THE RELATIONSHIP BETWEEN LEADERSHIP, ORGANISATIONAL COMMITMENT AND TURNOVER IN THE SAUDI ARABIAN BANKING SECTOR

A thesis submitted in fulfilment of the requirements for the degree of Doctor of Philosophy

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DECLARATION

I certify that except where due acknowledgement has been made, the work is that of the author alone; the work has not been submitted previously, in whole or in part, to qualify for any other academic award; the content of the thesis is the result of work which has been carried out since the official commencement date of the approved research program; any editorial work, paid or unpaid, carried out by a third party is acknowledged; and, ethics procedures and guidelines have been followed.

Fiyad Ahmad Alenazi

June 2017
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Award

The Saudi Arabian banking sector in 2004 comprised eleven banks serving the population. There were 1,216 branches and 4,104 automatic teller machines (ATMs) across the country. The employee number was 31,589 in 2005 (SAMA, 2016). The sector witnessed significant growth since the beginning of 2005, including more than fourteen new international and local banks, and it is still increasing. The number of commercial bank branches increased to reach 2,044, with more than 18,089 ATMs in 2017 (SAMA, 2017). The number of employees in the banking sector rose in 2016 to 49,335 employees (SAMA, 2016).

The Kingdom’s regulatory agency, Saudi Arabian Monetary Authority (SAMA) has taken note of the dramatic growth in this sector and the accompanying high demand for more skilled banking employees. In 2008, it established several programmes to encourage new university graduates who would have improved skills for the sector. SAMA also developed programmes targeting women, especially to develop the required skills (SAMA, 2009). In 2012, the number of programmes reached a hundred and sixty, specifically designed to address a range of banking needs (SAMA, 2013). The concern emanating from the highest level in the sector shows the importance of retaining bank employees in order to continue its development. This is the main mission of leaders and human resource departments in any industry. The leaders in this sector endeavour to maintain and improve their employees’ skills and performance through different methods, such as increasing wages and enhancing employee commitment to their particular organisations.

The thesis explores whether selected leadership behaviours (including idealised influence attributes, idealised influence behaviour, intellectual stimulation, inspirational motivation, individualised consideration, contingent reward, passive management by exception and active management by exception) affect specific organisational commitment factors (affective, continuance and normative commitment) and employee turnover, in the banking sector in Saudi Arabia. The thesis objective was to explore the relationships between leadership behaviours, organisational commitment, and employee intention to turnover in the Saudi Arabian banking sector.
This thesis goes beyond earlier literature focusing on the effectiveness of transformational leadership, by directly addressing the relationship between leadership behaviour, organisational commitment and turnover. In addition, the moderating mechanisms of organisational commitment and demographic characteristics on the relationships between leadership behaviour and turnover, which have not yet been examined in the literature, are explored.

The research data were collected in three phases: a pre-test, followed by a pilot study, and then the collection of data for the main study. After satisfying the validity and reliability of the survey (Cronbach's Alpha ranged between .86 to .63), it was distributed via an online link “http://www.qualtrics.com” to the population target. The Saudi Arabia Monetary Authority distributed the surveys using a systematic sampling design to all the Saudis banks. A total of 438 returned surveys were collected. Three major instruments were utilised to gather the survey data. They were the Multifactor Leadership Questionnaire (Bass & Avolio, 1997), the Organisational Commitment Questionnaire (Meyer & Allen, 1991, 1997), and the Global Measure of Job Embeddedness (Crossley et al., 2007, 2011). These instruments all employ self-reported measures. The data were obtained by means of a survey with responses from four hundred and thirty-eight respondents. The statistical package for social sciences (IBM SPSS Statistics 23) computer software program was used to conduct the data analysis, and statistical analyses were conducted using correlation, multiple regression analyses, and structural equation modelling.

The findings from testing the hypotheses are presented, which include the direct and indirect relationships among the variables. The moderating effect of organisational commitment between leadership behaviour and turnover is also presented, as are the findings from the testing of the moderating effect of the demographic characteristics between leadership behaviour and turnover. The major finding here is that tenure and occupational category moderate the relationship between leadership behaviour and turnover in the Saudi Arabian banking sector.

The relationship between leadership behaviours and intention to turnover were also investigated, and the two main hypotheses were tested to provide an answer to the first objective. Based on the findings, the study could not identify a significant relationship between leadership behaviour and organisational commitment in the banking sector. The research finding revealed that there is a significant relationship between transformational leadership behaviour and intention to turnover. The data
Supported the hypothesis that transactional behaviour affects intention to turnover significantly. In addition, the relationship between organisational commitment and intention to turnover was investigated in this thesis. The data show a positive significant relationship between organisational commitment and intention to turnover.

The second objective of the research was to explore whether organisational commitment moderates the relationship between leadership behaviour and the intention to turnover in the Saudi Arabian banking sector. The data suggested that organisational commitment does moderate the relationship between transformational leadership behaviour and intention to turnover in the banking sector.

In fact, there are complex factors which may play a major role in employee turnover. These factors need to be considered in the assessment of turnover in the banking sector, and other sectors, depending on their context and employee requirements. It seems that most of the recently-established banks in Saudi Arabia are international banks, and this situation could affect the retention of their employees. In addition, the size of the new banks are small compared to that of the existing banks.

This thesis advances and extends the body of literature addressing leadership behaviour, organisational commitment and turnover. Its main contribution involves developing a better understanding of the leadership perspective. This was achieved through a comprehensive analysis of the relationships among the variables of each factor in leadership behaviour, organisational commitment and turnover intention. The findings suggest strategies for improving the skills of leaders, especially as they relate to how they direct, motivate, and improve the capacity of their workers to maximise their efforts in the organisation. This greater understanding of these relationships offers, in general, wide-ranging insights into several aspects of the leadership behaviours of Saudi Arabian employees in the banking sector. Such knowledge enhances the selective behaviour of leaders in many organisations, especially in understanding and adopting leadership behaviours that are appropriate for performing their roles as leaders. Furthermore, the findings may help to reduce turnover, because banking leaders will have an understanding of the mediating factors that impact upon the relationships between leadership behaviours and turnover. More broadly, the significant contribution of the thesis is explained in more detail within three perspectives: the practical perspective, the theoretical perspective, and methodological implications. Some recommendations for Human Resource Management professionals and leaders are
included at the end of the thesis. The limitations on and implications for further research and practice of the findings are presented and discussed.
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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AC</td>
<td>Affective Commitment</td>
</tr>
<tr>
<td>AGFI</td>
<td>Adjusted-Goodness-of-Fit Index</td>
</tr>
<tr>
<td>AMOS</td>
<td>Analysis of Moment Structure</td>
</tr>
<tr>
<td>CC</td>
<td>Continuance Commitment</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CFA</td>
<td>Confirmatory Factor Analysis</td>
</tr>
<tr>
<td>CFI</td>
<td>Comparative-Fit Index</td>
</tr>
<tr>
<td>CR</td>
<td>Contingent Reward</td>
</tr>
<tr>
<td>EFA</td>
<td>Exploratory Factor Analysis</td>
</tr>
<tr>
<td>GFI</td>
<td>Goodness-of-Fit Index</td>
</tr>
<tr>
<td>IC</td>
<td>Individualised Consideration</td>
</tr>
<tr>
<td>IFI</td>
<td>Incremental-Fit Index</td>
</tr>
<tr>
<td>IIA</td>
<td>Idealised Influence Attributed</td>
</tr>
<tr>
<td>IIB</td>
<td>Idealised Influence Behaviour</td>
</tr>
<tr>
<td>IM</td>
<td>Inspirational Motivation</td>
</tr>
<tr>
<td>IS</td>
<td>Intellectual Stimulation,</td>
</tr>
<tr>
<td>LMX</td>
<td>Leader–member Exchange</td>
</tr>
<tr>
<td>MBEA</td>
<td>Management-By-Exception Active</td>
</tr>
<tr>
<td>MBEP</td>
<td>Management-By-Exception Passive</td>
</tr>
<tr>
<td>MLQ</td>
<td>The Multifactor Leadership Questionnaire</td>
</tr>
<tr>
<td>NC</td>
<td>Normative Commitment</td>
</tr>
<tr>
<td>NFI</td>
<td>Normed-Fit Index</td>
</tr>
<tr>
<td>OCQ</td>
<td>Organisational Commitment Questionnaire</td>
</tr>
<tr>
<td>RMSEA</td>
<td>Root Mean-Square Error of Approximation</td>
</tr>
<tr>
<td>RQ</td>
<td>Research Question</td>
</tr>
<tr>
<td>SEM</td>
<td>Structural Equation Modeling</td>
</tr>
<tr>
<td>SMC</td>
<td>Squared Multiple Correlation</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for the Social Sciences</td>
</tr>
<tr>
<td>SRMR</td>
<td>Standardised Root Mean-Square Residual</td>
</tr>
<tr>
<td>TFL</td>
<td>Transformational Leadership</td>
</tr>
<tr>
<td>TLI</td>
<td>Tucker-Lewis Index</td>
</tr>
<tr>
<td>TSL</td>
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CHAPTER ONE
INTRODUCTION

1.1 Introduction

The purpose of this chapter is to provide an overview of the thesis. The chapter includes a brief background of the thesis topic, aims and objectives, research questions, problem statements and the structure of the thesis.

1.2 Background

As a consequence of these dynamic social and economic times, organisational environments are changing quickly, above all within the banking industry in developing countries such as Saudi Arabia. Therefore, the success of an organisation in these competitive environments relies heavily on its leaders (Sakiru et al., 2013; Day & Antonakis, 2012; Pradeep & Prabhu, 2011). Conger and Benjamin’s 1999 study found that the key to growth, change and renewal for an organisation in these challenging times is strong leadership. Many authors agree that in order to succeed in achieving improved efficiency and performance in the organisation, the transformational leader is a fundamental factor (Alkahtani, 2016; Arham, 2014; Parry & Sinha, 2005; Avolio et al., 1991).

Some researchers go beyond that, asserting that organisational commitment is an essential element in the organisation’s and the employee’s success (Alkahtani, 2016). The organisation can improve the employee’s commitment through their leadership behaviours (Lo, Ramayah & Min, 2009). Recent research shows that transformational leadership is positively associated with organisational commitment (Asaari et al., 2016). However, other researchers narrow this impact into an idealised influence, which is linked with transformational leadership behaviour. Idealised influence refers to sharing the vision, values and the mission with their employees and showing respect and trust, and building confidence in their employees. Therefore, it is expected that idealised influence behaviour impacts the employee’s affective commitment (Afshari & Gibson, 2015).

The characteristics of leaders and managers have attracted the interest of researchers in psychology since the initial development of the field. Research studies have developed a number of theories in an attempt to understand how leaders inspire
and manage workers, as well as other behaviours associated with the relationship between leaders and workers. Such research has examined the relationship between leaders and workers in an attempt to understand how leaders work, direct and motivate workers (Lievens et al., 1997).

Many decision-makers in organisations view their leaders as an intrinsic asset, adding to the value of the organisation. They attempt to enhance the quality of their leaders by encouraging them to adopt effective leadership styles to influence employees to follow them (Harper, 2012). Leaders help individuals in an organisation to transcend their personal interests for the sake of the common and larger visions of the company (Howell & Hall-Merenda, 2002). The core of most research since the early 1980s in the leadership field addresses ‘transformational leadership’, which is the most influential leadership theory (Hu et al., 2012; Kimura, 2012; Zhu et al., 2012; Muenjoh, 2007). For example, there were about 200 doctoral theses that focused on transformational leadership from 1990 to 1997 (Charbonnier-Voirin, El Akremi & Vandenberghe, 2010; Bass & Avolio, 1997). Other authors believe that transformational leadership theory is an essential work in the leadership discipline such as McCliskey (2014), and Sakiru et al. (2013). Successful leaders believe in people and are driven by certain values, such as personal attention, trust in employees, and commitment. These values are positively related to organisational commitment and positive performance (Ekvall & Arvonen, 1991).

As a developing country, Saudi Arabia’s emergent industries operate in a highly competitive environment. The importance of the banking industry in the Kingdom stems from its significant contribution to total gross domestic product (GDP). In 2012, for example, it contributed about 209 billion of the total 846 billion Riyals for the non-oil private sector. This compares to just 371 billion Riyals for the government sector (CDSI, 2013). The banking industry employed 39,157 workers in 2011, and this number rose to 47,588 employees in 2015 (SAMA, 2015).

Due to the high demands and the consequent growth in the banking sector, it is facing a shortage in the number of employees needed to maintain the growth and to service the growth. For almost a hundred years, the Kingdom had just eleven banks, and by 2004, it had as many as 1,216 branches and 4,104 ATMs. But between 2005 and 2013, the Kingdom introduced more than twelve new banks, both local and international, a number that continues to grow. In addition, the capital bank in Saudi
Arabia (Saudi Arabian Monetary Authority: SAMA) is concerned about the dramatic growth in this sector and the high demand for banking employees. This concern from the highest level in the banking sector shows the importance of continuing professional development (CPD) for bank employees to maintain this growth and development, (SAMA, 2015; SAMA, 2009). Due to these reasons the banking sector was chosen for this thesis.

This thesis reports on an in-depth analysis on the relationship between leadership behaviour and organisational commitment in the Saudi Arabian banking sector. It explores the impact of seven leadership factors (Bass & Avolio, 1997) with respect to the three factors of organisational commitment: affective, continuance and normative (Meyer & Allen, 1991). Due to the importance of demographic factors (age, gender, education, marital status, occupational category, tenure, and nationality) on employee behaviour (McMurray et al., 2013; Ibrahim et al., 2011; Chen, Chen & Chen, 2010; McMurray et al., 2010), this thesis aims to test the demographic characteristics as moderating variables among these relationships.

The main objective of this thesis is to secure a better understanding of the relationships between leaders and employees through an in-depth analysis of the relationships among the variables of each of the factors. It examines the specific areas of leadership that need to be improved as they are likely to affect employee outcomes, such as performance, productivity, and hence organisational effectiveness. Thus, the thesis explores whether organisational commitment mediates the relationship between leadership behaviour and employee turnover in the country’s banking sector. This might improve the retention and sustainability of the human resource in the sector.

The findings might enhance the skills of leaders regarding how to direct, motivate and improve the capacity of their workers, and to maximise their efforts in the organisation. Our understanding of the relationship could offer insights into several aspects of the leadership behaviours of employees in the banking sector. It might also assist the leaders in many other sectors to understand and adopt more appropriate leadership behaviours.

Moreover, the findings could contribute to a reduction in the employees’ turnover rate in the banking sector in Saudi Arabia by providing a better understanding of the mediating factor of the relationship between leadership behaviours and turnover. In addition, the thesis tests the demographic characteristics as moderating variables of the relationship between leadership behaviours and organisational commitment. The
This thesis includes eight chapters. The first chapter includes an introduction, research objectives and questions, and the rationale for the thesis from both the theoretical and practical angles. The second chapter includes the literature review, research design and framework. The third chapter includes the framework development procedure with a definition of the variables. The fourth chapter includes the research methodology, the research approach, and the best available measurements to address the questions and test the hypotheses which are defined in this chapter. In addition, it includes a description of the pre-test procedure, the pilot study, and the main study. In the fifth chapter, the data examination and preparation for analysis are explained. In the sixth chapter, the research findings are presented. In the seventh chapter, the main findings and outcomes are discussed in line with previous literature. In the final chapter, the main contribution of the thesis and their implications are explained, together with the limitations of the thesis, and its recommendations, the limitations of the study and suggestions for further research.

1.3 Research Purpose and Objectives

The main purpose of this thesis is to ‘explore the relationships among leadership behaviours, organisational commitment and intention to turnover in the Saudi Arabian banking sector’.

Based on this purpose the following objectives were developed:

1- To investigate the effect of leadership behaviour on organisational commitment in the Saudi Arabian banking sector.

2- To investigate the effect of leadership behaviour on intention to turnover in the Saudi Arabian banking sector.

3- To explore whether organisational commitment mediates the relationship between leadership behaviour and their intention to turnover in the Saudi Arabian banking sector.

4- To examine the moderating effect of the demographic characteristics on the relationship between leadership behaviours and organisational commitment in the Saudi Arabian banking sector.
1.4 Research Questions

The main research question underpinning this thesis is: What are the relationships between leadership behaviours, organisational commitment and intention to turnover in the Saudi Arabian banking sector?

The research sub-questions of this thesis are:

Q1: In what way, if any, does leadership behaviour affect organisational commitment in the Saudi Arabian banking sector?

Q2: In what way, if any, does leadership behaviour affect intention to turnover in the Saudi Arabian banking sector?

Q3: In what way, if any, does organisational commitment mediate the relationship between leadership behaviour and intention to turnover in the Saudi Arabian banking sector?

Q4: In what way, if any, do demographic characteristics (gender, age, educational level, marital status, occupational category, tenure and nationality) moderate the relationship between leadership behaviour and intention to turnover?

This thesis investigates and analyses the relationships between leadership behaviour (transformational and transactional leadership) and the three factors of organisational commitment (affective, continuance and normative commitment) in the sector. Therefore, the thesis addresses the more specific questions:

i. To what extent does transformational leadership impact organisational commitment?

ii. To what extent does transactional leadership impact organisational commitment?

iii. To what extent does transformational leadership impact intention to turnover?

iv. To what extent does transactional leadership impact intention to turnover?

v. To what extent does organisational commitment mediate the relationship between transactional leadership and intention to turnover?

vi. To what extent does organisational commitment mediate the relationship between transformational leadership and intention to turnover?
To what extent do the demographic variables moderate the relationship between leadership and intention to turnover?

The answers to these questions will provide a critical framework for understanding and enhancing the relationship between leaders and employees.

The objectives of the thesis are to determine the issues that govern the leadership behaviour, organisational commitment, and turnover in the Kingdom’s banking sector. The research concentrates on the main objectives of the thesis and excludes the cultural factor. Culture was beyond the scope of the current thesis. This has been noted as a limitation of the thesis and culture is reported as a potential for future research study. As noted, the thesis does not focus on ‘culture’ as it is beyond the scope of this research design. However, culture is recognised as influencing the findings. Thus, culture is addressed, acknowledged and included even though it is not the focus here.

1.5 Rationale of the Study

The rationale for this study stems from the oversights identified in two research areas addressing the following practical and theoretical aspects of leadership in Saudi Arabia:

1.5.1 Practical Perspective

Leadership has an important role in contributing to the reputation and enhancement of the organisational culture, performance and banking brands through modelling organisational commitment. Leaders are responsible for installing values and visions to the front-line employees in the banks (Wieseke et al., 2009). This is important because the workforce represents the banking brand through their service interactions with customers (De Chernatony & Cottam, 2009). Leaders establish a culture that affects how employees feel about their organisation and, as a result, the way they act and cooperate with customers (Allen & Grisaffe, 2001). When leaders demonstrate suitable leadership behaviour in an organisation, the employees are better able to commit to the organisation (Mitchell, 2002). It seems likely that bank employees who are highly committed to their organisation are best positioned to carry out the bank’s promise, as they are psychologically attached to the bank (Thomson, de Chernatony, Arganbright & Khan, 1999). Balmer (2001) believes that building a
featured and successful banking brand demands the organisational commitment of all employees across the bank. Additionally, changing the leadership behaviours in an organisation can either increase or negatively affect the service performance (Heskett, Jones, Loveman, Sasser & Schlesinger, 1994).

This brief overview illustrates the significance of leadership behaviours in order to improve employee commitment, and highlights the responsibilities of leaders in increasing organisational commitment. As was noted already, of the twenty-three banks operating in Saudi Arabia, twelve banks were established recently. It is possible that the leaders of the new banks are building and developing their culture to compete with other banks. Typically, the banks produce similar products and target the same consumers. This thesis explores the relationship between leadership behaviours and organisational commitment. It investigates beyond the basic relationship to analyse the factors of both variables in detail. Then, it explores the moderating factors in this relationship. The findings might increase the better understanding of this relationship, and provide insights in the skilful guidance for the leadership.

Moreover, this thesis might help company leaders by providing more relevant information about the mechanisms involved in leadership behaviour, organisational commitment and turnover which can improve employee guidance and help bank leaders to maintain their workforce. The sustainability of employment is critical in allowing banks to expand their work and open new departments or branches, especially given the high demand for banking employees in Saudi Arabia.

A review of the banking sector in Saudi Arabia demonstrates that there is significant pressure on managers and supervisors of human resource (HR) departments to retain qualified and expert bank employees in a fast growing industry. For almost a hundred years, Saudi Arabia had just eleven banks. By 2004, it had 1,216 branches and 4,104 ATMs. But between 2005 and 2013, the Kingdom gained more than twelve new banks, both local and international, a figure that continues to grow. The number of commercial bank branches operating in the Kingdom increased to 1,768, with more than 13,883 ATMs in 2013, and this growth is still ongoing (CDSI, 2013). The capital and reserves of commercial banks increased to 234.7 billion Riyals in 2013 (SAMA, 2012; SAMA, 2013) All these developments increased the demand for banking employees especially for those with banking expertise. This situation has put more pressure on the banking sector and requires it to more effectively maintain its human
resources. Therefore, the results of this research could enhance the relationships between leaders and their employees by focusing on which of the three possible factors to target to improve organisational commitment. The result will assist leaders to select the effective leadership behaviour necessary to increase the organisational commitment level (Asaari et al., 2016; Harper, 2012).

In addition, the Saudi Arabian Monetary Authority is concerned about the dramatic growth in this sector and the high demand for banking employees. In 2008, it established several programmes to encourage new graduates to join and improve their skills to better fit the banking sector. SAMA started other programmes targeting women, especially to develop their skills for working in the banking sector (SAMA, 2009). In 2012, the number of such programmes reached 160, with their outcomes especially designed to cover a range of sectoral needs (SAMA, 2013). As a result of these programmes, employees in the banking sector increased from 29,125 in 2006 to 39,157 in 2012, yet there is still a need for more workers to cover the needs (SAMA, 2012; SAMA, 2007). The number of employees in the banking sector rose significantly in 2015 to 47,588 employees (SAMA, 2015). This concern from the highest level in the banking sector shows the importance of maintaining bank employees for continuing its development. This is the main objective of leaders and human resource departments in any industry. The leaders in this sector try to maintain and improve their employees’ skills and performance through different methods, such as increased wages and enhanced organisational commitment.

Generally, Saudi Arabia faces a shortage of employees needed to maintain the development and growth in the country’s economy. The population of Saudi Arabia in 2012 was about 29.2 million, of whom 19.8 million were Saudis and 9.4 million were expatriates from all over the world (SAMA, 2013), which shows the shortfall in the local recruitment. The total number of employees in the private sector reached 8.5 million in 2012. There were more than 7.3 million foreign employees and approximately 1,134,000 Saudis. However, the public sector had notably less than that – about one million employees.
1.6.2 Theoretical Perspective

1.6.2.1 The Focus of Previous Studies Did Not Cover all the Behaviours in the Theory

Previous leadership studies, which focused on transformational leadership, concentrated on this single type of leadership behaviour. Meanwhile, transformational leadership theory, as it stands, includes three leadership behaviours: transformational, transactional and laissez-faire leadership behaviour, each of which is divided into different factors. Researchers have studied transformational leadership behaviour as representative of other behaviours, such as in transactional and laissez-faire leadership. For example, the main aim of Riaz, Akram, and Ijaz’s study (2011) was to explore the relationship between transformational leadership behaviour and affective commitment in Pakistan’s banking sector. Their transformational leadership study found that the relationship between transformational leadership behaviour and the affective employee’s commitment is a significant positive relationship. The researchers used the multifactor leadership questionnaires (MLQ) (Bass & Avolio, 1997) to collect the data from 210 employees working in four banks in Pakistan. The random sampling technique was used to target the optional respondents. They used only 17 items from multifactor leadership questionnaires to assist four factors from the transformational leadership behaviour; idealised influence, inspirational motivation, individualised consideration, and intellectual stimulation, and they used only six items from Allen and Meyer’s questionnaire (1996) to explore affective commitment. The data were analysed using the SPSS program. In addition, a study conducted by Hartog and Belschak (2012) focused on the impact of transformational leadership, role breadth, self-efficacy and job autonomy on workers’ proactive behaviour in a variety of industries; however, they did not compare this leadership behaviour to other forms, such as laissez-faire and transactional leadership. The study was conducted through selected random samples of employees from industries, such as government, consultancy, finance and retail in the Netherlands. Respondents agreed to contribute to the study by completing and returning questionnaires.

Another example is Sheikh, Newman and Al Azzeh (2013) who addressed the moderation variables connected to the relationship between transformational leadership and job involvement. However, they explored only one leadership behaviour, which was transformational leadership, and neglected other models. The research used
random samples in the United Arab Emirates from public and private organisations, such as local and national government service organisations, energy supply companies, banks, oil production and education establishments. They used questionnaires to provide the information. Wang and Zhu (2010) explored the relationship between transformational leadership and creative identity in an organisation, but again, they did not explore how creative identity was impacted by other behaviours, such as transactional leadership. The study collected data from retail, government, education, insurance and finance companies, as well as professional service firms and manufacturing organisations in a large city in the southern part of the United States through a survey developed for that purpose.

Based on the literature review, most existing studies have examined transformational leadership behaviour as the predominant model of leadership used today, while neglecting other behaviours, such as transactional leadership, for example: Waldman, Carter and Hom’s (2015) and Riaz, Akram, and Ijaz’s (2011). Similarly, in the study conducted by Tse, Huang and Lam (2013) to investigate the influence of transformational leadership behaviour on turnover, transactional leadership behaviour was not addressed. Another example is a study conducted by Familoni (2014) on leadership behaviour and turnover. It focused on relationships between transformational leadership behaviour and intention to turnover, and it neglected transactional leadership behaviour. However, as the research has clarified, transactional leadership behaviour plays a significant role in organisations and is implemented in numerous situations and stages in many organisations. It is therefore necessary to address this behaviour in future research. The thesis differs from previous studies by investigating different leadership behaviours including transactional leadership behaviour. This thesis is therefore in accord with the call made by Podsakoff et al., (2010) to investigate the outcomes of transactional leadership behaviour.

Earlier studies have also generally focused on transformational leadership as a whole without addressing the factors or going into detail. This researcher argues that a better understanding of the relationships between the variables ought to be addressed and analysed in depth in order to find which specific factor has the most valuable impact. In other words, new research might provide links between each factor, to offer leaders information as to which behaviours they need to use to develop a specific commitment in a certain situation. For example, Walumbwa, Avolio and Zhu (2008) tested how transformational leadership directly and indirectly impacts supervisor-rated
performance. The researchers examined the effect of transformational leadership as a whole, without exploring the impact of each factor of transformational leadership on supervisor-rated performance. The study used a survey which was sent through the banks’ internal email system and distributed via the HR department of six banks in the Midwest United States. The study found that the interaction of identification and means efficacy mediated the relationship between transformational leadership and rated performance. The results indicated that transformational leadership was linked to subordinate identification with work units and self-efficacy.

Wang and Zhu (2010) examined the correlation between transformational leadership and creative identity in an organisation using the factors of transformational leadership as a single behaviour of leadership. The results showed that individual creative identity mediated the relationship between transformational leadership and individual creativity, and group creativity mediated the relationship between transformational leadership and group creativity.

Another example is Hartog and Belschak’s (2012) study; they examined the impact of transformational leadership, role breadth, self-efficacy and job autonomy on workers’ proactive behaviour in a variety of industries. They analysed and examined transformational leadership as a whole or single factor without going into detail. Based on the theory of leadership developed by Bass (1985) and Burns (1978), leaders have different behaviours, and each of them has several factors. For example, transformational leadership has five factors (idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration), and transactional leadership has three (contingent reward, management by exception-passive and management by exception-active). Therefore, we can conclude that there is not any comprehensive study that covers all the factors of transformational and transactional leadership. This thesis will examine all factors of these two different leadership behaviours (transformational and transactional leadership). This thesis responds to the research question raised by Afshari and Gibson (2016), that is, “Which aspects of contingent reward behaviour have most impact on the development of willing organisational commitment, and how does that happen?” (p. 517).

This thesis excluded laissez-faire leadership due to its high correlation with management by exception-passive, as some studies have reported. For instance, Avolio
and his colleagues re-examined the components of the transformational leadership theory, and they found that the correlation between management by exception-passive and laissez-faire leadership is still arguable in some studies (Avolio et al., 1999). Some studies indicated that management by exception-passive and laissez-faire should be treated as a single behaviour because the correlation between management by exception-passive and laissez-faire leadership is positive (Druskat, 1994; Yammarino & Bass, 1990 as cited in Avolio et al., 1999). Similarly, researchers used the Multifactor Leadership Questionnaire (MLQ) to collect data from 700 employees in Germany. Hartog et al. (1997) conducted an exploratory factor analysis, and the results indicated that there was a positive correlation between management by exception-passive and laissez-faire leadership, and they could not be captured or measured clearly with the MLQ. They suggested that “the two types of leadership are not only empirically, but also theoretically related” (p. 33).

1.6.2.2 The focus of previous studies is on Western culture

Existing studies have investigated transformational leadership in Western cultures. Only a few have addressed Eastern cultures. The choice of leadership behaviour depends on the cultural context, for example, individualism versus collectivism (Mehta, Dubinsky & Anderson, 2003). This is confirmed by the findings from a study conducted by Sabir and his colleagues in 2011 which suggested that leadership behaviour could vary from organisation to organisation due to the difference between communities' cultures (Sabir et al., 2011). This interpretation is supported by earlier work in 1993 by Randall. He found that organisational commitment levels were high in individualistic versus collectivistic cultures (Randall, 1993). This result, explained by Yucel et al. (2013, p. 1176), suggested that it might be because “in collectivistic cultures the protection of social associations may be stronger than to organisational interests”. To the best knowledge of the researcher, there are a limited number of studies focused on the Arabic culture. In addition, some researchers suggested that future research is needed in Arabic cultures. For example; Khan and Varshney pointed out that many studies have investigated transformational leadership, yet there is a dearth of investigation of transformational leadership in the Middle East and the Arab regions (2013), with the exception of Sheikh et al. (2013) and Bealer and Bhanugopan (2014). Although, Bealer and Bhanugopan’s (2014) study addressed the Arabic culture, they suggested that further studies are still needed in the Arabic context.
Existing studies, such as that of McMurray et al. (2013), have focused specifically on Western culture; other researchers, such as Hartog and Belschak (2012), Yang (2012) and Zhu et al. (2011), Wang and Zhu (2010), Barbuto (2005) have examined leadership theories in a Western context. Some researches have been undertaken on Eastern culture: Yang (2012) investigated the transformational leadership in Taiwan; Avolio et al. (2004) tested it in Singapore; Hu et al. (2012) tested leader core self-evaluations for their influence on follower perceptions of transformational leadership in China. Additionally, a few studies have been focused on Africa. For instance, Sakiru et al. (2013) examined the correlation between leadership style and job satisfaction in Nigeria. Almost all previous studies examined leadership in Western countries, with the exception of Sheikh et al. (2013), who studied whether the relationship between transformational leadership and job involvement was influenced by individually held cultural values in the United Arab Emirates. A limited number of studies have tested these theories in an Arab country. However, Sheikh et al. (2013) recommended that further investigation of the relationships between leadership behaviour and other variables was needed. This thesis seeks to contribute to other studies and investigate leadership behaviour in a different culture and context.

1.6.2.3 The Relationship between Leadership Behaviours and Organisational Commitment was not the Main Focus of the Previous Studies.

Addressing the correlation between transformational leadership and organisational commitment was not the major focus in previous studies, especially considering all factors of both variables. Despite the number of studies that have addressed the relationship between leadership and organisational commitment, the effect of leadership behaviour on organisational commitment has not been examined in detail. Several studies have been conducted on the relationship between transformational leadership and organisational commitment. For instance, McMurray et al. (2010), utilising a survey, tested the impact of leadership on organisational climate, employee psychological capital, commitment and wellbeing in a non-profit organisation in Australia. Their results indicated that leadership is a predictor of employee commitment in non-profit organisations. Meanwhile, Yang (2012) examined the impact of transformational leadership on the job satisfaction and organisational commitment of public relations practitioners within the context of PR companies in Taiwan. The results from 305 completed surveys found that transformational leadership has a major effect on the job satisfaction of public relations practitioners. They found
that the effect of transformational leadership on organisational commitment is mediated by job satisfaction. A further example of these studies is Avolio et al. (2004) who explored whether psychological empowerment mediated the effects of transformational leadership on followers’ organisational commitment in Singapore. The study focused on how structural distance between leaders and followers moderates the relationship between transformational leadership and organisational commitment. The study results showed that psychological empowerment mediated the effects of transformational leadership on followers’ organisational commitment. The findings also indicated that structural distance between leaders and followers moderated the effects of transformational leadership on followers’ organisational commitment. Researchers have recommended further research to assess the mediating mechanisms between transformational leadership behaviour and intention to turnover (Waldman et al., 2015).

Although previous studies have addressed the correlation between leadership and personnel behaviour and other outcomes, they have not addressed the relationship between leadership and organisational commitment in detail; nor have they compared all the factors of different leadership behaviours to other outcome factors, such as organisational commitment. For example; Zhu et al. (2011) investigated how transformational leadership affected supervisor-rated performance. Wang and Zhu (2010) tested the correlation between transformational leadership and creative identity. Barbuto (2005) investigated the correlation between leadership and motivation. Sheikh et al. (2013) examined whether an individual’s cultural values moderated the relationship between transformational leadership and job involvement.

