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Impact of leadership qualities on employee commitment in multi-project-based organizations

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Abstract. The purpose of this study is to investigate the impact of multiple leadership qualities (MLQ) on employee commitment in multi-project-based organizations. The dimensions of leadership qualities develop a healthy organizational environment which will lead to job satisfaction and, ultimately, job commitment. MLQ inspire the subordinates, as collective in nature, to get extra ordinary goals in the hyper competitive era. The main objective of this research is two fold ; firstly, to find out the impact of MLQ on employee job affectiveness and calculative commitment and secondly, to investigate the extent of the impact of MLQ on organizations. A total of 213 respondents were included in the study from different organizations. The data were analyzed through regression analysis by using the SPSS. The finding shows that all of the variables have a positive correlation with each other. The correlation of MLQ and employee job commitment was also found to be significant, which shows that MLQ have an impact on the organizations. Conceptual framework of the study is developed as MLQ an independent variables and its impact has been examined on the Employee Job Commitment. The results supported the hypothesis that MLQ have a positive and significant impact on employee job commitment.

1. Introduction

The studies on leadership have been conducted from various frames of reference in different periods and at the same era. Starting from the behavior theory and trait theory via the situational theory and contingency theory to Charismatic and transformational leadership, scholars have tried to explore the determinants of effective leadership. During the era of the 1980s, the research on leadership shifted from transactional to MLQ. Earlier models of activity have been specified as contingency models. During the era of the 1980s, the incorporative pace of conversion led to the Multi-factor Leadership Questionnaire models, which focused on vision as well as Charisma. In different parts of the world, the phenomenon of MLQ is perceived differently. The interpretations of MLQ have been made in different ways and subsist today; they provide directions about the leader's role. The multi-factor leadership questionnaire model developed by Bass in 1985 enlisted four characteristics of the MLQ which were symbolized by 4Is, i.e., Idealized Influence, Intellectual Stimulation, Inspirational Motivation and Individual Consideration [1].

There is a plethora of research looking into the relationship between MLQ and job commitment and job satisfaction of employees. MLQ have been found to be positively associated with job satisfaction and job commitment [2]. However, according to our knowledge, there is hardly any literature that will provide any information regarding MLQ and job commitment in different sectors of Pakistan in general



and Gilgit Baltistan in particular. Besides the fact that a great deal of research has been conducted in leadership style and its consequences like job satisfaction and job commitment, there is still a huge gap to fill in regards to the impact of leadership styles in the Pakistani culture, especially in multi-project or program-based organizations.

When employees face job dissatisfaction, they may leave the organization, leaving a depressing impact on the organization. Since, leadership style may directly affect the satisfaction of an employee, which will eventually lead to job commitment. When leaders acknowledge the work of their employees, they provide their services as role models of encouragement. These relationships provide a pleasing and safe functioning environment. In order to know the effect of leadership styles and employee job commitment, a positive relationship between a leader and employee results in a positive impact on the employee job commitment. The relation between the leadership style and employee job commitment is a vital theme to study because it will assist the leadership of governmental and nongovernmental organizations and the effect of style, like MLQ, on the employee job commitment.

This study will figure out whether there is any relationship existing between MLQ and employee job commitment (Affective and Calculative) in the program-based organizations. MLQ may have a significant positive impact on the positive behavioral outcomes like job commitment. It is, therefore, very necessary to identify how MLQ affect job commitment. In a competitive and performance oriented environment, employee job commitment bears a great importance for organizations. To achieve the anticipated outcome in the process of Employee Job Commitment, leadership plays an important role. This research focuses on finding out the impact of the MLQ on the affective commitment and calculative commitment of employees of program-based organizations.

