The Influence of Transformational Leadership on Employees’ Performances Through Organizational Commitment Within Public Sectors in United Arab Emirates (UAE)

Shaikha Alshehhi, Abuelhassan E. Abuelhassan, Amiya Bhaumik

Abstract: The objective of this study was to provide empirical findings whether transformational leadership have a significant influence on employees’ performances through affective organizational commitment. This study finds some interesting results. The empirical findings were based on a sample of 24 public organizations in the UAE, which had been voluntarily, participated in the study. The study had targeted the ministry of justice of the four emirates, the judicial departments of the three emirates, the ministry of health of the seven emirates, and the ministry of community development of all the emirates as well as the department of Islamic affairs and the endowments of all the seven emirates of the UAE. The selected sample was considered representative enough in that the researcher (i) distributed 565 questionnaires for the UAE public employees (ii) 113 questionnaires for their supervisors and (iii) the processes was based on ratio of 1 manager to 5 employees which share similar characteristics in terms of academic wide research procedure. The subsequent analysis examined the relationship between the variables of the proposed model, which includes confirmatory factor analysis (CFA) and structural equation modelling (SEM) via AMOS. The findings of the analysis revealed four main results; (1) Transformational leadership affect affective organizational commitment positively and significantly at a level of significance at (β = 0.45, t = 10.50, p < 0.01). (2) Transformational leadership has a positive and significant influence on employee performance (β = 0.39, t = 8.13, p < 0.001). (3) Affective organizational commitment is positively related to employees’ performances at significant level of (β = 0.69, t = 2.29, p < 0.001). (4) The transformational leadership has a positive and significant influence on affective organizational commitment of employees, which in turn affects employees’ performance, at significant level of (β = 0.29, t = 7.63, p < 0.001). The study model explains 48% of the variance in employee’s performance, and the theoretical and practical implications are discussed.

Index Terms: Transformational Leadership, Employees’ Performances, Organizational Commitment, Public Sectors, United Arab Emirates (UAE).

I. INTRODUCTION AND BACKGROUND OF THE STUDY

Organizations have long sought ways to improve the performances of employees (Abu-Elhassan, Elsayed, & Soliman, 2016; Caillier 2014) for better organizational outcomes of business entities. Organizations are social systems, which assume human resources as one of the main factors for achieving competitive advantage and influencing organizational effectiveness (Mohammad, et al. 2011; Khalifa, 2015, 2018; Abou-Shouk & Khalifa, 2017; Khalifa and Abou-Shouk, 2014); (Hanaysha, et al. 2012). In the competitive landscape of the 21st Century, a sustainable advantage of globalization depends on the skills and abilities of a leader who can manage diversity and implement increasingly complex business strategies (Chuang 2013; Khalifa and Fawzy, 2017; Khalifa and Mewad, 2017; Qoura and Khalifa, 2016; Alkathiri et al., 2018; Badran and Khalifa, 2016; Alareefi et al., 2019; Mohamud et al., 2017). To assist the improvement of the performances of employees, scholars have developed and tested theories to predict performance in work environments (Abu-Elhassan, Elsayed, & Soliman, 2016; Caillier 2014). While there is much variation among these scholarly theories, the consensus is that leadership practices are vital and that they can improve the performance of workers by taking advantage of the right mix of motivators (Caillier 2014; Agwa, Aziz and Khalifa, 2018a, 2018b; Alharthi et al., 2019; Husin, Abou-Shouk and Khalifa, 2013; Mohamud et al., 2017).

Organisational commitment has received significant attention in studies of the work place due to the general recognition that these variables can be the major determinants of organisational performance (Angle and Perry 1981); (Riketta 2002) and effectiveness (Miller 1978); (Spence Laschinger, et al. 2002); (Lok and Crawford 2004). When employees are dissatisfied at work, they are less committed and will look for other opportunities to quit and If opportunities are unavailable, they may emotionally or mentally “withdraw” from the organization (Lok and Crawford 2004) (p. 322). Thus, organisational commitment is important attitudes in assessing employees’ intention to quit and the overall contribution of the employee to the organization (Lok and Crawford 2004).

Effective workforce diversity management is a key to global business success (Okoro 2012; Badran and Khalifa, 2016); (Chuang 2013). In pursuit of leadership effectiveness in today’s globalized world, cross-cultural leaders need to be able to manage culturally diverse settings efficiently, otherwise known as a capability of cultural intelligence or cultural quotient (Rockstuhl, et al. 2011; Trung and Khalifa, 2019; Sudigdo, Khalifa and Abuelhassan, 2019). The empirical outcomes and findings of this study are of great importance, as they will help the organizations in the UAE public sector to manage their employees’ performances and organizational commitment, in order to achieve higher effectiveness.
The Influence of Transformational Leadership on Employees’ Performances Through Organizational Commitment Within Public Sectors in United Arab Emirates (UAE)

2019); (Chuang 2013). A rapidly changing economic environment, characterized by such phenomena as the globalization and deregulation of markets, changing customer and investor demands, and ever-increasing product-market competition, has become the norm for most organizations (Becker and Gerhart 1996). Since capability of cultural intelligence or cultural quotient is significantly related to individual international experiences (Lovvorn and Chen 2011); (Chuang 2013), global leaders should be aware and appreciate the diversity they face in leadership practices (Mohamed et al., 2018; Al-Shamsi et al., 2018).

This study investigates the effect of transformational leadership on organizational commitment in employees’ performances to determine the levels of the relationships between transformational leadership and organizational commitment as well as the relationships between transformational leadership and employees’ performances using UAE’s publicly held firms. The previous empirical studies reveal divergent views of researchers on the issue about the relationship between transformational leadership and employees’ performances. Each of the relationships yields different results since they are affected by different organizational mechanisms and the goal of this article is to explore each of these different mechanisms to provide empirical evidences. These inconsistencies and the limited studies of transformational leadership and employees’ performances of this area in UAE’s publicly held firms become motivation to conduct this study. Therefore, this study attempts to achieve the following specific research objectives: (1) To examine the effect of transformational leadership on organizational commitment. (2) To examine the effect of transformational leadership on employees’ performances. (3) To examine the effect of organizational commitment on employees’ performances. (4) To examine the effect of transformational leadership on employees’ performance through the mediating role of organizational commitment.