**1.6.2.4 Further Studies addressing the Relationship Between Leadership Behaviours and Organisational Commitment.**

Multiple researchers (Kim & Shin, 2017; Afshari & Gibson, 2016; Bealer & Bhanugopan, 2014; Khan & Varshney, 2013; Hartog & Belschak, 2012; Hu, Wang, Liden & Sun, 2012; Riaz & Ijaz, 2011; Wang & Zhu, 2010; Walumbwa, Avolio & Zhu, 2008; Avolio, Zhu, Koh & Bhatia, 2004) suggested that future research should investigate which factor of transformational leadership accounts most for the relationships between variables and the scale of its impact. Even though growing attention has been paid to transformational leadership behaviour, there are questions remaining, such as its universal effectiveness, which should be addressed in further research (Kim & Shin, 2017). Afshari and Gibson’s (2016) study recommended that
future studies should answer the question: ‘Which transactional leadership behaviour has the most influence on organisational commitment?’

This thesis takes up and builds on earlier research to further investigate these relationships in detail, aiming to produce a clear understanding and deep knowledge about these unexplored relationships and the differences between the various factors. The thesis links each leadership factor with the other factors of organisational commitment. For instance, it tests the relationships between idealised influence attributed and normative, continuing and affective commitment. McMurray et al. (2013) investigated the effect of transformational leadership on organisational commitment, climate and personal wellbeing in a non-profit organisation in a Western country. These researchers illustrate potential relationships between leadership behaviours and organisational commitment. Therefore, the need to examine the relationships between the various factors of leadership behaviour and the three factors of organisational commitment in other regions and cultures remain worthy subjects of future research, having received little attention in previous research. The relationship between cultures and transformational leadership is still uncertain, according to Muenjohn (2007), who reviewed and investigated research in this field and found a limited number of studies.

Addressing these relationships in detail enhances the understanding of both variables and the impact of leaders on organisational commitment and turnover. To address this, it was recommended to conduct further research to assess the mediating mechanisms between transformational leadership behaviour and intention to turnover (Waldman et al., 2015). In addition, the authors recommended “examining transformational leadership at higher management levels, which may affect employees’ turnover differently” (Waldman et. al., 2015, pp. 1739). Liborius (2017) noted that there is a limitation on leadership studies regarding which leadership characteristics are associated with the desired outcome variables. To achieve this goal, and respond to that call, this thesis is designed to test the factors in detail and attempts to analyse all of the factors of leadership and its impact on organisational commitment. Therefore, the rationale for this thesis is to address the lack of detailed research addressing the relationship between leadership behaviour and organisational commitment in the banking industry in Saudi Arabia.
1.6 Structure of the Thesis

The structure of the thesis is outlined below:

**Chapter one: Introduction.** This chapter provides an overview of this thesis. It includes an introduction to the research and a brief theoretical background for transformational leadership, organisational commitment, and employee turnover. In addition, it explains the thesis objectives and questions, and the rationale for the thesis from the practical and theoretical aspects.

**Chapter two:** presents the **Literature Review** for each of the main variables in the thesis: transformational and transactional leadership behaviour, organisational commitment, and turnover. It provides a fundamental background and knowledge of existing research into these variables. From the literature review the research objective and questions were raised and developed. The review became the foundation for the selection of the appropriateness research approach and the best available measurements to address the questions and test the hypotheses.

**Chapter three:** presents the development of **The Research Framework.** This chapter presents the fundamental work and literature to build the research framework. It includes the thesis hypotheses and the definition of the variables in the thesis.

**Chapter four:** justifies and explains in detail **The Research Methodology.** The research design, the population, the sampling producer, the research instruments, the definition of the variables, the ethical considerations, the plain language statement, pre-test, pilot study, main study, and the validity and reliability of the scales are presented in this chapter.

**Chapter five: Data Examination and Preparation.** The purpose of this chapter is to present the procedures and the methods used in the data screening stage. It covers several processes to ensure the data accuracy and explains the sample population as well. The SPSS version 23 and AMOS version 23 were used. These processes are important as they maximise the accuracy of the data, avoid any transforming mistake, and enables the researcher to generalise the findings. This chapter covers the essential points such as testing the assumption of multivariate and the confirmatory factor analysis (CFA). It also includes dealing with missing data, outliers, normality, and linearity.
Chapter six: The Research Findings. The purpose of this chapter is to present the findings of the present research. It includes the demographic characteristics, descriptive analysis, research questions and hypotheses testing, multiple regressions analysis of the sample. A number of different forms of statistical analyses were used in this thesis. The statistical package for social sciences (IBM SPSS Statistics 23) computer software program was used to carry out the data analysis such as correlation. Analysis of moment structures (AMOS Statistics 23) computer software program was used to test the measurements goodness-of-fit of variables scales, as well as structural equation modelling (SEM). The main descriptive statistics was used to reveal the means and standard deviations for all scale items. The Cronbach's Alpha was calculated for each scale and sub-scale in order to test the reliability of the scales. The SPSS was used because it is a powerful and popular software program for statistical analysis of data and it is used in almost all social research (Arham, 2014; Pallant, 2013; Hooper et al., 2008). It has been used to perform inferential statistics to explore the relationship between transformational leadership, organisational commitment, and intention to turnover.

Chapter seven: The Research Discussion. In this chapter, the main findings of the research are presented and discussed. The findings are discussed in relation to the literature of transformational leadership, organisational commitment, and intention to turnover.

Chapter eight: Conclusion. This chapter provides the conclusion and the main contributions of the thesis, in addition to recommendations, thesis limitations, and suggestions for further research.

1.7 Summary

Chapter one provides an overview of this thesis. It includes the research objectives and questions to guide the direction of the thesis, and the rationale for the thesis from the theoretical and practical perspectives. A brief theoretical background for the transformational leadership, organisational commitment, and turnover are discussed. At the end of the chapter the thesis structure is presented as a guideline for the readers. The following chapter provides an extensive literature review and the hypotheses related to the thesis.
CHAPTER TWO
THE LITERATURE REVIEW

2.1 Introduction

This chapter addresses three main variables in this study. First, the essence of leadership is discussed, including transformational and transactional leadership behaviours. The justification for the study of transformational and transactional leadership behaviours is then followed by the three components of organisational commitment (affective, continuance and normative) and their impact on employees. Finally, the literature on turnover intent is discussed. The main objectives of the literature review are fundamental to the purpose of the thesis in order to identify the gap in earlier studies and to formulate the research hypotheses and questions for the current research. To identify the gap in the scholarly literature, the researcher started with a broad search strategy, followed by a more focused search in the databases. First, the review considers transformational leadership theory. Second, the researcher narrowed the review to focus on transformational leadership in Saudi Arabia. The second step revealed that although there are many research studies on transformational leadership theory, there is a dearth in the investigation of transformational leadership in the Middle East generally and the Arab regions specifically. Recently, some writers (for example, Khan and Varshney 2013), identified the lack of studies on transformational leadership in Arab regions and cultures. More specifically, the term ‘transformational leadership in Saudi Arabia’ was used in the search. It yielded a total of 23 articles, one of which was Sheikh et al. (2013), and another that was found to be not relevant to transformational leadership in Saudi Arabia. A few articles were found to be not related to transformational leadership theory or were from other disciplines, such as healthcare. Hence, these articles were excluded from the thesis.

2.2 Leadership

Leadership has been in existence since time immemorial. For the smooth running of an organisation, a good leader has always been sought through a thorough recruitment process. Every organisation is keen to have leaders who would impact positively. Leaders play the important roles of maintaining and developing an organisation’s values and objectives (Bass, 1998; Brown, 1992; Kotter & Heskett,
Leadership can have a transformational effect that leads to innovation and improvement in the behaviour of people in the organisation (Bass, 1998). A leader plays a pivotal role in determining the overall performance of the organisation. Therefore, the measurement of leadership performance is important for the establishment of its impact on innovation and organisational cultures (Schein, 1992). If a leader does not understand the corporate culture, which is the key constraint on successful change, then organisational performance and the required change cannot be established (Kotter & Heskett, 1992). A leader is therefore a major component in leading organisational change within an organisation. They must have a clear understanding of the corporate culture in order to achieve the desired results.

Leadership has been an important subject of research in psychology for almost ten decades, and has produced thousands of experimental and theoretical studies (McMurray et al., 2010). Conger and Benjamin believe that leaders are seen as a key factor in an organisation’s ability to grow, as well as in facing any challenges. Generally, if there is a shortage in the supply of leaders, an organisation could face difficult times before finding a suitable leader. It is very hard to find a leader who believes, trusts, and shares their vision and commitment to the organisation. For this reason, some organisations have difficulty in growing or competing either globally or locally because it is the leader who is responsible for maximising and ensuring the organisation’s productivity overall (Conger & Benjamin, 1999). Moreover, leaders assist individuals in an organisation to go beyond their personal interests for the sake of the common and larger vision of the company (Howell & Hall-Merenda, 2002). Successful leaders believe in people and are driven by a certain set of values, such as personal attention and trust in employees, as well as commitment. These values are related to organisational commitment and positive performance (Ekvall & Arvonen, 1991). At the same time that research has made obvious the significance of leadership in organisations and the role leaders can play with organisations and employees, other essential issues are of relevance in terms of the successful approaches leaders can implement to move a variety of programmes forward to success. According to Kezar & Eckel (2008), the subject of appropriate leadership approaches remains one of the most debated issues in the management field.

When defining the term, ‘leader’ some researchers, such as Riggio and Harvey (2011), argue that there is no acceptable definition of the term. However, there is a reasonable purpose for attempting to do so. The term has two problematic issues.
Firstly, its definition will limit leadership studies to that specific definition area. Secondly, as leadership studies are to be found in many disciplines and is advanced from other theories, a consensus between researchers will be at “odds with the way that the language works” (2011, pp. 57). Some behaviours identified as having the potential to help the leaders to successfully achieve their targets are a combination of the following: leading, power or authorities access, and adapting to the reality with their subordinates (Riggio & Harvey, 2011).

However, there are various definitions that have been suggested in the literature for the term ‘leader’, and one of the simplest examples is that the leader can be defined as the person who persuades a group of people to achieve a group’s aims (Burns, 1978). According to Bass (1985-1998), there are several types of leadership behaviour, including transactional, transformational and laissez-faire. In this thesis, leadership is used to refer to banking employees who have the authority to motivate, inspire, reward or punish subordinates, in order to encourage them do their tasks to achieve the organisational goals. For this thesis, leaders include those in supervisory and higher-level positions.

2.2.1 Leadership Approaches

There are many theories and approaches seeking to explain and help understand leadership. They include the great man theory, trait-personality approach, task and relations behaviours, transactional and transformational leadership theory and contingency/situational theories (Von Treuer, 2006). Transformational and transactional leadership theory is important due to the many years it has been used as a standard for understanding leadership (Judge & Piccolo, 2004). There has been growing attention in leadership research about transformational leadership behaviour, yet there are still questions remaining which need to be addressed in future research, such as its universal effectiveness (Kim & Shin, 2017). The current thesis acknowledges that there are new leadership theories/models developed, such as autocratic and democratic leaders. However, it will not provide details about these new theories as they are not the focus of the current thesis and they are outside its scope. The ‘autocratic’ refers to the leader who does not give subordinates the authority to make decisions; and subordinates do not have a direct influence on the decisions (Yukl, 2013). In contrast, the democratic leader works with others to establish goals and then empowers them with sufficient authority to achieve established goals (Alomiri, 2016).
2.2.1.1 Great Man Theory and Traits Approach

In the 19th and early 20th centuries, it was assumed that leaders were born, not nurtured; and they were identified as based on traits and internal qualities that were inherited. This perspective considered great leaders as heroic, mythic, ordained, energetic, intelligent, honest, self-confident, knowledgeable, optimistic, tolerant of stress, persistent when encountering obstacles, and result-oriented, and if these traits are identified, leaders could be identified and assume leadership positions (Kirkpatrick & Locke, 1991). Based on this approach, a leader can be easily distinguished from the followers if these traits could be identified. The trait leadership approach originated from the ‘great man’ theory in the 1940s due to their similarities (Northouse, 2007-2016). Based on this approach, a person cannot become a successful leader if they are not born with positive leadership traits.

Studies by Stogdill (1948) on the trait theory of leadership concluded that the previous studies failed to provide a definitive list of leadership traits and take into account the impact of situations. Consequently, the approach had resulted in subjective lists of the most important leadership traits, which were not necessarily grounded in strong, reliable research. In addition, Stogdill (1948) argued that the trait approach had not adequately linked the traits of leaders with other outcomes such as group and team performance. Finally, this approach was not particularly useful for training and development for leadership because individuals’ personal attributes were largely stable and fixed, and their traits were not amenable to change (Stogdill, 1948). He however identified the following traits - intelligence, scholarship, dependability, activity, social participation and economic status - and concluded that the personal/inborn characteristics of the leader are important for the attainment of the followers’ goals. These traits are critical complements in enhancing the leader’s ability to meet their expectations. Robbins (2003) further acknowledges that bearing these traits may increase the chances of success as a leader though it is not guaranteed. Kirkpatrick and Locke (1991) suggested that for success to be achieved, leaders must take the necessary action. They must be proactively involved in setting good examples to their followers in order to influence them positively. Bass (1990) admitted that the trait theories had been valuable in identifying the various traits for successful leaders. However, it was not an effective way of differentiating leaders.
The earlier research and questionnaire development was controlled by personality and trait studies. Many physical and personal characteristics were studied but very few were clear and consistent (Horner, 1997).

Howell and Shamir argue that some definitions were rendered unnecessary since no certainty or pragmatic support was available to support the assumptions underlying the definitions (2005).

2.2.1.2 Task and Relations Behaviours

Most of the early theories or the researches on effective leadership behaviour from the 1950s to the 1970s were influenced by the research of Ohio State Leadership Studies. The main objective of the Ohio research was to conceptualise leadership behaviour into categories (two-factor, task objectives and concern for people). The task of the research was to classify the categories of leadership behaviours and at the same time to build measurements for how frequently leaders used these leadership behaviours in their daily task (Yukl, 2013; Yukl, 1999). Leader behaviours vary from each other in their orientations, some leaders focusing on getting the job done in a specific time and way, whilst other leaders do the same thing but use an indirect way (Alomiri, 2016). Leaders are considered as a ‘task-oriented leader’ when they direct their followers what to do, and direct them when to do it, where to do it and how to do each single task. On the other hand, the relation-oriented leader shows his attentive/solicitous concern for his followers and is mainly concerned with building mutual relationships, enhancing job satisfaction, cooperation, identification, and organisational commitment with the followers and organisation (Yukl, 2013).

2.2.1.3 Situational Approach

From the 1960s to 80s, new models of leadership and contextual definitions emerged (Ayman & Korabik, 2010). These models viewed leadership from a more diverse perspective. Perrow (1970) asserted that leadership style was the dependent variable while the task was the independent variable, and it was inconclusive in explaining the factors influencing organisational effectiveness. Some empirical findings supported the adaptability of leadership and behavioural approaches to situational influences that might affect leadership effectiveness (Osborn & Hunt, 1975). The contingency approach assumes that the situation in which a leader exists, and functions and the incorporation of the leader’s traits and behaviours create favourable conditions for efficient leadership (Aronson, 2001). However, the contingency
approach might suffer from the fact that it may prove more apparent than real when it comes to real life experience.

The situational approach emphasises the importance of contextual factors such as the leader’s authority and discretion, the nature of the work performed by the leader’s unit, the attributes of followers and the nature of the external environment (Yukl, 1999).

Leadership effectiveness research became inclusive of the importance of situational specificity. Yukl (1989) categorised researchers who studied the situational approach into two categories: those who tried to discover situational factors that influence behaviour, and researchers who tried to discover the moderating effects of situations on leaders’ behaviour and their effectiveness. According to Yukl (1989) some models differentiate the situational variables that influence leadership effectiveness – for example, the Fiedler Model, Hersey and Blanchard’s Situational Leadership Theory, the Leader Participation Model, the Path Goal Model and Leadership Substitutes. However, Hersey and Blanchard’s (1969-1993) the ‘Situational Leadership Theory’ is the model most preferred by practitioners and many leaders as it is more applicable to the organisational context (Butler & Reese, 1991). It is built on the interaction between the levels of employee maturity. The ideal leadership style is ‘high relationship and moderate task; for more mature levels, the leader’s style is ‘low relationship and low task’ (Hersey & Blanchard, 1993).

Contingency and situational models vary from the trait and personality models of leadership, as the theorists considered that effective leadership was a complicated analysis of the leader and the situation. However, contingency types of models are complex, and their validity has raised concerns (Yukl 1999; Graeff, 1983). In addition, treating leadership as a one-way process, with much stress and accountability on the leader, causes employees to become overly dependent on their leader in order to complete their tasks (Northouse, 2012-2016; Chemers, 1997). Therefore, matching a leader with a situation is a difficult task (Vecchio et al., 1996), but more recent definitions of leadership incline towards including group team members as well.

2.3 Transformational Leadership

Transformational leadership theory refers to the relations between leaders and their employees/colleagues or direct reports. It has been amongst the most cited leadership theories over the past two decades. In the 1970s, the change to
transformational leadership theory was dominant, which became more consolidated in the 1980s (Kimura, 2012; Zhu et al., 2012). The work of Burns (1978) drew attention to the ideas associated with transformational leadership when he defined leadership as “...the reciprocal process of mobilizing by persons with certain motives and values, various economic, political, and other resources in a context of competition and conflict, in order to realize goals independently or mutually held by both leaders and followers” (425).

Operationalisation by Bass (1985) of the previous work from Burns (1978) developed a model of transformational and transactional leadership (Bass, 1985). He believed that most leaders displayed types of transformational and transactional leadership in varying degrees. This model has been more recently referred to as the “full range leadership model” (Bass & Avolio, 1997).

Many studies have defined transformational leadership as the most popular leadership behaviour, and it is embraced by many organisations worldwide (Alkahtani, 2016; Kimura, 2012; Zhu et al., 2012; Conger & Kanungo, 1998). Transformational leadership essentially transcends short-term organisational goals by focusing on higher-order needs. Such leadership behaviour not only focuses on the allocation of resources but considers various ways of courting employees’ commitment when implementing strategic plans (Burns, 1978). Some researchers conclude that transformational leadership cultivates a climate for creating and sustaining change, which integrates employee views and values into day-to-day decision making (Yousef, 2000).

Transformational leadership has proven useful in the management of modern organisations (Alkahtani, 2016; Kimura, 2012; Zhu et al., 2012; Conger & Kanungo, 1998). Accordingly, this thesis aims to provide insights into the manner in which this leadership behaviour results in improved organisational commitment and reduces intention to turnover. Leadership is thought to be an essential factor that has the greatest influence on organisational performance.

Burns (1978) introduced his transformational leadership theory by distinguishing between transitional and transforming leaders based on the relations between leaders and followers. This was later linked to ethics and morals. A transactional leader relies on rewards and punishment to encourage employee performance. Transactional leaders stay in touch with subordinates and help them to recognise what must be done to achieve the desired aims. A transactional leader
engages in daily exchanges with followers, which is necessary for achieving the customised performance that is agreed upon. On the other hand, transformational leadership is a process that inspires followers by motivating them to their higher ideals and moral values. This type of leader sees the problems in the operations as opportunities to develop and enhance individual and team performance. The transformational leader’s superior leadership performance occurs when leaders broaden and raise the wellbeing of their subordinates and inspire them to look beyond their own self-interest for the good of the group (Muenjohn, 2007; Bass & Avolio, 1997; Avolio, Waldman & Yammarino, 1991).

In this thesis, transformational leadership behaviour refers to acceptable behaviour between the leader and their followers regarding their values, morals and beliefs, as discussed by Bass and Avolio (1997). Transformational leadership comprises four factors or exhibits four different behaviours, as demonstrated in the work by Bass & Avolio (1990-1997) and Muenjohn, (2007), whose explanation of these factors is below:

**Idealised Influence** - the leader shows respect, trust, and builds confidence in their followers. They share the values, the vision and the mission with their followers. “There were two types of idealised influence leadership in a recent theoretical development. That was, idealised influence could exert influence based on a perception in the eye of the beholder (Idealised Influence Attributed) or impact based on the behaviour of the leader (Idealised Influence Behaviour) such as persistence and determination” (Muenjohn, 2007, p. 4).

**Inspirational Motivation** - the leader presents himself as a symbol to attract followers in order to inspire and motivate them. They express high expectations of the desired goals and vision to be achieved.

**Intellectual Stimulation** - the leader changes and values the ways that followers think about their problems and encourage them to develop new ways to solve problems or challenge that they face.

**Individualised Consideration** - the leader recognises followers’ concerns and needs. Then they treat and develop followers individually.
Meanwhile, transactional leadership behaviour focuses on the roles of supervision and group performance in the organisation. The transactional leader makes clear and specific commands to affect performance through motivating workers with rewards and punishments. The primary goal of followers is to obey the instructions and commands of the leader, and careful monitoring of followers is required to achieve the set goals. The transactional leader identifies and is in touch with subordinates to ensure they recognise their job roles and have the potential to reach the goals. There is a clear understanding, or exchange agreement, in terms of the offer of reward and performance (Muenjohn, 2007; Bass & Avolio, 1997; Avolio, Waldman & Yammarino, 1991).

Transactional leadership has three factors, as reported by Muenjohn (2007), Antonakis, Avolio and Sivasubramaniam (2003), and Bass and Avolio (1997).

- **Contingent reward** - the leader clarifies the task and requirements clearly and then exchanges a reward for good performance or a punishment for poor performance with followers.

- **Management-by-exception active** - the leader monitors the followers as they work and then takes corrective action in the case of mistakes, as needed.

- **Management-by-exception passive** - the leader avoids taking any action until the task standards are not met. Then, they take corrective action.

Both behaviours are essential to various organisations and outcomes. Some studies have reported that transformational and transactional leadership behaviours have positive effects on performance in small business, but that transactional leadership has the greater impact (Timothy et al., 2011). Both behaviours have positive relationships on organisational effectiveness (Michie & Zumitzavan, 2012). There are positive relationships between leadership behaviours, organisational climate, psychological capital, employee wellbeing and employee commitment (McMurray et al., 2010). Leadership behaviours are a critical factor associated with organisational innovation (McMurray et al., 2013). Ertureten et al. (2013) found that transformational and transactional behaviours decrease the likelihood of having an unhealthy work environment in which one or more persons unethically harass an individual in a systematic way; which is called the likelihood of ‘mobbing’. Yammarino (2013) revealed that leadership behaviours have different consequences for employees and
organisations, in term of satisfaction, performance, turnover, absenteeism, commitment attachment, loyalty and team building.

2.4 Significance of Transformational and Transactional Leadership

Transformational leadership is a recent approach to leadership that has been at the heart of much of the research since the early 1980s and is currently the most influential theory of leadership (Alkahtani, 2016; Hu et al., 2012; Muenjohn, 2007). To demonstrate, from 1990 to 1997, there were 200 theses and doctoral dissertations that considered or examined transformational leadership and transactional leadership (Charbonnier-Voirin, El Akremi & Vandenberghe, 2010; Bass & Avolio, 1997). Many authors agree that transformational leadership theory is a sentinel work in the leadership discipline. For example, Sakiru et al. (2013) asserted that this theory of leadership was the main subject of the research studies and that it will continue to be of interest to more researchers in the future. This is reflected in current research by McCleslkey (2014) which declared that the three leadership theories that are the seminal work of leadership theories in recent studies. They are the transformational, transactional and situational leadership theories.

Transformational leadership theory is one of the most popular theories in the literature, yet further research still needs to be conducted in the area (Yammarino, 2013). For example, Liborius’ (2017) study noted that there is a limitation on leadership studies regarding which aspect of leadership characteristics is associated with the desired outcome variables. The quotation clarifies and supports the importance of investigating both leadership behaviours and skills. Avolio, Waldman and Yammarino (1991) agreed that “transformational leadership should not be viewed as a replacement for other styles of leadership, e.g. transactional. Rather, it should add to other styles of expanding the leader's portfolio of skills” (p. 10).

In a variety of organisations, transformational leadership is applied to investigate leadership behaviour, for instance, in information technology, health care, education and the military. In several countries, such as Australia, New Zealand, Canada, the Netherlands, the UK and the US, the theory is broadly employed. Additionally, it has been translated into numerous languages (Muenjohn, 2007).

Bass (1997) asserted that transformational leadership behaviour ought to travel across cultures and organisations with few exceptions due to corollary attributes of
cultures and organisations. He argued that the universality of transformational leadership is based on the reality that there is a similar hierarchy of correlations between the different leadership behaviours in transformational leadership theory and leadership outcomes in different countries. Even though the theory of transformational leadership appears to be universally valid, the particular behaviours connected with every single leadership factor may differ to some extent. Hofstede’s studies (1981-2011) argue that the difference between cultures could play a vital role in leaders’ personal values, practices, power distance, avoidance and long-short term orientation. Culture could influence organisations through its influence on employees themselves or organisational objectives, goals, structure, decision-making processes and reward systems (Hofstede, 1981). He argues that Western culture is different from other cultures such as Asian and Arab culture and clarified that leadership behaviour varies from one culture to the other. Differences in leadership behaviour could be produced by national culture, and what appears to be desirable in one culture may not be attractive in another (Hofstede, 1980-1984). Because the concepts may contain specific thought processes, beliefs, implicit understandings, and behaviours in one culture, which may vary in another, the associated behaviours may occur diversely. In other words, followers around the world desire the concept of transformational leadership, although the exact behaviours may be different from one culture to another (Muenjohn, 2007).

Ertureten et al. (2013) assert that transformational and transactional behaviours are the most effectual leadership behaviours and are connected with positive organisational outcomes, such as organisational commitment, supervisory satisfaction, organisational citizenship behaviours and performance. A study by Hartog et al. (2012) concluded that transformational leadership plays a specific role in proactive employee behaviour by articulating an attractive and challenging vision to employees and stimulating them intellectually. Transformational leadership inspires workers to transcend self-interest and become more motivated and consequently become more effective employees. Avolio, Waldman and Yammarino pointed out that transformational leadership appears at the top level of the organisational hierarchy most of the time, but it also appears at the lower levels. However, transactional leadership is important in reaching satisfactory standards of performance in an organisation (1991).

A similar point is made by Kezar and Eckel (2008). They found that both behaviours of leadership are essential to reach different employees. In other words, there are some leaders who find that a transactional approach is more suitable to them
in reaching their goals; meanwhile, other leaders might find that a transformational approach is more successful. These differences appear for several reasons, such as personal preference, goals, situations and the time of the task. Both styles have a great influence on employees, yet they use different approaches to reach their goals. When a leader uses rewards and punishments in order to influence employees, this leader uses transactional behaviour. On the other hand, if a leader increases followers’ morale and inspires them to reach their goals, this leader uses transformational behaviour. Additional support for this point comes from a recent research study conducted by Bealer and Bhanugopan (2014). They found that there is a significant difference between two groups of managers. The United Arab Emirates (UAE) managers have been less transformational in their leadership and utilised more passive avoidance than the managers from the USA and Europe. They found that transactional leadership behaviours were used more frequently by the UAE managers in contrast to the USA and European managers.

These findings are in line with the results from Hamstra, Yperen, Wisse and Sasseuberg’s (2014). The study investigated whether a supervisor’s leadership behaviour could be used as a prediction of a subordinate’s achievement targets. The research data was collected from different organisations in the Netherlands such as retail, informational technology, food service, finance, and education. The respondents included 120 managers and 449 subordinates. The study focused on leadership behaviours (i.e. transformational and transactional leadership), as well as their own mastery and performance goals. The results demonstrated that the followers’ mastery goals can be predicted by transformational leadership at the group level and within the group. Meanwhile, the followers’ performance goals can be predicted by transactional leadership at the group level. These findings illustrate the importance of leadership behaviour in the achievement of the goals that followers adopt. The results have shown a significant and positive relation between transformational leadership and the followers’ mastery goals, both between and within groups. In contrast, transactional leadership was not related to the followers’ mastery goals, neither between nor within the groups. Further, there was a significant positive relationship between transactional leaders’ and followers’ performance goals between but not within the groups. On the other hand, transformational leaders were not related to their followers’ performance goals, neither between nor within the groups.
A study was conducted to address the effect of transformational leadership behaviour and management control systems on management performance in Vietnam. It used a web-based questionnaire to collect the data from 152 managers. It used the 8-items scale, which was developed by Avolio, Bass and Jung (1999), to measure transformational leadership behaviour. Management control systems include: a comprehensive performance measurement system measured by 3 items; a reward system; reliance on broad-scope accounting measured by 6 items; information and managerial performance measured 8 items developed through the study of the previous literature. The reliabilities of the scales (Cronbach’s alpha (σ)) ranged between .83 and .94. The results revealed that transformational leadership behaviour directly and positively influenced managerial performance (Nguyen, Mia, Winata & Chong, 2017).

Overall, transformational leaders were positively related to the individual`s endorsement of their mastery goals, while they were not related to their performance goals. In contrast, transactional leaders were positively related to the individual`s endorsement of a performance goal, while they were not related to performance mastery goals (Hamstra, Yperen, Wisse and Sasseuberg, 2014).

A recent research project on leadership behaviour by Yunus and Ibrahim (2015) studied the Leader-Member Exchange as Moderating on the relationship between transformational leadership behaviour and the organisational commitment. They collected the data from 140 administrative employees from the Small-Medium business Malaysia via a questionnaire. The data were analysed through the SPSS program using Pearson correlation, hierarchical regression and reliability techniques. The results indicated that the Leader-Member Exchange as moderator variable has a significant interaction on the relationship between idealised influence behaviour and the normative commitment. In addition to that the Leader-Member Exchange as moderator variable, has a significant interaction on the relationship between intellectual stimulation behaviour and the normative commitment. In regard to the relationship between transformational leadership behaviour and the organisational commitment, the study found that individual consideration has a significant relationship with the affective commitment.

To analyse the difference between female and male leadership behaviour in Germany, Rohman and Rowold (2009) conducted a study focusing on two behaviours. The study used a questionnaire to collect the data from four samples (1171
respondents): a government agency, a public transport service, and students. A T-test has illustrated that the female managers reflected more transformational leadership behaviour than the male managers. This result has revealed that differences occur between gender leadership behaviours in organisations; similar differences may be applied in the Saudi Arabian banking sector.

To contrast the leadership behaviour between expatriate and national managers in the United Arab Emirates, Bealer and Bhanugopan (2014) examined a sample of 213 respondents from different countries and institutions. They found significant differences between the two groups in two factors. The UAE managers were less transformational in their leadership and utilised more passive avoidance than the managers from the USA and Europe. They found that transactional leadership behaviours were used more frequently by the UAE managers in contrast to the USA and European managers. This result was possibly due to the difference between the backgrounds of the employees in the UAE and the USA. Another reason for the difference might lie in the relationship satisfaction between the employees and their supervisors. The study recommended that further research be undertaken on a large sample in the Middle Eastern region. It is expected that the study will reveal a number of interesting findings, such as the different leadership behaviour approaches used by the managers, as well as the most commonly used style of leadership in the banking sector.

In an earlier study, Ryan and Tipu (2013) investigated the effect of the leadership factors on innovation propensity. They used the full range of the leadership models in a non-Western country. The data was collected from 548 respondents using a snowball sampling technique from a wide range of organisations. They used an exploratory confirmatory factor analysis and structural equation modelling to analyse the data. None of the transformational leadership factors had a relationship with innovation. However, two transactional leadership factors were found to be associated with innovation. Only, active and passive-avoidance transactional leadership had a relationship with innovation in the Pakistani organisations. These results may be related to the different cultures and beliefs and the context of the employees in Pakistan compared with a Western country.

Another study by Charbonnier-Voirin, El Akremi & Vandenberghe (2010) investigated climate innovation as a moderating force on the relationship between
transformational leadership and adaptive performance in a multilevel model. The survey of 155 managers and employees in the French aerospace industry used hierarchical linear modelling to test the hypothesis. The results revealed that individual perceptions and team level transformational leadership have a positive relationship with individual adaptive performance. The results showed that, at the individual level, climate innovation moderates the relationship between transformational leadership and adaptive performance.

In line with these findings, Barbuto (2005) investigated leaders' motivation and the use of transformational leadership behaviour. He used direct reports to collect the data from 927 employees and managers in different organisations such as governmental agencies and educational settings. The multifactor leadership questionnaire developed by Bass in 1985 was used in the study to collect the data from the respondents. The motivation sources (e.g. intrinsic, extrinsic, intrinsic process, instrumental, self-concept external, self-concept internal and goal internalisation) were measured by the motivation sources inventory, which was developed by Barbuto 2005. The data were analysed by the SPSS program. He used individualised consideration, inspirational motivation, intellectual stimulation, idealised influence attributed, idealised influence behaviour, contingent reward, management by exception active, management by exception passive, and laissez-faire as subscales of transformational leadership theory. He also used intrinsic, extrinsic, intrinsic process, instrumental, self-concept external, self-concept internal and goal internalisation as subscales of the motivation sources. The results showed that intrinsic process motivation and transformational behaviours correlated significantly. The subscales results revealed that individualised consideration, inspirational motivation and intellectual stimulation were significantly correlated with intrinsic process motivation. On the other hand, the instrumental motivation and self-concept external motivation had a negative correlation with individualised consideration, while self-concept internal motivations were correlated with transformational behaviour. In relation to the subscales, self-concept internal motivation was significantly correlated with individualised motivation and intellectual stimulation.

While, the relationship between self-concept internal and ratters’ perceptions of transformational behaviour were not being significant, goal internalisation and intellectual stimulation were correlated as significant. The combined intrinsic motivation was correlated with transformational behaviour. In regard to the subscales,
the combined intrinsic motivations were correlated with inspirational motivation and intellectual stimulation; however, it had a negative correlation with individualised consideration. Intrinsic process motivation had a positive correlation to contingent rewards, management by exception passive and management by exception active. The instrumental and self-concept external motivations had a positive correlation to management by exception passive, management by exception active and laissez-faire leadership. Meanwhile, self-concept internal motivation had a negative correlation with contingent rewards, management by exception passive, and management by exception active. The goal internalisation had no correlation with any transactional behaviour factors. However, combined intrinsic and extrinsic motivations had a significant correlation with management by exception passive and management by exception active.