2. Literature review

2.1 Leadership

The term ‘leadership’ may be defined as the process by which the top managers have influence over other people to guide structure and facilitate activities and relationships in a group or organization [3]. From the periods of the Greek Philosophers, leadership has been a most popular topic in organizational behavior research. Another definition of Leadership states that, it is a process whereby an individual influences a group of individuals to attain common goals by mobilizing and motivating the workforce [4]. According to Mintzberg [5], one of the fundamental elements of management is leadership. He further suggested ten typologies, which include consideration of the leader in his managerial role [5]. The different Leadership styles are: Autocratic, Bureaucratic, Laissez-faire, Charismatic, Situational, Participated, Transformational and Transactional Leadership [6]. For the past few decades, transformational leadership has been extensively used as the research topic by researchers and has successfully developed a significant positive relationship with organizational outcomes in different research settings based on different cultures. There is an ability to transform the aspirations, values and need priorities of the group, and make the followers able to complete tasks that are more than their normal capabilities would allow [7].

Bass developed the Multi Factor Leadership Questionnaire in 1985 [1]. This enlisted four characteristics of MLQ, which have been denoted by 4Is and are Individual Consideration, Inspirational Motivation, Idealized Influence and Intellectual Stimulation.

Individual considerations build up self-concept and image and move employees to achieve a level of self-actualization, which is primarily the function of leaders through support and advice and focusing on the existing and latent needs of the employees [7].

Inspirational Motivation is when leaders positively reinforce followers by stressing on the importance of goals, properly communicating and identifying analytical importance and motivating the subordinates to achieve their goals [1]. In organizations, the leaders considered as role models for the subordinates. A transformational leader uses the proper communication channels to disseminate the vision and mission to the follower for developing a clear direction in the mind of the followers.

Idealized Influence describes a leader as having a confident, strong and charismatic personality [1]. The Idealized Influence of a leader describes a leader based on high moral standards and the subordinates assume all these things based on the action and reaction of the leaders. Such leaders have already captured the hearts and minds of their subordinates based on their high moral standing.

Intellectual Stimulation is the proceedings from the leader's side which has a great appeal to the supporters. It is that rational analysis in which the supporters have been challenged to be innovative and figure out the solutions of complex issues [8]. Along with the dissemination of communication, providing a conducive environment for proper competition is another important responsibility of organizations and managers [9].

Leaders with Charisma and the ones who motivate their subordinates by taking them as different and special entities and fulfilling their emotional needs are defined as having MLQ [10]. The role of leaders in such situations is that of supervisors and that of referees. The leaders in such cases help their subordinates in building their abilities and performance. Leadership styles and employee job commitment are considered the essential factors for organizational success and employees are the most important asset in an organization. Therefore, organizations need to have efficient leaders to lead and motivate their employees in their daily operations so that they can achieve the organizational goals [11]. Organizational commitment is the degree to which an employee identifies with the organization and its goals and he/she wishes to maintain a membership with organization. Wong & Sohal (2002) described that the Concept of commitment had been taken, initially, in the literature of sociology and psychology [12].

Leadership is the process where top managers have influence over other people to guide them, bring together relationships in a group or organization, make structure and facilitate activities [3]. Organizational commitment is influenced with the use of an organization's management control system. An organizational management control system is an instrument or tool-based approach to build individual interest towards organizational objectives and strategies [6]. Those employees who have a high degree of organizational commitment are less likely to resign, act counter productively or be absent; but rather, they are willing to share and make the sacrifices that are required for the organization to progress [13].

2.2 Commitment

The employees who have a strong affective commitment are motivated towards higher levels of job performance and their contributions in the organization are meaningful. The indirect effect of the organizational commitment via the use of an action control element is negative [14]. Due to differences in conceptualization and operationalization and due to the advances in organizational psychology in research commitment, its concepts has been broken-down into affective, calculative or continuance commitment and, infrequently used, normative commitment. The operationalization of commitment in three components (affective, calculative and normative) has helped researchers to find out and clarify minor details in the relationships [15].

