



## **Effect of Leadership Styles on Employees' Performance in Nigeria Institute for Trypanosomiasis Research, Kaduna State.**

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### ***Abstract***

*The aim of this study is to determine the effect of leadership styles on employee performance in Nigeria Institute for Trypanosomiasis Research, Kaduna State. A structured questionnaire was used to sample respondents using simple random sampling technique. The totals of 230 copies of questionnaires were distributed to the respondents. Structural equation model was used to analyze data using partial least squares method SmartPLS2. The result showed that transformational, transactional and laissez-faire leadership styles has a significant and positive effect on employee performance. Therefore, it is recommended that Nigeria Institute for Trypanosomiasis Research should practice transactional and laissez-faire leadership styles to improve employee performance in the organization in Kaduna State.*

**Keyword:** *Transformational, transactional, laissez-faire, leadership style and employee performance*

### ***Introduction***

Organizations need highly performing individuals in order to meet their goals, to deliver the products and services they specialized in, and finally to achieve competitive

advantage. Employee perform different jobs in an organization depending on the nature of the organization. They mainly perform tasks like production, storage,

manufacturing, transportation, marketing, purchasing, distribution, promotion of business, finance and accounting, human resource, research and public relations (Chiou-shu & Le tran, 2012). All these activities are inter-related to achieve the targeted goals. Various factors such as leadership, skills, training, motivation, dedication, welfare, management policies, fringe benefits, salary and packages, promotion, job satisfaction, job experience and communication encourage employees to perform and give their best output. The importance of employee performance must be understood by the management and taking timely steps in that direction will develop and motivate the employees. According to Belonio (2012), leadership style can either motivate or discourage employees, which in return can cause employee's increase or decrease in their level of performance. Efficiency in resources mobilization, allocation, utilization and enhancement of organizational performance depends, to a large extent, on leadership style, among other factors (Timothy, Andy, Victoria & Idowu, 2011). Lack of appropriate leadership style and motivation are some of the factors that exert negative effect on employee performance in Nigeria (Akpala, 1998). Businesses and organizations are always striving to find great leaders that can lead them to success; much effort has been put forth into finding out how they operate since businesses are trying to identify the characteristics and behaviours associated with the best leaders (Tanya, 2016). Full leadership range opined by Brass and Avolio (2004), which include transformational, transactional and laissez-faire leadership will be considered for the study. Transformational leadership style mainly focuses on how to inspire and motivate employee to perform extra ordinary, in transactional leadership style, leaders closely monitor their followers and motivate them with rewards on good performance as a result some employees perform with their hand, head and heart to achieve assigned goals while in laissez-faire leadership style, leaders delegate full decision-making authority to followers by giving them guidance and related support to make them more involved in the tasks and motivate them for organizational performance. Organization needs strong leadership and management for optimal effectiveness to challenge the status quo, create visions for the future and inspire employees to achieve the visions of the organization and to formulate detailed plans, create efficient organizational structures and oversee day to day operations (Robbins & Timothy, 2013).

This study analyses the effect of these three leadership styles on employees' performance in Nigeria Institute for Trypanosomiasis Research Agency (NITR) Kaduna. According to Griffin (1999) managers and leaders on daily basis perform variety of tasks, requiring various types of leadership styles according to situations and nature of the decisions in other to improve employees' performance.

A large number of organizations spend considerable huge amount on solving managerial /leadership problems. Besides, research on management's leadership style and employee performance are unlimited and yet personnel do not know enough about leadership styles and the organizational productivity (Chris, 2016). Several organizations today have a problem of leadership and the style to be adopted in leading employees. The absence of effective leadership is a serious problem in many organizations such as NITR. It is obvious that the resultant outcome is poor performance, absence of motivation, poor growth and development of the organization.

The main objective is to examine the effect of leadership styles on employees' performance in NITR, Kaduna State and due to the fact that this research is a cross sectional research. The choice of the scope is based on the current issues as regard the best leadership style that suits employees' performance given the innovation era which is 21<sup>st</sup> century.

This research may be of important to the management of NITR Kaduna State. The knowledge provide in this study will demonstrate the significance of leadership styles and how it will effect employee's performance in NITR Kaduna State. The findings would provide a foundation in exploring the effect of leadership on employees who will further help the organization to create the best ideas and draw suitable plans to increase employees' performance in NITR Kaduna State. The significance of this study will also enables future researchers, academicians and students of management to understand the effect and important of leadership styles (transformational, transactional and laissez-faire) on employee performance. By discovering how this study reveals new findings and adding to the existing knowledge.