In addition, transformational leadership has been explored as a moderator variable in the relationships between work engagement and distributive and procedural justice (Strom et al., 2014). Data from their online survey were collected from 348 respondents in the United States. Hierarchical regression analyses were used to test the hypotheses. The results indicated that transactional leadership behaviour moderated the relationships between work engagement and distributive and procedural justice among the employee sample. However, transformational leadership behaviour did not moderate the relationships between work engagement and distributive and procedural justice among the employees sampled.

Recent research by Alharthi, Alshehri and Alkhatib (2014) investigated the leadership styles in the Ministry of Health in Saudi Arabia, and their correlation with satisfaction, effectiveness, and extra effort. A quantitative approach and a convenience sample were used to collect the data from 212 respondents from the different departments of the Ministry of Health. The results showed a positive correlation between leadership styles and satisfaction, effectiveness, and extra effort among the respondents. They showed a negative correlation between laissez-faire and satisfaction, effectiveness, and extra effort. In addition, no significant differences were found in relation to leadership styles associated with gender, marital status, or age of respondents.

Al Jameel (2008) explored the relationship between leadership style and the level of empowerment among 172 Majlis Ash-Shura staff in Saudi Arabia. The Majlis


Ash-Shura is a qualified and expert group of people, who have worked in and come from several disciplines. Their task involved acting as a consultative national council for all the ministries and departments in the country. “Majlis Ash-Shura was considered to be an update to what had already existed by enhancing the council’s frameworks, methods, and means and injecting efficiency, organisation, and vitality into them. This was done to ensure that the council could cope with the rapid developments the country has seen in recent years in all fields and to keep pace with the demands and requirements of modern times” (Shura.gov.sa, 2017). The Majlis Ash-Shura employees were surveyed with the results revealing that the main leadership styles used in the Majlis Ash-Shura were transformational, co-leading, and strategic. The findings showed a significant relationship between the leadership style and the level of empowerment in the Majlis Ash-Shura. Seven levels of empowerment have been identified: the ease with which the employees approach their managers; the administration facilitating access to information sources; the encouragement and support of thoughts and ideas to improve performance; and the provision of chances and opportunities to employees to develop their skills and abilities. A correlation was identified between age and tenure and on the other hand the adoption of leadership style. However, no correlation was found between level of education, training, marital status, on the one hand, and the adoption of leadership style, on the other (Aljameely, 2008).

This thesis sets out a framework for studying the impact of leadership behaviour on organisational commitment and turnover. Numerous theoretical research studies have identified leadership as a critical factor in the success and growth of organisations (Yousef, 2000). It is through positive leadership and a focus on the future that organisations can nurture competitive workforces and production systems. Researchers have further shown that if an organisation’s leadership wants to have a positive impact on work teams and individuals, then leadership paradigms such as transactional versus transformational, participative versus directive, and autocratic versus democratic leadership, should be widened (Bass & Avolio, 2001).

Despite the existence of many studies investigating the relationship between personal variables and leadership, to my knowledge none of these specifically address transformational leadership or other behaviours of leadership with the three factors of organisational commitment: affective, continuance and normative. Although much has been learned about leadership over the past decade, a number of fundamental questions

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remain, such as the mechanism for and the interaction between leadership, and the outcomes. This is especially true in regard to Saudi Arabia. In addition, the relationship between cultures and transformational leadership is still unclear because of the limited number of studies, which is what Muenjohn (2007) concluded after he reviewed and investigated this field. This thesis aims at providing insights into the manner in which leadership behaviour results in improvements to the three factors of organisational commitment in the relatively unexplored context of the banking industry in Saudi Arabia.

The literature review demonstrates that leadership behaviours are associated with effectiveness and innovation (Timothy et al., 2011; McMurray et al., 2013). In addition, leadership behaviours have a positive correlation with organisational climate, employee wellbeing and employee commitment (McMurray et al., 2010). The most important correlation for any firm is that leadership behaviour has a positive connection to organisational outcome and performance (Ertureten et al., 2013). Leaders are keen to enhance and develop their organisation’s outcomes through increasing their influence on employees. For that reason, leaders develop different behaviours to have a positive influence on their followers (Kezar & Eckel, 2008). Leaders are responsible for establishing an affirmative organisational climate and organisational commitment in their firms, in order to obtain the positive outcomes of a productive environment. Organisational commitment is seen as vital to organisational effectiveness (Gamble & Huang, 2008). High organisational commitment, which is one of the most important factors, plays a significant role in organisational outcomes. It associates with many positive outcomes, such as lower turnover, higher performance, less absenteeism and higher job satisfaction (Meyer et al., 2002; Mowday, Porter & Steers, 1982; Ibrahim et al., 2011; Gamble & Huang, 2008). These outcomes are what most leaders seek for their organisations by addressing or using different leadership behaviours. By addressing the relationship between different leadership behaviours and the three components of organisational commitment, as well as the moderating variables which can affect these relationships, this thesis attempts to enhance and help leaders to establish a healthy organisational climate and improve the organisational commitment of their employees. This research might also provide some tools for selecting appropriate leadership behaviour to address specific situations.
2.5 Organisational Commitment

The study of the concept of organisational commitment encompasses a number of different approaches. In existing research studies, such as Meyer and Allen (1990), Mowday, Porter and Steers (1982), Porter, Steers, Mowday and Boulian (1974), there are numerous definitions of the relationship between employees and organisations, most of which focus on the links between them. Attitudinal and calculational commitments are the prevailing research types in previous studies (Ibrahim et al., 2011). Some studies (Deschamps, 2009; Campbell & Harald, 2004; World Bank, 2002) have identified that organisational commitment is, to a small extent, subject to external factors. The concept of organisational commitment has emerged through the accumulation of knowledge and diverse studies.

To begin with, the first view, attitudinal commitment, focuses on trends and considers the link between the individual and the organisation. According to this view, organisational commitment is the degree of the relative strength of the individual in a specific organisation (Ibrahim et al., 2011). There are many researchers who use this view, for example, Porter, Steers, Mowday and Boulian (1974) and Mowday, Porter and Steers (1982).

The other view is called behavioural commitment. This view focuses on the behaviour of employees. Commitment is seen through the regulatory process, which measures the conduct or the past behaviour of the employees and links them to the organisation they work for. Attitudinal commitment counts the gains accruing to individuals through the organisation and the costs that employees might suffer if they decide to move from one organisation to another. The researchers who take this view include Becker (1960) and Salancik and Staw (1977).

Meyer and Allen (1990) developed the concept of organisational commitment when they evaluated the concept of commitment. They divided it into two factors: affective and continuance commitment. Affective commitment is the sense of belonging and loyalty demonstrated in an individual’s psychological attitudes towards a specific organisation. Continuance commitment is an individual’s recognition of the general benefit and the costs associated with a decision to seek new employment rather than staying with the organisation.
The three-components theory of organisational commitment was developed later by Meyer et al. (2002), Meyer et al. (1993), and Meyer, and Allen (1991). They added a third factor, normative commitment, to the two previously formulated factors of organisational commitment (affective and continuance commitment). Normative commitment is based on allegiance and is measured as the degree of an individual’s feelings of moral obligation and moral responsibility to an organisation. This view is widespread, as is the measurement that was developed by Meyer and Allen (1991) to measure the three factors of organisational commitment. The three-components theory of organisational commitment, which was developed by Meyer and Allen (1991), is the most widely accepted and latest conceptualisation of organisational commitment. They distinguish three commitment factors and have developed measures of the three components, which are affective, continuance and normative commitment. Studies on organisational commitment mostly agree with the conceptualisation and measures of Meyer and Allen (1991) and Gamble and Huang (2008). Meyer et al. (2002) assert that the three-components theory of the organisational commitment model may indeed be valid in different countries and cultures.

In line with Meyer and Allen’s (1990-1993) three-components model of organisational commitment, the researcher defined these various conceptualisations:

The **affective** commitment is defined as employees having a positive emotional attachment to, identification with and involvement in the organisation. Employees with a high affective commitment are likely to maintain employment with the same organisation.

The **continuance** component refers to an attachment based on the costs – either social or economic costs – that an employee associates with leaving the organisation. An employee who has continuance commitment elects to remain with the same organisation because of the lack of a good alternative job.

The **normative** commitment represents employees' feelings of moral obligation to remain with the same organisation. An employee who has a strong normative commitment remains with the same organisation because they feel they owe it to the organisation.

Employee commitment is essential for any organisation to succeed because organisational commitment is associated with employee outcomes (whether direct or
indirect), for instance, turnover, performance, absenteeism and job satisfaction (Ibrahim et al., 2011; Gamble & Huang, 2008; Meyer et al., 2002; Mowday, Porter & Steers, 1982).

There is a research gap regarding the identification of the mechanisms for developing organisational commitment among employees, and it needs further research to understand and identify the mechanisms of the processes of organisational commitment in employees (Meyer & Herscovitch, 2001). Afshari and Gibson’s (2015) study proposed that motivation can develop organisational commitment through idealised influence.

Human resource management (HRM) aims to establish and maintain a high-quality job environment in order to generate motivation and help employees work productively and efficiently, as these conditions are associated with high organisational commitment (Gellatly, Hunter, Currie & Irving, 2009; Gamble & Huang, 2008). This thesis will address organisational commitment as the three-component model of commitment, consistent with Allen and Meyer’s (1990) model.

Huang, You and Tsai (2012) studied organisational commitment, job satisfaction, ethical climate and organisational citizenship behaviour in hospitals in Taiwan. Gerke, Dickson, Desbordes and Gates (2017, p.55) defined OCB as: “Citizenship behaviours are discretionary behaviours that are neither directly nor explicitly included in formal agreements but promote the functioning of an organisation or inter-organisational unit in the aggregate”. The data were collected from 352 nurses through a questionnaire. It was then analysed using hierarchical regression to investigate the influence of the ethical climate, job satisfaction, organisational commitment, and organisational citizenship behaviour. The results showed that a hospital can use ethical climate, job satisfaction, and organisational commitment to increase and encourage organisational citizenship behaviour in the nursing staff. Specifically, affective commitment and normative commitment were found to increase organisational citizenship behaviour, while continuance commitment could decrease organisational citizenship behaviour. The findings demonstrate the importance of investigating the three components of organisational commitment and the different impacts of the different components of organisational commitment.
Canadian managers’ organisational commitment has been explored by Guerrero and Herrbach (2009). They investigated the relationships between the characteristics of work in the organisation, the characteristics of the organisation, organisational commitment and turnover intentions. The data collected from 249 managers, has been analysed using hierarchical linear regressions to test the hypotheses. The results indicated that perceived organisational support and perceived external prestige correlated with affective commitment. Meanwhile, perceived organisational support correlated with continuance commitment. They have found that affective commitment mediated the relationship between perceived organisational support and perceived external prestige with turnover intention. Perceived organisational support and perceived external prestige were negatively correlated with turnover intention.

A study conducted by Emanuel Camilleri (2006) focused on European public service organisations and studied the relationship between organisational commitment and public service motivation. He used an organisational commitment questionnaire (Meyer & Allen, 1997) to measure the three components of organisational commitment, a scale developed by Sharma, Netemeyer and Mahajan (1990) to measure Employee Perception of the Organisation, and a scale developed by Perry (1996) to measure Public Service Motivation. The data were gathered from 3,400 respondents working in the government sector. The study used structural equation modeling to analyse the data. The results revealed that organisational commitment increases public service motivation. Moreover, two dimensions of organisational commitment, affective and normative, can be predicted by employees’ perceptions of the organisation antecedent. In addition to that, continuance commitment can be predicted by alternative job opportunity. The ‘life cycle status’ of the family has no relationship with organisational commitment.

A study conducted by Kassahun (2005) addressed employee commitment in the industry sector in Delhi and investigated the relationships between organisational commitment with organisational support, autonomy, procedural justice, and distributive justice. The data were gathered from 140 respondents via a questionnaire, and the study used the organisational commitment questionnaire (Allen & Meyer, 1990) to measure organisational commitment; organisational support scale (Hawkins, 1998) to measure organisational support; procedural justice scale and distributive justice scale (Tremblay, Sire & Balkins, 2000); autonomy (Pare, Tremblay & Lalonde, 2001) to measure organisational justice. In addition, their qualifications, gender,
organisational tenure, age, and occupational status in the organisation were collected. Several statistical tests were used in the study, such as Stepwise Multiple Regression Models, Kolmogorov-Sminov D, the Mann-Whitney U, and Pearson's Product Moment Correlation Coefficients. The results revealed that only employee age, of all the demographic characteristics, had a significant direct relationship with organisational commitment. In addition, only perceived job autonomy, distributive justice, procedural justice and organisational support from the organisational practices had a significant direct relationship with organisational commitment.

Alenazi (2005) conducted a study to investigate the three-component model of organisational commitment in Saudi Arabia. The quantitative research involved a survey to highlight the variables related to organisational commitment. This type of research is suitable for understanding individuals, opinions and attitudes towards a particular issue. The aim was to measure the level of the three-components model of organisational commitment (affective, continuance, and normative) between the civil and army employees in the King Khaled Military Academy in the capital city Riyadh. Meyer and Allan’s (1991) three-component commitments questionnaire was conducted to identify and contrast the three factors among the two groups. The questionnaire was distributed among 300 respondents, and 196 questionnaires were returned. The results showed that affective commitment was high among all the respondents. The average score was 3.11 for continuance commitment, and 3.16 for normative commitment. Affective commitment among the army employees was high with an average score of 3.75. The continuance commitment and normative commitment were 3.31 and 3.19 scores respectively. The T-Test identified a significant difference between the two groups in affective commitment and continuance commitment, while there was an insignificant difference in the normative commitment among the two groups. The most important recommendation was related to the attempt to raise the normative commitment and continuance commitment for the employees.

A recent article by Alkordi (2012) outlined the impact of job characteristics on organisational commitment in the Saudi public sector. A quantitative approach was used to gather the data from 325 respondents in Makkah (Mecca). The data were analysed using SPSS software, and the results showed that the employees have a high variety of skills, such as task identity and task significance. The employees have a medium level of autonomy and feedback from their job. These employees were found to have a high level of organisational commitment. The study found that feedback,
autonomy, task identity and task significance positively impacted upon the level of organisational commitment in the sample. Feedback had the most influence among the job characteristics on organisational commitment, followed by autonomy, and then task identity. These findings were similar to Alenazi’s (2005) findings. Both studies identified that the Saudi public-sector employees have a high level of organisational commitment.

Organisational commitment in the private sector has been described by Alberaidi and Alrasheed (2012), as they explored the relationship between organisational commitment and empowerment in the Saudi banking sector. There were 214 respondents, who were staff from the Saudi banking sector in the Qassim region. The data from the survey were analysed using SPSS software. The findings indicated that the bank employees had a high level of empowerment, and a medium level of organisational commitment. The gender, marital status, level of education and age of the respondents appeared not to impact upon their organisational commitment. In contrast with the public sector, these findings suggested that there are differences between the public and private sector in regard to the level of organisational commitment in Saudi Arabia. Alenazi (2005); and Alkordi (2012) found a high level of organisational commitment among employees in the public sector. On the other hand, Alberaidi and Alrasheed (2012) found a medium level of organisational commitment among the employees in the private sector.

An Egyptian study by Abdel-Rahman (2011) explored the organisational commitment from two perspectives, the effect of organisational commitment on job satisfaction, and organisational commitment as a mediator between job satisfaction and performance. A questionnaire was used to collect the data from 380 primary school teachers. The results revealed that job satisfaction influenced job performance and organisational commitment. The findings indicated that organisational commitment mediated the impact of job satisfaction on job performance. Additionally, there were different roles for the organisational commitment factors in the mechanism of the mediation in this relationship.
2.6 Turnover

Organisational turnover intention is considered in terms of processes’ that lead employees to quit their job. In other words, it relates to an individual’s assessment of whether to leave or stay in the organisation (Tse, Huang & Lam, 2013). When an employee decides to leave an organisation, this situation significantly and negatively affects the organisation’s productivity, employee work attitudes and financial performance. In addition, management systems impact the relationship between employee turnover and organisational performance. However, the impact of turnover on organisational performance varies across industries. Generally, there is a significant negative correlation between turnover and organisational performance in service industries, in contrast to industries such as manufacturing. Strategic HRM in these industries could benefit from these results by paying extra attention to turnover rates (Park & Shaw, 2013).

However, turnover is a complex issue. There are different and important variables expected to play a role in employee turnover; they vary depending on the institution being managed, such as hotels and hospitals (Carbery et al., 2003). It can be argued that the different sectors have different variables that could impact upon an employee’s intent to leave. Zheng and Lamond (2010) clarified that the decision to leave or stay in an organisation is quite complex; and it is a combination of different factors, such as career development opportunities, remuneration, general employment conditions, job satisfaction and work culture. They suggested that there are complex and different factors that play a role in the decision of turnover, which is related to the organisations and individuals, or internal and external factors (Zheng & Lamond, 2010; Zheng et al., 2006; Huselid, 1995).

A further study by Crossley and his colleagues (2007) suggested that there are important factors that might explain turnover intention, such as organisation, community work, and non-work factors. These factors work together to involve employees in their current job and organisation. Crossley and his colleagues developed a measurement called the ‘Global Measure of Job Embeddedness’ to measure the intention to turnover. It was validated and found to be a useful tool to predict intention to turnover. The authors asserted that global measurement of job embeddedness could be considered as a useful instrument to predict intentions to look for a vacancy, quit a position, and voluntary turnover from the current job.
However, according to Maertz and Griffeth (2004), little attention has been paid to the motivations for committing to, or leaving an organisation; thus, these gaps in turnover theory remain unexplored. The authors further claimed that the relationship between the leaders and employees has been neglected by previous studies, including those by Meyer and Allen (1991).

Zheng and Lamond (2010) pointed out that turnover rate may increase in a more advanced economy with high demand for experienced or skilled employees. This outcome is especially true in the service industries, such as the banking sector, because the employees in these sectors have transferable skills and may receive better employment offers. Another possible reason is that they can take advantage of training opportunities that are offered in the sector and become up-skilled workers, and therefore more attractive to competitors. Zheng and Lamond (2010) surveyed 529 multinational companies, across six Asian countries. The countries were Singapore, Taiwan, Malaysia, Philippines, Thailand, and Indonesia. The companies were drawn from the manufacturing and service industries. Similarly, Onyishi, Ucho and Mkavga (2012) found that in countries with healthy economies there is a tendency towards employee turnover. In addition, Zheng and Lamond (2010) found that organisation size, years of operation, and industry type may have contributed to the relationship between organisation training and turnover, and between expatriation and local employee turnover, and may create negative relationships between turnover and years in a local subsidiary.

This situation can be applied to leaders in the Saudi banking sector. The current high growth in the Saudi banking sector, combined with a shortage of employees, in general has put pressures on banking leaders to retain their employees, especially in relation to leadership ability to maintain growth and to fill the high demand for banking employees. Khatri et al. (2001) attributed the high turnover rates to the high employment opportunities in the industry. The dramatic growth in the banking sector has generated a high demand for banking employees in Saudi Arabia. Establishing 12 new banks with more than 500 branches of commercial banks in a few years created what they called “poaching”. Poaching refers to a competitor offering a better compensation package to an employee to leave their current company and to join them instead (Khatri et al., 2001). This is similar to what is happening in the Saudi Arabian banking sector.
A meta-analysis of published quantitative studies from 1979 to 1984 by Cotton and Tuttle (1986), which used quantitative data and statistical analyses, concluded that age and tenure have a negative relationship with turnover, but education has a positive relationship with turnover. Marital status had a weak to a modest relationship with turnover. In addition, they found that job alternatives had a positive relationship with turnover. Furthermore, the authors reported that the findings of Western context studies might not reflect correctly the Asian contexts as a result of variances in the population, nationality and industry, due to variations in the culture and social atmosphere between them. They noticed that well-educated employees have more frequent intention to turnover compared with less qualified employees (Cotton & Tuttle, 1986).

As mentioned previously, Pieterse-Landman (2012) studied the relationship between leadership behaviour and intention to turnover, employee engagement, and job characteristics. The quantitative study found that there is a significant and negative relationship between leadership behaviour and intention to turnover in their research sample. In addition to that, leadership behaviour had a significant and positive relationship with employee engagement. The findings confirmed a mediating role of employee engagement on the relationship between transformational leadership and intention to turnover.

In line with these findings, Yang, Gong and Huo (2011) found a negative relationship between social capital and turnover intention, and a positive relationship with interpersonal helping. They found that ‘proactive personality’ had a positive relationship with social capital. These findings were identified after an analysis of the data collected from 174 employees in a manufacturing company in China. Structural equation modeling was used to test the mediating variables. The results indicated the importance of considering the turnover rate when the organisational environment becomes demanding and competitive.

Predicting turnover in the Australia police department was investigated by Drew, Carless and Thompson (2008). They used sixteen personality factors to assess personality and predict the turnover of the respondents. The sample (280 police officers) included two evenly divided groups: those who voluntarily quit their job, and those who remained engaged in the police force. They used the means, standard deviations, t-test, and logistic hierarchical regression to analyse the data. The study illustrated that a few personality characteristics can predict turnover - for example,
emotionally-stable versus ‘affected by feelings’, tender-minded versus tough-minded, and venturesome versus shy. Some personality factors were unrelated to turnover. For example, apprehension versus placid, and tense versus relaxed. Interestingly, there were no differences between the genders. These and other findings suggest that personality variables might be useful in predicting turnover and job performance.

From the literature review, it can be concluded that there is a growing body of evidence to suggest that different predictors can play different roles in the turnover intention among employees. For example, Gormley and Kennerly (2011) found that continuance and affective organisational commitment can predict turnover. Further, as discussed above, Drew, Carless and Thompson (2008) found that a few personality characteristics (e.g. emotionally stable versus affected by feeling, tender-minded versus tough-minded, and venturesome versus shy) can predict turnover. Yang, Gong and Huo (2011) identified a negative relationship between social capital and turnover intention and a positive relationship with interpersonal helping. There was a complexity in the factors that can impact intention to turnover. However, the organisational commitment factors and the subscales of transformational leadership theory have not been studied as predictors of intention to turnover, either directly or indirectly.

This thesis has responded to the continuing call to address the relationships between leadership behaviours, organisational commitment and intention to turnover, as well as the mechanisms within those relationships (Bealer & Bhanugopan, 2014; Khan & Varshney, 2013; Hartog & Belschak, 2012; Hu, Wang, Liden & Sun, 2012; Riaz and Ijaz, 2011; Wang & Zhu, 2010; Walumbwa, Avolio & Zhu, 2008; Avolio, Zhu, Koh & Bhatia, 2004). As in a previous study, the authors have recommended conducting further research to assess the mediating mechanisms between transformational leadership behaviour and intention to turnover (Waldman et al., 2015).

As employees in the service industries such as the banking sector have a tendency to be more mobile from bank to bank or from location to another (Zheng & Lamond, 2010). Organisational turnover intention was seen as a vital factor in the banking sectors as in other corporations because a high turnover rate in an organisation tends to be associated with high costs. The selection, recruitment and training of new employees consumes resources, both time and money. Further, new employees need time to reach their most productive levels. Perhaps more importantly, employee retention costs are less than the costs associated with the recruitment of new employees.
Hence, higher employee turnover rates can create several serious issues in relation to cost effectiveness. Firstly, there are the selection procedure and training costs: secondly, there is the expertise loss (cost) incurred with employee turnover (Drew, Carless & Thompson, 2008).

In their study attempting to predict hotel managers’ turnover intentions, Carbery, Garavan, O’Brien and McDonnell (2003) used multi-predictor variables, for example, perceived psychological contract breach and ‘felt violation’, organisational commitment, career expectations, perceived managerial competencies, job satisfaction, career identity and career satisfaction. The data were collected from 89 hotel managers in Ireland, using questionnaires. The results revealed that psychological, perceptual and affective variables were significant in predicting turnover intentions. These findings, however, vary from the findings from the hospitality literature. Consequently, researchers and practitioners need to consider the different roles the different variables play in predicting a manager’s turnover among various industries.

Meyer and Allen’s (1991) work connected the concept of turnover to organisational commitment. It is important to point out that it might be found that there are different levels of organisational commitment at a particular point of time for the same employee. In other words, it could be that there is a high level of employee organisational commitment to the organisation and its goals, while there is a low level of organisational commitment because of the pay level or because of a certain leader (Porter et al., 1974). This confirms the importance of considering the different impacts of different organisational commitment factors on turnover intention. Therefore, it is possible that the findings from the thesis might help leaders to target the organisational commitment factors needed in a specific situation or for a certain employee. For example, employee turnover impacts upon organisational effectiveness and employee sustainability, and it is time-consuming when employees must be replaced. Thus, this thesis addresses this important variable.
2.7 Transformational Leadership, Organisational Commitment and Turnover

2.7.1 Transformational Leadership and Organisational Commitment

The employee’s commitment may improve as a consequence of a leader’s behaviour. Leaders display transformational and transactional leadership behaviour in their daily duties which can increase employees’ organisational commitment (Tafvelin, Hyvönen & Westerberg, 2014; McMurray et al., 2010) and reduce employees’ intention to turnover (Amankwaa & Anku-Tsede, 2015; Pieterse-Landman, 2012). There are some factors which might play roles in building organisational commitment, such as idealised influence, inspirational motivation, intellectual stimulation, individualised consideration, contingent reward, management-by-exception active, and management-by-exception passive.

Leaders support the employees in an organisation to think beyond their personal interest for the sake of the common and larger visions which they share with the leaders of the organisation (Howell & Hall-Merenda, 2002). The successful leader believes in employees and is driven by a certain set of values, such as personal attention and trust in employees, as well as commitment. These values are correlated to organisational commitment and positive performance (Ekvall & Arvonen, 1991). Leaders can influence employees in different ways and means. For example, by using idealised influence behaviours the leader can share their vision, mission, and build trust with employees. When the leader displays inspirational motivation behaviour, they can inspire and motivate employees to achieve the organisation’s goals. When the leader displays intellectual stimulation, the leader can impact the employee’s thinking and re-evaluating of the daily challenges and problems. When the leader clarifies the required task to the employees using contingent reward behaviour, they make it clear what is the acceptable quality or the standard of performance in the organisation and the penalty when the standard is not met (Bass & Avolio, 1997; Muenjohn, 2007). The impact of the leadership behaviours clarifies the important role of leaders in the organisational outcomes and their influence on their employees’ behaviours.

Previous studies have investigated this relationship between leadership behaviour and organisational commitment. For example, a study focused on the social work context and the importance of transformational leadership in Sweden was
conducted by Tafvelin, Hyvönen and Westerberg (2014). They investigated the impact of transformational leadership in relation to two important employee attitudes: commitment and role clarity in the social work organisations. The data, collected from 158 managers via questionnaires, were analysed using hierarchical multiple regression to test their hypotheses. The findings showed a positive correlation between transformational leadership, role clarity and commitment. The results illustrated that continuity is needed to support and increase the influence of transformational leadership on employee commitment. This study supports the idea that there is a need to focus on reducing the leader’s turnover rate in order to enhance their guidance and ability to motivate their employees to achieve high productivity and performance.

A study conducted by Lo, Ramayah and Min (2009) showed that several factors of transformational leadership have the most significant relationships with organisational commitment. The study investigated the relationship between transformational leadership behaviours and organisational commitment in the Malaysian manufacturing sector. The data were collected from 165 managers by means of a questionnaire. The study used the multifactor leadership questionnaire (Bass & Avolio, 1995) and organisational commitment questionnaire (Meyer & Allen, 1996) to measure the variables in the study. The study analysed the data using multiple regression analysis. The results indicated that idealised influence, intellectual stimulation and inspirational motivation have positive significant relationships with normative and affective commitment. In addition, individualised consideration and intellectual stimulation had a positive significant relationship with continuance commitment. There was no significant relationship between any of transactional leadership factors and the three factors of organisational commitment.

Another study which addressed organisational commitment, leadership behaviour and motivation is Afshari and Gibson’s (2015) study. Motivation was divided into identified motivation and intrinsic motivation. The data were collected from 89 respondents, who worked in a manufacturing organisation in Victoria, Australia. A questionnaire was employed to collect the data. They used 12 items from the multifactor leadership questionnaire (Bass & Avolio, 1995) to measure idealised influence behaviour, and 9 items from the organisational commitment questionnaire (Meyer, Allen & Smith, 1993) to measure organisational commitment (normative and affective commitment). The study used the Partial Least Squares and Structural Equation Modelling to analyse the data. The study found that leadership idealised
influence has a significant relationship with organisational commitment. The relationship between idealised influence and organisational commitment was fully mediated by identifying motivation. Motivation has a significant impact on organisational commitment, through its impact on the relationship between leadership behaviour and organisational commitment.

A further study explored the relationship between organisational commitment and transactional leadership in the manufacturing and healthcare sectors in Australia (Afshari & Gibson, 2016). They used a questionnaire to collect the data from respondents by means of the multifactor leadership questionnaire (Bass & Avolio, 1995) to measure transactional leadership. They also used the organisational commitment questionnaire (Meyer et al., 1993) to measure commitment level, and the basic need satisfaction at work scale (Ilardi et al., 1993) to measure the three psychological needs satisfaction (autonomy, competence and relatedness). Partial Least Squares-Structural Equation Modelling via Smart PLS software was used to analyse the data. The findings revealed that the relationship between transactional leadership and organisational commitment is partially mediated by psychological needs satisfaction. Moreover, satisfaction of competence has the strongest mediating influence among the three psychological needs satisfaction in the healthcare sector; meanwhile, satisfaction competence and relatedness have the strongest mediating influences among the three psychological needs satisfaction in the manufacturing sector. Their explanation of these different results between the two sectors is that gender may have an influence on the different psychological needs satisfaction between the two groups, as the female proportion in the healthcare sample was 88% of the sample, and the male proportion in the manufacturing sector was 92% (Afshari & Gibson, 2016).

The literature review can demonstrate the relationship between transformational and transactional leadership on the one hand with organisational commitment on the other hand, in the following figure 2.1:
The diagram shows a potential of influence of the leadership behaviours such as inspirational motivation, individualised consideration, on the organisational commitment. It is expected that a leader displays an inspirational motivation behaviour could increase the organisational commitment.

2.7.2 Organisational Commitment and Turnover

A further study investigated the influence of the three components of organisational commitment on employee turnover in the healthcare sector in the United States. The data were gathered from 288 respondents via a self-report questionnaire. The commitment was measured by organisational commitment questionnaires (Allen, Meyer, 1990); employee intention to turnover by Bluedorn’s employee intention to turnover scale (1982); job search behaviour by Kopelman, Rovenpor, and Milsap’s scale (1992); and job stress by Warr’s scale (1990). K-means clustering, correlations and post-hoc analyses techniques were used to test the influence of the variables. The results indicated that affective and normative commitment had a greater influence on the intention to turnover than continuance commitment. The group with a high commitment level had a higher intention to remain in the organisation compared with the lower commitment group. In addition, they found that there was no difference between the dominant group and the group with lower commitment levels in relation to job stress and carry-over stress. The highest absenteeism level found in the group had a high affective and normative commitment compared to the group which had a high level of continuance and normative commitment (Somers, 2009).
A study conducted by Ballout (2009) from the health sector compared three variables (organisational commitment, job satisfaction and turnover intention) among Lebanese nurses. A quantitative approach was used to analyse the relationship among the variables for 180 Lebanese nurses. The results revealed that job satisfaction and organisational commitment reduced the turnover intention in the sample. In addition, the findings indicated that job involvement was positively correlated with job satisfaction and organisational commitment. Job involvement and job satisfaction were positively correlated with organisational commitment.

Gormley and Kennerly’s (2011) quantitative study, undertaken in Ohio, USA, explored how to predict turnover in the nursing faculty, with a sample of three hundred nurses in the study. Their main finding was that, to retain qualified nursing employees, it is important to investigate and understand the factors that play a role in employee turnover. The three factors model of organisational commitment (affective, continuance and normative) was used to structure their study. In addition to organisational commitment, they examined organisational climate, work role balance, role conflict, and role ambiguity as predictor variables of turnover. After the logistical regression was conducted, the findings demonstrated that continuance and affective organisational commitment, organisational climate intimacy, disengagement, and role ambiguity can be used to predict turnover. The sample size included 300 respondents from different nursing faculties in the US. All the data were entered into the SPSS software. The descriptive analysis was performed on the organisational characteristics. The logistical regression was conducted to study the quality of the impact of the independent variables on the turnover of the nurses. While the dependent variable was turnover intention, the independent variables were the three factors: organisational commitment, role ambiguity, and role work.

A study conducted by Rua and Araújo (2015) investigated the relationship between leadership behaviour and organisational commitment in Portugal. The study used a quantitative approach to collect the data from 43 employees at the Serralves Foundation in Porto, Portugal. The study used a questionnaire to collect the data from the respondents. To measure leadership behaviours, they used a scale developed by Podsakoff, Mackenzie and Fetter (1990), and to measure organisational commitment a scale developed by Meyer and Allen (1991). A total of 41 completed surveys were collected. The data were analysed using SPSS software, and descriptive and multiple linear regression analysis to test the relationships among the variables. The findings revealed that
the relationship between transformational leadership and organisational commitment had not achieved a positive significant relationship in the Portuguese cultural context.

From another discipline, Green, Miller and Aarons (2013) studied the impact of transformational leadership and emotional exhaustion on turnover intention by mental health providers. The data were collected from 388 respondents. Further, the relationship between turnover intention and emotional exhaustion was moderated by transformational leadership behaviours. The analysis found that transformational leadership behaviours can reduce turnover intention and emotional exhaustion in the sample. Transformational leadership behaviours may moderate the relationship between turnover intention and emotional exhaustion. There is a negative relationship between transformational leadership behaviours and both variables (turnover intention and emotional exhaustion), and a positive relationship between emotional exhaustion and turnover intention. These results indicated that there is a potential impact and moderation among transformational leadership behaviours and turnover intention. This thesis attempts to go further by investigating the factors of transformational and transactional leadership behaviours and their impact on turnover intention among bank leaders and managers in Saudi Arabia. Identifying the important factors, and their impact on turnover intention among leaders and managers may thus be enhanced and reduced.