Liking and identification lead to a relational partner's intention to stay in a relationship that creates a sense of belongingness and commitment between them. Emotional aspects like the attachment with an organization, liking and positive feelings are the core ingredients of affective commitment [16]. Employees that are emotionally attached with the organizations trust more than those who are non-affectively committed employees. Affective commitment affects, positively, the nature of the relationship between individuals and organizations, which is based on the positive psychological state [17]. Fullerton (2003) stated that this positive psychological state and feeling of the individuals towards the organizations will result into attitudinal commitment. He further argued that, among the different dimensions of commitment, affective commitment influences far more than that of calculative/continuance commitment in a relationship [18]. It portrays a negative association as it has some instrumental reasons like switching cost or lack of viable alternatives. Calculative commitment is based on the cost and benefit analysis with the organizations [19], [6]. One of the ways to motivate individuals to be in a relationship is related to the huge amount of switching cost. According to Sharma

et al. [2], the calculative commitment term is a negative motivation because the rational decision-making is based on the calculation of the benefits of being in a relationship and to the cost associated with switching from the organization [20].

The impact of formal leadership on organizational commitment is both positive and negative [14]. A number of research works have proven a strong positive association among the MLQs and employee job satisfaction and, ultimately, the commitment to the organization. Predictions in the form of intellectual Stimulation and getting more autonomy are the base lines in MLQs and have been provided intrinsically. According to Barker and Emery [21], the identification of goals and task orientation increase the level of satisfaction and level of commitment in employees [21]. The allocation of responsibilities actually shows the confidence of the leaders in their followers, and this confidence leads to the motivation of the followers and, ultimately, satisfying them about their jobs. The MLQs of the leaders help their employees to be more creative and to come up with new ideas. Haider and Riaz [22] discussed in detail that, the performance and productivity of an organization are related to the commitment of the employee for the satisfaction of the job [22]. They are also concerned with the working of the employees to increase profits. MLQ play a key role in building the interpersonal relations among subordinates and supervisors in order to improve the relationship bounds. It is an efficient process to make a high level of job satisfaction and organizational commitment.

A conceptual framework of the study was developed after the extensive literature review. The model of the Schematic diagram is given as in figure 1 below:

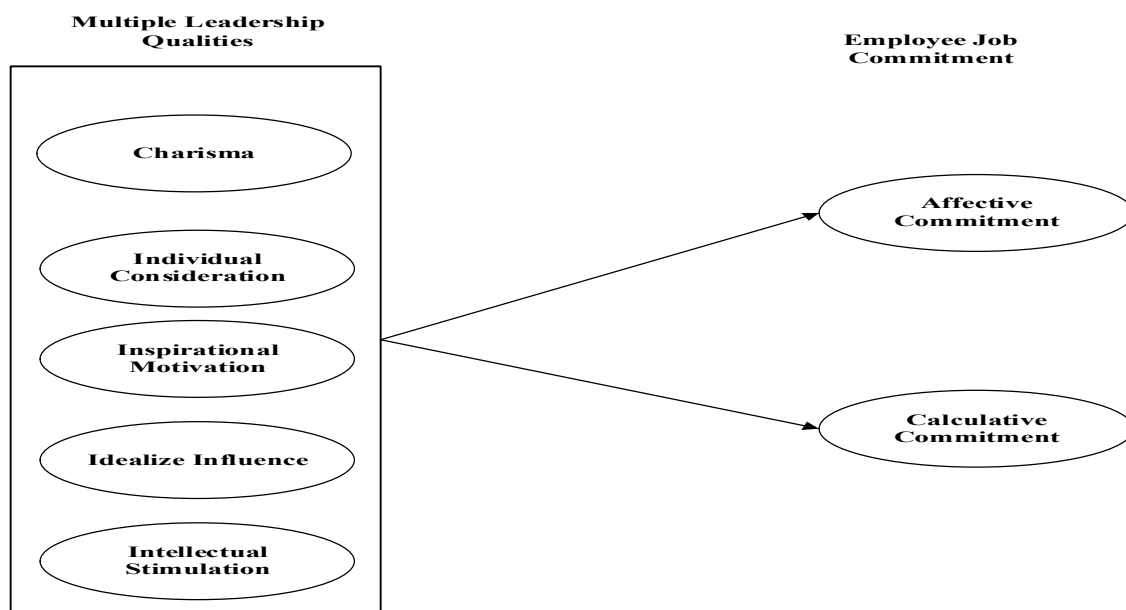


Figure. 1. Schematic diagram.