## **LITERATURE REVIEW**

### **Concept of Employee Performance**

Employee Performance is the successful completion of tasks by selected individual or individuals, as set and measured by a supervisor or organization,

to pre-defined acceptable standards while efficiently and effectively utilizing available resource within a changing environment (Chiou-shu & Le tran 2012). Aguinis (2009) described that “the definition of performance does not include the results of an employee’s behaviour, but only the behaviours themselves. Performance is about behaviour or what employees do, not about what employees produce or the outcomes of their work”. Perceived employee performance represents the general belief of the employee about his behaviour and contributions in the success of organization. For the strength of an organization job satisfaction plays a vital role which has significant impact on employee performance. And the word performance we used to pass on the individual aptitude to be inspired, stirring, pioneering and to determinant to achieving the goals on an organization (Walumbwa & Hartnell, 2011). Previous study has examined that a positive relation is found between satisfied employees and organization, as the performance of the satisfied employees are more productive for the organization then less satisfied employees (Ostroff, 1992). The main theme of the every organization is to enhance employee performance. Walumbwa, Avolio and Zhu (2008) expressed, leadership style correlated with subordinate skills with work worth to asses employees performance. They trained their workers, arranged meeting with their subordinates and take feedback from their subordinates and in end result employee productivity added. Firm mostly increase employee’s performance by giving empowerment to their team members (Ozaralli, 2002). Researchers have also studied the employee performance with extraverted leadership and gave very interested results, employee performance are increased under the extraverted leadership when employees are passive. And if employees are proactive, result will be opposite (Grant, Gino & Hofmann, 2011).

Ngozi and Obianuju (2015) see employee performance on the other hand, can be decomposed using employee commitment, meeting deadlines, achievement, quality of output/work, responsibility, operational efficiency and effectiveness, positive attitude to work, excellent customer service delivery, rare cases of absenteeism, job satisfaction, increased productivity, working with less supervision, growth, low turnover of top talents and harmonious work relationships amongst others. Karatepe and Kilic (2009) indicate that work-family conflict and work-family facilitation affect employee’s performance and find out that work-family facilitation enhances job satisfaction. According to Biswas (2009), organizational communication act in way to fastening

workforce by transmitting cultural norms from an organizational framework to an individual's way of life in the organization and by supporting style of leader also plays incredible role for increasing employee's performance.

Henceforth, employee performance is the accomplishment of agreed work at the right time or what employees do. The success or failure of any organization depends on employee performance, goal setting is an importance factor that influences employee performance and it is a constructive method use to motivate employees who help to achieve organizational targets.

### **Concept of leadership style**

Leadership styles can be views as the combination of skills, qualities, characteristics, and behaviours that managers/leaders used when relating with their subordinates in organizations (Jeremy, Melinde, & Ciller, 2012). Rose, Gloria and Nwachukwu (2015) refer to leadership styles as the approaches use to motivate followers. Leadership is not a "one size fits all" phenomenon. Leadership styles should be selected and adapted to fit organizations, situations, groups, and individuals. It is thus useful to possess a thorough understanding of the different styles as such knowledge increases the tools available to lead effectively.

Furthermore, Talat, Sana, Samra and Abeera (2015) considered Style of Leadership as the most effective driving force in any organization. Consequently, effective management provides guidance that encourages subordinates to think outside the box to solve organizational problems, and to make decisions that can improve the performance of the organization (Benntt, 2009). In fact, leadership is essential for all organizations to achieve goals. Since leadership style is a key basis of the success or failure of any organization (Bizhan, 2013). Northouse (2010) leadership style consist of the behaviour pattern of a person who attempts to influence others. It includes both directive (task) behaviours and supportive (relationship) behaviours.

### **Transformational Leadership Style**

Transformational leaders are those who stimulate and inspire followers to achieve extraordinary outcomes and in the process, develop their own leadership capacity. Transformational leaders' help followers grow and develop into leaders by responding to individual followers' needs by empowering them and by aligning the objectives and goals of the individual

followers, the leader, the group, and the larger organization (Bass & Riggio, 2008). Transformational leadership styles focus on team-building, motivation and collaboration with employees at different levels of an organization to accomplish change for the better. Transformational leaders set goals and incentives to push their subordinates to higher performance levels, while providing opportunities for personal and professional growth for each employee (David, 2009).