The literature review can demonstrate the relationship between the three-components of organisational commitment and intention to turnover as represented in the following figure 2.2:
The diagram shows a potential of influence of organisational commitment on the intention to turnover. It is expected that a leader with a high level of organisational commitment could decrease the intention to turnover.

### 2.7.3 Transformational Leadership and Turnover

In a multilevel investigation of leadership and turnover, other researchers found that transformational leadership behaviour can predict turnover. The study gathered data from 375 Chinese employees via a questionnaire. They used a hierarchical linear modelling and hierarchical generalised linear modelling to examine the data. They used twenty items from the multifactor leadership questionnaire (Bass & Avolio, 2004) to measure transformational leadership; Liden and Maslyn’s leader-member exchange (LMX) scale (1998) to measure leader-member exchange; Tsui, Egan and O’Reilly’s scale (1992) to measure employee intention to stay. Twenty items were used from MLQ-5, which measures transformational leadership only. The findings revealed that there is a negative relationship between transformational leadership and quit intention, and actual turnover. Age and leader-member exchange have negative relationships with quit intention. In addition, the relationship between quit intention and voluntary turnover is moderated by transformational leadership behaviour. The group-level impact of transformational leadership behaviour on actual individual-level turnover is mediated by turnover intention (Waldman et al., 2015).

A similar result was found recently by Amankwaa and Anku-Tsede’s study (2015). The study found that transformational leadership has a negative relationship
with turnover intention. The data collected via a survey covered a total of 305 respondents from the Ghanaian banking sector in a cross-sectional study. The Multifactor Leadership Questionnaire (5x Short) (Bass & Avolio, 2004) was employed to measure the leadership behaviours and the Turnover Intention Questionnaire (Jackofsky & Slocum, 1987) to assess employee turnover. They used correlation and hierarchical regression analytical procedures to investigate the relationships between the variables. The results indicated that transformational leadership behaviours have a negative relationship with intention to turnover (Amankwaa & Anku-Tsede, 2015).

Moreover, Pieterse-Landman’s (2012) quantitative research study explored the relationships between leadership behaviour with intention to turnover, employee engagement, and job characteristics. The data were collected by a self-report survey from 185 managers in manufacturing corporations in South Africa. The author used the Multifactor Leadership Questionnaire (Avolio & Bass, 1995) to collect the data, but he explained that only 20 items were used from the 32 original items in the questionnaire. Only transformational leadership behaviours were included in the study, and transactional and laissez-faire leadership behaviours were excluded from the study. The researcher used five items (Dhladhla, 2011) to measure the intention to turnover, in addition to Wright’s Work Engagement Scale (12 items) (Alarcon, 2009) and the Job Diagnostics Survey (30 items) (Idazak & Drasgow, 1987). The author used two techniques to analyse the data, Cronbach’s alpha coefficient and Partial Least Squares path modelling. The study found that there was a significant and negative relationship between leadership behaviour and intention to turnover in the sample population. In addition, leadership behaviour had a significant and positive relationship with employee engagement. The findings confirmed the mediating role of employee engagement on the relationship between transformational leadership and intention to turnover.

An example of a study’s findings which are inconsistent with these findings is that by Familoni (2014) on leadership behaviour and turnover. The study found that there is no significant relationship between transformational leadership behaviour and intention to turnover. The study was focused on the service industry (fast-food) in the US (Familoni, 2014). The Multifactor Leadership Questionnaire developed by Bass (1985) was used to measure the transformational leadership, and to measure intention to turnover they used Jackofsky and Slocum’s (1987) turnover scales. The data were collected from 57 respondents from the fast food industry in the US, and linear
regression was used to analyse the data. The results concluded that there was no relationship between transformational leadership and turnover in the sample population. However, the study did not include transactional leadership in the variables, which makes it worthwhile to include transactional leadership in the current study.

This thesis sets out a framework for studying the impact of leadership behaviour on organisational commitment and turnover. Numerous theoretical research studies have identified leadership as a critical factor in the success and growth of organisations (Yousef, 2000). It is through positive leadership and a focus on the future that organisations can nurture competitive workforces and production systems. Researchers have further shown that if an organisation’s leadership wants to have a positive impact on work teams and individuals, then leadership paradigms, such as transactional versus transformational, participative versus directive, and autocratic versus democratic leadership, should be expanded (Bass & Avolio, 2001).

Despite the existence of many studies investigating the relationship between personal variables and leadership, none of these specifically address transformational leadership or other behaviours of leadership with the three factors of organisational commitment: affective, continuance and normative. Although much has been learned about leadership over the past decade, a number of fundamental questions remain, such as the mechanisms and the interaction between leadership and its outcomes. This is especially true in regard to Saudi Arabia. Besides, the relationship between cultures and transformational leadership is still unclear because of the limited numbers of studies, which is what Muenjohn (2007) concluded after he reviewed and investigated this field. This thesis aims at providing insights into the manner in which leadership behaviour results in improvements to the three factors of organisational commitment in a relatively unexplored context in the banking industry in Saudi Arabia.

A study conducted by Tse, Huang and Lam (2013) investigated the influence of transformational leadership behaviour on turnover, in particular, how affective commitment and leader–member exchange mediated the relationship between transformational leadership behaviour and turnover. They collected the data from 490 employees working in a telecommunications company in China. A twenty-item multifactor leadership questionnaire (Bass & Avolio, 1990) was used to measure transformational leadership; seven-items of the affective commitment scale (Allen &
Meyer, 1990) to measure affective commitment; three items from turnover intention scale (Ostroff & Kozlowski, 1992) to measure the turnover intention; and seven items from the LMX-7 scale (Graen & Uhl-Bien, 1995) to measure the leader–member exchange. They used structural equation modelling to analyse the data. The findings revealed that transformational leadership behaviour negatively impacted turnover intention. The study found that affective commitment mediated the relationship between transformational leadership behaviour and intention to turnover. In addition, the results provided a supportive view that transformational leadership behaviour is related to social exchange mechanisms and affective commitment.

Similar results have been found in Gul, Ahmad, Rehman, Shabir and Razzaq’s (2012) study. The study explored the mediating role of organisational commitment into the relationship between leadership behaviour and intention to turnover in the insurance sector in Pakistan. In addition, the study investigated the relationship between organisational commitment and leadership behaviour. The data collected via a questionnaire from 121 non-probability convenience sample with respondents from the insurance sector. They used a 4-items scale developed by Kelloway, Gottlieb and Barham (1999) to measure intention to turnover; 23-items from Podsakoff et. al., (1990) scale to measure leadership behaviours (transformational and transactional leadership, and the measurement of organisational commitment (Mowday et al., 1979) to measure affective commitment. The SPSS statistical package software was used to analyse the data. The findings revealed that there was no significant relationship between leadership behaviours and intention to turnover. Moreover, there was a mediating role of organisational commitment in the relationship between transformational leaderships and intention to turnover.

A number of researchers have suggested that transformational leadership behaviour can predict turnover. The findings also revealed that there is a negative relationship between transformational leadership and quit intention and actual turnover. Age and leader-member exchange have negative relationships with quit intention. In addition to that the relationship between quit intention and voluntary turnover is moderated by transformational leadership behaviour. The group-level impacts of transformational leadership behaviour on actual individual-level turnover are mediated by turnover intention (Waldman et al., 2015).
Afshari and Gibson (2015) found that leadership idealised influence had a significant relationship with organisational commitment. The relationship between idealised influence and organisational commitment was fully mediated by identifying motivation. Motivation had a significant impact on organisational commitment, through its impact on the relationship between leadership behaviour and organisational commitment.

Canadian managers’ commitment was explored by Guerrero and Herrbach (2009). They found that affective commitment mediated the relationship between perceived organisational support and perceived external prestige with turnover intention. Perceived organisational support and perceived external prestige were negatively correlated with turnover intention.

A study conducted by Abdel-Rahman (2011) explored the organisational commitment from two perspectives. The effect of organisational commitment on job satisfaction and the organisational commitment was used as a mediator between job satisfaction and performance. The findings indicated that organisational commitment mediated the impact of job satisfaction on job performance. Additionally, there were different roles for the organisational commitment factors in the mechanism of the mediation in this relationship.

Green, Miller and Aarons (2013) studied the impact of transformational leadership and emotional exhaustion on turnover intention. The study found that transformational leadership behaviours can reduce turnover intention and emotional exhaustion. Transformational leadership behaviours may moderate the relationship between turnover intention and emotional exhaustion. There was a negative relationship between transformational leadership behaviours and both variables, and a positive relationship between emotional exhaustion and turnover intention. These results indicate that there is a potential impact and moderation among transformational leadership behaviours and turnover intention. This thesis attempts to investigate the factors of transformational and transactional leadership behaviours and their impact on turnover intention among bank leaders and managers in Saudi Arabia.

Similarly, in a study conducted by Tse, Huang and Lam (2013) to investigate the influence of transformational leadership behaviour on turnover, the findings revealed that transformational leadership behaviour negatively impacted turnover
intention. The study found that affective commitment mediated the relationship between transformational leadership behaviour and intention to turnover. In addition, the results provided a supportive view that transformational leadership behaviour is related to social exchange mechanisms and affective commitment.

A study conducted by Almutairi (2016) investigated the mediating effects of organisational commitment on the relationship between the transformational leadership behaviour and job performance in four government hospitals in Riyadh, Saudi Arabia (King Fahad National Guard Hospital, Yamama Hospital, Shimasy Hospital and Military Hospital). The subject of the study was the Saudi female nurses in these hospitals. The approach of the study was quantitative, and it used a questionnaire to collect the data from the respondents. The multifactor leadership questionnaire (Bass & Avolio, 1995), the organisational commitment questionnaire (Meyer, Allen, & Smith, 1993; Meyer & Allen, 1997), and the job performance scale (Stevens et al., 1978) were used in the questionnaire to measure the variables in the study. A total of 227 completed surveys was collected. Several analytical techniques were used in the study to analyse the data, such as descriptive, Pearson’s correlation coefficient and regression analysis. The findings indicated that the relationships between transformational leadership behaviour and affective organisational commitment with job performance were significant positive relationships. In addition, the affective organisational commitment mediated the relationship between leadership behaviour and job performance partially.

Hence, a research gap exists with respect to the identification of the mechanisms for developing organisational commitment among employees which needs further research. Afshari and Gibson’s (2015) study proposed that motivation can develop organisational commitment through idealised influence. Almutairi (2016) recognised the limited research in transformational leadership behaviour and organisational commitment in Saudi Arabia and recommended that further research is needed.

From the literature review, it can be concluded that there is growing evidence to suggest that different predictors can play different roles in the turnover intention among employees. For example, Gormley and Kennerly (2011) found that continuance and affective organisational commitment can predict turnover. Further, Drew, Carless and Thompson (2008) argued that a few personality characteristics (e.g. emotionally stable versus affected by feeling, tender-minded versus tough-minded, and
venturesome versus shy) can predict turnover. Yang, Gong and Huo (2011) identified a negative relationship between social capital and turnover intention, and a positive relationship with interpersonal helping. There is a complexity in the factors that can impact intention to turnover. However, the organisational commitment factors and the subscales of transformational leadership theory have not been studied as predictors of intention to turnover either directly or indirectly.

This thesis addresses the continuing call from researchers to further explore the relationships between leadership behaviours, organisational commitment and intention to turnover, as well as the mechanisms in these relationships (Bealer & Bhanugopan, 2014; Khan & Varshney, 2013; Hartog & Belschak, 2012; Hu, Wang, Liden & Sun, 2012; Riaz and Ijaz, 2011; Wang & Zhu, 2010; Walumbwa, Avolio & Zhu, 2008; Avolio, Zhu, Koh & Bhatia, 2004). A previous study had also suggested future studies should address the mediation between the variables. The authors have recommended to conduct a further research to assess the mediating mechanisms between transformational leadership behaviour and intention to turnover (Waldman et al., 2015).

The following figure 2.3, demonstrates the relationship between transformational and transactional leadership with intention to turnover:

![Figure 2.3: The Relationship between Transformational and Transactional Leadership with Intention to Turnover](image)

The diagram shows a potential of influence of the leadership behaviours on the intention to turnover. It is suggested that a leader displays an individualised consideration could decrease the intention to turnover.
2.8 The Kingdom of Saudi Arabia

The Kingdom of Saudi Arabia, one of the richest countries in the world, is the
largest country in the Arabian Peninsula. It occupies an area of approximately
2,250,000 km² with its capital city being Riyadh (CDSI, 2013). Saudi Arabia’s
population is 30 million, including 9 million foreign residents as of 2015 (SAMA,
2015). Males constitute approximately 50.2% of the population and females
approximately 49.8%. The proportion of government sector employed about 1.24
million staff in 2014, and the number of employees in the private sector reached 10
million in 2014, most of whom are foreigners (8.4 million) with Saudis numbering only
1.25 million. The unemployment rate is 11.8% among the Saudi labour. The banking
sector employed about 47 thousand employees in 2014. Saudi Arabia is considered a
young nation because more than half of the population are under 30 years, and they
account for approximately 60% of the Saudi population (MEP, 2015).

2.8.1 The Country Location

Saudi Arabia is located in the Middle East, in the far south-west of Asia. It
borders seven Arab countries, Iraq 814 km, Jordan 744 km in the north/northeast,
Kuwait 222 km, Qatar 60 km, the United Arab Emirates 457 km on the east, Oman 676
km on the southeast, Yemen 1,458 km on the south, the Red Sea lies to its west, and
the Persian Gulf lies to the northeast. Saudi Arabia occupies more than 2,250,000
square kilometres, which makes it the largest country of the Arabic Gulf countries.
Most of the areas are desert or semi desert and shrub land, making it the world’s largest
sand desert. The location impacts the climate, a dry desert with great temperature
extremes (see Figure 2.4).
2.8.2 The Government

Saudi Arabia is a monarchy based on the religion of Islam, which is the basis of the legal system and of government. In other words, an Islamic state based on principles prescribed by the Qur'an (Islam's Holy Book) and the Shari'ah (Islamic law); Provincial Council System, Consultative Council (Majlis Al-Shura) and Council of Ministers. The Kingdom of Saudi Arabia was founded on September 23, 1932. The government in Saudi Arabia is ruled by King Salman bin Abdulaziz who was proclaimed the seventh King of the Kingdom of Saudi Arabia on January 23, 2015, upon the death of his predecessor. The King appoints a Crown Prince to help him with his duties. On April 29, 2015, Prince Muhammad bin Naif bin Abdulaziz was appointed heir apparent by King Salman as Crown Prince. The King governs with the help of the Council of Ministers. There are 22 government ministries. The King is advised by a
legislative body called the Consultative Council (Majlis Al-Shura). The Council proposes new laws and amends existing ones. The country is divided into 13 provinces, with a governor and deputy governor in each one. Islamic Culture and social customs are strictly observed in Saudi Arabia and influence all aspects of Saudi’s life and society. The rapid modernisation of Saudi Arabia led to a re-evaluation of the country's political and administrative system. Taking into consideration the Kingdom's role in the Islamic world as well as its traditions and social fabric, the changes were made in total adherence to the Islamic religion (The Royal Embassy of Saudi Arabia in Washington, D.C., 2015).

2.8.3 The Economy in Saudi Arabia

The Kingdom of Saudi Arabia has an oil-based economy. It has the largest oil reserves in the world, about 25 percent. It possesses about 16% of the world's proven petroleum reserves, ranks as the largest exporter of petroleum, and plays a leading role in OPEC (Organisation of the Petroleum Exporting Countries). The petroleum sector accounts for roughly 80% of budget revenues, 45% of GDP, and 90% of export earnings. The economy and industry in Saudi Arabia rely on oil and natural gas. It is the primary global country in oil production and reserves. The related industrial products are: cement, tar, steel rods, fodder, ethylene glycol, industrial ethanol, caustic soda, nitrogen, citric acid, oxygen, and melamine. The Kingdom has other natural resources including a wide range of industrial raw materials and minerals (MEP, 2015).

Saudi Arabia’s economy is a free market economy. In 1970, it introduced the first of a series of ongoing 5-year development plans to build and develop the economy. It is encouraging the growth of the private sector in order to diversify its economy. The Saudi Arabian economy and industry have significantly developed in recent years (MEP, 2015).

The GDP in 2011 was 2,172 billion Saudi Riyals and increased to 2,431 billion Saudi Riyals in 2014, a 10% growth. Saudi Arabia's economy achieved remarkable growth in 2014. The real GDP rate of 3.47% increased from 2.67% in 2013. This increase can be attributed in real GDP growth to two main factors: first, the average increase of oil production by 0.8% has increased oil production in the Kingdom of 3.517 billion barrels in 2013 to about 3,545 billion barrels in 2014 (MEP, 2015).
The total value of the Kingdom's exports reached approximately 1.32 trillion riyals in 2014. The ratio of total exports to the GDP of the Kingdom was around 47.5%. On the other side, the value of imports amounted to 957.6 billion riyals, and accounted for 34% of GDP. The current account decreased in 2014 as a result of lower oil export revenues, meanwhile, the current account surplus fell from 18.2% GDP in 2013 to 10.3% of GDP in the following year 2014. Declining oil prices now and possibly in the future mean a likely lower current account surplus.

The volume of merchandise trade of the Kingdom is 1.9 trillion riyals in 2014, while it had amounted to 2.1 trillion riyals in the previous year. As a measure of the degree of economic include openness reached merchandise foreign trade ratio to GDP of the Kingdom of about 69% in 2014, compared with 73% in the previous year (MEP, 2015).

The Global Competitiveness Report 2014/2015 issued by the World Economic Forum showed a decline in the order of the Kingdom of Saudi Arabia by four centres. It came in the centre of the 24 globally among the 144 countries covered in the report, compared to the 20th place in the previous year. The Index has stabilised the quality of the macroeconomic environment at the fourth largest in the world by achieving positive results in some of its component indicators. Kingdom of Saudi Arabia ranked second globally in the low ratio of public debt to GDP index, sixth place in the general budget as a percentage of gross domestic stock indexes (GDP). But the Kingdom still faces some challenges to improve its positions in some of the other indicators, including the percentage of women's participation in the labour force and in which the index ranked 141, and the index of imports as a percentage of gross domestic product in which it ranked 120 occupied (MEP, 2015).

In 2014, the average per capita GDP in Saudi Arabia declined by 2.27%. It reached the current 90,946 riyals (US $ 24,252), declining from 93,060 riyals (US $ 24,816), thus bringing the per capita gross domestic product to 7,579 riyals by the end of the year 2014, compared to 7,755 riyals in the previous year. The reason for the decline in per capita GDP in 2014 was due to the population growth rate. The GDP rose by 0.26% to reach 2798.4 billion riyals in 2014, compared to 2,791.3 billion in 2013, while the population grew by 2.6% in 2014 to 30.8 million compared to 30 million in the previous year (MEP, 2015).
2.8.4 Human Resources in Saudi Arabia

The estimated population in Saudi Arabia in 2014 was about 30.8 million people. The number of Saudis is approximately 20.7 million, while non-Saudis constitute more than ten million people. It is estimated that 13.5 million Saudis are of working age and about 7.1 million children are under 14 years, with 741 thousand greater than 64 years. During 2014, the number of Saudi entrants into the labour market was about 237 thousand men and women, while the number of exits from the labour market amounted to about 99 thousand men and women. This constitutes a growth in the extent of demographic pressure entering the labour market, as it is not commensurate with the number of jobs available in the economy. The increase in the number of Saudis unemployed who have entered the work force (reaching the working age) in Saudi Arabia in 2014 is estimated to rise by about 28%, bringing the number of Saudi unemployed 622,533 per capita in 2013 to 651,305 members in 2014. The increase in the number of unemployed Saudis was estimated in 2013 to be approximately 19,680 persons. The unemployment rates in the Saudi economy are a thorny issue of concern to public opinion, and the government gives top priority to this issue, using multi-faceted strategies to increase the employment of Saudis in the private sector and enhance productivity (MEP, 2015).

The Saudi labour force reached 5.6 million in 2014, including 4.4 million individual males (79%), while females make up only 21% of the Saudi workforce. The total employment rate of the Saudi population (15 years and over) was 88.3%, while the unemployment rate of the Saudi population of working age was about 11.7% rate (651,305 individuals) (MEP, 2015).

The majority of employed Saudis (66%) are employed in the government public sector, of these employees 53% are male, while females constitute about 13%. Growth in employment in the private sector in 2014 has accelerated since the growth rate in this sector amounted to about 14.18% compared to the government sector where employment grew by 3.27%. The total Saudis employed growth rate increased by 4.43% in 2014, including a significant increase in the number of Saudi employees in the private sector from 1.09 million employees in 2013 to 1.25 million employees in 2014; while the number of employees in the government sector increased from 3.15 million employees to 3.25 million employees in the same period 2014 (MEP, 2015).
The rate of economic participation of the Saudi population (15 years and over) was 41%, while 59% of the Saudi population remained outside the labour force. While the rate of male participation in the labour force was 65%, the female participation rate in the labour force has increased. The proportion of Saudis in the workforce compared to the total number of Saudi women of working age increased from 16.4% in 2013 to 17.6% in 2014 (MEP, 2015).

The growth rate of employment in the private sector accelerated in 2014, with a growth rate of about 14.18%, compared to 13.50% in the previous year, while employment in the government sector grew by 3.28% in 2014 compared to a growth rate of about 6.40% in the previous year. The increase in private sector employment rate was due to the policies that have been implemented to enhance the labour market in the Kingdom, which has resulted in an increase in the employment of Saudis working in the private sector. Comparing the employment of Saudis in the private and public sectors during the years 2013 and 2014, it is clear that the number of Saudi employees in the private sector recorded a significant increase from 1.09 million employees in 2013 to 1.25 million in 2014. While the increase was much less in the number of Saudi employees in the public sector, as that number had increased from 3.15 million employees in 2013 to 3.25 million employees in 2014. However, despite the significant increase in the number of Saudi employees in the private sector, the unemployment rate among Saudis has remained constant at approximately 11% during 2013 and 2014 (MEP, 2015).

The number of foreign resident workers reached 9 million in 2014, and workers’ remittance in Saudi Arabia has grown slower than the growth rate in 2013. Remittances in 2013 rose by 19%, and amounted to 127.768 million riyals, in comparison with 6%, and amounted to 135.428 million riyals in 2014. The Kingdom ranked second among the top countries exporting global remittances of foreign workers, as the United States topped the list of exporting countries to remittances of foreign workers by an average of 51.8 billion US dollars. Saudi Arabia was ranked second with an average remittance of 28 billion US dollars, (105 billion riyals) (MEP, 2015).
2.8.5 Saudi Arabian Cultural Context

The Kingdom of Saudi Arabia occupies a pre-eminent position in the world economy as the leading exporter of petroleum to the West which relies for 25% of this vital commodity on this source. Besides, Saudi Arabia enjoys a prestigious position among the Muslims because Islam’s two holy cities – Mecca and Medina - are situated in the Hejaz Province of the Kingdom. Mecca is the birthplace of the Prophet of Islam, Mohammed (Peace Be Upon Him). It is also the centre of annual pilgrimage when each year a vast mass of Haj pilgrims from all parts of the Muslim world visit, and the Kaaba at the central mosque is the direction in which all Muslims turn in their daily ritual prayers called Salat. Medina is the second most holy city which contains the tomb of the Prophet Mohammed (Peace Be Upon Him). Quranic legislation and the practice (Sunnah) of the Prophet of Islam constitute the basis of the Islamic way of life regulating the diverse fields of religious, moral, social and economic activity (Albishri, 2017). The Saudi population speak the Arabic language, which is the national language of the country. Saudi Arabia has established into a well-recognised economy recently (Albishri, 2017). The Kingdom has launched from the 1950s a programme of gradual modernisation socially and economically with a view to orienting the country with the modern sensibility.

Arabia formed part of the Ottoman Empire and was established as a separate kingdom when Ibn Saud, the grandfather of the present monarch unified the provinces of the Kingdom of Saudi Arabia with its capital, Riyadh. The kingdom with its enormous importance as an oil exporter and an ally of the West among the 22 Arab nations in the Arab League and a valued patron of more than fifty Islamic nations who are members of the United Nations and the Arab League plays a crucial role in international affairs and the stability of the Middle East.

In Islamic and Arabic cultures Mohammed (Peace Be Upon Him) is the greatest role model and his behaviours provide a good model for Muslims (Alomiri, 2016). The population in Saudi Arabia is relatively youthful, 64% of the population being under the age of 30 (Alomiri, 2016). The unemployment rate among young Saudis is considered as high (39% aged between 25 and 29 years), 35.9% of whom are males and 64.1% are females (GaStat, 2016).
Islam is fundamental in shaping the Saudi nation’s culture and assists in regulating social standards and principles in Saudi Arabia. In the Saudi society, the family and tribe are the foundation of the social structure. The Kingdom’s culture has a strong sense of loyalty to family and tribe (Alomiri, 2016). Sidani (2018, p.31) explained the impact of Islam on a community; to Muslims, “the Qur’an is the eternal word of God. It is not only referred to for spiritual fulfillment, but contains guidance for their daily lives”. This has influenced Saudi culture and the people’s daily life as an Islamic country. The Qur’an, the sacred scripture of Islam, contains around 6000 verses, which deals with people’s belief, stories about the earlier prophets and nations of earlier centuries. (Sidani (2018). Saudis consider Islam as a comprehensive system regulated their life and behaviour throughout their life (Alomiri, 2016). In the Muslim world, organisations are influenced by opportunities, economic conditions, and the values and beliefs of managers which shows the impact of the national cultures on the employee-manager relations (Wilson, 2006).

Alomiri (2016, p. 82) stated that “despite the fact that the twenty-first century way of life has been welcomed by Saudi culture, that the technological revolution has been fully embraced, and despite one-third of the population now being comprised of foreigners, Saudis remain proud of their Islamic and Bedouin culture. It is still characterized as being a masculine, uncertainty-avoiding, power-distance culture, yet many issues might reshape Saudi culture in the next few years”. This shows the adopting of the new century in Saudi Arabia has an impact on its culture and workplace.

A researcher raised a concern about the Muslim women’s veil as it could be a reason for women’s lack of contribution in the labour market in the Islamic countries. He mentioned that there is no comprehensive study that supports that involvement rates are connected to the degree to which women wore the veil (Sidani, 2018). The influence of Islam on the workplace is notable, many aspects in the relationship between the organisation and employees are dominated by religious values, such as how employees are treated, justice, and equality in recruitment and promotion (Albishri, 2017; Alfalih, 2016). Another researcher claimed that the Saudi Arabian culture was underpinned not only by Islamic religion but by a combination of Islamic religion and tribal traditions (Wilson, 2006).

According to the Saudi Arabian Monetary Authority (2015), males comprise 80% of the banking sector employees, 20% being women. A recent review of the
research on women and leadership shows that generally women participate less in workplace and few women examples can be found in leadership positions in Arab countries (Sidani, 2018). Similarly, Place and Vardeman-Winter (2017) mentioned that “women are still largely absent from leadership and senior management positions”, which shows that women in leadership positions are less likely to be found at the managerial level. Alogaili (2017) declared that the majority of leaders in the top organisations in Saudi Arabia are Saudis, and there are limited opportunities for women because of gender-segregation, and rarely are women found in leadership positions. The female labour force participation rate was 23% in the Arab world in 2016 and 75% for males. In contrast to other regions, “the Arab world suffers from the lowest female-to-male participation rates” (Sidani, 2018, p.10). Female labor participation has tended to be concentrated in the lower levels of organisations. Consequently, female to male ratios in senior leadership positions in the public and private sectors range between 2% and 28%, which is far below the world average (Sidani, 2018). Saudi’s female representation in senior leadership is positioned near the bottom 120 of 123 countries (Sidani, 2018). These rates clearly indicate that there are obstructions in terms of female’s progression into senior leadership positions in both government and in private sectors in Saudi Arabia.

The gap in income between men and women is a universal problem. However, the data show that the gap in the Arab countries is significantly larger compared to other countries (Sidani, 2018). Saudi Arabia’s traditional values are reflected in the limited opportunities for women in organisations, because of gender-segregation. Consequently, Saudi women are partially excluded from leadership positions, and leaders cannot promote the highly educated and talented women in their workforces to high level of leadership or management positions (Alogaili, 2017).

Arabic culture is considered a collectivist culture, whereas Western culture is referred to as an individualist culture. Hence Saudis favour belonging to a group and thinking of the group (Hofstede, 1980-1984). Organisational culture is a complex phenomenon (Schein, 2010). Culture can be learnt as a result of our numerous socialising and learning experiences and becomes accepted publicly in a community or an organisation. Researchers have defined the term of “organisational culture” in various ways, but the lack of agreement is revealed in numerous definitions of culture (Alomiri, 2016; House et al., 2002; Stacey, 1996; Heskett & Kotter, 1992).
The cultural context affects how business is done in a country or community, and the difference in cultures can be influential on the economic environments of the country (Danielewicz-Betz, 2013). Hofstede et al. (2010) asserted that organisational culture is a type of collective programming which varies with the workers of an organisation. They consider organisational culture as values, symbols, rituals, heroes, and practices reflecting an organisation. Hofstede clarified that leadership behaviour varies from one culture to another, which is socially determined. He also suggested that a significant difference in leadership behaviour could be produced by national culture, and what appears to be desirable in one culture may not be attractive in another culture (Hofstede, 1980-1984). In Hofstede’s (1991) study, it has been found that in Arab countries, including Saudi Arabia, the religion has an enormous influence in people’s life. Regarding the Saudi context, as it is an Islamic country, it is influenced by Islamic rules which play a significant role in shaping the appropriate leadership qualities. There is no doubt that sociocultural factors have impacted this economy. Islam stresses value-based leaders who should take full advantage of the benefits for the community (Khan & Varshney, 2013).

A theory has been developed in the US that as an individualistic culture, it may not motivate people in another cultures, such as the Middle East which is considered a collectivistic culture (Hofstede, 1984). This may lead to the conclusion that the importance of employee satisfaction and fulfilment of requirements is different from one culture to another. Cultural differences across communities and countries resulted in differences in the motivational desires between them (Fallatah & Syed, 2017). In the Middle Eastern and Arab regions, there is a lack of region specific research about transformational leadership, regardless of considerable researches being conducted about transformational leadership worldwide (Khan & Varshney, 2013).

The leader characteristics in Saudi Arabia are found to be high on large power distance and they show uncertainty avoidance in their decisions, which may have resulted from the nature of Saudi culture (Al-Adaileh & Al-Atawi, 2011). This was supported by Noer, et al.’s, (2007) study. They found that Saudi leadership is high on uncertainty-avoidance, power-distance and tend toward concern for others and nurturing compared to the U.S. leadership (Noer et al., 2007). Khan and Varshney (2013) found that demographic characteristics did not show significant effects on the Saudi managers. This result supported by an early study on Arab managers by Ali
who found a minimal impact on managers by the demographic and organisational variables.

A study explored the factors promoting Saudi female leaders to success in leading organisations. The findings revealed that factors such as education, skills, experience, society, culture and knowledge, can promote the achievement of a leader. In Saudi Arabia’s case, the culture and society may weaken the possibility of success of females in leadership positions (Kattan et al., 2016).

Recent research by Alharthi, Alshehri and Alkhatib (2014) investigated the leadership styles in the Ministry of Health in Saudi Arabia, and their correlation with satisfaction, effectiveness, and extra effort. The results showed a positive correlation between leadership styles and satisfaction, effectiveness, and extra effort among the respondents. They showed a negative correlation between laissez-faire and satisfaction, effectiveness, and extra effort. In addition, no significant differences were found in relation to leadership styles associated with gender, marital status, or age of respondents.

Aljameely (2008) explored the relationship between leadership style and the level of empowerment among 172 Majlis Ash-Shura staff in Saudi Arabia. The results revealed that the main leadership styles used in the Majlis Ash-Shura were transformational, co-leading, and strategic. The findings showed a significant relationship between the leadership style and the level of empowerment in the Majlis Ash-Shura. Seven levels of empowerment have been identified; the ease with which the employees approach their managers; the administration facilitating access to information sources; the encouragement and support of thoughts and ideas to improve performance; and the provision of chances and opportunities to employees to develop their skills and abilities. A correlation was identified between age and tenure and on the other hand the adoption of a leadership style. However, no correlation was found between level of education, training, marital status, on the one hand and the adoption of leadership style, on the other (Aljameely, 2008).

Alenazi (2005) conducted a study to investigate the three-component model of organisational commitment in Saudi Arabia. The results showed that affective commitment was high among all the respondents. The average score was 3.11 for continuance commitment, and 3.16 for normative commitment. Affective commitment
among the army employees was high with an average score of 3.75. The continuance commitment and normative commitment were 3.31 and 3.19 scores respectively. The T-Test identified a significant difference between the two groups in affective commitment and continuance commitment, while there was an insignificant difference in the normative commitment among the two groups. The most important recommendation was related to the attempt to raise the normative commitment and continuance commitment for the employees.

A recent article by Alkordi (2012) outlined the impact of job characteristics on organisational commitment in the Saudi public sector. The study found that feedback, autonomy, task identity and task significance positively impacted upon the level of organisational commitment in the sample. Feedback had the most influence among the job characteristics on organisational commitment, followed by autonomy, and then task identity.