2.3 Hypotheses

Hypotheses have been incorporated in this study. The hypotheses consist of three variables, i.e., MLQs, Affective commitment and Calculative commitment. The details of these hypotheses are as given below:

- Ha₀:** Charisma has no impact on Affective Commitment.
- Ha₁:** Charisma has a significant impact on Affective Commitment.
- Hb₀:** Individual Consideration has no impact on Affective Commitment.
- Hb₁:** Individual Consideration has a significant impact on Affective Commitment.
- Hc₀:** Inspirational Motivation has no impact on Affective Commitment.
- Hc₁:** Inspirational Motivation has a significant impact on Affective Commitment.

- Hd₀**: Idealized Influence has no impact on Affective Commitment.
Hd₁: Idealized Influence has a significant impact on Affective Commitment.
He₀: Intellectual Stimulation has no impact on Affective Commitment.
He₁: Intellectual Stimulation has a significant impact on Affective Commitment.
Hf₀: Charisma has no impact on Calculative Commitment.
Hf₁: Charisma has a significant impact on Calculative Commitment.
Hg₀: Individual Consideration has no impact on Calculative Commitment.
Hg₁: Individual Consideration has a significant impact on Calculative Commitment.
Hh₀: Inspirational Motivation has no impact on Calculative Commitment.
Hh₁: Inspirational Motivation has a significant impact on Calculative Commitment.
Hi₀: Idealized Influence has no impact on Calculative Commitment.
Hi₁: Idealized Influence has a significant impact on Calculative Commitment.
Hj₀: Intellectual Stimulation has no impact on Calculative Commitment.
Hj₁: Intellectual Stimulation has a significant impact on Calculative Commitment.

3. Research methodology

This study is a hypothetical testing in nature. Quantitative data has been used to analyze the relationship between the independent variables of the MLQ with the dependent variables of multi facet commitment (affective and calculative). The employees working in different programs of Gilgit Baltistan were the unit of the investigation for this research as they were considered the respondents. There were 250 respondents, out of the 250 respondents, 37 did not respond, hence total number of participants was 213. The sample for this study was from eleven different program-based organizations of Gilgit-Baltistan. The sample size for this study was 250 and the technique for sampling was non-probability (convenient sampling). As suggested by Green (1991), and to get more accuracy in the results, the study considered 250 respondents as the sample size [23]. Multifactor leadership questionnaire is used for the data collection. It's the most used instrument in the study of leadership [24]. According to Özaralli multifactor leadership questionnaire is considered to be the best validated measure [25]. In order to measure the MLQ and commitment, a Likert scale containing five points was used; point 1 was used for *strongly disagree* and point 5 was used for *strongly agrees*. In order to record the responses of the respondents, 42 questions had been used using the five point Likert scale, which measured job commitment as a means for the respondents. To estimate the data and to obtain the results, the SPSS software had been used.

4. Result and analysis

After the collection of data internal reliability test i.e. Cronbach's alpha was applied on the main constructs of the questionnaire. The reliability test of all factors are found to be in good range and the value of Cronbach's alpha is > 0.70 which shows a reliable data. In this regard, the value Cronbach's alpha for MLQ, Affective Commitment (AC), and Calculative Commitment (CC), are measured as 0.824, 0.776, and 0.734, respectively. This study has examined the impact of MLQ on employee commitment in the program-based organizations of Gilgit Baltistan. In order to achieve the objectives, a conceptual model has been designed to test the fitness of the model. To examine the data correlation, descriptive statistics and multiple regressions were employed to check whether the results held the hypotheses or not. The constructs of this study were in range of acceptable to good and very good. The reliability tests of all of the measures/constructs were in good ranges. For the MLQ, Affective Commitment (AC) and Calculative Commitment (CC), the Cronbach Alpha 5 item variables were measured at 0.824, 0.776 and 0.734, respectively, and were in an acceptable range, indicating that the internal consistency reliability for the measures used was considered to be good.