The rest of the paper is organized as follows: section 2 below reviews the literature, followed by elaboration on research method in section 3. Section 4 presents the empirical results and analyses. Finally, the discussion and implications, limitations, and suggestions for future work and conclusion are provided in section 5, 6, 7 respectively.

II. LITERATURE REVIEW

A. Employee performance

Employee performance is an assessment tool that can be used to measure whether an employee performs a job well and has been studied as a significant part of human resources management, and as part of organizational and industrial psychology. The main reason for this is that prior empirical work has consistently found that use of effective human resource management practices enhances firm performance (Huselid 1995). The productivity and profitability can be increased depends on the employee’s performance in the company (Praveena, et al. 2016). Although performance evaluation is at the heart of performance management (Cardy 2004), the full process extends to all organizational policies, practices, and design features that interact to produce employee performance (Gruman and Saks 2011).

Performance evaluation is the major issue in virtual organization which is geographically distributed (Praveena, et al. 2016). This integrative perspective represents a configurational approach to strategic human resources management which argues that patterns of human resource activities, as opposed to single activities, are necessary to achieve organizational objectives (Delery and Doty 1996). In the organizations, to evaluate the employee’s performance who is working at different branches located in various places or working at home by using the systems and monitoring their loyalty and role related behaviours, it is difficult to evaluate and analyse the performance of the employees working at different places with different environments (Praveena, et al. 2016).

Armstrong (2006) notes the performance management process offers an opportunity for the integration of all human resource strategies. “Bundling” human resource practices so that they complement and strengthen each other has been shown to be necessary for an organization’s human resource architecture to deliver desired performance (Pfeffer and Jeffrey 1998). As suggested by academicians, performance management is valuable only if the various components of the system are aligned (Verweire and Van den Berghe 2004); (Gruman and Saks 2011). Aligned bundles of human resource practices create the mutually reinforcing conditions that generate desired outcomes (MacDuffie 1995); (Gruman and Saks 2011).

The belief that individual employee performance has implications for firm-level outcomes has been prevalent among academics and practitioners for many years (Huselid 1995). Interest in this area has recently intensified, however, as scholars have begun to argue that, collectively, a firm's employees can also provide a unique source of competitive advantage that is difficult for its competitors to replicate (Huselid 1995). Researchers, drawing on Barney's (1991) resource-based theory of the firm, contended that human resources can provide a source of sustained competitive advantage when four basic requirements are met (Wright and McMahan 1992); (Huselid 1995). First, they must add value to the firm's production processes: levels of individual performance must matter. Second, the skills the firm seeks must be rare. Since human performance is normally distributed, it has been noted, all human resources meet both of these criteria (Huselid 1995). The third criterion is that the combined human capital investments a firm's employees represent cannot be easily imitated. Although human resources are not subject to the same degree of imitability as equipment or facilities, investments in firm-specific human capital can further decrease the probability of such imitation by qualitatively differentiating a firm's employees from those of its competitors. Finally, a firm's human resources must not be subject to replacement by technological advances or other substitutes if they are to provide a source of sustainable competitive advantage met (Wright and McMahan 1992) (Huselid 1995). Although labour-saving technologies may limit the returns for some forms of investment in human capital, the continuing shift toward a service economy and the already high levels of automation in many industries make such forms of substitution increasingly less probable (Huselid 1995).
More recent studies suggested that new technology introduced into organizations can illicit resistance via organizational norms (Hemmelgarn, et al. 2006). For example, researchers found that across a sample of human service organizations, less innovative and aggressive organizational cultures were related to fewer innovations within these organizations (Jaskyte and Dressler 2005; Hemmelgarn, et al. 2006).

The theory of employee performance is a critical criterion for organizational outcomes and success (Campbell, et al. 1990; Campbell, et al. 1993; Alkutbi et al., 2019) and therefore, the conceptualizations of employee performance into several and different main features to help identify and clarify what job performance means have been developed. (Griffin and Neal 2000) combined theories of individual performance (Borman and Motowidlo 1993); (Campbell, et al. 1993) with theories of organizational climate (James and James 1989); (James and McIntyre 1996) and developed a framework for investigating perceptions of safety in organizations.

Thus, the theoretical literature clearly suggests that the behaviour of employees within firms has important implications for organizational performance and that human resource management practices can affect individual employee performance through their influence over employees’ skills and motivation and through organizational structures that allow employees to improve how their jobs are performed (Huselid 1995). In the following section, transformational leadership is discussed.

B. Transformational Leadership

Transformational leadership has been defined as the one which helps increasing employees’ concern and strengthening their level of perception as well as their acceptance of the groups’ vision and aims (Bass and Avolio 1994); (Hanaysha et al. 2012); (Green 2014), the most often studied leadership practice has been transformational leadership practice, and scholars view such leadership practice as having a direct, positive impact on the performance of employees (Bass, et al. 2003); (Howell and Avolio 1993); (Lowe, et al. 1996); (Waldman, Bass, and Einstein 1987); (Walumbwa, et al. 2008); (Cainlifer 2014).