Organisational commitment in the private sector has been described by Alberaidi and Alrasheed (2012), as they explored the relationship between organisational commitment and empowerment in the Saudi banking sector. The findings indicated that the bank employees had a high level of empowerment, and a medium level of organisational commitment. The gender, marital status, level of education and age of the respondents appeared not to impact upon their organisational commitment. In contrast with the public sector, these findings suggested that there are differences between the public and private sectors in regard to the level of organisational commitment in Saudi Arabia.

An Egyptian study by Abdel-Rahman (2011) explored the organisational commitment from two perspectives, the effect of organisational commitment on job satisfaction, and organisational commitment as a mediator between job satisfaction and performance. The results revealed that job satisfaction influenced job performance and organisational commitment. The findings indicated that organisational commitment mediated the impact of job satisfaction on job performance. Additionally, there were different roles for the organisational commitment factors in the mechanism of the mediation in this relationship.

A study examined the influence of demographic characteristics on organisational commitment of women working in leadership positions in Saudi Arabia
and found that continuance commitment level was the highest among the three components of organisational commitment. Three of the demographic characteristics (age, income and experience) have influenced the organisational commitment in the sample. Meanwhile, two of the demographic characteristics (qualification and marital status) have no influence on the organisational commitment (Butt et al., 2014).

Another study examined the relationship between organisational commitment and turnover intentions in the private sector of Saudi Arabia. The outcomes of the study revealed that organisational commitment has a negative impact on the turnover intention of the employees in the private sector of Saudi Arabia (Jehanzeb et al., 2013).

2.9 Summary

The objectives of the chapter were to review the existing literature in three main disciplines: leadership behaviour, organisational commitment, and turnover. This thesis seeks to build on the existing research and its findings to improve and enhance our understanding of these disciplines and their workforce applications. This understanding is especially important in today’s competitive environment, particularly in the banking sector. In a developing country such as Saudi Arabia, it is especially relevant as there is a lack of contextual research in these disciplines. Thus, further investigations into these fields have merit. This chapter presents an extensive literature review of leadership behaviour, organisational commitment, and turnover, in four sections. The first section, transformational leadership behaviour, has created interest in leaders, employees and organisational outcomes. It confirms that the successes, efficiency, and the performance of employees and organisations rely directly or indirectly on leadership behaviour. The second section, the organisational commitment literature review, explores the positive outcomes of high levels of organisational commitment - for example, lower turnover rates, higher performance, less absenteeism, and higher job satisfaction. The third section analyses the different factors affecting turnover intention, based on the literature review presented in this section. In the fourth section, the research evidence on the variables, including their relationships, impact, and moderating effects are discussed. Finally, the last section provides a brief background of the Kingdom of Saudi Arabia, including location, government, economy and human resource issues. The next chapter identifies the development of the theoretical framework of the thesis.
CHAPTER THREE
DEVELOPMENT OF THEORETICAL FRAMEWORK

3.1 Introduction

The purpose of this chapter is to present the procedure of development of the theoretical framework of the thesis. The chapter includes the applicable theories that are the foundation of the research framework such as transformational leadership, organisational commitment, and turnover. In addition, the chapter presents the definition of all the variables used in the thesis, as well as a background and evidence from the previous literature review to support the development of the hypotheses.

The framework of the thesis is presented in Figure 3.1. It shows the basic conceptual model of this thesis, which is the impact of leadership behaviour on organisational commitment and turnover intention. The aim of this thesis is to explore whether leadership behaviours (including idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation, individualised consideration, contingent reward, passive management by exception and active management by exception) affect specific organisational commitment factors (affective, continuance and normative commitment) in the Saudi Arabian banking sector. The thesis will test whether there is a difference between the effect of each factor of transactional and transformational leadership against each factor of organisational commitment. The independent variables in this thesis are transactional and transformational leadership, and the dependent variables are organisational commitment and turnover intention. The moderating variables of the model are age, gender, education, occupational category, tenure, marital status, and nationality. Each variable will be tested to determine whether it moderates the correlation between transactional and transformational leadership with turnover intention in the Saudi Arabian banking sector.
Figure 3.1 The Conceptual Framework
Source: Author
3.2 Theoretical Foundation of Framework

This section focuses on three key theories, transformational leadership, organisational commitment, and turnover.

3.2.1 Transformational Leadership

The most influential theory of leadership is the transformational leadership theory which has been used since the early 1980s (Hu et al., 2012; Muenjohn, 2007). In his research, McCleslkey (2014) highlights the three most influential leadership theories: transformational, transactional and situational leadership theory. Though transformational leadership theory is one of the most popular theories, researchers suggest that it still needs further research (Yammarino, 2013).

Burns (1978) brings to our notice the ideas associated with transformational leadership, while defining leadership as “...the reciprocal process of mobilizing by persons with certain motives and values, various economic, political, and other resources in a context of competition and conflict, in order to realize goals independently or mutually held by both leaders and followers” (425). While focusing on higher-order needs, transformational leadership essentially offers a purpose that transcends short-term organisational goals. Apart from focusing on the allocation of resources, it also focuses on various ways of courting employees’ commitment while implementing strategic plans (Burns, 1978). Building on some ideas from Burns (1978), Bass (1985) had developed a model of transformational and transactional leadership which is also identified as the “full range leadership model.” It believed that most leaders displayed types of transformational and transactional leadership in varying degrees in the organisation (Bass & Avolio, 1997).

Due to the corollary attributes of cultures and organisations, Bass (1997) suggested that the transformational leadership behaviour ought to travel across cultures and organisations with few exceptions. He asserted that the connection between the leadership behaviours in transformational leadership theory and leadership outcomes in different countries are universal, due to the reality that there is a similar hierarchy of correlations between the different leadership behaviours and leadership outcomes in
different countries, thus reinstating the universality of transformational leadership. While it is possible to ascertain the universality of transformational leadership, some particulars related to individual leadership factors may differ to some extent. This is because the concepts may contain specific thought processes, beliefs, implicit understandings, and behaviours in one culture, which may vary in another. Despite the fact that the exact leadership and related behaviours may vary from culture to culture, many followers from around the world desire the concept of transformational leadership (Muenjohn, 2007).

Based on the relationship between leaders and followers, and the distinction between transactional and transforming leaders, Burns (1978) introduced the concept of transformational leadership theory. Ethics and morals were later added to it. The basic difference between a transactional leader and a transformational leader is in their approach towards achieving their goal. A transactional leader applies the methods of rewards and punishments to elicit performance, they transact with their subordinates to attain the desired aims and engage with them on a daily basis in order to achieve the performance that was agreed upon. On the other hand, a transformational leader works through inspiration and motivation. They see the problems as opportunities, and work on it in order to enhance the performance of the individual as well as the team. The superior leadership performance of the transformational leader emerges when they broaden and raise the wellbeing of their subordinates and motivate them to look beyond their self-interest and work for the common good. (Avolio, Waldman & Yammarino, 1991; Bass & Avolio, 1997; Muenjohn, 2007).

3.2.2 Organisational Commitment

The study of the concept of organisational commitment encompasses several different approaches. Various scholars, such as Porter, Steers, Mowday and Boulian (1974), Mowday, Porter and Steers (1982), Meyer and Allen (1990), have provided numerous definitions of the relationship between employees and organisations, most of them focused on the links between them. The prevailing research types in the previous studies are the attitudinal and calculational commitments (Ibrahim et al., 2011). Some recent studies (Campbell & Harald, 2004; Deschamps, 2009; World Bank, 2002) have highlighted that organisational commitment is, to a small extent, influenced
by external factors. The emergence of the discipline of organisational commitment was through the accumulation of knowledge and diverse studies in that area.

While evaluating the discipline of commitment, Meyer and Allen (1990) developed the concept of organisational commitment. They divided it into two factors: affective and continuance commitment. The loyalty and the sense of belonging of an individual’s psychological attitudes towards a specific organisation is referred to as Affective commitment. An individual’s recognition of the general benefit and the costs associated with a decision to seek new employment rather than staying with the organisation is referred as Continuance commitment.

The three-components theory of organisational commitment was developed later by Meyer, and Allen (1991), Meyer et al. (1993) and Meyer et al. (2002). To the two previously formulated factors of organisational commitment (affective and continuance commitment), they added a third factor, normative commitment. Allegiance and the individual’s moral obligation and moral responsibility towards the organisation constitute the normative commitment. The view is popular all over the world as is the instrument which was developed by Meyer and Allen (1991) in order to measure the three factors of organisational commitment. This three-components theory of organisational commitment developed by Meyer and Allen (1991) is the latest and the most accepted conceptualisation of organisational commitment. Meyer et al. (2002) highlight the point that this theory is applicable in various countries and different cultures.

3.2.3 Turnover

Organisational turnover intention is concerned with the processes that lead employees to quit their job. In other words, it relates to an individual’s assessment of the decision whether to leave or stay in the organisation (Tse, Huang & Lam, 2013). This act affects the organisation in many ways, such as the organisation’s productivity, employee work attitudes and financial performance. Moreover, management systems also have an impact on the relationship between turnover and organisational performance. But the impact of turnover on organisational performance may vary across industries. For example, in the service industries, there is a significant negative
correlation between turnover and organisational performance compared to the manufacturing industries. By paying extra attention to turnover rate, HRM strategies could benefit organisations a great deal from the outcomes (Park & Shaw, 2013).

Turnover is a complex issue which tends to have differing variables which might be expected to play a role in employee turnover. They may vary based on the organisations being managed such as hospitals or hotels (Carbery et al., 2003). It is possible to argue that based on the sectors, different variables can impact the employee’s intention to leave. Zheng and Lamond (2010) have clarified that various factors such as career development opportunities, remuneration, general employment conditions, job satisfaction, and/or work culture may affect the employee’s decision to leave or stay in an organisation. Therefore, the decision to leave or stay in an organisation is quite complex and it is a combination of different factors. Some researchers have also argued that the different factors may be related to the organisations and individuals, or internal and external factors (Zheng & Lamond, 2010, Zheng et al., 2006; Huselid, 1995).

An earlier study conducted by Crossley and his colleagues (2007) highlighted that there are various factors that might affect the intention to turnover, such as the organisation, community work and non-work factors. All these factors have a combined effect upon the employees in their current job and organisation. According to the authors, the global embeddedness is a useful tool to predict intentions to look for a new job, quit, and voluntary turnover from their current job. But, Maertz and Griffeth (2004) have rightly pointed out the dearth of research in analysing the motivations for staying with or leaving an organisation. They highlighted that in the previous studies including those by Meyer and Allen (1991), the relationship between the leaders and employees has been neglected in regard to turnover.

According to Zheng and Lamond’s (2010) study, in a more advanced economy, the turnover rate may increase based on the demand for experienced or skilled employees. Especially in the service industries like banking, this outcome is very possible as employees often have transferable skills which might enable them to receive better employment offers. Apart from that, by making use of various training
opportunities available in the sector, they might upgrade their skills and become attractive to competitors.

This situation is very much applicable in the Saudi Arabian banking sector. As an outcome of the current high growth in the sector, the consequent shortage of employees, together with the lack of qualified employees, there is an increasing pressure on leaders to retain their employees and maintain growth in the sector. By pointing out the high employment opportunities in the industry, Khatri et al. (2001) explained that the high turnover rate in the banking sector can be attributed to the increased growth in the banking sector which has generated an increasing demand for employees in that sector in Saudi Arabia. For example, 12 new banks and more than 500 branches were recently established, and this has encouraged employee “poaching”, or a competitor offering a better salary package, thus encouraging employees to leave the current job and join them (Khatri et al., 2001). This is similar to what is happening in the Saudi Arabian banking sector.

A comprehensive data analysis study conducted between 1979 and 1984 and published by Cotton and Tuttle (1986), concluded that education has a positive relationship with turnover, while age and tenure have a negative relationship. Additionally, they also found that marital status has a weak to modest relationship with turnover and job alternatives have a positive relationship. Furthermore, the authors reported that the findings of Western context studies might not be applicable in the Asian contexts because of differences in their culture and social atmospheres between them (population, nationality, and industry). They noticed that well-educated employees have more intention to turnover compared to less qualified employees (Cotton & Tuttle, 1986).
3.3 The Research Framework

The definition of the variables is now presented. It was developed based on the literature review and the theories discussed earlier.

3.3.1 The Definition of the Variables:

3.3.1.1 Transformational Leadership

Transformational leadership behaviour refers to an acceptable behaviour between the leader and their followers regarding their values, morals and beliefs, in line with Bass and Avolio (1997). Transformational leadership comprises four factors or exhibits four different behaviours, as demonstrated in the work by Bass & Avolio (1990-1997) and Muenjohn, (2007), these factors are:

**Idealised Influence** - there is respect and trust between the leader and the follower and they also build mutual confidence. The values, vision and the mission are shared by the leaders with the followers. “There were two types of idealised influence leadership in a recent theoretical development. That was, idealised influence could exert influence based on a perception in the eye of the beholder (Idealised Influence Attributed) or impact based on the behaviour of the leader (Idealised Influence Behaviour) such as persistence and determination” (Muenjohn, 2007, p. 4).

**Inspirational Motivation** - the leader presents himself as a symbol to attract followers in order to inspire and motivate them. They express high expectations of the desired goals and vision to be achieved.

**Intellectual Stimulation** - the leader changes and values the ways that followers think about their problems, and encourages them to develop new ways to solve problems and challenges that they face.

**Individualised Consideration** - the leader recognises followers’ concerns and needs. Then they treat and develop followers individually.
3.3.1.2 Transactional Leadership

Group performance and supervision are the focus of transactional leadership behaviour. Through clear and specific commands, the leader tries to motivate the workers with rewards and punishments. The primary goal of the leader is to make the followers obey instructions and commands, and to achieve the set goals, along with careful monitoring. In order to ensure that the subordinates recognise their job roles and possess the potential to reach the goals, the transactional leader keeps in touch with them constantly. The agreement in terms of the offer of reward for performance is clearly understood by the subordinates. (Muenjohn, 2007; Bass & Avolio, 1997; Avolio, Waldman & Yammarino, 1991).

Transactional leadership has three factors, as reported by Muenjohn (2007), Antonakis, Avolio and Sivasubramaniam (2003), and Bass and Avolio (1997).

- **Contingent reward** - the leader clarifies the task requirements clearly and then exchanges a reward for good performance or a punishment for a poor performance with followers.

- **Management-by-exception active** - the leader monitors the followers as they work and then takes corrective action in case mistakes occur, as needed.

- **Management-by-exception passive** - the leader avoids taking any action until the task standards are not met. Then, they take corrective action.

3.3.1.3 Organisational Commitment

In line with Meyer and Allen’s (1991-1993) three-components model of organisational commitment, the researcher defined these various conceptualisations:

- **The affective** commitment is defined as employees having a positive emotional attachment to, identification with, and involvement in the organisation. Employees with high affective commitment are likely to maintain employment with the same organisation.

The **continuance** commitment refers to an attachment based on the costs – either social or economic costs – that an employee associates with leaving the
organisational. An employee who has continuance commitment elects to remain with the same organisation because of the lack of a good alternative job.

The normative commitment represents employees’ feelings of moral obligation to remain with the same organisation. An employee who has a strong normative commitment remains with the same organisation because they feel they owe this to the organisation.

3.3.1.1 Turnover Intention

Organisational turnover intention is considered in terms of processes that lead employees to quit their job. In other words, it relates to an individual’s assessment of the decision whether to leave or stay in the organisation (Tse, Huang & Lam, 2013).

3.3.2 Transformational Leadership and Organisational Commitment

With a transformational leadership, the common and the larger visions of the organisation will be shared with the employees, and the leader shows their support for them so that they can think beyond their self-interest (Howell & Hall-Merenda, 2002). The employees are the main focus of a successful leader, who is driven by values such as personal attention and trust in employees. These values are correlated to organisational commitment and positive performance (Ekvall & Arvonén, 1991).

The influence of the leader’s behaviour can improve the employees’ commitment. Displaying a leader’s transformational or transactional leadership behaviour on a daily basis can improve the employees’ organisational commitment (Tafvelin, Hyvönen & Westerberg, 2014; McMurray et al., 2010). Some factors such as idealised influence, inspirational motivation, intellectual stimulation, individualised consideration, contingent reward, management-by-exception active, and management-by-exception passive can have a role to play in building the organisational commitment of an employee. To explain, the employees can be influenced by the leader in many different ways. For example, through portraying idealised influence behaviour, the leader shares their vision, mission, and builds trust with employees. When the leader displays inspirational motivation behaviour, they can inspire and motivate employees.
to achieve the organisational goals. When the leader displays an intellectual stimulation, the leader can impact the employees’ thinking and prompt the re-evaluation of the daily challenges and problems. When the leader clarifies the required task to the employees using contingent reward behaviour, they demonstrate the acceptable quality or standard of performance in the organisation and the punishment that may follow when the standard is not met (Muenjohn, 2007; Bass & Avolio, 1997).

The relationships between leadership behaviour and organisational commitment have been investigated by previous studies. For example, in Sweden a study focusing on the social work context and the importance of transformational leadership was conducted by Tafvelin, Hyvönen and Westerberg (2014). The impact of transformational leadership on two important employee attitudes such as commitment and role clarity were investigated by them. They found a positive correlation between transformational leadership and commitment. The findings have indicated that continuity is necessary in order to sustain and increase the influence of transformational leadership on employee commitment.

An earlier study by Lo, Ramayah and Min (2009) highlights that various factors of transformational leadership have significant connections with organisational commitment. The study focused on the relationship between transformational leadership behaviours and organisational commitment in the Malaysian manufacturing sector. The results indicated that idealised influence, intellectual stimulation and inspirational motivation have a positive significant relationship with normative and affective commitment. In addition, individualised consideration and intellectual stimulation have a positive significant relationship with continuance commitment.

A study conducted by Rua and Araújo (2015), investigated the relationship between leadership behaviour and organisational commitment in Portugal. The findings revealed that the relationship between transformational leadership and organisational commitment did not have a positive significant relationship in the Portuguese cultural context. This result shows that there is the potential to find different results in a different culture or context; therefore, there is a need to conduct actual studies in different contexts and cultures.
Another study conducted by Afshari and Gibson (2015) addressed organisational commitment, leadership behaviour and employee motivation. The motivation was divided into identified motivation and intrinsic motivation. The findings of the study showed that leadership idealised influence has a significant relationship with organisational commitment. Identifying motivation also fully mediated the relationship between idealised influence and organisational commitment. Motivation has a significant impact on organisational commitment through its impact on the relationship between leadership behaviour and organisational commitment.

One of the studies conducted in Australia (Afshari & Gibson, 2016) which, investigated the relationship between organisational commitment and transactional leadership in the manufacturing and healthcare sectors, found that the relationship between these two factors is partially mediated by psychological needs satisfaction. Moreover, among the three psychological needs satisfaction in the healthcare sector, the strongest mediating influence was the satisfaction of competence; meanwhile, in the manufacturing sector, both satisfaction competence and relatedness had the strongest mediating influence. The explanation for the difference in the results between the two sectors, which the study presented, is that gender may have an influence on the different psychological needs satisfaction between the two groups, as the females in the healthcare sample were 88% and the males in the manufacturing sector were 92% (Afshari & Gibson, 2016).

Yiing and Ahmad (2009) investigated the relationship between leadership behaviour and organisational commitment in Malaysia. Their findings revealed that leadership behaviour has a positive and significant relationship with organisational commitment. This result is supported by recent research (Wang et. al., 2010), which found that transformational leadership is associated with the organisational commitment of agency workers in China.

Despite this research, none of them have specifically addressed transformational leadership or other behaviours of leadership together with the three factors of organisational commitment, affective, continuance and normative. Although vast research has been done in this area of leadership, some fundamental questions like
the mechanisms and the interactions between leadership and the outcomes still remain unanswered. This is particularly true in the Saudi Arabian context,

Muenjohn (2007) concludes in his study that the relationship between cultures and transformational leadership is yet to be determined because of the lack of studies in that field. This thesis aims at providing insights into the manner in which leadership behaviour results in improvements to the three factors of organisational commitment in the relatively unexplored context of the banking industry in Saudi Arabia.

Based on what has been discussed and presented on the links between transformational and transactional leadership and organisational commitment, the behaviour of the leaders is expected to have a significant impact on organisational commitment. In this thesis, the behaviours of both transformational and transactional leaders are used as independent variables, whilst organisational commitment is used as the dependent variable in this thesis. Therefore, this thesis proposes the following hypotheses based on the above discussion and the literature review:

Hypothesis 1: Transformational leadership behaviour affects organisational commitment.
Hypothesis 2: Transactional leadership behaviour affects organisational commitment.

3.3.3 Organisational Commitment and Turnover

An earlier study conducted by Somers (2009), has investigated the influence of the three components of organisational commitment on employee turnover in the healthcare sector in the United States. The findings indicated that affective and normative commitment had the greater influence on the intention to turnover than continuance commitment. Compared with the low commitment group, the group with a high commitment level had a greater intention to remain in the organisation. With regard to job stress and carry-over stress, there was no difference seen between the dominant group and the group with lower commitment levels. The highest absenteeism level was found in the group with high affective and normative commitment, compared to the group with a high level of continuance and normative commitment (Somers, 2009).
In the health discipline, Ballout (2009) compared the three variables - organisational commitment, job satisfaction and turnover intention - among Lebanese nurses. The findings highlighted that there is a potential to reduce the turnover intention by the influence of job satisfaction and organisational commitment. It also revealed that there was a positive correlation between job satisfaction and job involvement with organisational commitment. In addition, the findings indicated that job involvement was positively correlated with job satisfaction and organisational commitment.

The study conducted by Gormley and Kennerly (2011) in Ohio, USA, explored how to predict the turnover in a nursing faculty. The three components of organisational commitment (affective, continuance and normative) were used to structure their study. The finding was that it is important to investigate and understand the factors that play a role in such employee turnover, in order to retain qualified nursing employees in the organisation. The findings demonstrated that continuance and affective organisational commitment can be used to predict turnover.

Based on ideas from the literature review, the investigation of the impact of organisational commitment on turnover undertaken in this thesis should help to clarify the importance of organisational commitment. Therefore, based on the above discussion and the literature review, the following hypothesis was developed:

_Hypothesis 5. Organisational commitment affects intention to turnover._

### 3.3.4 Transformational Leadership and Turnover

In a recent study conducted by Waldman et al., (2015), a multilevel investigation of leadership and turnover was undertaken to investigate whether transformational leadership behaviour could predict turnover. The study gathered data from 375 Chinese employees by means of a questionnaire. It used hierarchical linear modelling and hierarchical generalised linear modelling to analyse the data. Twenty items from the multifactor leadership questionnaire MLQ-5 (Bass & Avolio, 2004) were chosen to measure transformational leadership, Liden and Maslyn’s scale (1998) leader-member exchange (LMX) to measure leader-member exchange; and Tsui, Egan and O’Reilly’s scale (1992) to measure employee intention to stay. The findings revealed that transformational leadership behaviour can predict turnover. In addition,
the findings showed that there is a negative relationship between transformational leadership and both quit intention and actual turnover. Age and leader-member exchange had negative relationships with quit intention. In addition, transformational leadership behaviour played a moderating role between quit intention and voluntary turnover. The group-level impacts of transformational leadership behaviour on actual individual-level turnover was mediated by turnover intention (Waldman et al., 2015). Another study conducted recently by Amankwaa and Anku-Tsede (2015) also revealed a similar result. The turnover intention had a negative relationship with the transformational leadership.

The study conducted by Pieterse-Landman (2012) analysed quantitatively the relationship between leadership behaviour and intention to turnover in manufacturing corporations in South Africa. It is noted that only transformational leadership behaviours were included in the study, and transactional, laissez-faire leadership behaviour were omitted in the study. The study findings revealed that there was a significant and negative relationship between leadership behaviour and intention to turnover in the sample population. At the same time, there was a significant and positive relationship between leadership behaviour and employee engagement. The findings also confirmed the mediating role of employee engagement on the relationship between transformational leadership and intention to turnover.

Recent research conducted by Sun and Wang (2016) investigated transformational leadership behaviour impact intention and actual turnover in public organisations in the New York State Education Department. The data was gathered from 1,020 respondents using a survey. The study did not include transactional leadership behaviour. Using structural equation modelling to analyse the data, the findings revealed that transformational leadership behaviour had a positive and significant impact directly on turnover intention. In addition, transformational leadership behaviour had an impact on actual turnover.

From another the discipline, Green, Miller and Aarons (2013) studied the impact of transformational leadership and emotional exhaustion on turnover intention in mental health providers. The analysis found that transformational leadership behaviours reduced turnover intention and emotional exhaustion in the sample.
Transformational leadership behaviours may moderate the relationship between turnover intention and emotional exhaustion. There was a negative relationship between transformational leadership behaviours and both variables (turnover intention and emotional exhaustion), and a positive relationship between emotional exhaustion and turnover intention. These results indicate that there was a potential impact and moderation among transformational leadership behaviours and turnover intention. The current thesis goes further and investigates the factors of transformational and transactional leadership behaviours and their impact on turnover intention among banking leaders and managers in Saudi Arabia. Identifying the important factors, and their impact on turnover intention among leaders and managers, may reduce turnover in the sector.

This thesis sets out a framework for studying the impact of leadership behaviour on organisational commitment and turnover. Numerous theoretical research studies have identified leadership as a critical factor in the success and growth of organisations (Yousef, 2000). It is through positive leadership and a focus on the future that organisations can nurture competitive work-forces and production systems. Researchers have further shown that if an organisation’s leadership wants to have a positive impact on work teams and individuals, then leadership paradigms such as transactional versus transformational, participative versus directive, and autocratic versus democratic leadership, should be expanded (Bass & Avolio, 2001).

Though there are many studies that have investigated the relationship between intention to turnover and leadership, a specifically-focused research study addressing transformational leadership and other behaviours of leadership in relation to turnover is still lacking. This thesis aims at providing insights into the manner in which leadership behaviour results in improvements in employee intention to turnover in the relatively unexplored context of the Saudi Arabian banking sector.

From reviewing the literature in the relationship between leadership behaviour and intention to turnover it was concluded that leadership behaviours and practice are expected to have a significant impact on intention to turnover. This suggests that perceived selected leadership behaviours may influence the intention to turnover. Therefore, this thesis proposes the following hypotheses:
Hypothesis 3. Transformational leadership behaviour affects intention to turnover.

Hypothesis 4. Transactional leadership behaviour affects intention to turnover.

3.3.5 The Mediation Impact of Organisational Commitment

Tse, Huang and Lam (2013) conducted a research study to investigate the influence of transformational leadership behaviour on turnover, and how affective commitment and leader–member exchange mediated the relationship between transformational leadership behaviour and turnover. The findings revealed that transformational leadership behaviour negatively impacted turnover intention. The study also found that affective commitment mediated the relationship between transformational leadership behaviour and intention to turnover. In addition, the results provided a supportive view that transformational leadership behaviour is related to social exchange mechanisms and affective commitment.

Similar results have been found in Gul, Ahmad, Rehman, Shabir and Razzaq’s (2012) study. The study explored the mediating role of organisational commitment in the relationship between leadership behaviour and intention to turnover in the insurance sector in Pakistan. In addition, the study investigated the relationship between organisational commitment and leadership behaviour. The findings revealed that there was not a significant relationship between leadership behaviours and intention to turnover. Moreover, there was a mediating role of organisational commitment in the relationship between transformational leaderships and intention to turnover.

A number of researchers have suggested that transformational leadership behaviour can predict turnover. The findings also revealed that there was a negative relationship between transformational leadership and both quit intention and actual turnover. Age and leader-member exchange had negative relationships with quit intention. In addition, the relationship between quit intention and voluntary turnover was moderated by transformational leadership behaviour. The group-level impacts of transformational leadership behaviour on actual individual-level turnover was mediated by turnover intention (Waldman et al., 2015).
A study conducted by Patiar and Wang (2014) examined the impact of transformational leadership and department managers’ organisational commitment on their department’s performance in four and five-star hotels in Australia. The data was collected by questionnaires from 81 managers, and factor analysis and regression were used to analyse the data. The results revealed that transformational leadership impacted the organisational commitment and performance. However, the relationship between transformational leadership and performance was mediated by organisational commitment. The researchers suggested that there is a significant partial mediation effect of organisational commitment on the effect of transformational leadership on social and environmental performance. They suggested that further studies were needed to address the mechanisms in the relationship.

Canadian managers’ commitment has been explored by Guerrero and Herrbach (2009). They found that affective commitment mediated the relationship between perceived organisational support and perceived external prestige with turnover intention. Perceived organisational support and perceived external prestige were negatively correlated with turnover intention.

A study conducted by Afshari and Gibson (2015) found that leadership idealised influence had a significant relationship with organisational commitment. The relationship between idealised influence and organisational commitment was fully mediated by identifying motivation. Motivation had a significant impact on organisational commitment, through its impact on the relationship between leadership behaviour and organisational commitment.

Wang, Ma and Zhang (2014) explored the mediation impact of job characteristics and perceptions of organisational justice on the relationship between transformational leadership behaviour and the organisational commitment of the agency workers in China’s manufacturing sector. The study used a questionnaire to collect the data from 300 agency workers. The study results revealed that job characteristics and perceptions of organisational justice had mediating roles on the relationship between transformational leadership behaviour and organisational commitment.
A study conducted by Abdel-Rahman (2011) explored the organisational commitment from two perspectives. The effect of organisational commitment on job satisfaction; and organisational commitment was used as a mediator between job satisfaction and performance. The findings indicated that organisational commitment mediated the impact of job satisfaction on job performance. Additionally, there were different roles for the organisational commitment factors in the mechanism of the mediation in this relationship.

Green, Miller and Aarons (2013) studied the impact of transformational leadership and emotional exhaustion on turnover intention. The study found that transformational leadership behaviours can reduce turnover intention and emotional exhaustion. They also concluded that transformational leadership behaviours may moderate the relationship between turnover intention and emotional exhaustion; that there is a negative relationship between transformational leadership behaviours and both variables; and a positive relationship between emotional exhaustion and turnover intention. These results indicate that there is a potential impact and moderation among transformational leadership behaviours and turnover intention. This thesis goes further and investigates the factors of transformational and transactional leadership behaviours and their impact on turnover intention among bank leaders and managers in Saudi Arabia.

Similarly, in a study conducted by Tse, Huang and Lam (2013) to investigate the influence of transformational leadership behaviour on turnover, the findings revealed that transformational leadership behaviour negatively impacted turnover intention. The study found that affective commitment mediated the relationship between transformational leadership behaviour and intention to turnover. In addition, the results provided a supportive view that transformational leadership behaviour is related to social exchange mechanisms and affective commitment.

A later study investigated the relationship between organisational commitment and transactional leadership (Asfari & Gibson 2016). The findings of the study revealed that the relationship between transactional leadership and organisational commitment was partially mediated by psychological needs satisfaction. Moreover, satisfaction of competence had the strongest mediating influence among the three psychological needs
satisfaction in the healthcare sector; meanwhile, satisfaction competence and relatedness had the strongest mediating influence among the three psychological needs satisfaction in the manufacturing sector (Afshari & Gibson, 2016).

A study conducted by Almutairi (2016), investigated the mediating effects of organisational commitment on the relationship between the transformational leadership behaviour and job performance in four government hospitals (King Fahad National Guard Hospital, Yamama Hospital, Shimasy Hospital and Military Hospital) in Riyadh, Saudi Arabia. The findings indicated that the relationships between transformational leadership behaviour and affective organisational commitment with job performance were significantly positive. In addition, the affective organisational commitment mediated the relationship between leadership behaviour and job performance partially.

A research gap exists concerning the identification of the mechanisms for developing organisational commitment among employees, which requires further research to understand and identify the mechanisms of the processes of organisational commitment in employees (Meyer & Herscovitch, 2001). In Afshari and Gibson’s (2015) study, they proposed that motivation can develop organisational commitment through idealised influence. Almutairi (2016) recognised the limited research in transformational leadership behaviour and organisational commitment in Saudi Arabia, and he suggested that further research is still needed in that context.

From the literature review, it can be concluded that there is growing evidence to suggest that different predictors can play diverse roles in the turnover intention among employees. For example, Gormley and Kennerly (2011) found that continuance and affective organisational commitment can predict turnover. Further, Drew, Carless and Thompson (2008) found that a few personality characteristics (e.g. emotionally stable versus affected by feeling, tender-minded versus tough-minded, and venturesome versus shy) can predict turnover. Yang, Gong and Huo (2011) identified a negative relationship between social capital and turnover intention, and a positive relationship with interpersonal helping. There was a complexity in the factors that can impact intention to turnover. However, the organisational commitment factors and the subscales of transformational leadership theory have not been studied as predictors of intention to turnover either directly or indirectly.
This thesis responds to the ongoing call to address the relationships between leadership behaviours, organisational commitment and intention to turnover, as well as the mechanisms in the relationships (Bealer & Bhanugopan, 2014; Khan & Varshney, 2013; Hartog & Belschak, 2012; Hu, Wang, Liden & Sun, 2012; Riaz & Ijaz, 2011; Wang & Zhu, 2010; Walumbwa, Avolio & Zhu, 2008; Avolio, Zhu, Koh & Bhatia, 2004). As in a previous study, the authors have identified a need to conduct further research to assess the mediating mechanisms between transformational leadership behaviour and intention to turnover (Waldman et al., 2015).

This literature review suggests that organisational commitment may mediate the effect of transformational leadership behaviour on the intention to turnover. Therefore, based on the above discussion and the literature review, this thesis proposes the following hypotheses:

*Hypothesis 6. Organisational commitment mediates the relationship between transformational leadership behaviour and intention to turnover.*

*Hypothesis 7. Organisational commitment mediates the relationship between transactional leadership behaviour and intention to turnover.*

### 3.3.6 The Moderation Impact of Demographic Characteristics

Socio-demographic characteristics are important control variables in psychology and social research. Liborius (2017) suggested that further leadership studies should investigate leadership characteristics and their association with the desired outcome variables.