Table 1 below exhibits the descriptive statistics of all of the variables. It presents the mean values of the responses with the standard deviation statistics. The range of the responses can also be calculated from the statistics given below.

Table 1. Descriptive statistics of all of the variables (N=213).

Variables	Mean	S.D
Multiple Leadership Qualities	3.5	0.791
Affective Commitment	2.9	0.797
Calculative Commitment	3.3	0.545

Table1 shows the value and standard deviation. The relative positions of the major responses have been indicated through the mean. The values of the mean for the MLQ, affective commitment and calculative commitment were, respectively 3.5, 2.9 and 3.3; on the other hand, the standard deviation figures were 0.791, 0.797 and 0.545 with the sample size of 213, showing that the majority of the responses on these variables fell within the range of 3 (quite agree) and 4 (agree).

Table 2. Inter variable-correlation matrix.

Variables	I	II	III
I Multiple Leadership Qualities (MLQ)	1		
II Affective Commitment	.053	1	
III Calculative Commitment	.067	.943**	1

** $p < .01$

Table 2 displays the results of the validity analysis after applying the Pearson inter correlation matrix technique. The results of the three variables have been shown in a 3x3 format. The Correlation between the variables is also presented. To examine the strength and direction of the relationship that exists between two variables, the technique of bivariate correlation analysis is employed. This technique also examines the relations among the independent variables and the dependent variable. The table displayed above portrays that all of the variables have a positive correlation with each other. As shown, the MLQ have a weak positive relationship with both variables, which were affective commitment ($r=0.053$) and calculative commitment ($r=0.067$). Affective commitment has a significant positive relationship with calculative commitment ($r=0.943^{**}$, $p < 0.01$).

Table 3 holds the statistics stating the regression analysis MLQ on the Affective commitment. The data were analyzed in three steps through the Multiple regression analysis.

Table 3. Regression analysis of the MLQ on the affective commitment.

Model	Unstandardized coefficient	SE	Standardized coefficient	T-value	P-Value
Constant	4.466	.743		6.012	.000
CL	.332	.084	.437	3.937	.000
II	-.119	.087	-.188	-1.367	.173
IM	.273	.105	.399	2.595	.010
IS	.066	.068	.107	.977	.330
IC	-.116	.098	-.174	-1.173	.242

R-square: 0.32

Adjusted R-Square: 0.30

The coefficient of determination, $R^2 = 0.32$, indicates that a 32% variation of the dependent variable, Affective Commitment, has been explained by the variation of the dimensions of the MLQs. The above results show that the coefficient of Charismatic leadership (CL) was 0.332, having a t-value of 3.937, which was positive and significant. It indicates that Charismatic leadership has a significant positive impact on the affective commitment. This result also indicates that the null hypothesis —Charismatic

leadership has no impact on the affective commitment of the employee, has been rejected. The coefficient of Idealized Influence (II) was -.119 with a t-value of -1.367, indicating that Idealized Influence has no significant impact on the affective commitment of the employees. It is also evident from this result that, we failed to reject the null hypothesis of Idealized Influence has no significant impact on the affective commitment. The results further show that inspirational motivational (IM) has a significant positive impact on the affective commitment of the employees. It further reveals that the null hypothesis of Inspirational Motivation has no impact on the affective commitment has been rejected and it confirms that Inspirational Motivation has a significant impact on the affective commitment. However, Intellectual Stimulation (IS) and individualized consideration (IC) have no significant impact on employee job commitment. These results also reveal that we failed to reject the null hypothesis of IS, as it has no significant impact on the affective commitment, and we also have failed to reject the null hypothesis of IC, as it has no significant impact on the affective commitment.

