Impact of Transactional and Transformational Leadership Styles on Employees’ Performance in Nigerian Institute for Trypanosomiasis Research (NITR), Kaduna State

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Abstract  
The aim of this study is to determine the impact of transactional and transformational 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. Multifactor Leadership Questionnaire (MLQ-5X) was used to measure leadership styles and employee performance was measured using salary, job experience and job satisfaction. A total of 230 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 and transactional leadership styles has a significant and positive impact on employee performance. Therefore, it saw recommended that Nigeria Institute for Trypanosomiasis Research should practice transformational leadership styles to improve employee performance in the organization in Kaduna State.

Keyword: Transformational, transactional, Leadership style and employee performance

JEL Classification: M10, M12, M51

1. 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. Employees 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).

Leadership style opined by Burns (1978), which include transformational and transactional leadership, will be considered for the study. Transformational leadership style mainly focuses on how to inspire and motivate employees 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. 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 impact of transactional and transformational 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 limited and 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 impact of leadership styles on employees’ performance in NITR Kaduna State. This research work is designed to assess the effect of leadership styles on employee 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 21st century.

This study may be of important to the management of NITR Kaduna State. The knowledge provide in this study will demonstrate the significance of transactional and transformational leadership style and how it will impact employee’s performance in NITR Kaduna State. The findings would provide a foundation in exploring the impact of transactional and transformational leadership style on employees who will further help the organization to create the best ideas and draft 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 impact and important of leadership styles (transformational and transactional) on employee performance. By discovering how this study reveals new findings and adding to the existing knowledge.

2. Literature Review
2.1 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.

2.2 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 (Bennit, 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.

2.3 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.
2.4 Transactional Leadership style
Transaction 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).

2.5 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).

3. Theoretical Framework
Many theoretical concepts have been used to describe leadership styles such as trait theory, contingency theory and theory X and Y among others. 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:

McGregor (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. McGregor (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
potentials 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 transactional leadership style and the administrative is centralize and control by them, while those who view theory Y would tend to adopt transformational 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.

3.1 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.

4. 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 staffs. 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 Yasith (2010) 12 items scale and the independent variable leadership styles (transactional and transactional) was measured using 26 items scale of leadership style by Bass and Avolio’s (2004) Multifactor Leadership Questionnaire (MLQ form 5X). The questionnaire was adopted from the work of Hani (2010). The instrument used for data collection was questionnaire and the questionnaire was structured to allow respondent select the option for each questionnaire 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, R2), path coefficient, and effect size (f2).
5. Data Analysis
The total of 230 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

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

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 – 45 years. 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.

5.1 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 met this prerequisite were removed to increase the composite reliability and average variance expectation of other items.
Table 2: Construct Reliability and Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Loadings</th>
<th>AVE</th>
<th>CR</th>
<th>CA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Performance</td>
<td>PER1</td>
<td>0.828</td>
<td>0.723</td>
<td>0.953</td>
<td>0.941</td>
</tr>
<tr>
<td></td>
<td>PER3</td>
<td>0.818</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PER6</td>
<td>0.917</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PER7</td>
<td>0.908</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PER8</td>
<td>0.863</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PER10</td>
<td>0.596</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PER11</td>
<td>0.917</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PER12</td>
<td>0.908</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional</td>
<td>TRA2</td>
<td>0.781</td>
<td>0.521</td>
<td>0.843</td>
<td>0.777</td>
</tr>
<tr>
<td></td>
<td>TRA3</td>
<td>0.770</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRA5</td>
<td>0.805</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRA6</td>
<td>0.626</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRA7</td>
<td>0.601</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformational</td>
<td>TRANSF1</td>
<td>0.587</td>
<td>0.596</td>
<td>0.849</td>
<td>0.767</td>
</tr>
<tr>
<td></td>
<td>TRANSF2</td>
<td>0.573</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRANSF7</td>
<td>0.922</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRANSF9</td>
<td>0.928</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: AVE represents Average Variance Extracted; CR represents Composite Reliability; CA represents Cronbach’s Alpha

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 _ 0.5), Internal Reliability (Cronbach Alpha _ 0.6) and Construct Reliability (CR _ 0.60) of all constructs had been achieved. Therefore, the model is good enough for the analysis.

Table 3: Fornell-Lacker Discriminant Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Emp. Per</th>
<th>Transactional</th>
<th>Transformational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emp. Per</td>
<td><strong>0.868</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transactional</td>
<td>0.804</td>
<td><strong>0.846</strong></td>
<td></td>
</tr>
<tr>
<td>Transformational</td>
<td>0.772</td>
<td>0.722</td>
<td><strong>0.851</strong></td>
</tr>
</tbody>
</table>

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.

5.2 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.
Structural equation model (SEM) was used to determine the relationship between transformational and transactional leadership style on employee performance.

### Table 4: Direct Path Coefficient

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Beta Value</th>
<th>Standard Deviation</th>
<th>P value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactional -&gt; Emp. Performance</td>
<td>0.418</td>
<td>0.058</td>
<td>0.000*</td>
<td>Rejected</td>
</tr>
<tr>
<td>Transformational -&gt; Emp. Performance</td>
<td>0.532</td>
<td>0.062</td>
<td>0.000*</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

P value < 0.1*

It can be deduced from table 4 that transactional leadership style has a positive and significant impact on employee performance with (p value 0.000 < 0.1) and transformational leadership style has a positive and significant impact on employee performance with (P value 0.000 < 0.1). As a result the null hypothesis that stated; Transactional leadership style and transformational leadership style has no significant impact on employee performance is rejected. Also the coefficient of determination (R2) was also assessed from the PLS Path model estimation diagram (see Figure 1), the overall R2 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 two constructs transactional leadership style and transformational leadership style can jointly explain 81.5% of the variance of the endogenous construct employee performance.
5.3 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>
<thead>
<tr>
<th>Relationship</th>
<th>F square</th>
<th>Effect size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactional -&gt; Emp. Performance</td>
<td>0.287</td>
<td>Moderate</td>
</tr>
<tr>
<td>Transformational -&gt; Emp. Performance</td>
<td>0.422</td>
<td>Strong</td>
</tr>
</tbody>
</table>

Threshold value of 0.02, 0.29 and 0.422 are often used to describe a weak, moderate, and strong coefficient of determination. In this case, the effect size of 0.4356 is regarded as a strong effect. From table 5, specifically, dropping transformational leadership style will lead to a greater drop in the explained variance than dropping other variables. Transformational leadership is thus the most important explanatory variable of the model.

6. Conclusion and Recommendation
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.

References


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