Several studies have examined the correlation between age and leadership. Multiple regression analyses found that when controlling for age, education, gender and tenure with the organisation, leadership was found to have a positive correlation to workplace innovation and organisational climate (McMurray et al., 2013). Other research revealed that age impacts organisational continuance commitment (Ibrahim et al., 2011).
Recent research conducted by Sun and Wang (2016) investigated how transformational leadership behaviour impacted intention and actual turnover in public organisations in the New York State Education Department. The findings revealed that the educational level had no impact on intention to turnover, but it had a negative impact on actual turnover. Experience had a positive and significant impact on actual turnover, but an insignificant impact on intention to turnover.

Yousif, Hossan and McNeil (2015) evaluated the relationship between leadership behaviour and age, gender, nationality, education, work experience and organisational position of the leader in the construction sector of UAE. The results revealed that age had a significant positive relationship with transformational leadership behaviour, but it had a significant negative relationship with transactional leadership behaviour. Gender was found to have no significant relationship with transformational or transactional leadership behaviours. Nationality made a significant difference on exhibiting transformational or transactional leadership behaviours. Education level made a significant difference on exhibiting transformational leadership behaviour among respondents, but on the other hand no significant difference on exhibiting transactional leadership behaviour. Work experience had a significant positive relationship with transformational leadership behaviour, and no significant relationship with transactional leadership behaviour. The years of organisational position of a leader had a significant positive relationship with transformational leadership behaviour and a significant negative relationship with transactional leadership behaviour.

Researchers have concluded that gender is a moderator variable for transformational, transactional leadership and organisational commitment, and affects subordinate outcomes with transactional leadership. Research findings have also indicated that educational background is a moderator variable for transformational, transactional leadership and organisational commitment, and has an impact on subordinate outcomes for both transformational and transactional leadership (Chen, Chen & Chen, 2010).

A meta-analysis published by Cotton and Tuttle (1986) reported that age and tenure have a negative relationship with turnover, and education has a positive
relationship with turnover. Marital status has between a weak to modest relationship with turnover. In addition, they reported that job alternatives were found to have a positive relationship with turnover. Moreover, the authors reported that the findings of Western context studies might be not reflect correctly Asian contexts as a result of variations in the population, nationality and industry due to differences in the culture and social atmospheres between them. They noticed that well-educated employees have more intention to turnover in comparison with less qualified employees. A study conducted by Swid (2014), recommended that further research is needed in regard to the potential impact of employee educational level and age on their level of organisational commitment.

A study conducted by Wang, Ma and Zhang (2014), revealed that gender, age and tenure were not significantly correlated to organisational commitment in China’s agency workers in manufacturing.

In their study, Brandt and Laiho (2013) investigated the difference between males and females in relation to leadership behaviour in Finland. The results showed that leadership behaviour was impacted upon by the gender and personality of the respondents. They found that there was a difference in the exhibit and preference of a leader’s behaviour among males and females. For example, females were more likely to exhibit enabling and rewarding behaviour than males. Meanwhile, males were more likely to exhibit challenging behaviour than females.

An article from Snaebjornsson and Edvardsson (2013) agreed with these findings. They reviewed the research regarding gender and nationality as determinants of leadership behaviour. They concluded that there was an impact of gender and nationality on the relationship between leadership behaviours and workers. They found that even though nationality impacts upon leadership behaviour, the research investigating the influence of nationality is very limited, and they suggested that further research is needed into the impact of gender and nationality on leadership behaviour as well as using other variables and other regions. A study by McMurray et al. (2010) investigated the impact of demographic characteristics on leadership behaviour in a religious/church-based non-profit organisation. They found that there were no important differentiations in leadership behaviours regarding gender or education level.
Samples from six European countries discovered a difference across nations for normative commitment, whereas they failed to differ in affective and continuance commitment, revealing substantial cross-national differences (Eisinga, Teelken & Doorewaard, 2010).

From the literature review, it can be concluded that there is a growing body of evidence to suggest that different predictors can play different roles in the turnover intention among employees. For example, Gormley and Kennerly (2011) found that continuance and affective organisational commitment can predict turnover. Further, Drew, Carless and Thompson (2008) found that a few personality characteristics (e.g. emotionally stable versus affected by feeling, tender-minded versus tough-minded, and venturesome versus shy) can predict turnover. Yang, Gong and Huo (2011) identified a negative relationship between social capital and turnover intention, and a positive relationship with interpersonal helping. There was a complexity in the factors that can impact intention to turnover.

This thesis has responded to the ongoing call from researchers to address the relationship between leadership behaviours, organisational commitment and intention to turnover, as well as the mechanisms in the relationships (Bealer & Bhanugopan, 2014; Khan & Varshney, 2013; Hartog & Belschak, 2012; Hu, Wang, Liden & Sun, 2012; Riaz and Ijaz, 2011; Wang & Zhu, 2010; Walumbwa, Avolio & Zhu, 2008; Avolio, Zhu, Koh & Bhatia, 2004). One recent study has recommended conducting further research to assess the mediating mechanisms between transformational leadership behaviour and intention to turnover (Waldman et al., 2015).

Based on these reviews, demographic characteristics have an impact on leadership behaviour and intention to turnover. Therefore, it seems to be vital to include and to test the moderating effect of the demographic characteristics on the relationship between leadership behaviours and intention to turnover. Therefore, based on these arguments, it is hypothesised that:

**Hypothesis 8.** Demographic characteristics moderate the relationship between transformational leadership and intention to turnover.
Hypothesis 9. Demographic characteristics moderate the relationship between transactional leadership and intention to turnover.

3.4 Summary

This chapter presents an extensive literature review of leadership behaviour, organisational commitment, and turnover, in order to develop the research framework. Despite the existence of many studies investigating the relationship between leadership behaviour and organisational commitment, and turnover, none of these have focused or specifically address transformational leadership and other behaviours of leadership with the three factors of organisational commitment: affective, continuance and normative. Although much has been learned about leadership over the past decade, several fundamental questions remain, such as the mechanisms and the interaction between leadership and its outcomes. This is especially true regarding Saudi Arabia. Based on the existing theories and research, the development of a theoretical framework was presented in this chapter. In addition, it presents the development of the hypotheses and the definition of the variables. The role of demographic characteristics is discussed as a moderate factor in the relationship between leadership behaviour and intention to turnover. The next chapter identifies the thesis research design and methodology.
CHAPTER FOUR
RESEARCH METHODOLOGY

4.1 Introduction

In this chapter, the main methodological concepts are discussed: research design, method and procedure, the population of the study and the sample size, and the instruments, which comprised the Multifactor Leadership Questionnaire, the Organisational Commitment Questionnaire and the turnover scale. The pre-test, pilot study and main study procedure are explained. Further, the ethics guideline procedures, the methodology, reliability, and validity of the measurements are outlined.

4.2 Research Design

The main research question in this thesis is ‘what are the relationships among leadership behaviours, organisational commitment and intention to turnover in the Saudi Arabian banking sector?’.

It is essential to select a suitable methodology and methods to fulfil the objectives and answer the questions in the thesis. The research methodology should reflect the research objectives or questions. It has been found in the literature that the best research approach is the one which fits the theories and objectives of the research (Neuman, 2006; Cavana, Delahaye & Sekeran, 2001). The nature of the data is an essential element in the research; therefore, a researcher needs to consider the nature of the data when choosing to use a quantitative or qualitative approach, according to Punch (2013). The research objectives and questions are the fundamental reason for selecting and underpinning the research approach in the thesis.

When observing or interpreting reality or developing a theory is the goal of the research, the researcher needs a qualitative approach to fulfil the objective of the research. However, if the aim of the research is to test a hypothesis or the research builds on an existing theory, the researcher needs a quantitative approach to fulfil the objective of the research, according to Newman and Benz (1998).

As discussed previously, the objectives of this thesis are to determine the relationships between leadership, organisational commitment and turnover. The
numerical data explain the statistics or the scale of the relationship between leadership, organisational commitment, and turnover (Muijs, 2010). Therefore, the thesis objectives could be best achieved through a quantitative approach. This technique allows the researcher to measure and present most behaviours and statements on nominal data (Sekaran & Bougie, 2010). According to Sekaran and Bougie (2010, p. 156), “The comparative scale provides a benchmark or point of reference to assess attitudes towards the current object, event, or situation under study”. Therefore, there is a need to collect numerical data and undertake a statistical analysis to find the relationship among the variables and test the hypothesis (Sogunro, 2002; Cavana, Delahaye & Sekeran, 2001). In other words, since the objectives of the research are to measure relationships between leadership behaviour, organisational commitment and intention to turnover, the use of a quantitative approach to gather the data and to calculate the correlation between variables is needed. This approach has been chosen as the thesis will be attempting to validate existing theories and measuring variables which need quantitative research and statistical data to fulfil the objective of the thesis.

A quantitative approach has frequently been used in previous research to investigate relationships (Cavana, Delahaye & Sekeran, 2001; Yammarino, 2013; Hamstra, Yperen, Wisse & Sassenberg, 2014). Using a quantitative approach in this research is consistent with previous studies such as Cavana, Delahaye and Sekeran’s (2001) research and similar methods used in prior studies by Hamstra, Yperen, Wisse, and Sassenberg (2014), Ertyreten et al. (2013), Yammarino (2013) and McMurray et al. (2010).

A literature review of methodology was conducted by Snaebjornsson and Edvardsson (2013) who reviewed the literature in regard to research methods in leadership behaviour studies. The results indicated that most researchers used questionnaires to collect the data in such studies. Hence, a questionnaire is considered a useful tool by which to determine the relationship between leadership behaviour and the other variables, and to conduct a statistical analysis to test the hypothesis.

To answer the thesis objectives and questions, the data were collected by means of a survey developed from the previous literature. An established instrument which reported good validity and reliability can be used rather than developing a new instrument (Sekaran & Bougie, 2010). However, testing the validity and reliability in the current context of the research is recommended to ensure that the instrument is valid.
and reliable in this new context (Sekaran & Bougie, 2010). Since the current thesis investigates the relationships between leadership behaviour, organisational commitment and turnover intentions among leaders in the Saudi banking sector, it appears that the self-evaluation report is an appropriate way to collect the data (Yang, Gong, & Huo, 2011). The survey contains three self-report questionnaires adopted from the previous literature: adopting the measurement of organisational commitment from the Organisational Commitment Questionnaire (Meyer & Allen, 1990); adopting the measurement of leadership behaviour from the Multifactor Leadership Questionnaire (Bass & Avolio, 1997); and adopting the measurement of intention to turnover from the Global Measure of Job Embeddedness (Crossley et al., 2007).

The quantitative approach is used to determine how the current thesis identifies the relationship between leadership behaviour, organisational commitment and turnover in the Saudi Arabian bank sector. Quantitative analysis aims to examine the proposed hypotheses by employing a survey to collect the data. The main aim of this thesis was to test the relationships among the variables; therefore, the researcher used a quantitative research methodology. After gaining a BCHEAN ethics clearance, the researcher began with a pre-test, followed by a pilot study, then the data were collected for the main study. The three stages are important in order to ensure the accuracy of the data and note any problem areas in the survey. Although the questionnaires are well established and have been tested in other countries, it was important to conduct a pre-test and a pilot study with respondents from the current country before conducting the main study. These three phases are explained in more detail in the next few sections: 4.8, 4.9 and 4.10. The final survey was distributed through the Saudi Arabian Monetary Authority (SAMA) to the HR department of each international and local bank in Saudi Arabia. The respondents were randomly selected from among the banks’ employees who held positions at managerial level. They were informed by email that the data collected from them will be kept anonymous at all times and be used solely for research purposes. Figure 4.1 shows the research design.
Identify research population and target

Develop the methodology

Research measurement design

Demographic characteristics
Age, Gander, Educational level, Occupational category, marital status, Tenure, Nationality.

Adopting the measurement of organisational commitment form Organisational Commitment Questionnaire (Meyer & Allen, 1991)

Adopting the measurement of leadership behaviour from the Multifactor Leadership Questionnaire (Bass & Avolio, 1997)

Adopting the measurement of intent to turnover from the Global Measure of Job Embeddedness (Crossley et al., 2007)

Ethics application approved

Research sample size

Search the literature in broad area of study focusing on Transformational leadership + Organisational commitment + Turnover

Identify research gaps and problems

Formulate research objectives

Formulate research questions

Develop research conceptual framework

Evaluate the validity and reliability. If it were good go to the second step

Data collection

Data analysis

Interpret and report findings

Conclusion and recommendations

Figure 4.1: Research Design
Source: Author
4.3 Population Sample

The Kingdom of Saudi Arabia, one of the richest nations in the world, is the largest country in the Arabian Peninsula. It occupies an area of approximately 2,250,000 km² with its capital city being Riyadh. Saudi Arabia’s population was 28 million, including 8.9 million foreign residents as of 2011 (CDSI, 2013), which increased to 30 million in 2015, including 9 million foreign residents (SAMA, 2015).

The development within the country covers almost every field of industry and high levels of living standards. The banking industry is one of the most highly developed sectors in Saudi Arabia. Saudi Arabia faces a shortage of employees needed to maintain the development and growth of the country’s economy. The population of Saudi Arabia in 2012 was about 29.2 million, of whom 19.8 million were Saudis and 9.4 million were foreigners from all over the world (SAMA 2013), which shows the shortage of employees in this country. The total number of employees in the private sector alone reached 8.5 million in 2012, of which more than 7.3 million were foreign employees and approximately 1,134,000 were Saudis. However, the public sector had notably less than that – about one million employees.

4.4 The Justification for Choosing the Banking Sector

An evaluation of the banking sector in Saudi Arabia demonstrates that there is significantly high pressure on human resource (HR) departments, managers and supervisors to retain qualified and expert bank employees, due to the growth of the industry. The Saudi Arabian banking sector is facing a shortage in the number of employees due to the high demand and the growth in the sector. For almost a hundred years, Saudi Arabia had just 11 banks. By 2004, it had 1,216 branches and 4,104 ATMs. But between 2005 and 2013, the Kingdom gained more than 12 new banks, both local and international, and this continues to grow. In addition, the capital bank in Saudi Arabia (Saudi Arabian Monetary Authority: SAMA) is concerned about the dramatic growth and the high demand for banking employees. This concern from the highest level in the banking sector shows the importance of continuing professional development (CPD) for bank employees, (SAMA, 2015; SAMA, 2009).
The number of commercial bank branches increased to 1,937, with more than 16,199 ATMs in 2015 (SAMA, 2015), and this number increased to 2,045 commercial bank branches with 18,189 ATMs in 2017 (SAMA, 2017). For instance, in 2012, banks established 50 new branches, in 2013 they established 72 new branches and in 2014 they established 144 new branches (SAMA, 2013; SAMA, 2015). The banking sector employed 39,157 workers (33,463 Saudis and 5,694 foreigners) in 2011 (SAMA, 2012). The number of employees in the banking sector rose to 47,588 in 2015 from 31,589 in 2005 (SAMA, 2015), and the number rose again in 2016 to 49,335 employees (SAMA, 2016).

As mentioned previously, the capital bank in Saudi Arabia (Saudi Arabian Monetary Authority: SAMA) is concerned about the dramatic growth in this sector and the high demand for banking employees. In 2008, it established several programmes to encourage new graduates to join the sector and improve their skills to better fit the banking sector. SAMA started other programmes targeting women, especially to develop their skills for working in the banking sector (SAMA, 2009). In 2012, the number of such programmes reached 160, with their outcomes especially designed to cover a range of sectoral needs (SAMA, 2013). As a result of these programmes, employees in the banking sector increased from 29,125 in 2006 to 39,157 in 2012, yet there is still a need for more workers (SAMA, 2012; SAMA, 2007). The number of employees in the banking sector rose significantly in 2015 to 47,588 (SAMA, 2015). This concern from the highest level in the banking sector shows the importance of maintaining bank employees for the continued development of the sector. This is the main mission of leaders and human resource departments in any industry. The leaders in this sector try to maintain and improve their employees’ skills and performance through different methods, such as increased wages and enhanced organisational commitment.

The importance of the banking sector in Saudi Arabia stems from its significant contribution to total gross domestic product (GDP). It is the second largest industry in the economy after the oil industry. In 2012, for example, it contributed about 209 billion of the total 846 billion Riyals for the non-oil private sector. This compares to just 371 billion Riyals for the government sector (CDSI, 2013). These banks’ total capital and reserves were approximately 209,494 million Saudi Riyals (USD55,865,000,000) in 2012, an increase from 131,822 million Saudi Riyals in 2008, and their profits reached 33,508 million Riyals (USD8,935,000,000) in 2012) (CDSI, 2013). The number of
capital and reserves increased to 333,000 million Saudi Riyals in 2017 (SAMA, 2017). These contributions play a significant role in total GDP (846 billion Riyals) (USD225,000,000,000) for the non-oil private sector, government sector (371 billion Riyals) (USD98,000,000,000) and oil sector (1,276 billion Riyals) (USD340,000,000,000) (CDSI, 2013). These statistics show the importance of the banking sector in Saudi Arabia, and these developments increased the demand for bank employees, especially experienced staff. This significant sector suffers from a lack of research, so addressing this industry will make a vital contribution to this field; furthermore, it will enhance and improve the banks’ efficiency, especially with regard to human resources. For these reasons the banking sector was chosen as the focus in this study.

Moreover, the workplace environments in these banks are very similar. The banks use the same technology to serve their consumers, and they produce similar products. Their target customer base is identical. These factors make the competition between them very high, particularly given how easy it is for workers to move from bank to bank. Therefore, leaders are essential in improving organisational commitment among personnel and thereby maintaining the sustainability of the human resources in the bank and reducing the turnover rate.

4.5 Sample Size

Since the objectives of this thesis are to determine the relationships between leadership, organisational commitment and turnover, the target population was those in leadership positions in the banking sector of Saudi Arabia. The questionnaire was distributed via SAMA to the human resource department of each bank to request that they randomly sample their employees, with the condition that respondents should be at a managerial level in the bank. A total of 23 international and local banks in Saudi Arabia were covered. Hence, respondents included high-level managers, managers, senior managers and supervisors in the banking sector.

Because no data were available with regard to management staff numbers, the number of managers was estimated using the more general available data. The management staff can be estimated based on the total number of employees and the number of bank branches (for more details see Appendix 1). To estimate the number, let $x$ be the number of all workers and $y$ be the number of managers such that $y \geq a$,
where \( a \) is the number of bank branches. If it is assumed that one manager supervises three workers, then each group is assumed to consist of four workers, including one manager. Hence, the above formula was used. It can be concluded that the number of managers is given by the formula

\[
y = \frac{x}{4}, y \geq a
\]

In the line followed in our research, we have

\[
y = \frac{40,000}{4}, y \geq 1,768
\]

\[
y = 10,000 \text{ managers}
\]

The number of employees at managerial levels in the banking sector in Saudi Arabia is, therefore, estimated to be approximately 10,000.

As the thesis targets leaders in the banking sector, the survey has treated each bank equally with regard to whether they are local or international, large or small, new or old, and dealt with their head offices to obtain a representative sample for all banks in Saudi Arabia. Most of the head offices are in Riyadh, in the middle region of Saudi Arabia and its capital city. But there are a few head offices in Jeddah, the largest city in the southern region on the Red Sea, and in Dammam, the largest city in the eastern region of Saudi Arabia. With 23 banks serving the population of Saudi Arabia from 1,937 branches nationally, the sector is a large enterprise that employs almost 40,000 workers. Each bank was asked to select 78 potential respondents from their list of managerial-level employees. The estimated sample size of the management staff that were approached to participate was predicted to be 1,768. There were 438 surveys returned. As previously estimated, the number of employees at managerial levels in the banking sector in Saudi Arabia is approximately 10,000. However, according to Sekaran & Bougie (2010), a total of 370 respondents would be required for a population of 10,000 in this research, with a confidence level of 95%. Therefore, the sample size is appropriate and acceptable.
4.6 Instruments

Three major instruments were utilised to gather data. These used self-reported measures, meaning that the respondents were asked to indicate the degree of their agreement or disagreement with each statement or behaviour on a 5-point Likert scale called comparative measures. According to Sekaran and Bougie (2010, p. 156), “The comparative scale provides a benchmark or point of reference to assess attitudes towards the current object, event, or situation under study”. This technique allows the researchers to measure or present most behaviours and statements on nominal data (Sekaran & Bougie, 2010). Since the objectives of the research are to measure relationships between leadership behaviour, organisational commitment, and intention to turnover, the use of this technique to gather the data and to calculate the correlation between variables is appropriate.

The original questionnaires were written in English, translated into Arabic, and then translated back into English, a back-to-back translation procedure (Brislin, 1980). After that, the questionnaires scales were pre-tested and piloted to ensure that their validity and reliability were equivalent to the original versions. This step is a vital pre-collection stage of the data collection to ensure that the instrument is reliable (see Figure 4.2).

Cronbach's alpha coefficient is one of the commonly used techniques to estimate a scale's internal consistency reliability. Cronbach's alpha coefficient is sensitive to different factors, such as the number of the items in each scale and the sample (Pallant, 2013). Coefficient alpha (α) value “varies between 0 and 1. The closer the alpha is to 1.00, the greater the internal consistency of items in the instrument being assessed. Although a negative value is possible, such a value indicates a scale in which some items measure the opposite of what other items measure” (Sekaran & Bougie, 2010, p. 223). It is estimated that the alpha reliability above α > 0.6 is considered to be acceptable (Hair et al., 2010). There are five types of validity addressed such as content, face, concurrent, construct and predictive validity. In the research, face validity was used to assess the instruments as the scales were well established and validated in previous research. Further, face validity indicates whether the instruments assess and capture what is claimed or intended to measure. Therefore, the experts determine whether the scales measure what they are expected to measure. An established instrument reporting good validity and reliability can be used rather than developing a
new measure. However, it is recommended that the validity and reliability should be tested in the current context of the research (Sekaran & Bougie, 2010).

The instrument that was used is a self-evaluation report which contains 70 items in four sections (demographics, transformational leadership behaviour, organisational commitment, and intention to turnover). The demographic characteristics consist of seven items, namely gender, age, educational level, marital status, occupational category, tenure and nationality (numbers 1 to 7, in section one of the survey). The transformational leadership behaviour section comprised 32 items (numbers 8 to 39, in section two of the survey); the section on organisational commitment included 24 items (numbers 40 to 63, in section three of the survey); and the turnover intention section consisted of seven items (numbers 64 to 70, in section four of the survey).

As mentioned previously, the data were collected through a self-evaluation report. A common method variance problem may be raised in this thesis. However, “the fact that individuals themselves could best answer the survey questions on their personality, the breadth and quality of their relationships with others, their turnover intentions, and their helping behaviours suggests that self-reported measures were appropriate” (Yang, Gong, & Huo, 2011, p. 754). Since the thesis investigates the relationships between leadership behaviour, organisational commitment and turnover intentions among leaders in the Saudi banking sector, it appears that the self-evaluation report is an appropriate way to collect the data.

To handle missing data, a list-wise deletion procedure was used; this reduced the sample to 376 respondents from a total of 438 respondents.
4.6.1 Demographic Characteristics

The questionnaire identified the respondents’ demographic characteristics. The seven items are gender, age, educational level, marital status, occupational category, tenure and nationality. These questions appeared in the final survey as numbers 1 to 7 in section one.

The age category was divided into seven different categories (i.e., under 25 years, 25 to 30 years, 31 to 35 years, 36 to 40 years, 41 to 45 years, 46 to 50 years, 51 years and over).

Educational level was divided into different levels (i.e., high school/or less than high school, technical diploma, higher diploma, bachelor, master, doctorate).
The occupational category was divided into nine different categories according to the level of their responsibility and their role in the bank (i.e., executive manager, general management, senior management, administration branches, branch manager, assistant management, executive officer, supervisor, and others).

Tenure was divided into seven different categories (i.e., 4 years and less, 5 to less than 10 years, 10 to less than 15 years, 15 to less than 20 years, 20 to less than 25 years, 25 to less than 30 years, 30 years and above).

4.6.2 Leadership Behaviour Scale

Researchers have developed numerous questionnaires to measure transformational leadership (Bass & Avolio, 1997; Kouzes & Posner, 1991; Podsakoff et al., 1990). The measurements vary on reliability and validity, although most of them reported an acceptable level of reliability and validity, as they reported in several research studies worldwide (Yucel et al., 2013; Mu-Li, 2012; McMurray et al., 2010; Avolio et al., 2004). The most popular questionnaires include the Multifactor Leadership Questionnaire (MLQ) which was developed by Bass and Avolio (1997) to measure transactional and transformational leadership. The transformational leadership scale was developed by Podsakoff, Mackenzie, Moorman and Fetter (1990), and the transactional leadership scale was developed by Podsakoff, Todor, Gover and Huber (1984). However, the transformational leadership scale, which measures transformational and transactional leadership based on Podsakoff et al.’s (1990) six dimensions, uses 7-point Likert-type scales. Leadership behaviour in the current thesis was measured by the Multifactor Leadership Questionnaire (MLQ_X5) developed by Bass and Avolio (1997). The “MLQs are ‘the most widely used instrument for measuring leadership’ behaviour” (Obiwuru, Timothy et al., 2011, p. 104) and are “considered the best validated measure of transformational and transactional leadership” (Ozaralli, 2003, p. 338).

The data of any research can only be as good as the instrument used (Sekaran & Bougie, 2010). Fortunately, the concepts in the theoretical framework in this thesis are based on the transformational leadership theory developed by Bass and Avolio (1985–1997), a well-validated and reliable instrument developed and established by the authors. “Measures have been developed for many important concepts in organisational research and their psychometric properties (i.e., the reliability and validity) established
by the developers. Thus, researchers can use the instruments already reputed to be ‘good’ rather than laboriously developing their own measures … and it is advisable to test it for the adequacy of the validity and reliability afresh” (Sekaran & Bougie, 2010, p. 161). The use of the MLQ required approval from the authors’ copyright owners (Mind Garden, Inc.), and the permission agreement was received in October 2014.

An evaluation of the structural validity of MLQs was undertaken by Muenjohn and Armstrong (2008). The authors discovered that MLQs are the most appropriate strategy for “adequately capturing the factor constructs of transformational and transactional leadership” (p. 3); and that “the nine-factor model appeared to be the best theoretical construct representing the latest form of the MLQ whether it was tested with the large or small sample” (p. 10). Further, a reliability test was “conducted to provide evidence that the MLQ produced the data for which it was designed” (Muenjohn & Armstrong, 2008, p. 8). They showed that the MLQ form 5X version for Bass and Avolio, developed in 1997, was “successful in adequately capturing the full leadership factor constructs of transformational leadership theory” (p. 10). These outcomes demonstrate the power of this measurement tool to capture the full range of leadership behaviour as well as the factors of these behaviours.

The MLQ form can be used to measure the different factors of transformational and transactional leadership. Transformational leadership has five factors (idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation, and individualised consideration), while transactional leadership has three factors (contingent reward, management-by-exception passive, and management-by-exception active). Transformational leadership comprises four behaviours. In the idealised influence behaviour, a leader shows respect, trust and builds confidence in their followers. They share the values, the vision and the mission of the organisation with their followers. “There are two types of idealised influence leadership in a recent theoretical development. That was, idealised influence could exert influence based on a perception in the eye of the beholder (Idealised Influence Attributed) or impact based on the behaviour of the leader (Idealised Influence Behaviour) such as persistence and determination” (Muenjohn, 2007, p. 4). The inspirational motivation leader presents themselves as a symbol to attract followers in order to inspire and motivate them. They express high expectations.
of the desired goals and vision to be achieved. The intellectual stimulation leader changes and values the ways that followers think about their problems and encourages them to develop new ways to solve the problems or challenges that they face. The individualised consideration leader recognises followers’ concerns and needs. Then they treat and develop followers individually.

Transactional leadership behaviour focuses on the roles of supervision and group performance in the organisation. The transactional leader makes clear and specific commands to affect performance through motivating workers with rewards and punishments. The primary goal of the followers is to obey the instructions and commands of the leader, while careful monitoring of followers is required in order to achieve the set goals. Transactional leadership has three factors, as reported by Muenjohn (2007), Antonakis, Avolio and Sivasubramaniam (2003) and Bass and Avolio (1997). The contingent reward leader clarifies the task requirements clearly with followers and then exchanges a reward for good performance or a punishment for poor performance. The management-by-exception active leader monitors the followers as they work and then takes necessary corrective action in case mistakes occur. The management-by-exception passive leader avoids taking any action until the tasks’ standards are not met. Then, they take corrective action.

In this research, the survey included 32 items from the MLQ to measure the leadership behaviours which appeared in the final survey, in order, from numbers 8 to 39. There were four items for idealised attributed (IIA), an example of the items being “I instil pride in others for being associated with me”; four items for idealised behaviour (IIB), an example being “I talk about my most important values and beliefs”; four items for inspirational motivation (IM), an example being “I express confidence that goals will be achieved”; four items for intellectual stimulation (IS), an example of the items being “I suggest new ways of looking at how to complete assignments”; four items for individualised consideration (IC), an example being “I consider each individual as having different needs, abilities and aspirations from others”; four items for contingent reward (CR), an example of the items being “I discuss in specific terms who is responsible for achieving performance targets”; four items for management-by-exception active (MEA), an example of the items being “I concentrate my full attention on dealing with mistakes, complaints and failures”; and four items for management-by-exception passive (MEP), an example being “I fail to interfere until problems become serious” (see Table 4.1).
A 5-point Likert scale was used to determine the frequency of respondents’ perceptions on how each statement fits the leadership behaviour they have adopted in their organisation, ranging from 0 = Not at all, 1 = Once in a while, 2 = Sometimes, 3 = Fairly often, 4 = Frequently, if not always. This weighting and range were recommended in the manual for the Multifactor Leadership Questionnaire (Bass & Avolio, 2004). They suggested that leaders evaluate how frequently they believe they engage in the leadership behaviour in the scale. The authors suggested the anchors to evaluate or rate the scale for leadership items as the following 0 = Not at all, 1 = Once in a while, 2 = Sometimes, 3 = Fairly often, 4 = Frequently, if not always. The researcher listed the rate of the MLQ because it was suggested in the instruction and was a different rate scale from the common scales which are usually rated from 1 to 5 in a 5-point Likert scale. The scale allows the researcher to compare the results with other studies without any misguidance or misunderstanding of the value of the scale output. The reliability measurements for each leadership factor scale are between $\alpha = .74$ and .94, and the range of reliability levels is acceptable and considered as generally high (Bass & Avolio, 1997). An alpha reliability score above $\alpha > .6$ is considered acceptable (Hair et al., 2010). Hence, a coefficient alpha reliability for the thesis estimated to be between $\alpha = .82$ and .84 is acceptable. Thus, the Multifactor Leadership Questionnaire provides an acceptable reliability score.
<table>
<thead>
<tr>
<th>Multifactor Leadership Questionnaire</th>
<th>Number of items</th>
<th>An example of the items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idealised influence attributed</td>
<td>IIA 4</td>
<td>I instil pride in others for being associated with me.</td>
</tr>
<tr>
<td>Idealised influence behaviour</td>
<td>IIB 4</td>
<td>I talk about my most important values and beliefs.</td>
</tr>
<tr>
<td>Inspirational motivation</td>
<td>IM 4</td>
<td>I express confidence that goals will be achieved.</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>IS 4</td>
<td>I suggest new ways of looking at how to complete assignments.</td>
</tr>
<tr>
<td>Individual consideration</td>
<td>IC 4</td>
<td>I consider each individual as having different needs, abilities and aspirations from others.</td>
</tr>
<tr>
<td>Transformational Leadership TFL</td>
<td>20</td>
<td>I discuss in specific terms who is responsible for achieving performance targets.</td>
</tr>
<tr>
<td>Contingent reward</td>
<td>CR 4</td>
<td>I concentrate my full attention on dealing with mistakes, complaints and failures.</td>
</tr>
<tr>
<td>Management -by- exception –active</td>
<td>MBEA 4</td>
<td>I fail to interfere until problems become serious.</td>
</tr>
<tr>
<td>Management -by- exception -passive</td>
<td>MBEP 4</td>
<td>I fail to interfere until problems become serious.</td>
</tr>
<tr>
<td>Transactional Leadership TAL</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Multifactor Leadership Questionnaire MLQ</td>
<td>32</td>
<td></td>
</tr>
</tbody>
</table>

### 4.6.3 Organisational Commitment Scale

Researchers have developed numerous questionnaires to measure organisational commitment (Meyer & Allen, 1997; Meyer & Allen, 1991; Cook & Wall, 1980; Mowday et al., 1979; Porter et al., 1974). The measurements vary on reliability and validity although most of them reported an acceptable reliability and validity, as reported in several research studies worldwide (Bothma & Roodt, 2013; Yücel, 2012; Mu-Li, 2012). The most popular questionnaires used include: organisational commitment scales based on those developed by Meyer and Allen’s (1997) three dimensions, where they used 5-point Likert-type scales to develop the three-dimensional organisational commitment questionnaires (OCQ). The three-dimensional organisational commitment scale was used for Meyer and Allen's (1991)
study to measure organisational commitment. The organisational commitment measured by the organisational commitment questionnaire (OCQ) was developed by Porter et al. (1974), but here they used a 5-point Likert scale. Organisational commitment measured by a 9-item scale was developed by Cook and Wall (1980) and measures three components of organisational commitment: identification, involvement, loyalty. They used 5-point Likert-type scales for each of their nine items.

To determine employees’ organisational commitment levels, the thesis used the Organisational Commitment Questionnaire, a 24-item scale. The Three-Components Model of commitment is based on items developed by Meyer and Allen (1991, 1997); the items appeared in the final survey numbers 40 to 63. The data of any research can only be as good as the instrument (Sekaran & Bougie, 2010). The concepts in the theoretical framework in this thesis are based on the organisational commitment theory developed by Meyer and Allen (1991-1997), a well-validated and reliable measure which has been developed and established by the developers. “Thus, researchers can use the instruments already reputed to be “good” rather than laboriously developing their own measures … and it is advisable to test it for the adequacy of the validity and reliability afresh” (Sekaran & Bougie, 2010, pp. 161).