According to Charon (2003) transformational leadership goes beyond just monitoring the performance of the followers and being reactive (providing negative feedback and corrective action when noticing an issue). It also puts a great emphasis on being proactive, establishing long term goals, facilitating change, seeking continuous improvement, and giving the followers an opportunity to learn from their mistakes. The full range of leadership introduces four elements of transformational leadership: Idealized Attributes: These leaders are always acting in ways that build others respect for them and they go beyond self-interest for the good of the group (Bass & Avolio, 2004). Inspirational Motivation: These leaders support staff to envision attractive future states and they always motivate their staff to achieve the organizational goals (Bass & Avolio, 2004). Intellectual Stimulation: These leaders like to encourage new ideas, and creative solutions to problems are solicited from followers. Also, the leaders persuade their staff to be innovative and creative by approaching old situations in new ways (Bass & Avolio, 2004). Individual Consideration: These leaders stimulate their staff for achievement and growth by acting as a coach and also help their staff to develop their strengths (Bass & Avolio, 2004). According to Muenjohn (2007) several studies have reported that Transformational Leaders increase staff satisfaction, encourage extra effort and are more effective than Transactional or Laissez-Faire Leaders

### **Transactional Leadership style**

Transactional leadership encompasses three elements: contingent reward, management by exception – active, and management by exception – passive. Contingent reward is described as a constructive interaction whereby leaders agree with followers the tasks to be completed and clearly articulate performance expectations in exchange for rewards; that is, followers are rewarded when performance expectations are successfully met (Bass & Bass,

2008). Rewards may be material in nature (such as a raise in salary) or psychological (positive feedback and praise) (Bass & Bass, 2008). Management by exception is regarded as a corrective form of leadership because it concerns the degree to which a leader intervenes or takes corrective action on the basis of followers' behaviours. Corrective actions may include discipline, negative feedback or disapproval (Bass & Bass, 2008). Active management by exception includes leaders actively monitoring subordinates' behaviour to ensure it complies with expected standards of performance (i.e. ensuring compliance with rules and procedures for example) and intervening before problems arise. On the other hand, passive management by exception involves leaders intervening only after problems have occurred; thus, unlike active management by exception, it represents a reactive form of leadership (Bass & Avolio, 1990; cited in Yukl, 2010).

### **Laissez-faire Leadership Style**

The laissez-faire leadership style is also known as the "hands-off" style. It is one in which the manager provides little or no direction and gives employees as much freedom as possible. All authority or power is given to the employees and they must determine goals, make decisions, and resolve problems on their own. (Muhammad, Khan, Qamar, Hafiz, Hamid, Abdul & Tahir, 2015). In this style of leadership, all authority or power is given to the employees and they must determine goals, make decisions, and resolve problems on their own (Goddy, 2014). Regan and Ghobadian as cited in Washington and David (2014) found that the laissez-faire leadership style was positively correlated with both long and short term organizational performance. Therefore, Lewin, Lippitt and White (1939) found that laissez-faire leadership led to lower productivity and satisfaction among followers when compared with autocratic and democratic leadership styles, but it can be effective in situations where group members are highly skilled, motivated and capable of working on their own. Although, this style of leadership complete freedom is given to the group in such way that they allow employees within the team to take decisions. Nwokocha and Iheriohanma (2015) argued that the basis for this leadership style is in two folds; the first is, there is a strong belief that employees know their jobs best, so leave them alone to do their jobs. The second is that, the leader may be in a political, election-based position and may not want to apply power and control for fear of not being re-elected. Alan (2013) opined that a laissez-faire leadership style can be

effective if the leader monitors performance and gives feedback to team members regularly.

### **Leadership and employee performance**

Relationship between leadership style and employee performance has been discussed often. Most research showed that leadership style has a significant relation with employee performance, and different leadership styles may have a positive correlation or negative correlation with the employee performance, depending on the variables used by researchers (Fu-Jin, Shieh & Tang, 2010). Leadership has a positive influence towards employee performance (Shahab & Nisa, 2014) and therefore play important roles to ensure the increase of organization and individual performance (Gul, Ahmad, Rehman, Shabir & Razzag, 2012). Performance, explained as the accomplishment, execution, carrying out, working out of anything ordered or undertaken (Armstrong, 2010), is greatly influenced by leadership style (Walumbwa, Mayer, Wang, Workman & Christensen, 2011).

In order to stimulate and influence subordinates' extra-role behaviors, public managers may consider acting as role models for their subordinates by demonstrating extraordinary technical ability, being persistent in coping with difficult tasks, and by acknowledging the employees' value and input (Srithongrung, 2011). As a result of this, employees will be motivated to put in more effort to improve their performance.

Other researchers have also confirmed the effect of leadership on employee performance. For instance, Phillips and Gully (2012) suggested that at its best, leadership inspires and motivates employees to work hard towards organizational objectives and help the organization succeed. Armstrong further indicated that high performance comes about as a result of appropriate behavior, especially discretionary behavior and the effective use of required knowledge, skills and competencies which is influenced among other things by leadership style. Thus, employees choose to perform the tasks as a result of their identification with the leader. Studies on leadership have identified positive relationship between leadership style and performance at various levels (Dvir, Eden, Avolio & Shamir, 2002; Howell, Neufeld & Avolio, 2005).