Transformational leaders facilitate new understandings by increasing or altering awareness of issues (Hanaysha et al. 2012). Resultantly, they foster inspiration and excitement in placing extra efforts to achieve common goals (Riaz and Haider 2010); (Hanaysha et al. 2012). (Bass 1985) proposes that transformational leadership is comprised of charismatic behaviours such as role modelling, risk sharing and attributed charisma (Hanaysha et al. 2012). In addition, transformational leadership includes intellectual stimulation consisting of encouraging creativity and change in followers (Hanaysha et al. 2012). It also entails the degree to which the leader challenges assumptions, takes risks and solicits followers’ ideas (Abuelhassan, Elsayed, Soliman, Farivar, & Abdelgawwad, 2017) Hanaysha et al. 2012). Finally, individualized consideration which implies leaders paying attention to each follower’s needs and wants by mentoring, supporting, encouraging and coaching followers to use their competence (Hanaysha et al. 2012). (Riaz and Haider 2010), conducted a study to determine the impact of transformational and transactional leadership style on job success and career satisfaction in context of Pakistan. The results of their study showed that transformational leadership style is positively related to job success and career satisfaction. This finding is consistent with (Berson and Linton 2005); (Wiratmadja, et al. 2008) and (Gill, et al. 2010). They found that transformational leaders had more positive impact on job and overall satisfaction. Furthermore, (Lee, et al. 2011); (Hanaysha et al. 2012) studied the relationships among transformational leadership, team performance and service quality in retail banks, and their findings indicate that among different dimensions of transformational leadership, only intellectual stimulation is significantly related to team leader job satisfaction.

The role of leaders and their relationship with subordinates have long been considered critical for employee performance (Sekiguchi, et al. 2008). Leader-member exchange theory contends that leaders develop different relationship with each of their subordinates through a series of work-related exchanges (Grøn and Cashman 1975); (Graen and Scandura 1987); (Sekiguchi, et al. 2008). Most of the research has focused on linking leadership to employee attitudes such as commitment (Cheng, et al. 2004); (Erden and Güneş 2008); (CHENG and FARH 2006); (Pellegrini, et al. 2010); (Chen, et al. 2014).

(Riaz and Haider 2010) conducted a study to determine the impact of transformational and transactional leadership style on job success and career satisfaction in context of Pakistan. The results of their study showed that transformational leadership style is positively related to job success and career satisfaction. This finding is consistent with (Berson and Linton 2005); (Wiratmadja, et al. 2008) and (Gill, et al. 2010). They found that transformational leaders had more positive impact on job and overall satisfaction. Furthermore, (Lee, et al. 2011) studied the relationships among transformational leadership, team performance and service quality in retail banks, and their findings indicate that among different dimensions of transformational leadership, only intellectual stimulation is significantly related to team leader job satisfaction. (Hanaysha et al. 2012) explored the effect of transformational leadership characteristics on followers’ job satisfaction by using survey method and their study found a mixed result of positive, negative effects, and no effect between transformational leadership characteristics and job satisfaction namely intellectual stimulation positively related with job satisfaction and individualized consideration negatively related with job satisfaction. Leader’s charisma or inspiration was found to be having no effect on the job satisfaction. In the following section, the effect of organizational commitment in employees’ performance is discussed.

C. Organizational Commitment

Organizational literature has examined the relationship between organizational commitment and a variety of organizational behaviours (Bashaw and Grant 1994); (Meyer, et al. 1993); (Muchinsky 2006); (Lee and Lee 2011). In the private sector, for instance, the significant relationship between managerial commitment and quality of service, use of empowerment, and evaluation based on behaviours have been reported (Hartline and
The Influence of Transformational Leadership on Employees' Performances Through Organizational Commitment Within Public Sectors in United Arab Emirates (UAE)

Ferrell 1996); (Lee and Lee 2011). Organizational commitment said to have been characterized as the relative quality of the relationship of a person with a specific association (Mowday, et al. 1982). It has been additionally conceptualized as a multidimensional development consisting of three parts namely, (i) affective commitment, (ii) continuance commitment, and (iii) normative commitment (Meyer and Allen 1991). As it has frequently been defined, attitudinal or affective organizational commitment is referred to as the relative strength of an individual's identification with and involvement in an organization (Mowday, et al. 1979). This variable is a standout amongst the regularly examined variables in organizational behaviour research example, (Mathieu and Zajac 1990); (Meyer, Allen, and Allen 1997). Likely the primary explanation behind the broad and dependable research enthusiasm for affective organizational commitment is that it is expected to impact any behaviour that is valuable to the organization, for example, performance, participation, and remaining with the organization (Mathieu and Zajac 1990); (Meyer, Allen, and Allen 1997); (Randall 1990).

Some studies have reported strong correlations of organisational commitment with turnover (Benkhoff 1997); (Lok and Crawford 2004). (Lok and Crawford 2004) examined the effects of organisational culture and leadership styles on organisational commitment in samples of Hong Kong and Australian managers. Statistically significant differences between the two samples were found for measures of innovative and supportive organizational cultures, and organizational commitment, with the Australian sample having higher mean scores on all these variables. However, differences between the two samples for commitment were removed after statistically controlling for organizational culture, leadership and respondents’ demographic characteristics. For the combined samples, innovative and supportive cultures, and a consideration leadership style, had positive effects on commitment, with the effects of an innovative culture on commitment, and the effect of a consideration leadership style on commitment, being stronger in the Australian sample. Participants’ level of education was found to have a slight positive effect on commitment. National culture was found to moderate the effect of respondents’ age on satisfaction, with the effect being more positive amongst Hong Kong managers (Lok and Crawford 2004).

(Mathieu and Zajac 1990); summarized previous empirical studies that had examined antecedents, correlates, and/or consequences of organizational commitment using in total, 48 meta-analyses, including 26 variables classified as antecedents, 8 as consequences, and 14 as correlates. (Mathieu and Zajac 1990) proposed attitudinal organizational commitment as a moderator variable and found attitudinal organizational commitment to account for significant between study variance in 9 of 18 comparisons. Using a sample of 520 staff nurses employed by a large public hospital in Singapore, (Avolio, et al. 2004) examined whether psychological empowerment mediated the effects of transformational leadership on followers’ organizational commitment. They examined how structural distance (direct and indirect leadership) between leaders and followers moderated the relationship between transformational leadership and organizational commitment. Their results showed that psychological empowerment mediated the relationship between transformational leadership and organizational commitment. Similarly, structural distance between the leader and follower moderated the relationship between transformational leadership and organizational commitment. Implications for research and practice of our findings are discussed. (Dunn, et al. 2012) explored the relationship between transformational leader behaviour and employee commitment to the organization and the results provided evidence that supports the relationship between leader behaviour and employees' commitment to the organization, contributes to the growing body of literature on leadership practices and organizational commitment. Based on above literature review, the following hypotheses are formulated.