It used self-reporting, meaning that the respondents were asked to indicate the degree of their agreement or disagreement with each statement on a 5-point Likert scale (1 = strongly disagree, 2 = disagree, 3 = undecided, 4 = agree, 5 = strongly agree). The measurement represents the three factors of organisational commitment: affective, continuance and normative commitment (see Table 4.2). The affective commitment factor relates to employees having a positive emotional attachment to, identification with, and involvement in the organisation. Employees with a high affective commitment are likely to maintain employment with the same organisation. The continuance component factor refers to an attachment based on the costs (either social or economic) that an employee associates with leaving the organisation. An employee who has continuance commitment elects to remain with the same organisation because of the lack of a good alternative job. The normative commitment factor represents employees' feelings of moral obligation to remain with the same organisation. An employee who has a strong normative commitment remains with the same organisation because they feel they owe the organisation. The OCQ includes eight items for all three factors: affective commitment scale (AC) (e.g. “This organisation has a great deal of personal meaning for me”); continuance commitment scale (CC) (e.g. “One of the few
serious consequences of leaving this organisation would be the scarcity of available alternatives”); normative commitment scale (NC) (e.g. “I was taught to believe in the value of remaining loyal to one organisation”). Nine reverse items were distributed throughout the survey to enhance the survey. Sekaran and Bougie (2010) suggested including reverse questions in a questionnaire to assist the researcher in detecting any biases and to improve the questionnaire. The reliability of the Organisational Commitment Questionnaire was found to be between $\alpha = .74$ to $.83$; this range is considered as highly reliable (Meyer et al., 1993). However, the coefficient alpha reliability of the scale to be used in this thesis was estimated to be between $\alpha = .62$ to $.69$ after two items were deleted; this score was considered to be an acceptable score. Alpha reliability scores above $\alpha > 0.6$ are considered acceptable (Hair et al., 2010).

Table 4.2: The Items Loaded onto Organisational Commitment Questionnaire and the Subscales

<table>
<thead>
<tr>
<th>Organisational Commitment Questionnaire</th>
<th>Number of items</th>
<th>An example of the items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective commitment (AC)</td>
<td>8</td>
<td>This organisation has a great deal of personal meaning for me.</td>
</tr>
<tr>
<td>Continuance component (CC)</td>
<td>8</td>
<td>One of the few serious consequences of leaving this organisation would be the scarcity of available alternatives.</td>
</tr>
<tr>
<td>Normative commitment (NC)</td>
<td>8</td>
<td>I was taught to believe in the value of remaining loyal to one organisation.</td>
</tr>
<tr>
<td>Organisational Commitment Questionnaire (OCQ)</td>
<td>24</td>
<td></td>
</tr>
</tbody>
</table>
4.6.4 Turnover Intention Scale

Researchers have developed numerous questionnaires to measure turnover. The measurements vary on reliability and validity although most of them reported an acceptable level of reliability and validity, as reported in several research studies worldwide (Bothma & Roodt, 2013; Yücel, 2012; Crossley et al., 2007; Khatri et al., 2001). The most popular questionnaires include: the Global Measure of Job Embeddedness, which was developed by Crossley et al. (2007, 2011) and includes seven items used to capture four factors: organisation, community, work and non-work factors. A questionnaire measuring respondents’ intention to quit their job was developed by Lance (1988). Another questionnaire to measure turnover intention to quit was developed by Khatri, Fern, and Budhwar (2001). The turnover intention scale (TIS) was developed by Roodt (2004).

The turnover intention in the current research was measured by the Global Measure of Job Embeddedness, as developed by Crossley et al. (2007, 2011). Seven items were used to capture four factors: organisation, community, work and non-work factors (see Table 4.3). These factors work together to involve workers in their current job and organisation (Crossley et al., 2007), and they appeared in the final survey as numbers 65 to 70. An example of the items is “I’m too caught up in this organisation to leave”. The measurement included one reverse item to enhance the measurement ability of the questionnaire. As noted previously, according to Sekaran and Bougie (2010) reverse questions help the researcher to detect bias and improve the questionnaire. The measurement used a 5-point Likert scale (1 = Strongly disagree, 2 = Disagree, 3 = Undecided, 4 = Agree, 5 = Strongly agree) to assess the participant’s turnover intention. After reading each statement, the respondents rated their agreement with each statement. The scale is considered highly reliable, with a Cronbach’s alpha of $\alpha = .88$ (Crossley et al., 2007). However, the coefficient alpha reliability estimated for this study’s scale was $\alpha = .83$, which shows a high reliability (Hair et al., 2011).

Table 4.3: The Items Loaded onto Turnover

<table>
<thead>
<tr>
<th>Turnover</th>
<th>Number of items</th>
<th>An example of the items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>7</td>
<td>I’m too caught up in this organisation to leave.</td>
</tr>
<tr>
<td>Turnover</td>
<td>7</td>
<td></td>
</tr>
</tbody>
</table>
4.7 Ethical Considerations

This thesis is in line with the Ethics Guideline Procedures stipulated by RMIT University in the Ethics Review Process. The notice of Ethics Approval for this research was received on 8 October 2014, project number 18734. The RMIT Human Research Ethics Committee (HREC) has evaluated the proposed thesis, and included some background to the topic, research design, literature review, research methodology, questionnaires, and plain language statement. This process was undertaken to ensure that the thesis met the standards required by the HREC. A copy of the Ethics Approval is attached in Appendix 2.

4.8 Plain Language Statement

The plain language statement included the objectives and the aims of the thesis: Who is involved in this study? Why is it being conducted? Any potential risks or disadvantages associated with participation? What are they required to do? The voluntary nature of participation was explained, and their rights as a participant in the study were also clarified (a copy of the plain language statement is attached in Appendices 3 and 4).

4.9 Pre-Test

The data gathered for the thesis was conducted in three phases: a pre-test, followed by a pilot study, and then the main study. The pre-test and pilot study were conducted before the second step of the data collection. This approach is important for several reasons, for example to ensure that the questions are sensitive to the language and the cultures of the respondents, especially in relation to the attitudinal and behaviour measures (Sekaran & Bougie, 2010).

There are usually a number of sampling designs from which a researcher can choose based on the research purpose (Sekaran & Bougie, 2010). For example, the probability sampling design procedure (e.g. random sampling, complex probability sampling, systematic sampling and stratified random sampling) is used when each person in the population has equal probability of being selected as a respondent in the sample. Non-probability sampling design (e.g. convenience sampling, purposive sampling and judgment sampling) refers to a sampling procedure in which each person in the population does not have equal probability of being selected as a respondent in
the sample. Each procedure has advantages and disadvantages. The researcher considered which was appropriate for the research based on the purposes of the research, with regard to generalisability needs, and the representative sample for the population, as well as the type of data, such as exploratory data or the main data of the research.

In the first phase, the pre-test phase, the questionnaire was reviewed and examined by eight external experts to check the veracity of the questionnaire and to ensure that it measured what it was designed to measure. To improve the competency level of the survey, the pre-test was undertaken by eight academics in the management area in Saudi universities, and employees who work in Saudi financial companies in Saudi Arabia. The expert reviewers were required to hold a management position and had to agree to provide feedback on the survey. The experts were selected by a judgment sampling method; the researcher considered their Arabic and English language abilities. Judgment sampling refers to the procedure in which the researcher is involved “in the choice of the subjects who are most advantageously placed or in the best position to provide the information required” (Sekaran & Bougie, 2010, p. 277).

The researcher sent an email to the experts, including an invitation to participate in the research and the survey, asking them to give feedback, and to identify any ambiguous and difficult questions in the survey. The researcher followed the guidelines of the back-to-back translation procedure, as suggested by Brislin (1980), and worked with an official translator. The researcher made the survey available to the reviewers in two languages, Arabic and English. The survey was available in two languages to ensure that the selected words of the translated survey were appropriate, and to give the reviewers the ability to compare the items with the original survey which was written in English (Arham, 2014). If there were problematic or ambiguous questions, these were modified. The translation stage required the approval of the copyright holders (Mind Garden, Inc) of the MLQ. The permission agreement was received by the researcher on 8 October 2014. A copy of both Arabic and English versions of the survey are attached in the appendices.

In December 2014, the survey was sent to eight experts in management theory and the practice of managing employees in a Saudi university. It was sent, along with an invitation, to participate in this research, as external experts, to check the veracity of the questionnaire and to provide feedback on the translation of the instrument. They
were requested to return their feedback within two weeks. After two weeks, the researcher had received only five responses. Therefore, the researcher sent a reminder email to increase the response rate. The researcher then received two of the missing responses. The experts provided feedback and comments on the instrument. After modifying the survey to reflect the most common feedback, the researcher sent it back to the experts to reassess the survey. They agreed that the survey was acceptable. The next step involved the instrument being translated back to English, as suggested in the guideline of back-to-back translation procedures by Brislin (1980). The survey was sent to a translator in order to translate it from Arabic to English and compare that translation with the original questionnaire to ensure clarity. The instrument showed an acceptable reliability and a good validity for collecting the main data.

4.10 Pilot Study

The second stage of the data collection was the pilot study. This stage covered 40 selected employees who had volunteered to participate in the study and who are at managerial levels in the financial sector in Saudi Arabia. Convenience sampling was used; the researcher submitted the survey to specific members of the population who agreed to participate in the research (Sekaran & Bougie, 2010). Choosing a convenience sample from the financial sector in Saudi Arabia, with the condition that they should hold a management position, allowed the researcher to pilot the survey on a small group who are as similar as possible to the target population. Performing a pilot study before the main data are collected is considered a good strategy in research and can advance the main data collection procedure (Arham, 2014). Piloting the survey can guide the researcher in developing a better understanding and ensure that the final survey will work as planned. The respondents received the Arabic survey version from the researcher by email which contained an invitation to participate in this research, and a link to an online survey (at http://www.qualtrics.com/).

For these two stages, the researcher chose a non-probability sampling design for several reasons. The reasons are that the aim of these phases is to obtain feedback from specific experts, to measure the validity and the reliability of the survey in this research, and to obtain quick and inexpensive basic information (Sekaran & Bougie, 2010).
In January 2015, after modifying the survey (based on the pre-test results), the researcher began sending a link to the online survey, along with an invitation to participate in the research. The respondents faced some difficulty with the online Qualtrics survey; most of the respondents used smart-phones to access their email and internet, but they were advised to use a PC or laptop computer to avoid access problems, if they occurred. These problems arose despite the researcher having been advised that Qualtrics supported the use of smart-phones and other devices.

Before this stage, approval was sought from the MLQ copyright owners (Mind Garden, Inc) who have very strict rules about putting the MLQ up as an online survey. From a total of 42 respondents who received the online pilot study survey, 31 completed and returned the survey within three weeks (see Table 4.4). The survey had an acceptable reliability after two items (one item in the continuance commitment scale (CCS): item number 48 in the survey; and one in the normative commitment scale (NCS): item number 55 in the survey) were deleted from the OSQ. The results from the pilot study revealed that the survey was reliable, and the coefficient alpha was between $\alpha = .62$ and .84. According to Hair and her colleagues (2010), these scores reflected an acceptable alpha reliability score.

Table 4.4: Total of Completed Surveys

<table>
<thead>
<tr>
<th>Cases</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cases Valid</td>
<td>31</td>
<td>73.8</td>
</tr>
<tr>
<td>Excluded*</td>
<td>11</td>
<td>26.2</td>
</tr>
<tr>
<td>Total</td>
<td>42</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* a. Listwise deletion based on all variables in the procedure.

Table 4.5 shows the transformational leadership scale included 20 items. The table shows that the survey was reliable: the Cronbach's alpha score was $\alpha = .84$ in the thesis.

Table 4.5: Reliability of Transformational Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.835</td>
<td>20</td>
</tr>
</tbody>
</table>

Table 4.6 shows the transactional leadership scale, which included 12 items, was deemed reliable: the Cronbach's alpha score was $\alpha = .84$. 
Table 4.6: Reliability of Transactional Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.842</td>
<td>12</td>
</tr>
</tbody>
</table>

The affective commitment scale presented in table 4.7 included 8 items. The result revealed that it was reliable: the Cronbach's alpha score was $\alpha = .69$.

Table 4.7: Reliability of Affective Commitment Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.690</td>
<td>8</td>
</tr>
</tbody>
</table>

The continuance commitment scale, which included 8 items, was found to be unreliable: the Cronbach's alpha score presented in Table 4.8 was only $\alpha = .47$. The item total statistics showed that the reliability can be increased by deleting item number 4 in this scale, which was number 48 in the survey items. After the item was deleted in this scale, a reliability analysis was run again in SPSS and the result showed that the reliability increased to an acceptable score. The Cronbach's alpha score was $\alpha = .70$ in this study (see Table 4.9).

Table 4.8: Reliability of Continuance Commitment Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.470</td>
<td>8</td>
</tr>
</tbody>
</table>

Table 4.9: Reliability of Continuance Commitment Scale After Item Deleted

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.697</td>
<td>7</td>
</tr>
</tbody>
</table>

The normative commitment scale, which included 8 items, was found to be unreliable: the Cronbach's alpha score presented in Table 4.10 was $\alpha = .56$. The item total statistics showed that the reliability could be increased by deleting item number 3 in this scale, which was number 55 in the survey items. The item was deleted after the researcher undertook a reliability analysis in SPSS again; the result presented in Table 4.11 showed that the reliability had increased to an acceptable score. The Cronbach’s alpha score was $\alpha = .62$. 
Table 4.10: Reliability of Normative Commitment Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.562</td>
<td>8</td>
</tr>
</tbody>
</table>

Table 4.11: Reliability of Normative Commitment Scale After Item Deleted

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.624</td>
<td>7</td>
</tr>
</tbody>
</table>

In Table 4.12 the turnover scale included 7 items and was found to be reliable: the Cronbach's alpha score was $\alpha = .83$.

Table 4.12: Reliability of Turnover Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.832</td>
<td>7</td>
</tr>
</tbody>
</table>

4.11 The Main Study

In the third stage of the data collection, the final survey was distributed through the Saudi Arabia Monetary Authority (SAMA), which is a government sector organisation equal to the central banks in other countries. The human resource department of each bank was asked to randomly sample their employees, on the condition that the respondents be at a managerial level in the bank. The banks were asked to select 78 potential respondents from their list of managers, starting from number two on the list of managers. The number “two” had been selected randomly. This method is a systematic sampling design, which “involves drawing every $n$th element in the population starting with a randomly chosen element between one and $n$” (Sekaran & Bougie, 2010, pp. 270–271).

In the case that the response rate was lower than anticipated, a reminder message was sent to the respondents to encourage them to complete the survey. SAMA sent an email to the human resource department of each bank along with an invitation to participate in the research. Because SAMA has all the contact details for the HR departments for all 23 banks in Saudi Arabia, the researcher chose to let them send the email to save time and reach all potential respondents, especially since the respondents are spread across the country. The only contribution to the research from SAMA was
the sending of the email to the HR departments in the Saudi banks. Otherwise, the researcher would have needed to contact each HR unit, which would be time consuming. The email included a link to an online survey (http://www.qualtrics.com). An online survey has some advantages over mail surveys, such as being easy to complete, can obtain reliable data, and can computerise the data collection, as well as being inexpensive. The online survey could be answered at a time convenient to the respondents, and allows for the randomisation questions (Sekaran & Bougie, 2010).

Consent was assumed when the respondents clicked the link and completed the online survey. The researcher did not collect any personal data from the respondents, who remained anonymous at all times and at all stages of the research. It is an essential aspect of the thesis that the results would be reported in a statistical form only. A follow-up email was sent to the potential respondents as a reminder to complete the survey two weeks after receiving the first email. This strategy was intended to increase the response rate.

4.11.1 The Reliability Results of Cronbach’s Alpha Coefficients from the Main Study

The reliability of the research survey was tested to determine any influences on the data gathering and the data quality (Sarhan, 2010). The reliability of the scales and sub-scales in the main study are presented in this section. Cronbach's alpha coefficient is one of the commonly used techniques to estimate a scale's internal consistency reliability (Pallant, 2013). As mentioned previously, Coefficient alpha (α) value can be positive or negative one (± 1.0). The closer α value is to +1.00, the better the internal consistency and the negative value is the opposite (Sekaran & Bougie, 2010). It is estimated that the alpha reliability above α > 0.6 is considered acceptable (Hair et al., 2010). Although established instruments reported a good validity and reliability when previously used, a test of the validity and reliability in the context of the new research was performed, as recommended by Sekaran and Bougie (2010). It was noted that all the three scales are well validated and reported an acceptable value and structure in earlier research: OCQ (Meyer & Allen, 1991); the turnover scale (Crossley et al., 2007); and MLQ (Bass & Avolio, 1997) discriminatory and confirmatory factor analysis were tested and reported satisfactory values. The Coefficient alpha (α) of the overall leadership behaviour scale was α = .89, as shown in Table 4.13, which is considered acceptable, according to Sekaran and Bougie (2010).
Table 4.13: Reliability of Leadership Behaviour

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>Cronbach's Alpha Based on Standardized Items</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.893</td>
<td>.897</td>
<td>32</td>
</tr>
</tbody>
</table>

Table 4.14 shows the transformational leadership scale; it includes 20 items. The table shows that the survey was reliable: the Cronbach's alpha score was $\alpha = .84$ in the study (in the main study N was 376). This result was slightly above the pilot study’s score of $\alpha = .83$ (N was 31). According to Hair and her colleagues (2011), these scores reflect an acceptable alpha reliability score.

Table 4.14: Reliability of Transformational Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.842</td>
<td>20</td>
</tr>
</tbody>
</table>

Table 4.15 shows that the transactional leadership scale (which includes 12 items) was deemed reliable: the Cronbach's alpha score was $\alpha = .80$ in the study (in the main study N was 376). This result was slightly below the pilot study which had a Cronbach's alpha score of $\alpha = .84$ (N was 31).

Table 4.15: Reliability of Transactional Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.80</td>
<td>12</td>
</tr>
</tbody>
</table>

As shown in Table 4.16, the organisational commitment scale included 22 items and was found to be reliable: the Cronbach's alpha score was $\alpha = .67$ in the study (in the main study N was 376). This was slightly below that of the pilot study, which scored $\alpha = .70$ (N was 31). According to Hair and her colleagues (2011), these scores reflected an acceptable alpha reliability score.

Table 4.16: Reliability of the Organisational Commitment

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.678</td>
<td>22</td>
</tr>
</tbody>
</table>

The affective commitment scale, presented in table 4.17, included 8 items. The result revealed that it was reliable: the Cronbach's alpha score was $\alpha = .68$ in the study
(in the main study N was 376). This result was lower than the result that was estimated in the pilot study, which was $\alpha = .69$ (N was 31).

**Table 4.17: Reliability of Affective Commitment Scale**

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.680</td>
<td>8</td>
</tr>
</tbody>
</table>

The continuance commitment scale, which included 7 items, was found to be reliable: the Cronbach's Alpha score, presented in Table 4.18, was $\alpha = .63$ in the study (in the main study N was 376). This result was slightly below the result that was estimated in the pilot study, which had a Cronbach's alpha score of $\alpha = .69$ (N was 31).

**Table 4.18: Reliability of Continuance Commitment Scale**

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.636</td>
<td>7</td>
</tr>
</tbody>
</table>

The normative commitment scale, which included 7 items, was found to be reliable: the Cronbach's alpha score, presented in Table 4.19, was $\alpha = .62$ in the study (in the main study N was 376). This result was similar to the results estimated in the pilot study, which scored $\alpha = .62$ (N was 31).

**Table 4.19: Reliability of Normative Commitment Scale**

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.629</td>
<td>7</td>
</tr>
</tbody>
</table>

In Table 4.20 it can be seen that the turnover scale included 7 items and was found to be reliable: the Cronbach's alpha score was $\alpha = .70$ in the study (in the main study N was 376). This result was a little below the score in the pilot study which was $\alpha = .83$ (N was 31). According to Hair and her colleagues (2011), these scores reflected an acceptable alpha reliability score.

**Table 4.20: Reliability of Turnover Scale**

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.705</td>
<td>7</td>
</tr>
</tbody>
</table>
4.12 Statistical Tests and Analysis

The data obtained via the main research method was analysed using the Statistical Package for the Social Sciences (SPSS) version 23. A descriptive analysis was used to assess the basic descriptive statistics to determine the degree of association between leadership behaviour and organisational commitment (Kumar, 2005). Descriptive analyses involve measuring the central tendency of the selected variables and presenting statistical information such as the mean, standard deviation and variance, skewness and kurtosis (normality distribution). In addition, the data analysis and processing followed descriptive statistical analysis and multiple regressions procedures to test the relationship between leadership behaviours, the three components of organisational commitment, and turnover intention. The correlation and multiple regression analyses were used to test the relationships between the variables. The “Correlation are designated by the lower-case letter r, and range in value from -1 to +1. A correlation is often called a bivariate correlation to designate a simple correlation between two variables, as opposed to relationships among more than two variables, as frequently observed in multiple regression analyses or structural equation modelling” (George & Mallery 2010, p. 124). The correlation is used when a researcher wants to explore and test the strength and the direction of the relationship between two continuous variables (the association between two variables) (Pallant, 2013). Meanwhile, multiple regression analyses are used when a researcher wants to predict a dependent variable from two (or more than two) independent variables (Pallant, 2013). In addition, to show the model fit goodness of the structural equation modelling, the thesis used several indices, including goodness of fit index, the reliability coefficient (Cronbach’s alpha), and validity.

Cronbach’s alpha coefficient is one of the commonly used techniques to estimate a scale's internal consistency reliability. Cronbach's alpha coefficient is sensitive to different factors, such as the number of items in each scale and the sample (Pallant, 2013). As mentioned previously, Coefficient alpha (α) value can be positive or negative one (± 1.0). The closer α value is to +1.00, the better the internal consistency and the negative value is the opposite (Sekaran & Bougie, 2010). It is estimated that the alpha reliability above α > 0.6 is considered to be acceptable (Hair et al., 2010). Further, face validity indicates whether the instruments assess and capture what is claimed or intended to measure. Therefore, in this thesis, the experts determined whether the scales measured what they were expected to measure. Although
established instruments reported good validity and reliability, a test of the validity and reliability in the context of the research was performed, as recommended by Sekaran and Bougie (2010).

4.13 Summary

This chapter contains a description and discussion of the research methodology, in 12 sections. The first section is the introduction. The second section discusses the selection of the research design and justifies the selection of the quantitative approach used in this thesis. The third section discusses the population of the study, while the justification of choosing the banking sector and sample size are explained in sections four and five respectively. Section six provides a justification and explanation of the research instruments adopted, that is, the Multifactor Leadership Questionnaire, the organisational commitment questionnaire, and the turnover scale. In section seven the ethics guidelines procedure is provided to ensure that the thesis met the standards required by the Human Research Ethics Committee (HREC), RMIT University. Section eight explains, in brief, the plain language statement in this thesis. Section nine provides an explanation of the pre-test process. Section ten explains the pilot study process and the reliability result. In section eleven, the reliability in the main study is presented. Section twelve is an overview of the statistical tests and analysis used in the thesis. The following chapter addresses the processes designed to examine the thesis data.
CHAPTER FIVE
DATA EXAMINATION AND PREPARATION

5.1 Introduction

The purpose of this chapter is to present the procedures and the methods that were used in the data screening stage. Several processes were involved to ensure that the data represented the population well. These processes were important as they maximised the accuracy of the data, avoided any unintentional mistakes, and enabled the researcher to generalise the findings. This chapter covers the essential points such as testing the assumption of the multivariate and the confirmatory factor analysis (CFA). It includes dealing with missing data, outliers, normality, and linearity. As mentioned in an earlier chapter, all three scales are well validated and reported an acceptable value and structure in earlier research: OCQ (Meyer & Allen, 1991); the turnover scale (Crossley et al., 2007); and MLQ (Bass & Avolio, 1997). Both discriminatory and confirmatory factor analysis were tested and reported satisfactory values. However, as it was recommended to retest and validate them in the new context of the study (Sekaran & Bougie, 2010; Hair et al., 2010; Tabachnick et al., 2001), the scales were retested in this section to show the validity and the goodness-of-fit of the scales.

5.2 Data Screening

Before performing any test on the data, data screening was undertaken. The preparation of the data was undertaken in several steps. This procedure involved checking the data for accurate data entry, missing data, and violation of the assumption (normality). The accuracy of data entry was checked carefully to ensure that the data were entered correctly. Qualtrics online survey has many useful features. Through utilising Qualtrics’s features, such as force and request response, import and export data, view reports, initial report, and downloading survey data, the accuracy of the data could be maximised. After the data were imported electronically by the command import data from the online survey in Qualtrics into SPSS, the items and variables in the data were labelled into the SPSS software package for further analysis. The data were checked and all negative items (worded) in the scales were reversed.
Missing information can influence the legitimacy of the outcomes, and therefore any missing information ought to be identified and recognised whether it is systematic or random, and then the issues must be resolved (Hair et al., 2011). According to Hair et al. (2011), if the missing information surpasses 15%, the atypical arrangement is to just dispense with the respondents with missing information, but the sample size should be considered after removing the uncompleted surveys. The researcher should check the remaining sample size to ensure the sample size is still acceptable for further analysis.

Hair et al. (2010) suggested a four-step process to deal with and identify the missing values in the data. Firstly, the researcher should start by determining the type of the missing data, whether the missing value is due to the design of the research (ignorable/not-ignorable) or due to unknown reasons. Secondly, the researcher should determine the extent of the missing data, whether it has a pattern and make a decision regarding the missing value (such as deleting item/case/variable). A variable with 15% missing data is likely to have a high potential to delete the variable or case from the data. Individual cases with high levels (percentage) of missing data should be deleted, however, there is no agreement about how much is high. This should be considered by the researcher based on the number of the remaining data, and sample size that should be sufficient for further statistical analysis. The case of the missing data should be considered for deletion from the data especially if it missed the dependent variable. Thirdly, the researcher should diagnose the randomness of the missing data processes (random/non-random). Finally, the researcher should select the imputation method based on the missing data, whether they are identified as missing at random (MAR) or missing completely at random (MCAR).

To identify the type of missing data in the thesis, the database was checked carefully by the researcher. From 438 surveys, it was identified that there were no individual items missing, rather there were either one scale or two scales missing in some cases in the data. This result was due to the use of a new Qualtrics feature that forces and requests a response to all the items in the survey. However, there were some scales missing in 62 cases. Some respondents failed to complete the survey. The MLQ was left incomplete in 47 cases, OCQ was not completed in 55 cases, and the turnover scale was not completed in 62 cases. It can be assumed that workload and time factor could be the reasons for the incomplete surveys. The respondents might have stopped due to the nature of the daily work of the banking employees, which may demand their
urgent attention. As the study targets the leaders and managers in the banking sector, their time was limited. In addition, they are multi-taskers and they could be easily distracted by other employees or work. In this case, the missing data could be identified as user-missing data. The final step was to select an applicable imputation method for the missing data >15%. The missing cases were deleted from the database (list-wise deletion), as suggested by Hair et al. (2011). Using a complete case in the analyses has some advantages, such as it is easy to implement using any program, $x^2$ displays a little bias in most conditions (Hair et al., 2010). After the data processing was complete, 376 complete surveys remained for further treatment.

The online survey was conducted within the time period of 12 weeks. The data were entered into the statistical package for social science (SPSS) to analyse and test the hypotheses. From within the SPSS software, the analysis was selected, then descriptive statistics, then frequencies, and the variables were entered into the variables list. The output showed that there were 62 cases with too many missing values more than 15%, and it was found that respondents had not answered a large number of items or parts of the survey, or that some of them were missing one scale and others missing two scales (variables). The 62 surveys were excluded due to incomplete scales. After the data were cleaned, there were 376 completed surveys remaining in the data (see Table 5.1).

<table>
<thead>
<tr>
<th>Cases</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>376</td>
<td>86.0</td>
</tr>
<tr>
<td>Excluded*</td>
<td>62</td>
<td>14.0</td>
</tr>
<tr>
<td>Total</td>
<td>438</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* a. Listwise deletion based on all variables in the procedure.

5.2.1 The Response Rate

From a total of 1700 distributed surveys, there were 438 responses. A total of 62 surveys were identified as missing too many data and were therefore eliminated from the data. Only 376 completed surveys were able to be used for further analysis in the thesis. This number presented a good response percentage of 25%. 

130
5.2.2 Outliers

Outliers could exist in this study; thus, they needed to be addressed before any further analysis. The outliers could be on univariate and multivariate levels. The term ‘outliers’ refers to value in the data or variables such as high or low value across the variables (Hair et al., 2010). This could have happened during the entry of the data, and as the data was imported electronically by the command import data from the online survey in Qualtrics into SPSS, these kinds of outliers were avoided. In this study, a 5-point Likert scale was used for all the questions. In the MLQ questionnaire, the values ranged from 0 to 4. In the OCQ and turnover questionnaires, the values ranged from 1 to 5. Therefore, identifying univariate outliers in this study did not make sense.

In this situation, another kind of outlier should be identified, which is an unengaged respondent. This means that the respondent might have entered the same answer for all the items without paying attention. This could affect the analysis and the results. The unengaged respondent outlier can be addressed by using the standard deviation in their responses to the Likert scale in the survey. If the standard deviation recorded very low value (less than 0.5 in the 5-point Likert scale), it means they were not engaged in the survey and their answer should be removed from the data. Microsoft Excel was used to calculate the standard deviation of the responses. The standard deviation ranged from 0.63 to 1.66, which means that all the respondents were engaged in the survey, and no responses were deleted in this phase (Gaskin, 2012).

This phase was important because it could lead to Type I or Type II errors. By identifying any optional outlier value in the data, the researcher minimised both the kind of errors and maximised the generalisation of the sample result from the population (Tabachnick & Fidell, 2001).

5.2.3 Normality

The normality distribution is one of the mean assumptions of multivariate data analysis; therefore, it is important to test it before conducting any further analysis (Hair et al., 2010; Hair et al., 2011). Most of the SEM techniques applied multivariate normality (Tabachnick et al., 2001). “The normal distribution is a continuous curve that describes all possible values of a variable. The normal curve is symmetrical, bell shaped, and almost all (99.7 percent) of its values are within plus or minus three standard deviations from its mean” (Hair et al., 2010, p. 308). The normality may be
tested by statistical method or the histogram scores (Pallant, 2013). The most common normality test is skewness and kurtosis (Hair et al., 2010; Hair et al., 2011; Pallant, 2013).

According to George and Mallery (2010), a normal distribution is supposed to be balanced with the mean value. They point out that a normal distribution means that 60% of the value should lie between (±) 1 standard deviation of the mean, and if the percentage of the value is 95% then it must be (±) 2 standard deviation of the mean, and similarly if the percentage is 99.7% then it must be (±) 3 standard deviation of the mean. They also introduced the concept of skewness and kurtosis. Skewness is measured in terms of its deviation from the mean value. A deviation value of ± 2.0 is considered to be acceptable, and anything beyond that value is considered not acceptable. Similarly, it is measured based on the peakedness or the flatness of the data of normal distribution. Any value between 0 is considered to be normal, and ±2 is considered to be acceptable. Therefore, all the variables in the research fall within the excellent or acceptable range as acceptable variables for further analyses; the skewness and kurtosis value all lie between ±1.0.

### Table 5.2: The Normal Distribution of the Scales

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Valid</td>
<td>Missing</td>
<td>Skewness</td>
<td>Kurtosis</td>
</tr>
<tr>
<td>Transformational Leadership</td>
<td>376</td>
<td>0</td>
<td>-.240</td>
<td>-.698</td>
</tr>
<tr>
<td>Transactional Leadership</td>
<td>376</td>
<td>0</td>
<td>-.027</td>
<td>-.505</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>376</td>
<td>0</td>
<td>.542</td>
<td>.073</td>
</tr>
<tr>
<td>Turnover</td>
<td>376</td>
<td>0</td>
<td>.068</td>
<td>.562</td>
</tr>
</tbody>
</table>

Table 5.2 illustrates the value of skewness and kurtosis of the scales in this study. From Table 5.2 we found that all the scales are in a normal distribution and in acceptable range (0.562 /-0.698). According to George and Mallery (2010), these values are considered in the excellent range. The next table (Table 5.3) shows the value of skewness and kurtosis of the sub-scales in this study.
Table 5.3: The Normal Distribution of the Sub-scales

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Valid</th>
<th>Missing</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transformational Leadership</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idealised Influence Attributed</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.113</td>
<td>-1.108</td>
</tr>
<tr>
<td>Idealised Influence Behaviour</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.455</td>
<td>-.664</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.412</td>
<td>-.622</td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.464</td>
<td>-.071</td>
</tr>
<tr>
<td>Individualised Consideration</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.366</td>
<td>-.831</td>
</tr>
<tr>
<td><strong>Transactional Leadership</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingent Reward</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.091</td>
<td>.021</td>
</tr>
<tr>
<td>Management-by-Exception-Active</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.269</td>
<td>-.407</td>
</tr>
<tr>
<td>Management-by-Exception-Passive</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>.248</td>
<td>-.671</td>
</tr>
<tr>
<td><strong>Organisational Commitment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.070</td>
<td>-.302</td>
</tr>
<tr>
<td>Continuance Commitment</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>-.208</td>
<td>-.536</td>
</tr>
<tr>
<td>Normative Commitment</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>.082</td>
<td>.403</td>
</tr>
<tr>
<td><strong>Intonation to Turnover</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover</td>
<td>376</td>
<td>0</td>
<td>0</td>
<td>.068</td>
<td>.562</td>
</tr>
</tbody>
</table>

Table 5.3 shows the normality of the sub-scale. The value of skewness and kurtosis of the sub-scales in this study were between 0.562 and -1.108, which indicates that the variables in this study are in excellent normal distribution, according to George and Mallery (2010). None of the variables identified as skewed or keratotic, therefore the variables could be used for further examination.