### **Empirical Review**

Obiwuru, Okwu, Akpa and Nwankwere (2011) examined the effects of leadership style on organizational performance: a survey of selected small scale



enterprises in Ikosi-ketu council development area of Lagos state, Nigeria. A structured Multifactor Leadership Questionnaire (MLQ) was used to collect primary data. The study concluded that transactional leadership style was more appropriate in inducing performance in small scale enterprises than transformational leadership style and, therefore, recommended transactional leadership style for the small enterprises with inbuilt strategies for transition to transformational leadership style as the enterprises developed, grew and matured. The study ignores laissez-faire leadership style and suggested transactional leadership style for small scale enterprises.

Barbara (2012) examined the behavioral profile of an effective German leader of a global health company. Data was analyzed using statistical package for social science (SPSS). Results show that transactional leadership, transformational leadership and emotional intelligence are significantly related to leadership effectiveness. With reference to the results of value congruence between the leader and his followers, only significant value congruence for conservation was found in this case study. The study only examined Health Company thereby neglecting other organizations.

Amal and Nosheen (2014) examined the impact of leadership styles on organizational performance in Pakistan. Performance of organizations is related to the profitability of the organizations in terms of its growth and profit both in long and short term. A structured questionnaire was used to collect data. The researchers found that though the most suited style of leadership is transformational one but in new and growing organizations transactional leadership style may be more productive, while in certain circumstances though limited and for a short period, laissez-faire style may be required. Hence, the leader might have to adopt a hybrid style of leadership style. Leadership style has a significant impact on the organizational performance. The study recommend for hybrid leadership style for a new and growing organizations.

Adamu, (2015) examined the impact of transformational leadership, transactional leadership, laissez-faire leadership and servant leadership styles on performance among employees of Package Water producing Industry in Adamawa State, Nigeria. SPSS v.20 Correlation and regression techniques were used to test the study hypotheses. The result provided support for three hypothesized relationships for the study. Specifically, transformational leadership style, transactional leadership style and servant leadership style have positive, strong and significant relationship with performance among the study

sample. However, laissez-faire leadership style was not found to be significantly related to performance among the employees. Therefore, the study makes use of servant leadership style which is not part of full leadership range. Obinna, Ifeanyichukwu and Moses (2016) examined the Role of Leadership Styles and Self Efficacy on Employees' Job Involvement in Enugu State. Three instruments were used for data collection. They were Leadership Behaviour Description Questionnaire (LBDQ), Self-efficacy Scale (SES) and Job Involvement Scale (JIS). Two hypotheses were tested. Two-way analysis of variance (ANOVA) was used to analyze the data. Result shows that there is a significant difference between different types of leadership styles on job involvement as well as self-efficacy and job involvement. The results were discussed in terms of their relevance in work setting and suggestions for further research made. This study is only limited to one location

Muhammad and Anis-ul (2016) examined the role of transformational, transactional and laissez-faire leadership style on prediction of rational intuitive, dependent, avoidant and spontaneous decision making style. Multiple regression analysis demonstrated that transformational leadership style positively predicted rational styles. Transactional leadership style positively predicted intuitive, dependent and avoidant style. Laissez-faire leadership style positively predicted intuitive dependent and avoidant style and negatively predicted rational style. Finally, leadership styles displayed non-significant effect on spontaneous style. The study was grounded in theory and it has both theoretical value and applied significance in the modern corporate sector.

Muhammad and Kuchinke (2016) examined the impact of leadership styles on employee performance outcomes is explored theoretically and tested empirically in the Pakistani banking sector. A semi-structured questionnaire was the main instrument used to collect primary data. Findings of this study reveal that there exists a significant relationship between transformational leadership and employee performance outcomes. However, laissez-faire leadership style showed negative relationship with employee performance outcomes in terms of effectiveness, and employee satisfaction. The study makes use of full leadership range and focused attention on banking sector.

Most of the reviewed were carried out in developing countries; just few of the previous studies were carried out within the Nigerian context. This study therefore seeks to examine the effect of leadership styles on employees' performance in institute for trypanosomiasis research agency Kaduna State.

