The Impact of Transformational and Transactional Leadership Behaviors on Employees' Trust and Their Organizational Commitment; A study based on Non-Academic Staff of the Sri Lankan Universities

by

KP Mathotaarachchi
B. Sc (Business Studies), PGDM (RJT)

Student No: FGS/02/10/02/2003/26

The Research Dissertation Submitted to the
Faculty of Graduate Studies - University of Kelaniya, Sri Lanka
in Partial Fulfillment of the Requirements for the
Master of Commerce Degree Programme (M.Com)

2003/2004
Abstract

The purpose of this research was to investigate the impact of transformational and transactional leadership behaviours on employees’ trust and their organizational commitment for non-teaching staff of the Sri Lankan Universities.

Transformational and transactional leadership behaviours were measured using 26 items taken from the Bass & Avolio’s (1995) Multifactor Leadership Questionnaire. Employees’ trust in bosses were measured using 10 items related to scholars’ accepted variables such as Reliability, Acceptance, Benevolence, Openness and Supportiveness. The Organizational Commitment Questionnaire (OCQ) developed by Meyer & Allen’s in 1997 was used to measure the employees’ organizational commitment.

Participants were permanent non – academic employees of Sri Lankan Universities. The survey was carried out through a questionnaire circulated among 465 employees in 12 universities. The data were mainly analysed with correlation and multiple regression models.

The study findings indicated that there is a positive impact of transformational leadership of bosses’ on employees’ trust than transactional leadership. Intellectual stimulation reflected by bosses were relatively low. Employees’ were satisfied with the benevolence, openness and supportiveness with the transformative leader than the transactional leader. Transformational leadership behaviors explained the greatest amount of correlations in normative commitment, compared with the affective commitment while no relationship with continuance commitment. The results for transactional leadership variables revealed the weaker relationships with the different types of organizational commitment.

The best predictors of the employees’ trust among the transformational and transactional variables are idealized influence (attribute), inspirational motivation, individual consideration, laissez - faire, management -by-exception (passive), contingent reward, and Intellectual stimulation. Individual Consideration, idealized influence (attributed), Management-by-exception (passive) were the best predictors of employees’ organizational commitment.