H1: There is a positive relationship between transformational leadership and organizational commitment in employees' performances
H2: Transformational leadership has a positive effect on employees’ performance.
H3: There is a positive relationship between organizational commitment and employees’ performances
H4: Organizational commitment positively affects the relationship between transformational leadership and employees’ performances.

III. RESEARCH METHOD

For the current study the variables that used to formulate the hypotheses statements and the hypothetical relationships in the model development have been derived from the existing literature of the theoretical models that had been used in the literature mentioned above. The proposed model can be seen in figure 1 below. A 22-items questionnaire was developed for this study to investigate the relationship between three variables. Transformational Leadership was measured using the transformational leadership scale (ELS) proposed by Brown et al. (2005) and individual respondents were asked to indicate their agreement or disagreement regarding the transformational leadership conduct of their immediate supervisors. 15 items were proposed by (Brown, et al. 2005) and all the 15 items were used in the current study. While Employee job satisfactions were measured by using 3 items which has been developed by (Yang &Mosholder, 2010). These authors had developed the three items from (Hackman & Oldham, 1975). The employee’s performance was measured by using 5 items scale that was developed by (Podsakoff and MacKenzie 1989). These 5 items scales were adopted by several authors, example (Janssen and Van Yperen 2004).

Generally, in line with existing literature in the field of this study, a multi-item Likert scale was applied (Lee, Yoon, and Lee 2009). The variables were measured using the 7-point Likert scale, with 7 being “strongly agree” and 1 being “strongly disagree”. Validated instruments were adapted from related previous studies to measure the variables of this study. Data collection was conducted...
using a self-administered paper questionnaire which was delivered ‘in-person’ from 2017 till 2018 to employees and managers. The researcher was conducted among 24 public organizations in the UAE, which had been voluntarily, intended to participate in the study. The study had targeted the ministry of justice of the four emirates namely, Sharjah, Ajman, Umm Al Quwain and Fujairah of the UAE, the judicial departments of the three emirates namely, Abu Dhabi, Al Ain and Al Gharbia of the UAE. Further, the ministry of health of the seven emirates, as well as the department of Islamic affairs, and the endowments of all the seven emirates of the UAE and finally, the ministry of community development for all the emirates of the UAE. the researcher distributed 565 questionnaires for the UAE public employees and 113 questionnaires for their supervisors; based on ratio of 1 manager to 5 employees. The valid questionnaires of employees returned were 462 questionnaires out of 565 questionnaires that had been distributed which covered (82%) questionnaires of the survey. the valid questionnaires of managers returned were 88 out of 113 questionnaires that had been distributed for the survey which covered (78%) questionnaires of the survey. The responding sample for the employees was 462 observation (n = 462) consisting of 65.0% male and 35.0% female. Most of the participants of the public employees surveyed, ranged from 25 to 35 years old. As table 4.1 presents, that 35.3 % of the respondents were aged between 25 years and 30 years, and 31.5 % of the respondents were aged between 35 years and 36 years which is just a year gap. The employees’ educational level is limited by bachelor and Diploma too. More than 45% of the respondents of the surveyed population, possessed bachelor’s degree and 29% the respondents of the surveyed population possessed diploma respectively. The possessions of postgraduate degree among emirates had just been mere nine percent (9%) of the total population of the targeted survey. Surprisingly, the highest job tenure for those employees had been revealed as ranging from 6 years to 10 years which is more than 36% as shown in table below. On the other hand, the second highest tenure had been revealed as ranging from 11 years to 15 years which is almost 28% as shown in table below. Table 4.1 below shows the details of the demographic factors of the current study including gender, age, education, and tenure of employees.

On this representative sample, a survey was carried out to find out the extent of transformational leadership that could influence on affective organizational commitment and employee performance. After testing the direct relationships, the researcher had conducted the indirect relationship testing as measurements of the influences. For instant, the researcher is trying to test the impact of transformational leadership on employee performance through affective organizational commitment. The diagram below explains how employee performance, transformational leadership, and attitudinal (affective) organizational commitment in organization are conceptually related.

<table>
<thead>
<tr>
<th>Table 4.1: Demographic Details</th>
<th>Frequency</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>301</td>
<td>65.0</td>
</tr>
<tr>
<td>Female</td>
<td>161</td>
<td>35.0</td>
</tr>
<tr>
<td><strong>Age (in years)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 25</td>
<td>86</td>
<td>18.6</td>
</tr>
<tr>
<td>25-35</td>
<td>163</td>
<td>35.3</td>
</tr>
<tr>
<td>36-45</td>
<td>141</td>
<td>31.5</td>
</tr>
<tr>
<td>Over than 45</td>
<td>72</td>
<td>15.6</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than high school</td>
<td>68</td>
<td>14.7</td>
</tr>
<tr>
<td>Diploma</td>
<td>135</td>
<td>29.2</td>
</tr>
<tr>
<td>Bachelor</td>
<td>212</td>
<td>45.9</td>
</tr>
<tr>
<td>Post-Graduation</td>
<td>42</td>
<td>09.1</td>
</tr>
<tr>
<td><strong>Tenure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than one year</td>
<td>33</td>
<td>07.14</td>
</tr>
<tr>
<td>1-5</td>
<td>94</td>
<td>20.04</td>
</tr>
<tr>
<td>6-10</td>
<td>166</td>
<td>36.00</td>
</tr>
<tr>
<td>11-15</td>
<td>127</td>
<td>27.50</td>
</tr>
<tr>
<td>More than 15</td>
<td>42</td>
<td>09.10</td>
</tr>
</tbody>
</table>
This study is comprised of 3 constructs (transformational leadership, affective organizational commitment, and employee performance) as well as demographic variables (gender, age, education, tenure) as close ended questions. Prior to conducting the data analysis on Amos, the data was cleaned and normalized using SPSS. After that exploratory factor analysis and reliability test (Cronbach’s alpha) was done on SPSS. Final analysis and model were done by using Amos after conducting confirmatory factor analysis in the first stage. In the section below, empirical results and analysis of the are presented including descriptive statistics. The study results for each test are presented in section 4. The results are presented in graphical and tabular forms.