## **Theoretical Framework**

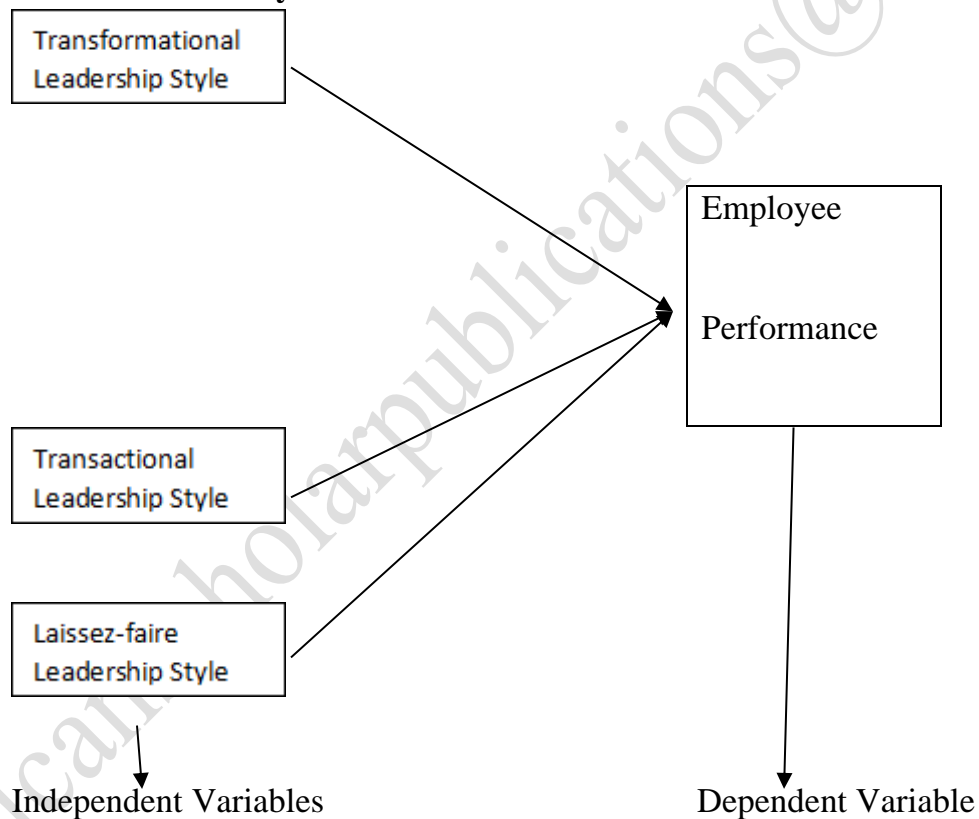
Many theoretical concepts have been used to describe leadership styles such as trait theory, contingency theory and theory X and Y etc. But the popular ‘theory X and theory Y of motivational theory developed by Douglas McGregor (1960) has been adapted in this study as an underpinning theory and also made a greatest effect on the study of leadership. According to McGregor, the relationship between the leadership style adopted by a manager/leader and the latter’s perception of the subordinates is reflected in the two sets of assumptions which are stated below:

Mc-Gregor (1960), believed that the average manager operated under a set of assumptions he called Theory X management: Average human beings naturally disliked work and will avoid it if possible. Because of this human characteristic of dislike of work, most people must be control, direct and threaten with punishment or reward to get them to put their possible best towards the achievements of organizational objectives. Theory X managers also assume that, an average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, and wants security above all. These assumptions lead managers to deny employees control over their work environment and to use methods of influence that are direct and harsh. Mc-Gregor (1960) believed that workers in the 1950s had moved beyond lower needs and they were seeking to meet social or esteem needs. Based on that conclusion, he proposed a new set of managerial assumptions, which he called Theory Y management:

The theory Y managers assume that, the costs of physical and mental effort in work is as natural as play and the average human being, under proper conditions, learns not only to accept but to seek responsibility. Theory Y managers also assume that, the capacity to exercise a relatively high level of imagination, skill, and creativity in the solution of organizational problems is widely, not narrowly distributed in the population, and the intellectual potentialities of the average human being are only partially utilized under the conditions of modern industrial life. Leaders under theory Y also assume that, external control and threat of punishment are not the only means for bringing about effort toward organization objectives. People will exercise self-direction and self-control in the service of objectives to which they are committed. By this theory of Douglas McGregor (1960), again demonstrated the factors that influence practical managers/leaders in choosing a leadership style, which would in turn effect positively or negatively on the subordinates, and therefore

on the entire organization. By implications, managers/leaders who believe in ‘Theory X assumptions would tend to adopt transformational and transactional leadership style and the administrative is centralize and control by them, while those who view theory Y would tend to adopt laissez-faire leadership styles. However, McGregor warned leaders/managers viewing the theory as representing two opposite extreme style of leadership. But instead, recommended that an effective manager/leader should recognize the dignity and capabilities, as well as the limitations of people and adjust behaviors as demanded by the situation. In the nut shell, in the case of Theory X, the manager would seem to keep most of the power and authority, while, in the case of Theory Y, the manager would take suggestion from workers, but would retain the power for making decision.

### Model of the Study



The model depicts a relationship amongst the key variables that effect employees’ performance. The framework will be tested to show if leadership styles are function of the employees’ performance.

