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Impact Factor: 4.428

The Combine Effect of Transformational and Transactional Leadership Style in the Nigerian Public Sector

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Abstract:

The study analysed the combine effect of transformational and transactional leadership style on job satisfaction in the Nigerian Public Sector, the study was carried out in Ekiti State, Nigeria. A descriptive survey research design was adopted for the study. The population of the study comprised the entire 13 State Ministries in Ekiti State. The sample size was 325 using simple random sampling. Primary data used for the study were gathered through the administration of well structured questionnaire. Data gathered were analyzed using standardized linear regression models. The result showed that the combine effect of transformational and transactional leadership style significantly affects job satisfaction ($t=15.814, p<0.05$). Thus, in conclusion, it was shown that the explanatory variable was significantly and positively related to job satisfaction in the Nigerian Public sector.

Keyword: Leadership, Transactional Leadership, Transformational Leadership, Satisfaction

1. Introduction

Employees recently are the key success factor of every organisation. Therefore organizations put a volume of thought and effort to ascertain the degree of employee satisfaction in order to enhance their productivity and attain overall organizations objectives (Alromaihi & Alshomaly, 2017). Organizations are concerned about the potential link between employee and the level of satisfaction and considered to be essential resources in relation with organization success and improvement. In the same vein, employees are considered as the most valuable asset to an organization and they play an important role in preserving the successful image of the organization. Therefore, the Nigerian public and private sector are faced with continuous challenges in terms of stimulating demand for productivity, labour unrest, skills shortages, and loss of scarce technical skills due to mass departure and high turnover rates (Van Schalkwyk Du Toit, Both Mann, 2010). The need for leadership inspiration is nowhere more apparent than in this dynamic context and increasingly stakeholder, including employees, shareholder, politicians and academics, expect leadership to provide solutions to these organizational problems (Hughes, 2010). In today's fast growing environment, the international pressure on organization to perform better raises the question of how employees copes and committed to their organizations.

In today's competitive environment, organizations expand globally and face a lot of challenges to meet their objectives and pursued to be more successful from subordinate inputs. Leaders play crucial role in goal accomplishment and boost employee's performance through ensuring job satisfaction. Therefore, it attracts the attention of many researchers yearly (Jamaludin, 2011). Leadership style is considered as an essential phenomenon because it is still an attractive feature about leadership among academics and managers (Antonakis, Cianciolo, Sternberg, 2004). Consequently, the attention to leadership style has been centred on subordinates since they like to work more effectively and productively when their managers embraced a specific leadership style. Thus, leadership style is the most vital trait of leadership process, since managers develop leadership style through their education, training, and experience. That helps leadership to be one of

the most social phenomena, which have been scrutinized, and significant for the effectiveness of functions in both private and public organisations (Al-Ababnel, 2013). Therefore, this study will be helpful to the public sector on the importance of adopting both transactional and transformational leadership to enhance job satisfaction in order to accomplish organisation's objectives and increase the effectiveness of employees. This study will contribute to the already existing literature on leadership style and organizational success as well as improving the knowledge of the researcher and any other students who might want to research in the field of human resources management.

Public sector in Nigeria is owned and controlled by Nigerian government. The complexity in the sector in term of employment base can never be underestimated. However, the role leadership plays recently in the sector dictates the level of stability, effectiveness and satisfaction. Contrarily, the attitude of employee tends to be different and are influenced by different factors. Some are inspired with money while some are inspired psychologically like development and transformation. However, the variation in this behaviour might bring about conflict of interest and result to dissatisfaction. Leadership style has being one of the factors that influences employee's job satisfaction and productivity in an organization particularly in Nigeria present situation (Ojokuku, Odetayo & Sajuyigbe, 2012; Okwu., Akpa, & Nwankwere, 2011; Ngambi, 2011).

A leader is person who influences, directs, and motivates others to perform specific tasks and also inspire his subordinates for efficient performance towards the accomplishment of corporate objectives. Despite many studies carried out in the field of human resource management in both developed and developing economies of the world, very little empirical research can be found on the combine effect of leadership styles being carried out in the Nigerian public sector. Of particular importance, the success of the public sector in terms of leadership has not been thoroughly examined, particularly when related to employee's job satisfaction. Additionally, various connections between leadership dimensions and employee's job performance as well as job satisfaction have been given attention globally. However, few empirical studies such as Asgari (2017), Basit, Sebastian and Hassan (2017) and Khalid, Shamsher and Farooqi (2015) have put into consideration the combine effect of transactional and transformational leadership on employee performance in the Nigerian Banking sector recently neglecting Nigerian public sector. In view of this, this study therefore intends to fill the gap in knowledge by examine the combine effect of transactional and transformational leadership among public service workers where different category of employees are found with reference to Ekiti State which become the focus of this study.