IV. EMPIRICAL RESULTS AND DATA ANALYSIS

In this section, the research result of the regression analysis is presented. first the descriptive statistics and correlation of the study is presented and described. second the results of the direct relationships and the indirect relationship of the hypotheses from the independent variables to dependent variables explained.

A. Descriptive Statistics and Correlation

As seen here from the standard deviations of all the items and constructs, the data show enough variation to represent the population”. Measured by a 7-point Likert-type scale, the means of the items suggest that the respondents had a positive attitude toward transformational leadership (mean = 4.16). The mean of the employee performance is also positive (mean = 4.25). Respondents generally agreed compatible with their perceptions of affective organizational commitment (mean = 4.16). This means that the employees' perceptions of transformational leadership, affective organizational commitment, and employee performance are reasonable

The Standard Deviations (SD) of the three variables are 1.3040 for employees’ performances (EP), 1.1956 for affective organizational commitment (AOC), and 1.1956 for transformational leadership respectively. Finally, as shown in the table (See: table 4.2), The Correlations of Constructs are 0.793, 0.687 and 0.394 for employees’ performances (EP), 0.563, as well as 0.328 for affective organizational commitment (AOC), and 0.512 for transformational leadership (TFL) respectively.

B. Measurement Model Assessment and Confirmatory Factor Analysis (CFA)

The CFA is conducted to identify the measurement model. To evaluate “discriminant validity”, the researcher first conducted the CFA on the items comprising the three constructs of transformational leadership, affective organizational commitment, and employee performance. The Chi Square (X²) of the model is equal to 301.118, the degree of freedom (df) is equal to 268, Chi Square by df (χ²/df) is equal to 1.124, adjusted goodness-of-fit (AGFI) is equal to 0.94, normed fit index (NFI) is equal to 0.96, the Comparative-fit-index (CFI) is equal to 0.995, the Root Mean Square Error of Approximation (RMSEA) is equal to 0.016. The indexes in bold are recommended since they are frequently reported in literature (Awang 2014). The results showed a good fit for the model, where all items loaded on their intended constructs (see: Table 3). The goodness-of-fit of the structural model was comparable to the previous CFA measurement model. In this structural model, the values are recorded as X²/df = 1.124, CFI = 0.995, and RMSEA = 0.016. These fit indices provide the evidence of adequate fit between the hypothesized model and the observed data (Byrne 2016). Thus, the hypothesized model best fit these data, which supported the discriminant validity of each variable (Beauducel and Wittmann 2005).
Table 2: Goodness-of-fit indices for the measurement model

<table>
<thead>
<tr>
<th>Fit Index</th>
<th>Cited Admissibility</th>
<th>Result</th>
<th>Fit (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$X^2$</td>
<td></td>
<td>301.118</td>
<td>Yes</td>
</tr>
<tr>
<td>DF</td>
<td></td>
<td>268</td>
<td></td>
</tr>
<tr>
<td>P value</td>
<td>&gt;.05</td>
<td>.080</td>
<td>Yes</td>
</tr>
<tr>
<td>$X^2/DF$</td>
<td>(Kline, 2010)</td>
<td>1.00 - 5.00</td>
<td>1.124</td>
</tr>
<tr>
<td>RMSEA</td>
<td>(Steiger, 1990)</td>
<td>&lt;.08</td>
<td>0.016</td>
</tr>
<tr>
<td>GFI</td>
<td>(Jöreskog &amp; Sörbom, 1993)</td>
<td>&gt;.90</td>
<td>.951</td>
</tr>
<tr>
<td>AGFI</td>
<td>(Jöreskog &amp; Sörbom, 1993)</td>
<td>&gt;.80</td>
<td>.941</td>
</tr>
<tr>
<td>NFI</td>
<td>(Bentler &amp; G.Bonnet, 1980)</td>
<td>&gt;.80</td>
<td>.959</td>
</tr>
<tr>
<td>PNFI</td>
<td>(Bentler &amp; G.Bonnet, 1980)</td>
<td>&gt;.05</td>
<td>.857</td>
</tr>
<tr>
<td>IFI</td>
<td>(Bollen, 1990)</td>
<td>&gt;.90</td>
<td>.995</td>
</tr>
<tr>
<td>TLI</td>
<td>(Tucker &amp; Lewis, 1973)</td>
<td>&gt;.90</td>
<td>.995</td>
</tr>
<tr>
<td>CFI</td>
<td>(Bentler &amp; Bonett, 1980; Byrne, 2010; Medsker, Williams, &amp; Holahan, 1994)</td>
<td>&gt;.90</td>
<td>.995</td>
</tr>
<tr>
<td>PGFI</td>
<td>(James, Muliak, &amp; Brett, 1982)</td>
<td>&gt;.50</td>
<td>.784</td>
</tr>
</tbody>
</table>

Note: $X^2$ = Chi Square, DF = Degree of freedom, GFI = Goodness-of-fit, NFI = Normed fit index, IFI = the increment fit index, TLI = Tucker-Lewis coefficient Index, CFI = Comparative fit index, RMSEA = Root Mean Square Error of Approximation, SRMR: Standardized Root Mean Square Residual, PNFI = Parsimony Normed Fit Index, AGFI =Adjusted Goodness of Fit Index
- The indexes in bold are recommended since they are frequently reported in literature (Awang, 2014)

“Items of each construct, item-to-total correlations (ITTC), and “confirmatory factor analysis” (CFA) were evaluated by means of Cronbach’s alpha. The values of Cronbach for transformational leadership is 0.80, for AOC is 0.91 and for employee performance is 0.87 which reveal the high reliability of the constructs. All constructs are also in line with exceed the square of the correlations between pairwise matched factors (Fornell and Larcker, 1981). As recommended in previous research (Fornell and Larcker, 1981), “discriminant validity” was also assessed by comparing AVE values and squared correlations between constructs (see: Table 3) which indicates that the AVE values of all constructs exceeded their squared correlations.