## **METHODOLOGY**

The research design for this work is survey design which is cross-sectional in nature because of the timeliness of the data obtained. This organization was selected because of the level of employees' performance and the type of leadership style that was adopted by the management. The population of the study is the entire staff of NITR Kaduna State, which consists of 540 staff. However, using Yamane (1967) sample size formula, at 5% confidential level. The sample size was derived to be 230. The dependent variable of this study is employee performance which was measured using Koopmans (2012) from the work of Widyastuti and Hidayat (2018) with 6 items scale and the independent variable leadership styles: Transformational leadership style was measured by questionnaire developed by Carless, Wearing and Mann (2000) with 7-items, adopted from the work of Claude, Sarah, Stéphanie and Jacques, (2015). Transactional leadership style was measured using a questionnaire developed by Avolio and Bass (1995), with 5-items, adopted from the work of Harms and Marcus (2010). Laissez-faire leadership was measured using multifactor leadership questionnaire developed by Avolio and Brass (2004), with 4-items, adopted from the work of Hani (2010). The questionnaire was adopted from the work of Hani (2010). The instrument used for data collection was questionnaire and it was structured to allow respondent select the option for each question which they consider most appropriate. 230 copies of questionnaire were distributed to selected respondents and 228 copies were returned.

Data were analyzed using Partial Least Square (Smart PLS2) and followed the two-stage approach for assessing the measurement model and the structural model respectively. According to suggestions of Urbach and Ahlemann (2010). This study tested the important criteria and processes to estimate the outer and inner model. There are four common criteria to assess the outer model as following: Unidimensionality, reliability, convergent validity and discriminate validity. The second stage was used to assess the Goodness-of-fit and research hypotheses in the proposed research framework. The criteria to assess the outer model are as follows: coefficient of determination (R-Square, R<sup>2</sup>), path coefficient, and effect size (f<sup>2</sup>).

## **DATA ANALYSIS**

The total of 230 copies of questionnaire were distributed and 228 were retrieved. Data screening was carried out on the 228 retrieved questionnaire out

of which 213 were found to be useful because of being correctly filled. Thus the analysis was based on 213 questionnaire duly filled and returned which represent of the total questionnaire distributed. The no of useful questionnaire was 213 (92.6%) which is a response rate considered sufficient for statistical reliability and generalization (Tabachnick & Fidell, cited in Aminu, 2015).

Table 1: *Descriptive Statistics*

<b>Characteristics</b>	<b>Frequency</b>	<b>Percentage</b>	<b>Cumulative percentage</b>
<b>Gender</b>			
Male	138	64.8%	64.8%
Female	75	35.2%	100%
<b>Age</b>			
18-25	45	21%	21%
26-35	64	30.1%	51.1%
36-45	76	36.7%	87.8%
46 and above	28	13.2%	100%
<b>Educational Qual.</b>			
SSCE	13	6.1%	6.1%
OND/NCE	35	16.4%	22.5%
B.Sc.	148	69.5%	92%
MSc./Ph.D.	17	8%	100%

**Source: Field Survey, 2020**

Table 1, present the gender distribution of the respondents. 64.8% of the respondents were male while the remaining 35.2% were Female. This implies that there are more male respondents than female respondents.

The age distribution was also presented in table 1. 21% were of age between 18 – 25 years, 30.1% were of age 26 – 35 years, 36.7% were of age 36 – 45 years and 13.2% were of age 46 years and above. This implies that most of the respondents are of age between 36 – 45years.

The education qualification of respondent was also presented. 6.1% of the respondent have SSCE has their maximum qualification, 16.4% has OND/NCE, 69.5% has B.Sc. and 8% has MSc./Ph.D. This indicate that most of the respondent has B.Sc. has minimum qualification.

## Measurement Model

The measurement model in figure 1 shows the indicators loading on their intended factors. The simple factor structure, by rule of thumb taken to mean that composite reliability should be greater than 0.7 and average variance expectation should be greater than 0.5. (Garson, 2016).

Indicators that do not meet this prerequisite were removed to increase the composite reliability and average variance expectation of other items.