Table 4. Regression analysis of the MLQ on the calculative commitment.

Model	Unstandardized coefficient	SE	Standardized Coefficient	T-value	P- value
Constant	4.451	.762		5.843	.000
CL	.257	.086	.329	2.974	.003
II	.145	.089	.223	1.622	.106
IM	.183	.108	.260	1.691	.092
IS	-.069	.070	-.107	-.984	.326
IC	-.085	.010	-.124	-.837	.403

Dependent Variable: Calculative Commitment

R-square: 0.322

Adjusted R-Square: 0.31

The above table 4 holds the statistics stating the regression analysis MLQ on the Calculative Commitment. The coefficient of determination, $R^2 = 0.322$, indicates that a 32.2% variation of the dependent variable, calculative commitment, has been explained by the variation of the dimensions of the MLQ. The result further reveals that the coefficient of CL was 0.257, having a t-value of 2.974, which is significant. It shows that CL has a significant positive impact on the calculative commitment. This result also indicates that the null hypothesis —Charismatic leadership has no impact on the calculative commitment of the employee, has been rejected. The coefficient of Idealized Influence (II) was 0.145 with a t-value of 1.622, indicating that Idealized Influence has no significant impact on the calculative commitment of the employees. It is also evident from this result that, we failed to reject the null hypothesis of Idealized Influence has no significant impact on the calculative commitment. The results further shows that inspirational motivational (IM) has an insignificant impact on the calculative commitment of the employees. It further reveals that the null hypothesis of Inspirational Motivation has no impact on the calculative commitment has not been rejected. The results also indicate that Intellectual Stimulation (IS) and individualized consideration (IC) have no significant impact on the employee calculative commitment. These results also reveal that we failed to reject the null hypothesis of IS has no significant impact on the calculative commitment and we also failed to reject the null hypothesis of IC has no significant impact on the calculative commitment. The values of the independent variable have been explained by the regression analysis.

5. Conclusion

In this study, we examined the impact of MLQ on employee job commitment in the projects of the program-based organizations of Gilgit Baltistan, Pakistan. For this purpose, a sample of eleven programs had been taken and data collected through the distribution of a questionnaire. The results of the study show that the MLQ has a significant positive impact on the affective commitment of the employee whereas it has no significant impact on the calculative commitment of the employees. MLQ have a weak

positive relationship with both variables, which were affective commitment ($r=0.053$) and calculative commitment ($r=0.067$). Affective commitment has a significant positive relationship with calculative commitment ($r=0.943^{**}$, $p<0.01$). The study specifies a useful relation between employee job commitment and MLQ in different program-based organizations of Gilgit Baltistan. Employees want an ideal environment to work in, in which they have been endowed with importance. Helping employees outside their self-interest and the provision of motivation are the efficient factors of leadership that improve the significance of MLQ. The results of this study show that MLQ are connected with job commitment and the greatest leadership in the different sectors of the program ought to be an amalgam of managerial skills and MLQ. It has also been noticed that several additional leadership styles are also positively related to job commitment. To accomplish a high level of job satisfaction, it is imperative for leaders to refine the appropriate strategies of resource, which will result in a sky-scraping level of organizational commitment. Keeping the results in view, it is suggested that by pursuing MLQ, the subordinates will be able to build up their features of inspirational motivation, Individual consideration, Intellectual Stimulation and Charisma. MLQ are mostly concerned in the advancement of project-based organizations. It is recommended that the dimension of MLQ should be checked with the facet of employee job commitment. The mediating role of some factors can alter the findings, which will assist in comprehending the relation in another way. Meanwhile, a longitudinal research design in place of the cross-sectional one should be used to examine these kinds of relationships.

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