Table 3: Loading, cronbach’s Alpha, CR and AVE

<table>
<thead>
<tr>
<th>2nd-order construct</th>
<th>1st-order Construct</th>
<th>Item</th>
<th>Factor Loading (above 0.5)</th>
<th>M for Item</th>
<th>SD for Item</th>
<th>M for variable</th>
<th>SD for variable</th>
<th>α (&gt; 0.7)</th>
<th>CR (&gt; 0.7)</th>
<th>AVE (&gt; 0.5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IM</td>
<td></td>
<td>IM1</td>
<td>.87</td>
<td>3.91</td>
<td>1.59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IM2</td>
<td>.89</td>
<td>3.92</td>
<td>1.60</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IM3</td>
<td>.78</td>
<td>3.91</td>
<td>1.58</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IM4</td>
<td>.80</td>
<td>3.90</td>
<td>1.59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IS</td>
<td></td>
<td>IS1</td>
<td>.76</td>
<td>4.10</td>
<td>1.61</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IS2</td>
<td>.84</td>
<td>4.13</td>
<td>1.58</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IS3</td>
<td>.85</td>
<td>4.16</td>
<td>1.58</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IS4</td>
<td>.73</td>
<td>4.10</td>
<td>1.59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TL</td>
<td></td>
<td>IC1</td>
<td>.74</td>
<td>3.90</td>
<td>1.59</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IC2</td>
<td>.89</td>
<td>3.91</td>
<td>1.60</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IC3</td>
<td>.78</td>
<td>3.93</td>
<td>1.60</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IC4</td>
<td>.85</td>
<td>3.89</td>
<td>1.61</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IIB1</td>
<td>.82</td>
<td>4.03</td>
<td>1.66</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IIB2</td>
<td>.78</td>
<td>3.97</td>
<td>1.67</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IIB3</td>
<td>.82</td>
<td>3.99</td>
<td>1.66</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AOC</td>
<td></td>
<td>AOC1</td>
<td>.84</td>
<td>4.07</td>
<td>1.48</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>AOC2</td>
<td>.79</td>
<td>4.13</td>
<td>1.47</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>AOC3</td>
<td>.83</td>
<td>4.16</td>
<td>1.46</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In this study, the discriminant validity was tested using the (Fornell and Larcker 1981) criterion. Discriminant validity denotes the degree to which measures of different concepts are distinct. The correlation matrix of the data set as shown below (See: tables 4), enables us to examine all potentially overlapping constructs. If the items comprising a construct do not overlap much with others (i.e., if the AVE of a construct is larger than its squared intercorrelations with other constructs), then discriminant validity is assured (Fornell and Larcker 1981). Table 4 shows the results of discriminant validity by fornell-larcker criterion for the model. The table shows correlations, squared correlations of all the constructs included in this study, indicating that the transformational leadership, affective organizational commitment and employee’s performance in the current study are moderate.

As shown in table 4 the correlations between the factors ranging from 0.39 to 0.68 and are smaller than the square root of the average variance extracted estimates which are in the range of 0.77 to 0.79. This indicates that the constructs are strongly related to their respective indicators compared to other constructs of the model (Fornell & Larcker, 1981). Thus, suggesting all constructs has achieved discriminant validity.

Table 4: Results of discriminant validity by fornell-larcker criterion for the model

<table>
<thead>
<tr>
<th>Factors</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL</td>
<td>0.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AOC</td>
<td>0.45</td>
<td>0.77</td>
<td></td>
</tr>
<tr>
<td>EP</td>
<td>0.39</td>
<td>0.68</td>
<td>0.79</td>
</tr>
</tbody>
</table>

Note: Note: Diagonals represent the square root of the average variance extracted while the other entries represent the correlations.


Convergent Validity

Convergent validity was tested using the Average Variance Extracted (AVE). Convergent validity was also deemed satisfactory, as all average variances extracted (AVE). A convergent validity refers to “the extent to which two or more attempts to measure the same concept are in agreement” (Campbell and Fiske 1959, p.234). According to Fornell and Larcker (1981), there are two criteria. First, all factor loading must be significant more than 0.5. Second, the “average variance extracted” (AVE) for all variables has to be over than 0.5 (Fornell & Larcker, 1981). “In this study, the
results showed that all AVE values, ranging from 0.58 to 0.63 (see: Table 3) were higher than the recommended value of 0.50 (Fornell & Larcker, 1981) and (Hair, Ringle, and Sarstedt 2011). The convergent validity for all constructs has therefore successfully fulfilled, exhibiting adequate convergent validity (see Table 3).

Indicator reliability was tested using factor loading. The results show high loading on constructs which indicate that the associated indicators seem to have much in common, and this is captured by the construct (Hair, Ringle, and Sarstedt 2013). Factor loadings greater than 0.50 are considered to be very significant (Hair Jr, Hult, Ringle, and Sarstedt 2016). The loadings for all items exceeded the recommended value of 0.5 as shown in Table 3. The loading for all items in the model has fulfilled all the requirements without being eliminated from the scale. In addition, the results indicate that all the composite reliability (CR) values ranging from 0.80 to 0.91 were higher than 0.7 (Kline, 2010; Gefen, Straub, & Boudreau, 2000), which confirm that the construct reliability is fulfilled as shown in Table 3. Therefore, the achieved Cronbach’s Alpha and CR for all constructs were considered to be sufficiently error-free.