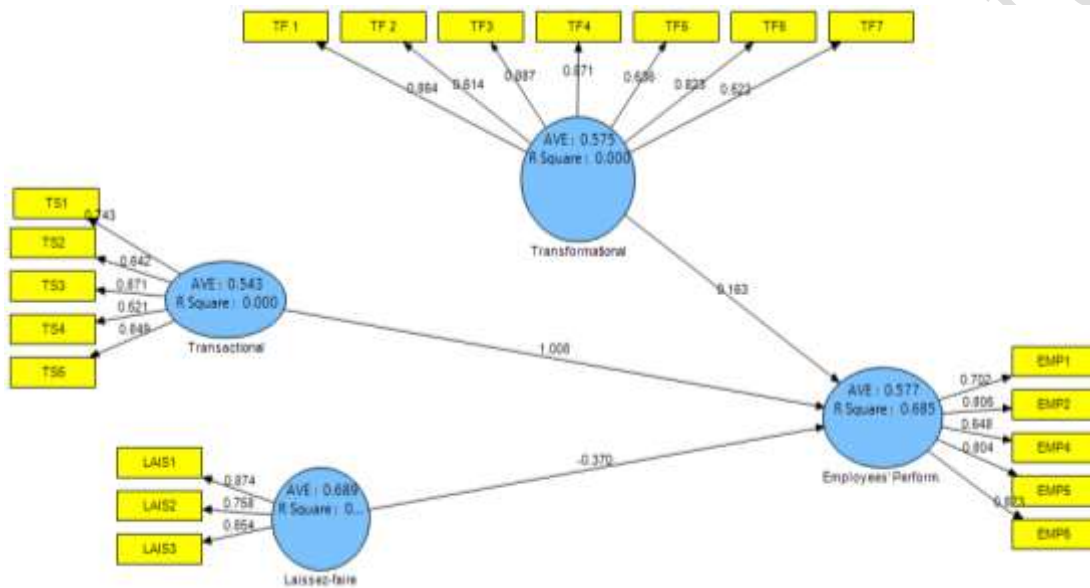


Figure 1: *Measurement Model*

Source: PLS 2

Table 2: *Construct Reliability and Validity*

Construct	Items	Loadings	AVE	CR	CA
Employee Performance	PER1	0.703	0.577	0.871	0.823
	PER2	0.803			
	PER4	0.652			
	PER5	0.801			
	PER5	0.824			
Laissez-faire	LAIS1	0.874	0.689	0.869	0.783
	LAIS3	0.757			
	LAIS4	0.854			
Transactional	TRA1	0.743	0.543	0.852	0.787
	TRA2	0.641			
	TRA3	0.870			
	TRA4	0.521			

	TRA5	0.849			
Transformational	TRANSF1	0.864	0.574	0.901	0.874
	TRANSF2	0.613			
	TRANSF3	0.887			
	TRANSF4	0.871			
	TRANSF5	0.636			
	TRANSF6	0.823			
	TRANSF7	0.522			

Note: AVE represents Average Variance Extracted; CR represents Composite Reliability;

CA represents Cronbach's Alpha. **Source:PLS 2**

Table 2 shows the Factor Loading, Cronbach Alpha, Composite Reliability (CR) and Average Variance Extracted (AVE) values for all latent constructs after Pooled CFA has been performed. All constructs have achieved the minimum estimation required; 0.70(Cronbach Alpha), 0.60 (CR) and 0.50 (AVE). Therefore, it can be concluded that Convergent Validity (AVE  $\geq$  0.5), Internal Reliability (Cronbach Alpha  $\geq$  0.6) and Construct Reliability (CR  $\geq$  0.60) of all constructs had been achieved. Therefore, the model is good enough for the analysis.

Table 3: *Fornell-Lacker Discriminant Validity*

Construct	Emp. Per.	Laissez-faire	Transactional	Transformational
Emp. Per.	<b>0.843</b>			
Laissez-faire	0.634	<b>0.765</b>		
Transactional	0.525	0.585	<b>0.713</b>	
Transformational	0.742	0.402	0.435	<b>0.709</b>

**Source:PLS 2**

Table 3 shows the Fornell-Lacker criterion (1981) is a common and conservative approach to assess discriminant validity and it can be applied in PLS-SEM. The diagonal value (in bold) is the square root of AVE, while other values are the correlations between the respective latent construct. The discriminant validity is achieved when a diagonal value (in bold) is higher than the values in its row and column. Referring to table 3, it can be concluded that discriminant validity for all constructs are achieved.



### Bootstrapping Analysis (Structural Model)

Bootstrapping analysis is conducted to determine the direct effect. This was done by using 5000 sub-samples with 213 cases as presented in figure 2.