2. Literature Review

2.1 Leadership

Since transactional and transformational leadership are offshoot of leadership style, then it becomes necessary to unveil the concept of leadership. According to Koech and Namusonge (2012), leadership has been defined as the process of influencing the activities of an individual or a group in efforts toward goal accomplishment. Leadership is connected with stimulants and incentives that motivate people to reach common objectives. The essence of leadership is to achieve predetermine goals and objectives with and through people. Furthermore, without leadership, the probability of mistakes increases and the opportunities for success becomes minimal. Leadership is the individual behaviour to guide a group to achieve the common target. Leadership uses leading strategy to offer inspiring motive and to enhance the employee's potential for growth and development (Obiwuru, Okwu & Akpa, 2011). Metwally, El-bishbishy and nawar (2014) define leadership as a management function, which is mostly directed towards people, it is a process of influencing people to achieve the goals of the organization. The effectiveness of a leader is a major determinant of the success or failure of a group, organization, or even an entire country.

2.2 Transformational Leadership

The difference between transformational and transactional leadership lies in the way of motivating others. The behaviour of a transformational leader originates in the personal values and leader's beliefs through motivating subordinates to perform more than expected (Obiwuru, Okwu & Akpa, 2011). However,

transformational leadership is more of creativity, innovativeness and self development. The leader in question prioritises developmental opportunities over financial compensation and find happiness in solving individual and organisational problems. In view of this, they build name and recognition to inspire employees around them. Studies from Yun, Cox and Sims (2007) have shown concluded that transformational leaders motivates followers to work for transcendental goals as opposed to immediate self-interest and for achievement and self-actualization.

Koech and Namusonge, (2012) highlighted transformational leadership factors which is discussed below:

Idealised Influence (Charisma): idealised influence is the charismatic elements in which leaders become role models through the respect and trust employees have for them. Leaders demonstrate great persistence and determination in the pursuit of objectives, show high standards of ethical, principles, and moral conduct, sacrifice individual gain for general gain, prioritize subordinates' needs over their own personal needs and share successes and risks with subordinates of the organisation.

Inspirational Motivation: Leaders behave in ways that motivate subordinates through providing meaningful and challenge to their work. Team spirit is encouraged while enthusiasm and optimism are demonstrated. Subordinates are encouraged to envision attractive future states by leaders while communicating expectations and demonstrating a commitment towards actualising goals and a shared vision.

Intellectual Stimulation: Leaders stimulate the efforts of their subordinate to be innovative and creative through questioning assumptions, reframing problems, and approaching old situations in new ways. The intellectually stimulating leader encourages subordinates to try new approaches but accentuate rationality. Subordinate becomes inspired and motivated when their best is unleashed confidently. This also helps to sharpen the skills of the subordinate and discover more talents in the organisation.

Individualised Consideration: transformational leaders build a considerate relationship with each individual, pay attention to individual's need for achievement and growth by acting as a coach or mentor, developing subordinates in a supportive atmosphere to higher levels of potential. Individual differences in terms of needs and desires are recognized. In view of this, they are diplomatic, technical and tasty for development and always ready to accommodate and find solution to individual challenges.

2.3 Transactional Leadership

Transactional leaders appear to be strongly directive and tend not to encourage employee participation style to any significant extent (Gill, 2006). Transactional leadership is based on leader-follower exchange where the follower acts according to the instructions of leader based on the reward or compensation attached. The main exchange factor is compensation which may be positive or negative. Positive like compensation are given if follower obeys the instructions of leader such as praise or recognition while and organisation employs negative action like disciplinary actions if follower neglects to obey leader's instructions. Transactional leaders maintain organisation stability by recognizing followers' needs and desires and then clarifying how those needs and desires will be satisfied in exchange for meeting specified objectives or performing certain duties. This satisfaction of needs improves employees' productivity and morale (Javed, Jaffari & Rahim, 2014). Therefore, the style of leadership is called reward based leadership since efforts are attached to compensation to accomplished the organisational predetermined goals and objectives.