**Table 5: Structural path analysis result**

<table>
<thead>
<tr>
<th>#</th>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Estimate B (path coefficient)</th>
<th>S.E</th>
<th>C.R (t-value)</th>
<th>p</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H1</td>
<td>TL → AOC</td>
<td>0.45</td>
<td>0.043</td>
<td>10.465</td>
<td>***</td>
<td>Supported</td>
</tr>
<tr>
<td>2</td>
<td>H2</td>
<td>TL → PE</td>
<td>0.39</td>
<td>0.048</td>
<td>8.125</td>
<td>***</td>
<td>Supported</td>
</tr>
<tr>
<td>3</td>
<td>H3</td>
<td>AOC → PE</td>
<td>0.69</td>
<td>0.034</td>
<td>20.294</td>
<td>***</td>
<td>Supported</td>
</tr>
</tbody>
</table>

***p<.001, S.E = Standard Error, C.R = Critical Ratio


**Indirect Testing of Hypotheses**

Hypothesis 2 (H2) mentions that transformational leadership have a positive impact on employee’s performance. The result indicates that the regression from transformational leadership to employee’s performance is positive and significant (β = 0.39, t = 8.125, p < 0.001) and is supported. In addition, Hypothesis 3 (H3) mentions that affective organizational commitment have positive significant effect on employee’s performance (β = 0.69, t = 20.294, p < 0.001) and is supported.

**Table 6: Indirect Structural path analysis result**

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Estimate B (path coefficient)</th>
<th>S.E</th>
<th>C.R (t-value)</th>
<th>p</th>
<th>Upper</th>
<th>Lower</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2</td>
<td>TL → AOC→ PE</td>
<td>0.29</td>
<td>0.038</td>
<td>7.632</td>
<td>0.001</td>
<td>0.36</td>
<td>0.215</td>
<td>Full mediation</td>
</tr>
</tbody>
</table>

***p<.001, S.E = Standard Error, C.R = Critical Ratio

Key: TL: Transformational Leadership, AOC: Affective Organizational Commitment, EP: Employee’s performance

C. **Hypotheses Tests**

In this section, the researcher will present the results of the regression path of the direct relationships from hypothesis 1 to hypothesis 3 and the indirect relationship consisting hypothesis 4. Table 5 presents the results of the direct structural path analysis result from the independent variables to dependent variables and Table 6 presents the indirect structural path analysis result using AMOS.

**Direct Testing of Hypotheses**

The hypotheses of this study were tested using structural equation modelling via AMOS. The structural model assessment as shown in Table 5 provides the indication of the hypothesis tests. Moreover, all four hypotheses are supported. Hypothesis 1 (H1) mentions that transformational leadership and employee’s performance and the result is positively affects the relationship between transformational leadership and employee’s performance. The result indicates that the regression from transformational leadership to organizational commitment is positive and significant (β = 0.45, t = 10.465, p < 0.001) and is supported.

Hypothesis 4 states that organizational commitment mediates the positive relationship between transformational leadership and employee’s performance. The results in table 6 revealed that affective organizational commitment positively affects the relationship between transformational leadership and employee’s performances and the result is supported. Thus, H4 is accepted.
In this empirical study, the proposed model was analysed, which addressed the effect of transformational leadership on employees’ performances through (affective) organizational commitment within the United Arab Emirates (UAE) Public Sectors. The two values of the Coefficient of Determination $R^2$ are substantial consistent with (Cohen and LeVinnthal 2000).

Findings Related to Objective 1: The first objective of this study was to examine the effect of transformational leadership on affective organizational commitment. This objective was achieved by testing hypothesis 1 (H1). This study showed that transformational leadership have a positive impact on employee’s affective organizational commitment. The result indicates that the regression from transformational leadership to affective organizational commitment is positive and significant ($\beta = 0.45$, $t = 10.465$, $p < 0.001$) This result supported the hypothesis 1 (H1) (see: Table 5). The result consistent with the study result of (Lok and Crawford 2004) who examined the effects of organisational leadership styles on organisational commitment in samples of Hong Kong and Australian managers and found positive effects on commitment. Further the result is also consistent with study result of (Avolio, et al. 2004) who examined whether psychological empowerment mediated the effects of transformational leadership on followers’ organizational commitment and showed that structural distance between the leader and follower moderated the relationship between transformational leadership and organizational commitment. Furthermore, the result of this study is consistent with study result of (Dunn, et al. 2012) who explored the relationship between transformational leader employee commitment to the organization and provided evidence that supports the relationship between leader behaviour and employees’ commitment to the organization.

Findings Related to Objective 2: The second objective of this study was to examine the effect of transformational leadership on employees’ performances. This objective was achieved by testing hypothesis 1 (H2), which states that transformational leadership positively affect employees’ performances. The result indicates that transformational leadership has a positive and significant influence on employees’ performances ($\beta = 0.39$, $t = 8.125$, $p < 0.001$). This result supported hypothesis 2 (H2) (see: Table 5). The result of the current study supports the long-held views of scholars who argued that transformational leadership practice has a direct, and positive impact on employees’ performances (Bass, et al. 2003; Howell and Avolio 1993; Lowe, et al. 1996; Waldman, et al. 1987; Walumbwa, et al. 2008).

Findings Related to Objective 3: The third objective of this study was to examine the effect of affective organizational commitment on employees’ performances. This objective was achieved by testing hypothesis 3 (H3). The current study found that affective organizational commitment has a positive effect on employees’ performances ($\beta = 0.69$, $t = 20.294$, $p < 0.001$). This impact is supported by previous studies (Roethlisberger 1939); (Mayo and Donham 1945); (Mirvis 1977); (Euske, Jackson, and Reif 1980); (Petty and Cacioppo 1984); (Iaffaldano and Muchinsky 1985); (Iaffaldano and Muchinsky 1985);(Caldwell and O'Reilly III 1990); (Spector 1997); (Crossman and About-Zaki 2003); (Pushpakumari 2008); (Alessandri, Borgogni, and Latham 2017); (Yuen, Thai, Wong, and Wang 2018); (Larbi 2018), and is explained by the fact that when employees are satisfied, this inevitably lead to enhancing employees performance.