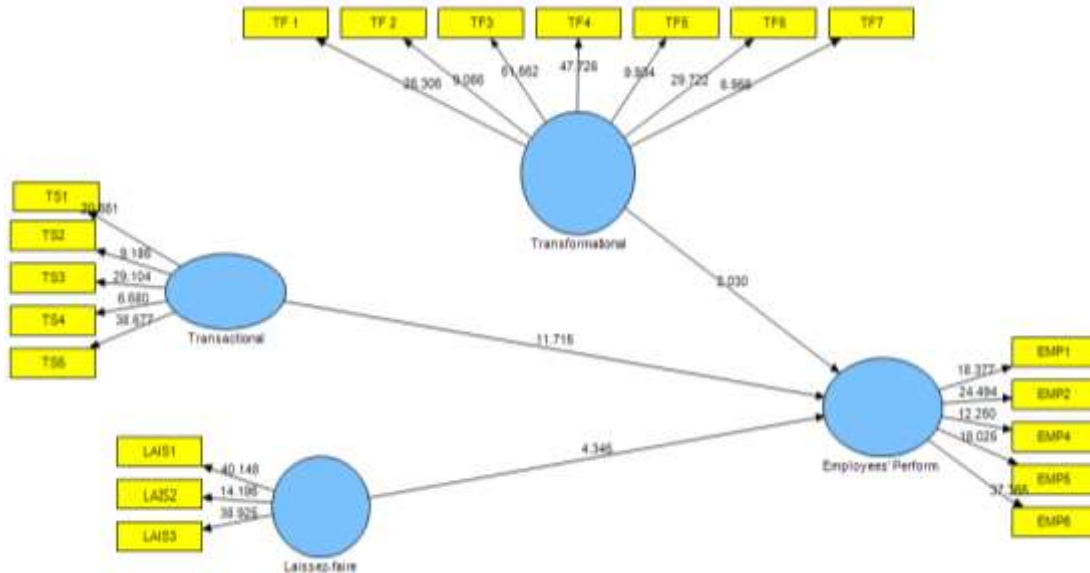


Figure 2: *Structural Model*

Source: PLS 2

Structural equation model (SEM) was used to determine the relationship between transformational, transactional and laissez-faire leadership style on employee performance.

Table 4: *Direct Path Coefficient*

**R Square: 0.685**

Hypotheses	Beta Value	Standard Deviation	P value	Decision
Laissez-faire -> Emp. Performance	0.370	0.085	0.00*	Rejected
Transactional -> Emp. Performance	1.008	0.086	0.00*	Rejected
Transformational -> Emp. Performance	0.163	0.080	0.04*	Rejected

P value < 0.1\*; Source: PLS 2

It can be deduced from table 4 that Laissez-faire leadership style has a positive and significant effect on employee performance with ( $p$  value  $0.000 < 0.1$ ). Transactional leadership style has a positive and significant effect on employee performance with ( $p$  value  $0.000 < 0.1$ ) and transformational leadership style has a positive and significant effect on employee performance with ( $P$  value  $0.04 < 0.1$ ). As a result the null hypothesis that stated; Laissez-faire leadership style and transformational leadership style has no significant relationship on employee performance is rejected while the hypothesis that stated that Transactional leadership style has no significant relationship on employee performance is also rejected. Also the coefficient of determination ( $R^2$ ) was also assessed. From the PLS Path model estimation diagram (see Figure 1), the overall  $R^2$  is found to be relatively strong. Threshold value of 0.25, 0.5 and 0.7 are often used to describe a weak, moderate, and strong coefficient of determination (Hair, Ringle & Sarstedt, 2013). In this case, the three constructs Laissez-faire leadership style, transactional leadership style and transformational leadership style can jointly explain 68.5% of the variance of the endogenous construct employee performance.

### *Effect Size*

The effect size of the exogenous variable on the endogenous variable was assessed by means of  $f^2$  proposed by Cohen (1988), this was analyzed in the table below.

Table 5: *R-square Change and F-square Effect Size of Exogenous Factors*

<b>Relationship</b>	<b>F square</b>	<b>Effect size</b>
Laissez-faire-> Emp. Performance	0.079	Weak
Transactional-> Emp. Performance	0.571	Strong
Transformational -> Emp. Performance	0.032	weak

**Source:PLS 2**

Threshold value of 0.02, 0.15 and 0.35 are often used to describe a weak, moderate, and strong coefficient of determination. In this case, the effect size of 0.571 is regarded as a strong effect. From table 5, specifically, dropping transactional leadership style will led to a greater drop in the explained variance than dropping other variables. Transactional leadership is thus the most important explanatory variable of the model.

## CONCLUSION AND RECOMMENDATIONS

This study provides an understanding to the management of NITR on how to foster new leadership practices, in order to enhance employees' performance. Moreover, the study reported which style of leadership is comparatively more significant than the others in improving job performance among employees of NITR in Kaduna state. Managers should select the styles keeping in view the findings of this study if they really want to adopt new leadership practices and get rid of status quo. The findings of the study can also be well applied and generalized in other job providing sectors of Kaduna state and Nigeria at large. Keeping in view the natural similarities, the results of this study can also be applied in many other developing countries like Niger, South Africa, Kenya, Ghana, Cameroon among others.

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