2.4 Job Satisfaction

The concept of job satisfaction is related to a phenomenon as identified with the job, motivation, commitment effectiveness and the workplace attractiveness to the employee. Job satisfaction or dissatisfaction is a phenomenon that depends on individual's work experience, educational level, ability, personal competence and identification with the job in question. Since job satisfaction is an emotional response, it can only be determined through employee's expression of their own feelings (Adigun, Oyekunle

& Onifade, 2017). Similarly, job satisfaction is an important aspect of success in any organization (Amburgey, 2005). Job satisfaction reflects the relative feelings, objective thoughts, and behavioral intentions of employees in an organization that help predict employee behavior (Brown, 2013).

Therefore, Job satisfaction can be used as part of job evaluations that can lead to planning for organizational improvement. Satisfied and motivated employees will guarantee the long term success of the organisation and it is believed that job satisfaction by employees in any organization has direct relationship with their level of motivation (Hee, Ong, Ping, Kowang & Fei, 2019). While the employees are satisfied with their job, they are expected to take pleasure in the experience which they have received and they are faced with limited stress (Bakotic, 2016). More importantly, satisfied employees tend to have a positive viewpoint concerning their environment. The positive outlook in the organization is responsible for improving the performance of employees and the organization generally (Khalaf, Hmoud & Obeidat, 2019).

2.5 Theoretical Framework

For the purpose of this study, Herzberg two factors underpinned this study. The hygiene factor works for both transformational and transactional leadership style where hygiene is present does not lead to satisfaction and also dissatisfaction due to the contingent reward involved and the motivating factors that has nothing to do with financial need but achievement and fulfilling ones potential.

3. Methodology

The research design adopted for this research work is the Descriptive survey research design which deals with collection of data through primary source of data collection. However, structured questionnaire was used to gather information from the respondent. The study population is made up of all the employee of the entire state ministry in Ekiti State. However, there are thirteen ministries in Ekiti State. Therefore, twenty (20) questionnaire will be administered in each ministry bring the total to three hundred and twenty (325) respondents. Simple random sampling was employed to select the required sample. Frequency tables and simple percentages were used to analyze the demographic information. The data generated through questionnaire will be analyzed with the use of regression analysis for the stated objectives. It is noted that the T - statistic measure shall be used to test the hypothesis generated in this study.

Therefore, the regression line is stated below:

$$Y = b_0 + b_1x_1 + b_2x_2 + \dots + U_i$$

Job Satisfaction = dependent variable

$$J_s = F' (T_{ml}, T_{rl})$$

b_0 = Constant

X1xn=Transformational Leadership

X2xn= Transactional Leadership

U_i = Error Term

4. Data Analysis and Interpretation

4.1 Description of Respondent

This chapter tends to discuss the result and findings through the use of questionnaires administered, 325 questionnaires were administered, 245 questionnaires were filled and submitted for analysis.

Table 1: Respondents Demographic Distribution

Variables	Frequency	Percent
Sex		
Male	130	53.1
Female	115	46.9
Total	245	100.0
Marital Status		
Single	116	47.3
Married	129	52.7

Total	245	100.0
Academic Qualification		
OND	109	44.5
HND/B.Sc	126	51.4
MBA/M.Sc	10	4.1
Total	245	100.0
Educational Qualifications		
1-5 years	129	52.7
6-10	110	44.9
11 Above	6	2.4
Total	245	100.0

Source: Field Survey, (2023)

Table 1 showed 53.1% of the respondents are Male while 46.9% of the respondents are Female which implies most of the respondents are Male. For marital status, it was shown that 47.3% of the respondents were single and 52.7% of the respondents were married thus imply majority of the respondent were married. Considering educational background, it was shown that 44.5% of the respondents were ND/NCE holder, 51.4% of the respondents were HND/B.Sc holder while 4.1% of the respondents were MBA/M.Sc holder thus implies that majority of the respondent were HND/B.Sc holder. Work experience showed that 52.7% of the respondents falls between 1-5 years of experience, 44.9% of the respondent falls between 6-10 years of experience, 2.4% of the respondent falls between 11years above thus implies that majority of the respondent falls between 1-5 years of experience.