Findings Related to Objective 4: The fourth objective of this study was to examine the effect of transformational leadership on employees’ performance through the mediating role of affective organizational commitment. This objective was achieved by testing hypothesis 4 (H4). The current study found that affective organizational commitment positively mediates the relationship between transformational leadership on employees’ performances at significant level of ($\beta = 0.29$, $t = 7.632$, $p =0.001$). The mediating models were measured by employing AMOS. The study adopted the four steps as specified by (Baron and Kenny 1986), as well as the study used a nonparametric resampling procedure (Bootstrapping) as an additional mediating test (Preacher and Hayes 2008). To meet the four steps of Baron and Kenny (1986), the results first must support hypotheses 1, 2 and 3 (see the previous section); the first step the paths from transformational leadership (independent variable) to employee’s performance (dependent variable) is significant. The second step, the paths from transformational leadership (independent variable) to affective organizational commitment (mediating variable) is significant. The third step, the paths from affective organizational commitment (mediating variable) to employee’s performance (dependent variable) is significant. The first three steps were supported.

B. Implication for Research and Practice

This research adds empirical model to the literature in this field. Furthermore, this is the first study in the UAE’s public sector, which investigated the three variables. This study incorporates three-second order constructs; transformational leadership, employee performance and (affective) organizational commitment in one research model. The findings of this study showed that affective organizational commitment mediates between transformational leadership and employee performance. This study reinforces our understanding of role of transformational leadership and (affective) organizational commitment in enhancing employee performance. As anticipated, transformational leadership has positively impact on employee performance, both ways (with or without integrating affective organizational commitment as mediator).

This study helps in disclosing the ways in which transformational leadership qualities and techniques can complement the employees’ performance by exhibiting importance of (affective) organizational commitment as mediator. By adopting transformational leadership
helps in developing employee contentment among employees, which resultantly increases employees’ performance.

This indicates that transformational leadership positively affects the employee’s performance and employee’s performance will enhance if organizations also adds in promoting (affective) organizational commitment among their employees. This research finding indicates affective organizational commitment as mediator have partial effect, which means that there are other variables, which have an impact on transformational leadership and employee performance association.

VI. LIMITATIONS AND SUGGESTIONS FOR FUTURE WORK

The present study has several limitations. This study only measures the relationships between transformational leadership and attitudinal affective organizational commitment (AOC) to explain employees’ performance. Based on the result of this study, the future research can use this study as a reference for applying method of employees’ performances in broader terms. For example, future research can use numerous antecedents of (affective) organizational commitment other than transformational leadership. For instance, such as transactional leadership (Riaz and Haider 2010), compensation system (Wiratmadja, Govindaraju, and Rahyuda 2008), contingent reward (Berson and Linton 2005), employee empowerment (Gill, Flaschner, Shah, and Bhutani 2010), and trust (Bartram and Casimir 2007). Most of these antecedents said to have been found to be positively related with of employees’ performances.

Data compilation method is also considered one of the limitations, since questionnaire method was the only technique used in collection of data gathering. Therefore, it is suggested that future research should assemble data using multiple techniques. Furthermore, this study represents a cross sectional investigation as responses were gathered from respondents at a point of time. Therefore, it is suggested to conduct longitudinal study in future, whereas responses will be gathered from same sample of respondents over time. Moreover, the study is confined to public sector in UAE only. Due to privacy involved, respondents might have been reluctant to share correct information due to their defensive attitude. The element of subjectivity might have not been checked completely as employees have responded based on their own experience and perceptions regarding the statements in the questionnaire. In future, longitudinal study can be conducted. Comparative study between private and public sector can be undertaken in future. More outcomes can be considered, for example, cultural differences, other leadership styles, and so on for better understanding of the concept.

VII. CONCLUSION

Overall, the main goal of this paper was to examine the effect of transformational leadership on employees’ performance through employees’ affective organizational commitment as mediator within the public sector in United Arab Emirates. This study provides empirical findings whether affective organizational commitment affects the relationship between transformational leadership and employees’ performance. The objective of this study was to provide empirical findings whether attitudinal affective organizational commitment (AOC) affects the relationship between transformational leadership and employees’ performance. The sample of the study was 24 publicly sectors in UAE. The findings in this paper suggest that transformational leadership positively related to employees’ performances with or without affective organizational commitment as mediator. The results document that affective organizational commitment is positively related to employees’ performances. Transformational leadership and affective organizational commitment of firms contributed positively to the studies employees’ performances, which suggest that this is an important factor that helps broaden knowledge of employees’ performances in UAE public sectors.

REFERENCES


Retrieval Number: H10920688S219/19©BEIESP

537
The Influence of Transformational Leadership on Employees’ Performances Through Organizational Commitment Within Public Sectors in United Arab Emirates (Uae)


Fornell, Claes and David F Larcker. (1981). Structural equation models with unobservable variables and measurement error: Algebra and statistics. Journal of marketing research: pp. 382-388.


of Analytical Chemistry 13 no. 6 (2018): emSJC181129.


Author-1

Author-2

Author-3

Shaikha Alshehhi personal profile which contains their education details, their publications, research work, membership, achievements, with photo that will be maximum 200-400 words.

Abuelhassan E. Abuelhassan personal profile which contains their education details, their publications, research work, membership, achievements, with photo that will be maximum 200-400 words.

Amiya Bhaumik personal profile which contains their education details, their publications, research work, membership, achievements, with photo that will be maximum 200-400 words.