at all	Once in a while	Sometimes	Fairly often	Frequently, if not always

	Leadership style measures	0	1	2	3	4
1	Provides me with assistance in exchange for my efforts					
2	Re-examines critical assumptions to question whether they are appropriate					
3	Fails to interfere until problems become serious					
4	Focuses attention on irregularities, mistakes, exceptions, and deviations from standards					
5	Avoids getting involved when important issues arise					
6	Talks about their most important values and beliefs					
7	Seeks differing perspectives when solving problems					
8	Talks optimistically about the future					
9	Instills pride in me for being associated with him/her					
10	Discusses in specific terms who is responsible for					

	achievingperformancetargets					
11	Waits for things to go wrong before taking action					
12	Talks enthusiastically about what needs to be accomplished					
13	Spends time teaching and coaching					
14	Goes beyond self-interest for the good of the group					
15	Treats me as an individual rather than just as a member of a group					
	Leadership style measures	0	1	2	3	4
16	Demonstrates that problems must become chronic before taking action					
17	Acts in ways that builds my respect					
18	Considers the moral and ethical consequences of decisions					
19	Keeps track of all mistakes					
20	Directs my attention toward failures to meet standards					
21	Avoids making decisions					
22	Helps me to develop my strengths					
23	Suggests new ways of looking at how to complete assignments					
24	Delays responding to urgent questions					
25	Emphasizes the importance of having a collective sense of mission					
26	Expresses satisfaction when I meet expectations					
27	Expresses confidence that goals will be achieved					

===== Thank you for your co-operation!!=====

Appendix F: Organizational Commitment Questionnaire (OCQ)

Please indicate the extent to which you agree or disagree with the following statement as objectively as you can by circling a number from 0 to 4. Whatever information you give me is confidential and could be used for academic purpose only, so please respond honestly. I would like to thank you in advance for your indispensable cooperation.

Use the following rating scale:

0	1	2	3	4
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

	0	1	2	3	4
Employee commitment					
Identity with the organization(Affective commitment)					
I find that my values and the organization values are very similar					
I am very happy being a member of this organization					
I enjoy talking about my organization to people outside the organization					
I understand how my work contributes to the organizations goals and objectives					
Willingness to stay (Continuance commitment)					
It would be very hard for me to leave my organization right now even if I wanted to					
I am happy to stay in this organization because of the support I have from my manager					
My current position is inspiring for me					
Sometimes I worry about what might happen if something was to happen to this organization and I was no longer a member					

Employee commitment (Normative commitment)	0	1	2	3	4
Organizational loyalty					
I believe in the value of remaining loyal to one organization					
I feel inspired to provide the best service to our partners and/or my colleagues					
I feel that I owe this organization quite a bit because of what it has done for me					
I am willing to put in a great deal of effort beyond the normally expected in order to help this organization be successful					
This organization really inspires the very best in me in the way of job performance					

===== Thank you for your co-operation!!=====

Appendix G: Demographic Questions

The following questions concern your position and other personal information. Completion of this information is voluntary and its confidentiality is assured. No individual data will be reported.

THANK YOU!

1. What is your Sex?

Male

Female

2. What is your Job Title? _____

3. How long have you worked for the current organization?

_____ Years _____ Months

3. How long have you worked on the current position?

_____ Years _____ Months

4. How long have you worked for your current leader?

_____ Years _____ Months

5. What is your Age Group?

Under 26 46 to 55

26 to 35 56 to 65

36 to 45 66 or older

5. What is your highest level of Education?

Some College Master's degree

Bachelor's degree some post-master's credits

Some master's credits, no degree Doctorate degree or professional degree

6. What is your marital status?

Married Single

Other _____

===== Thank you for your co-operation!! =====