4.2 Interpretation of Result

Combine effect of transactional and transformational leadership style has no significant effect on job satisfaction in the Nigerian Public Sector.

Table 2 revealed that the regression co-efficient of combine effect of transactional and transformational leadership style on job satisfaction and the explanatory variable which is the combine effect of transactional and transformational leadership style show a positive figure of 0.712, this indicates that there is a very strong relationship between combine effect of transactional and transformational leadership style on employee performance which implies that the combine effect of transactional and transformational leadership style has a positive effect on job satisfaction. The co-efficient of multiple determinant (R^2) with a co-efficient of 0.507 shows that the combine effect of transactional and transformational leadership style can explain 50.7% of the behaviour of job satisfaction while the remaining 49.3% can be explained by the stochastic variable or other variables that were not put into consideration. The adjusted R^2 further confirms the result of the R^2 with a co-efficient of 0.505, which shows 50.5% explanation of the behaviour of the job satisfaction by the explanatory variables after adjustment while the remaining 49.5% is explained by the error term.

Table 2 Combine Effect of Transactional and Transformational Leadership Style on Job Satisfaction

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Change Statistics		Sig. Change
						R Square Change	F Change	
1	.712 ^a	.507	.505	.505	.86952	.507	250.083	.000

Source: Author's field survey 2023

The table 3 gives a summary of the regression result of the ordinal least square using SPSS 20.0 software. From the table it can be deduced that the value of constant parameter is given as 1.368 and combine effect of transactional and transformational leadership style is 0.708 respectively.

Therefore, the regression line is stated below:

$$Y = 1.368 + 0.708x_1$$

The regression result above shows that job satisfaction is constant at 1.368; this implies that if the combine effect of transactional and transformational leadership style is held constant, job satisfaction will increase by 1.368%. The co-efficient of combine effect of transactional and transformational leadership style is given as 0.708 respectively, this showed that the combine effect of transactional and transformational leadership style is positively related to job satisfaction and therefore implies that an increase in combine effect of transactional and transformational leadership style will result in to 70.8% at 0.05 level of significance increases on job satisfaction. combine effect of transactional and transformational leadership style was found to have significant values (.000). Therefore, the study accepted alternate hypothesis and rejected otherwise. Hence combine effect of transactional and transformational leadership style has significant effect on job satisfaction in the Nigerian Public Sector.

Table 3 Coefficients Combine Effect of Transactional and Transformational Leadership Style on Job Satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.368	.124		3.980	.000
1 Combine Effect	.708	.045	.712	15.814	.000

Source: Author’s field survey 2023

Discussion of Findings

The combine effect of transactional and transformational leadership style on job satisfaction was considered and subjected to linear regression analysis. It is discovered that combine effect of transactional and transformational leadership style has significant effect on job satisfaction at 0.05 level of significance. Null hypothesis was rejected while the study accepted alternate hypothesis. Therefore, the combine effect of transactional and transformational leadership style will influence job satisfaction towards achieving organisational goals and objectives. However, from the findings, it was deduced that the complexity of human behaviour (employees) and individual difference enhances the adoption of combine effect of transactional and transformational leadership style. Therefore, each of the style will be employed to improve satisfaction from various categories since some of the employees are reward oriented and some are psychological motivated. The combination of the study will help achieve organisational wide goal without any iota of doubt.

Conclusion

This study investigates the combine effect of transactional and transformational leadership style on job satisfaction in the Nigerian Public Sector with reference to Ekiti State. This leadership style investigated the prevalence of transformational, transactional and combine effect of transactional and transformational leadership style leadership behaviours and their effect on job satisfaction. However, it was found that combine effect of transactional and transformational leadership style has significant effect on employee performance at 0.05 level of significance. Therefore, null hypothesis was rejected while alternate hypothesis was accepted thus concluded that combine effect of transactional and transformational leadership style is positively related to job satisfaction.

Recommendation

Based on the findings, the study recommended that public administrators should encourage the combination of both leadership style so as to increase job satisfaction. However, this calls for greater supervision and coordination of subordinates to achieve organizational predetermine goals. Furthermore, there should

consideration in formulating and implementing effective reward and recognition systems as well as encouraging greater managerial supervision. Finally, subordinate should be encouraged to put in extra effort and to raise their capabilities for success and develop creative, innovative and problem solving skills.

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