A further test to check the normality assumption is the normal probability plots. This is a visual examination of the variables through SPSS (version 23) features. To meet the assumption, the data required there to be no substantial or systematic departures (Hair et al., 2010). In the following figures, the main variables were tested for the normality assumption.
Figure 5.1: The Normal Distribution of Leadership Behaviour

Figure 5.1 shows the normal probability plot of leadership behaviour, and it shows a straight line representing a reasonable normal distribution. The test presented a normal distribution in the data which met the assumption requirement. As shown in Figure 5.1, a reasonable straight line was presented which indicates a normal distribution of the leadership behaviour in the sample of the population.

Figure 5.2: The Normal Distribution of Organisational Commitment
A further examination of the normal probability plot of organisational commitment confirmed the normal distribution in the data, illustrated in Figure 5.2 above. As the figure shows, there is a reasonably straight line which indicates a normal distribution of the organisational commitment in the sample of the population.

![Normal Q-Q Plot of Turnover]

**Figure 5.3: The Normal Distribution of Turnover**

The distribution of the turnover is normal as the result of the examination of the normal probability plot of turnover suggested that there is a normal distribution in the data (Figure 5.3 above). Figure 5.3 shows a reasonably straight line which indicates a normal distribution of the turnover in the sample of the population.

### 5.2.4 Linearity

The data are required to meet the linearity assumption before further analysis or test in the data (Hair et al., 2010). Testing the linearity is a vital step before any further analysis can be done in the SEM technique, which can be done using the SPSS software package. The relationship between variables needs to be linear (Tabachnick et al., 2001). To assess the linearity in the data, a linearity test of the relationship between the main variables in the study was performed. The next figures show the results of the linearity.
Figure 5.4: The Linearity of the Relationship Between Leadership Behaviour and Organisational Commitment

Figure 5.4 illustrates that the relationship between leadership behaviour and organisational commitment was found to be linear. As Figure 5.4 shows, there is a straight line which indicates a linear relation between the variables.
Figure 5.5: The Linearity of the Relationship Between Leadership Behaviour and Turnover

Figure 5.5 illustrates the relationship between leadership behaviour and turnover which was identified as being linear. The straight line shown in Figure 5.5 indicates a linear relation between the variables.
Figure 5.6: The Linearity of the Relationship Between Organisational Commitment and Turnover

Figure 5.6 illustrates the relationship between organisational commitment and turnover which was found to be linear. The straight line in Figure 5.6 indicates a linear relation between the variables.

Based on these results, all the variables in the study seem to be linearly related, therefore the variables can be used for further examination.
5.3 Confirmatory Factor Analysis (CFA)

In this section, the technique of testing the constructs of the measurements is discussed. In this thesis, Confirmatory Factor Analysis (CFA) was used to investigate the constructs of the Multifactor Leadership Questionnaire (MLQ), the Organisational Commitment Questionnaire (OCQ), and the turnover scale. This technique is known as a reduction technique and it is expected that the number of observations or items in the measurements will be reduced during this process. Therefore, it was expected that conducting CFA to test the constructs using AMOS might lead to a reduction in the number of items in each measurement, depending on the individual result of each measurement. It was noted that all three scales are well validated and reported an acceptable value and structure in earlier research: MLQ (Bass & Avolio, 1997) discriminatory and confirmatory factor analysis were tested and reported satisfactory values; OCQ (Meyer & Allen, 1991); and the turnover scale (Crossley et al., 2007). However, it was recommended to retest and validate them in a new context of study (Hair et al., 2010; Tabachnick et al., 2001).

To conduct CFA, the data needed to be analysed based on variables that are theoretically inter-related, such as leadership behaviour contains two main variables and eight factors, which are transformational leadership and its five factors (idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration) and transactional leadership and its three factors (contingent reward, passive management by exception and active management by exception). Organisational commitment contains three factors of organisational commitment: affective, continuance, and normative. Turnover intention stands as one variable. This is a vital aspect in testing the measurement validity as the thesis investigates and analyses the relationships between leadership behaviour and organisational commitment at the factors’ levels. Hence, CFA enables the researcher to assess the fit and how well the observed items in the measurement represent the latent constructs in the models (Hair et al., 2010). The literature review was a fundamental step in building the model and established a construct to develop path analysis and then, via the AMOS software package, the research was able to test the hypotheses (Tabachnick et al., 2001).

To confirm and test the factor structure of a set of observed variables, confirmatory factor analysis (CFA) was used in this thesis. It is a powerful statistical
technique that tests the relationship between the observed items and latent constructs (Suhr, 2006; Arham, 2014). A researcher can use a CFA test to validate the measurement model in the study. In addition, CFA provides useful information and suggests outputs to improve and resolve the measurement model such as modification indices. In order to test the relationship between the variables and the smaller number of constructs and to confirm the measurement theory, CFA is used. For CFA two things are needed, ‘the number of factors that exist for a set of variables’ and ‘which factor each variable will load on before results can be computed’ and for this purpose we must specify five elements, ‘the latent constructs’, ‘the measured variables’, ‘the items loading on specific constructs’, ‘the relationship among constructs,’ and ‘the error terms for each indicator’. The purpose of CFA statistics is to determine how well the theoretical factors match the reality (Hair et al., 2010. p.665).

AMOS 23 was used to conduct CFA in this thesis. In its first stage, each scale was tested separately and CFA performed. To run the test in AMOS 23, the observed variables and latent variables were imported electronically from the SPSS database to ensure and maximise the accuracy of the data. Then the variables were labelled in AMOS to reflect the theoretical construction, in order to check the loading coefficients. The loading coefficient value should lie between (0 and 1). The largest value indicates a greater correlation with the theoretical construction. Each scale was put into AMOS by placing the latent variable first and then the observed items. Then, the calculations were run and the results are presented in diagrams.

However, CFA is sensitive to the sample size and depends heavily on the complexity of the model (Hair et al., 2010). Proceeding to CFA with a large sample could lead the research to conduct a type I error, which is a very critical point. In a large sample, chi-square ($x^2$), which is a test of exact fit, could show a significant $\rho$ value. This result is considered to be acceptable in large samples, and the researcher should look at other indicators to assist the overall goodness-of-fit (Natalie, 2015). Hair and his colleagues (2010) noted that SEM is more sensitive to the sample size than other statistical tests. In addition, the tested model complexity could affect the $x^2$ test and the result could be questioned. Tabachnick and her colleague (2001) mentioned that the chi-square test and parameter estimates are very sensitive to sample size. There is an agreement between researchers that the chi-square test of fit using SEM is sensitive to two factors. First, the sample size. Second, the model complexity. Therefore, the
researcher should take these factors into account during the assessment of the goodness-of-fit.

The measurement includes latent variables (factors) measured by the observed variables (items/inductors). The number of each factor should be at least three or more indicators. If it is less than three indicators for a factor, the model still could be identified as a condition in which there is no correlation between the indicators (Tabachnick et al., 2001). It is important to mention that the researcher needs to examine the measurement portion of the model by assessing the relationship between factors and indicators in the measurement of each scale of each variable. Then the model identifiability needs to be evaluated in order to assess the relationship among the variables in the measurement (Tabachnick et al., 2001). After the model is specified, the number of parameters is estimated in the output of SEM. Considering previous reviews of the CFA test, the researcher establishes the goodness-of-fit of the models. In the next section, the goodness-of-fit will be explained in more detail, and based on that the researcher will select the appropriate model fit indices from numerous fit indices, considering the thesis objectives and sample size, and the complexity of the model in the thesis.

5.3.1 Multi-Factor Measurement Model

The Multifactor Leadership Questionnaire (MLQ) is built on multi-factor constructs. Bass and Avolio (1997) distinguished two main leadership behaviours (transformational and transactional leadership), each of which contained multi-factors. Transformational leadership contains five factors (idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration). Transactional leadership contains three factors (contingent reward, passive management by exception and active management by exception). There is an agreement which supports the multi-factors of transformational and transactional leadership behaviours (Bass & Avolio, 1997; Muenjohn & Armstrong, 2008; Obiwuru Timothy et al., 2011). The Organisational Commitment Questionnaire (Meyer & Allen, 1991) divided organisational commitment into three factors (affective, continuance, and normative commitment). Hence, there is a need to test the measurements as a multi-factor model. CFA was conducted to test the multi-factor constructs using AMOS version 23 software and to assist the average variance extracted, convergent and discriminant validity through these values.
5.4 Evaluation for Goodness-Of-Fit (GOF)

After sufficient data have been gathered and the measurement model has been determined, the fundamental step in SEM testing is whether the measurement model has an acceptable validity level. The researcher can test the validity of the measurement model by evaluating the level of goodness-of-fit (GOF).

Testing the goodness-of-fit to check if the tested models match the data is the most essential component of the research. This issue is not straightforward and it is not an easy step, because there are different parameters used to calculate the goodness-of-fit, and there is no single agreement about the best parameters to use. It is advised that the research should use the technique in line with the research aim (Hair et al., 2010). Hair and his colleagues (2010) suggested that with a complex model and a large sample, the researcher should apply minimal standards when they evaluate the goodness-of-fit. Additionally, the researcher can use multiple indicators to evaluate the goodness of the model, as there is not any single value to assist the goodness-of-fit for all models. For example, to assist the absolute fit index the researcher can use one of these tests: Chi-Square ($\chi^2$), Goodness-of-fit Index (GFI), Root Mean Square Error Approximation (RMSEA), Root Mean Square Residual (RMR), Standardized Root Mean Residual (SRMR), and for the incremental fit index the research can use the Comparative Fit Index (CFI), Normed Fit Index (NFI), Tucker Lewis Index (TLI), and for parsimony fit indices or goodness-of-fit index there is the Adjusted Goodness-of-Fit Index (AGFI) and the Parsimony Normed Fit Index (PNFI, CFI, TLI).

For any SEM model to be accepted, the fit indices are used. Considerable debate has taken place in deciding a good fit. Many fit indices are available today at the researcher’s disposal so that they may choose whichever is suitable for their analysis, and there is no set rule or guidelines to differentiate between good models and bad models. Using more indices makes the model fit. There should be one absolute index and one incremental index apart from the $\chi^2$ value and associated degrees of freedom (Hair et al., 2010).

In the present research, multiple indicators were used in order to attain a good fit (one absolute fit index: $GFI$ + one incremental it index: $CFI$ + one goodness of fit index: $AGFI$). Table 5.4 summarises the criteria used to evaluate overall fit of the models. The modification process in this thesis followed the standardised residuals and
modification indices. Wherever necessary, modifications were done to enhance the
goodness-of-fit and explanations are provided. The following sections will explain
goodness-of-fit in more detail.

**Chi-Square \((x^2)\)** GOF: the difference in the observed and estimated covariance
matrices (termed \(S\) and \(\Sigma_k\) respectively) is the key value in assessing the GOF of any
SEM model. The only statistical test to define the difference between matrices in SEM
is the chi-square, and its mathematical representation is given below:

\[ x^2 = (N – 1) (\text{Observed sample covariance matrix} – \text{SEM estimated covariance matrix}) \]

The overall sample size is \(N\). A constant covariance matrix does not occur as the value
increases if there is an increase in the sample size. Similarly, the number of parameters
specified in the model influences the estimated covariance matrix. So, the GOF test
influences the model degrees of freedom (Hair et al., 2010).

There are two strategies to improve fit in SEM models and construct validity.
First, the researcher can make a modification index and compute a correlation between
the parameters. The researcher should add only one at each time and run the test again,
and it should be noted that fewer modifications are better (Tabachnick et al., 2001).
The second strategy is that of removing items or indicators to achieve a better and more
acceptable fit and construct validity. All items or indicators are supposed to be loading
significantly into the latent variables. In this technique, the researcher considering the
items loading can delete an item from the measurement to improve the goodness-of-fit
and construct validity.

The range of the loading score falls between -1.0 and +1.0 and the higher value
is better. It is considered a significant loading if the value exceeds > .30 with sample
size \(\geq 350\) (Hair et al., 2010). It is noted that items with low loading value could be
retained in the measurement to meet a statistical requirement. However, the researcher
should consider standardised residuals produced by the AMOS software as output
during this procedure. The standardised residuals can be negative or positive value. The
value 2.5 and less shows an acceptable degree of error, and a value above 4.0 could be
considered as unacceptable. The assessment before removing an item therefore, should
be considered the item loading associated with standardised residuals value, as
suggested by Hair and his colleagues (2010).
5.4.1 Absolute Fit Measures

Absolute fit indices are used in order to assess the suitability of the model in relation to the researcher’s data. However, this is not a direct comparison of the GOF of one model with the other. Instead, each model is evaluated independently. The $x^2$ statistic, GFI, RMSEA, RMR, and Normed Chi-Square are some examples of the absolute fit index. The only SEM fit measure that is statistically based is the $x^2$ statistic and it is used in cross-classification analysis between two nonmetric measures.

One major difference between this and other models is that when used as a GOF measure, the researcher is looking for no differences between matrices to support the model as representative of the data. But this has two problems. First, the $x^2$ statistic is a mathematical function of the sample size ($N$), and the difference between the observed and estimated covariance matrices. If there is an increase in the size ($N$), the value of the $x^2$ increases while the matrices remain identical. The second and subtle problem is that if there is an increase in the number of observed variables, $x^2$ statistics will be greater. Because of this reason, even if everything else remains the same, an increase in the indicator to the model will make the $x^2$ value increase, which further increases the difficulty in achieving a model fit. Therefore, using just the $x^2$ GOF test is not advised, and many other alternative measures of fit are provided in order to suit large samples and increased model complexity.

A model that is less sensitive to sample size is the Goodness-of-Fit Index (GFI). Its values vary from 0 to 1, and the higher value indicates a better fit. Root Mean Square Error Approximation (RMSEA) refers to the perfection of a model in relation to the population apart from the sample used for estimation. A lower value indicates a better fit. But it is difficult to locate a good RMSEA value, although sometimes it is considered that a value between .05 and .08 is a perfect cut-off. Normed Chi-Square refers to the ratio of $x^2$ to the degree of freedom for a model. When the model fitting of $x^2: df$ ratio is in the order of 3:1 or less then it is generally considered a better fitting. The ease of using it in the absence of a software program makes it a favourite choice among scholars (Hair et al., 2010).

5.4.2 Incremental Fit Measures

The uniqueness of incremental fit indices is that they assess the suitability of an estimated model fit in relation to another alternative baseline model. When the
observed variables are all uncorrelated, then it is referred to as a null model. This refers to the fact that there is no possibility of improving this model because there are no multi-item factors or relationship between them.

One of the original incremental fit indices is the \textit{Normed Fit Index (NFI)}. This is a ratio of the difference in the $\chi^2$ value for the fitted model and a null model divided by the $\chi^2$ value for the null model. Its range is between 0 and 1, where 1 indicates a perfect fit. One disadvantage of this model is that it has a high index value and therefore it artificially inflates the estimate of model fit. For this reason, this model is less used compared to the following models. Another conceptually similar model is the \textit{Tucker Lewis Index (TLI)} which takes into account model complexity. But because it is not normed, its value may go beyond 0 and 1. Normally, a model value which is closer to 1 is considered a good fit, and a model with higher value is better than a model with lower value. \textit{Comparative Fit Index (CFI)} is an advanced version of the normed fit index NFI. The CFI is normed, and its value ranges from 0 to 1, where a higher value denotes a better fit. The CFI has many properties such as its relative insensitivity to model complexity which makes it the most desired model available today (Hair et al., 2010).

\subsection*{5.4.3 Parsimony Fit Measures}

The following group of indices are meant to provide information about the best models from the available set based on their fit relative to its complexity. Either a simple model or a better fit can improve a parsimony fit measure. Here, a model with few estimated parameters paths is considered a simple model. Having parsimony ratio as its basis, these are calculated from the ratio of degrees of freedom used by a model. Parsimony fit indices are conceptually similar to the notion of an adjusted $R^2$ in the sense that they relate model fit to model complexity. While adjusting GFI by a ratio of the degree of freedom used, the \textit{Adjusted Goodness of Fit Index (AGFI)} tries to take into account differing degrees of model complexity. It restricts a more complex model and prefers models with a minimum number of free paths. In proportion to model complexity, the AGFI values are typically lower than GFI. But, if the model complexity and the sample size are lower, then the AGFI is generally avoided. \textit{Parsimony Normed Fit Index (PNFI)} adjusts the normed fit index NFI by multiplying it times the PR. Generally, a higher value denotes a better fit and therefore it can be used the same way as the NFI. Apart from favouring less complex models, it has the characteristic of
incremental fit indices. In respect to the criteria captured by this index, the PNFI is utilised to compare one model with another, where the highest PNFI value is the most preferred (Hair et al., 2010).

Table 5.4: The Criteria Used to Evaluate Overall Fit of the Models

<table>
<thead>
<tr>
<th>Type</th>
<th>Model Fit Indices</th>
<th>Abbreviation</th>
<th>Acceptable Values of a Good Fit</th>
<th>Source</th>
</tr>
</thead>
</table>
| Absolute fit indices  | Relative chi-square                | $X^2 / df$   | $1 < \text{value} < 5$  
|                       |                                    |              | $N > 250$ significant p-value expected                                                         | Hair et al. (2010)                          |
|                       | Goodness-of-Fit Index             | $GFI$        | $\text{Values} > 0.8$  
|                       |                                    |              | $\text{Values} > 0.9$  
|                       |                                    |              | $\text{Values closer to 1.00 the better}$                                                      | Hair et al. (2010); Thadani & Cheung (2011); Tabachnick et al, 2001 |
|                       | Root Mean Square Error Approximation | $\text{RMSEA}$ | $\text{Values} < 0.1$  
|                       |                                    |              | $\text{Values larger than} < 0.1 \text{ indicate poor-fit}$                                  | Hair et al. (2010); Thadani & Cheung (2011); Tabachnick et al, 2001 |
| Incremental fit indices | Comparative fit index             | $\text{CFI}$ | $\text{Values} > 0.9$  
|                       |                                    |              | $0.8 \text{ sometime permissible}$                                                             | Hair et al. (2010)                          |
|                       | Tucker Lewis index                 | $\text{TLI}$ | $\text{Values} > 0.9/0.8 \text{ sometime permissible}$                                      | Hair et al. (2010)                          |
|                       | Adjusted Goodness of Fit Index    | $\text{AGFI}$ | $\text{Values} > 0.8$  
|                       |                                    |              | $\text{Values closer to 1.00 the better}$                                                      | Chau & Hu (2011); Tabachnick et al, 2001     |
|                       | Normed Fit Index                  | $\text{NFI}$ | $\text{Values} > 0.8 \text{ marginal -fit}$                                                 | (Tabachnick et al, 2001)                    |
|                       |                                   |              | $\text{Values} > 0.9 \text{ good-fit}$                                                        |                                             |
| Parsimony fit indices | Chi—Square Statistics            | $X^2 / df$   | $1 < \text{value} < 5$  
|                       |                                    |              | $N > 250$ significant p-value expected.                                                         | Hair et al. (2010); Ullman (1996)           |
|                       | Adjusted Goodness of Fit Index    | $\text{AGFI}$ | $\text{Values} < 5$  
|                       |                                    |              | $\text{Values} > 0.8$  
|                       |                                    |              | $\text{Values} > 0.9$  | Chau & Hu (2011); Hair et al. (2010) |

Table 5.4 shows the criteria used to evaluate the overall fit of the models. It can be seen that there is not an agreement of cut-off value between the researchers. In fact,
some researchers have reported that there is not a specific cut-off value the research can use as an indicator to assess the goodness-of-fit in all cases or models. Meanwhile, the researcher should consider the study objectives, the sensitivity of some tests such as chi-square to the sample size, and the complexity of the model as well as the associated indicator values. Then, they need to balance between these factors to achieve the better fit to specific data and models (Hair et al., 2010; Tabachnick et al., 2001). Therefore, the researcher should be less strict about complex models and large samples and expect or accept less fit values.

### 5.4.4 Estimation of Model Fit and Assessment Methods

This section describes how the model fit indices were evaluated to check how well a specific ‘variable model’ portrays the data. As a rule, if the fit indices are affirmed as good, the model can be accepted; alternatively, for inclination towards outright rejection, a model with unsatisfactory fit parameters is normally re-specified to enhance model fit. Fit parameters are generally classified as either incremental or absolute (Hair et al. 2010). Subsequently, the non-significant $\chi^2$ demonstrates that the model fits the data, and therefore can be accepted, whereas a significant $\chi^2$ demonstrates that the model does not fit the data and should be rejected. However, there are degrees of ambiguity of clarity and complexity when explaining $\chi^2$ (Hoyle & Panter, 1995). Hair et al. (2010) asserted that, in cases of a large sample size, $\chi^2$ could be considered biased. Alternative fit indices have been developed to assist the level of model fit. For example, these fit indices are: Normed chi-square ($\chi^2/df$); Goodness-of-fit index (GFI); Adjusted-goodness-of-fit index (AGFI); Standardised root mean-square residual (SRMR); Root mean-square error of approximation (RMSEA) (Hair et al. 2010).

Incremental fit indices demonstrate the extent to which a model is preferred to other models: 1) the null model, in which no covariance between the parameters/items is found; and 2) the model that fits perfectly with data (Shah & Goldstein, 2006; Hair et al., 2010). The most widely recognised incremental fit lists are: Normed-fit index (NFI); Tucker-Lewis index (TLI); Comparative-fit index (CFI); Incremental-fit index (IFI) (Hair et al. 2010).

As Hair et al. (2010) suggested that the researcher must combine chi-square ($X^2$) value and level of flexibility (degree of freedom ($df$)), and that a researcher should use no less than one incremental index and one absolute index, this thesis estimated the model fit based on selected fit indices as summarised in Table 5.4.
5.4.5 Construct Reliability and Average Variance Extracted

The value or the level of reliability of a measurement is called a Construct Reliability (CR). Internal consistency demonstrates the variable construct, and should be proven before developing and testing the construct validity (Hair et al., 2010). Average Variance Extracted (AVE) measures the value of variance caught by a construct in connection to the variance because of an irregular estimation mistake (Fornell & Larcker, 1981). As mentioned in an earlier section of this thesis, all the three scales are well-validated and have reported an acceptable value and structure in earlier research: OCQ (Meyer & Allen, 1991); the turnover scale (Crossley et al., 2007); and MLQ (Bass & Avolio, 1997) discriminatory and confirmatory factor analysis were tested and reported satisfactory values.

In order to reach a good reliability measurement and acceptable internal consistency, the CR values should be greater than 0.6 (Bagozzi & Yi, 1988). Hair et al. (2010) asserted that an acceptable indicator of good reliability is between 0.6 and 0.7 or above value. AVE is used as evolution value of convergent validity. Bagozzi and Baumgartner (1994) declared that the AVE value >0.4 could be considered as an acceptable value of convergence validity. After the description of the CFA of measurement models, a detailed description of the findings regarding the measures of CR and AVE will be explained.

Branine and Pollard (2010) noted that the evaluation of the construct validity of the measurements could be assessed by its convergent validity and discriminant validity. Convergent validity evaluates the degree to which the items set up the convergent validity. Meanwhile, discriminant validity reviews the degree to which a construct model particularly differs from other models (Hair et al., 2010).

Testing convergent validity focuses on the degree of the standardised element loadings together with their critical level. The more the noticeable element loadings have parallel significant t-values, the more grounded the confirmation that the elements support the model (Bollen, 1989). As per Hair et al. (2010), the element loadings must be higher than 0.50. Koufteros (1999) contended that a significant t-value needs to be met to demonstrate the convergent validity of a model.

Furthermore, elements must have satisfactory reliability, which might be assessed by R2 or SMC values. As recommended by Hair et al. (2010), to demonstrate
an acceptable reliability of an element, the element should have an R² value higher than 0.30 and preferably 0.50 or above value for acceptable construct validity.

Discriminant validity could be examined by an evaluation of the relationship coefficient between every pair of elements. If the estimated value of the correlation is higher than 0.85, then the elements of interest delineate a similar concept, and might be assembled as a solitary element (Kline, 2010).

5.5 The Initial Fit of the Multi-Factor’s Measurement

This section includes transformational and transactional leadership factors, as well as the three factors of the organisational commitment and intention to turnover scales.

5.5.1 The Transformational Leadership Measurement

The Multifactor Leadership Questionnaire (MLQ) is built on multi-factor constructs (transformational and transactional leadership). Transformational leadership has five factors. These are idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration. Each factor is measured by four indicators or items (Bass & Avolio, 1997). These factors have been examined individually and as multi-factor measurement via AMOS, and the results are presented in this section.

5.5.1.1 Idealised Influence Attributed

From Figure 5.7 it can be seen that some items have a low loading in this factor, for example IA4 loaded only .15 in the idealised influence attributed. Action needs to
be taken considering the associated standardised residuals value, according to Hair and his colleagues (2010), to improve the fit. The goodness-of-fit indices show a poor fit $\chi^2/df = 18.78$, GFI = .95, CFI = .53, AGFI = .77 therefore, an action to improve the fit was taken and is presented in the next section.

5.5.1.2 Idealised Influence Behaviour

![Figure 5.8: Idealised Influence Behaviour](image)

From Figure 5.8 it can be seen that there is one item which has a low loading in this factor, and action needs to be taken considering the associated standardised residuals value, according to Hair and his colleagues (2010). The goodness-of-fit indices indicate a poor fit $\chi^2/df = 20.93$, GFI = .95, CFI = .79, AGFI = .73, therefore action to improve the fit was taken and is presented in the next section.

5.5.1.3 Inspirational Motivation

![Figure 5.9: Inspirational Motivation](image)

From Figure 5.9 it can be seen that the items have a good loading. However, the researcher needs to consider the associated standardised residuals value, according to Hair and his colleagues (2010). The goodness-of-fit indices indicate a weak fit $\chi^2/df$
= 16.78, GFI = .96, CFI = .91, AGFI = .79, therefore action to improve the fit was taken and is presented in the next section.

5.5.1.4 Intellectual Stimulation

![Figure 5.10: Intellectual Stimulation](image)

The estimated parameters of intellectual stimulation shown in Figure 5.10 indicated that there are some items that have a low loading in this factor, for example IS4 and IS1. Action needs to be taken considering the associated standardised residuals value, according to Hair and his colleagues (2010), to improve the fit. The goodness-of-fit indices show a poor fit $\chi^2/df = 47.67$, GFI = .90, CFI = .77, AGFI = .50, therefore action to improve the fit was taken and is presented in the next section.

5.5.1.5 Individualised Consideration

![Figure 5.11: Individualised Consideration](image)

Individualised consideration is presented in Figure 5.11. The result indicated that there are some items that have a low loading in this factor, for example IC2 and IC1. Action needs to be taken considering the associated standardised residuals value, according to Hair and his colleagues (2010), to improve the fit. The goodness-of-fit
indices show a poor fit $\chi^2/df = 16.62$, GFI = .96, CFI = .89, AGFI = .81 therefore action to improve the fit was taken and is presented in the next section.

5.5.1.6 The Transformational Leadership Measurement

Transformational leadership was examined as a multi-factor measurement via AMOS and the results are presented in this section.

Figure 5.12: Transformational Leadership as Multi-factor Measurement
Transformational leadership has five factors (idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration). Each factor scale has four indicators or items (Bass & Avolio, 1997). Transformational leadership as a multi-factor measurement was tested and is presented in Figure 5.12. The result indicated that the model has a poor fit and that it needs adjustment in order to improve the goodness-of-fit. There are some items that have a low loading value in its factor. According to Hair and his colleagues (2010), to improve the fit of the model, there are some strategies the researcher can use to achieve a better goodness-of-fit, such as the modification index (2010). The goodness-of-fit indices show a poor fit $x^2/df = 13.50$, GFI = .66, CFI = .45, AGFI = .55, therefore action to improve the fit was taken and is presented in the next section.

5.5.2 The Transactional Leadership Measurement

The Multifactor Leadership Questionnaire (MLQ) is built on multi-factor constructs. Bass and Avolio (1997) distinguished two main leadership behaviours (transformational and transactional leadership). Transactional leadership contains three factors (contingent reward, management-by-exception passive and management-by-exception active). Each factor is measured by four indicators or items. In the following section, these factors are examined individually, and as a multi-factor measurement via AMOS.

5.5.2.1 Contingent Reward

![Figure 5.13: Contingent Reward](image)
Figure 5.13 shows the contingent reward model unidentified, therefore the results are incorrect. To achieve identifiability, it is recommended to do an adjustment on the model using the modification tools in AMOS.

5.5.2.2 Management-by-Exception Active

![Figure 5.14: Management-by-Exception Active](image)

The management-by-exception active model is presented in Figure 5.14. The result indicates that the items have a good loading in this factor, for example MBEA4 = .71 and MBEA = .98. The goodness-of-fit indices show a poor fit $\chi^2/df = 8.81$, GFI = .98, CFI = .97, AGFI = .89, however, action to improve the fit could be taken at this stage considering the associated standardised residuals value, according to Hair and his colleagues, to improve the fit (2010).

5.5.2.3 Management-by-Exception Passive

![Figure 5.15: Management-by-Exception Passive](image)

The management-by-exception passive model is presented in Figure 5.15. The result indicates that there is an item (MBEP1) which has a low loading in this factor. Action could be taken considering the associated standardised residuals value,
according to Hair and his colleagues (2010), to improve the fit. The goodness-of-fit indices show an acceptable fit $\chi^2/df = 8.23$, GFI = .98, CFI = .95, AGFI = .89.

5.5.2.4 Transactional Leadership as a Multi-Factor Measurement

Transactional leadership was tested as a multi-factor measurement via AMOS, and the results are presented in Figure 5.16.

Figure 5.16: Transactional Leadership as a Multi-Factor Measurement

Transactional leadership has three factors (contingent reward, management-by-exception passive and management-by-exception active) (Bass & Avolio, 1997). From Figure 5.16, we can see the transactional leadership result from a multi-factor measurement test. The result shows that the model has a poor fit, and it needs adjustment to improve the goodness-of-fit to the model. There are some items that have a low loading value in its factors. According to Hair and his colleagues (2010), to improve the fit of the model, there are some strategies the researcher can use to achieve a better goodness-of-fit, such as adding or deleting paths and modification index.
The goodness-of-fit indices shows a poor fit $x^2/df = 14.199$, GFI = .77, CFI = .61, AGFI = .64, therefore action to improve the fit was taken and is presented in the next section.

5.5.3 The Organisational Commitment Measurement

The Organisational Commitment Questionnaire (Meyer & Allen, 1991) identified organisational commitment as three factors (affective, continuance, and normative commitment). Each factor is measured by eight indicators or items; however, there were two items that have been deleted from continuance, and from normative commitment in the early stages, to improve the readability of the scales. The following section presents the estimated indicators of these factors individually and as a multifactor measurement via AMOS.

5.5.3.1 Affective Commitment

From Figure 5.17 it can be seen that there are some items that have a low loading in the affective commitment factor; for example, AC8 loaded only .04 in the affective commitment factor. Hence there is a need to take action considering the associated standardised residuals value, according to Hair and his colleagues (2010), to improve the fit. The goodness-of-fit indices show a poor fit $x^2/df = 13.63$, GFI = .84, CFI = .60, AGFI = .72, therefore action to improve the fit was taken and is presented in the following section.
5.5.3.2 Continuance Commitment

From Figure 5.18 it can be seen that there are some items which have a low loading in this factor; in fact, CC1 is negatively loaded in continuance commitment. Action needs to be taken considering the associated standardised residuals value, according to Hair and his colleagues (2010), to improve the fit to deal with this situation. The goodness-of-fit indices in this factor show an acceptable fit $\chi^2/df = 2.98$, GFI = .97, CFI = .93, AGFI = .94.

5.5.3.3 Normative Commitment

From Figure 5.19 it can be seen that there are some items which have a low loading in this factor; in fact, NC1 is negatively loaded in normative commitment. Action needs to be taken considering the associated standardised residuals value, according to Hair and his colleagues (2010), to improve the fit to deal with this situation. The goodness-of-fit indices in this factor show an acceptable fit $\chi^2/df = 2.98$, GFI = .97, CFI = .93, AGFI = .94.
Figure 5.19 shows that there are some items that have a negative or low loading in normative commitment, such as NC4 loaded negatively by -.21 in the normative commitment factor. Action needs to be taken considering the associated standardised residuals value, according to Hair and his colleagues (2010), to improve the fit. The goodness-of-fit indices show a poor fit $\chi^2/df = 31.70$, GFI = .70, CFI = .48, AGFI = .40, therefore action to improve the fit was taken and is presented in the next section.

5.5.3.4 Organisational Commitment as a Multi-Factor Measurement

Organisational commitment has three factors (affective, continuance, and normative commitment (Meyer & Allen, 1991). Organisational commitment as a multi-
factor measurement was tested in AMOS, and the results are presented in Figure 5.20. The results showed that the model has a poor fit and that it needs adjustment to improve the goodness-of-fit to the model. There are some items that have a negative or low loading in this model. According to Hair and his colleagues (2010), to improve the fit of the model, there are some strategies the researcher can use to achieve a better goodness-of-fit. The goodness-of-fit indices show a poor fit $x^2/df = 6.17$, GFI = .74, CFI = .52, AGFI = .68, therefore action to improve the fit was taken and is presented in the next section.

5.5.4 The Turnover Intention Measurement

Seven items were used to measure the turnover intention in the survey. The measure was developed by Crossley and his colleagues (2007, 2011).

![Figure 5.21: The Turnover Intention Measurement](image)

The turnover intention measurement was tested in AMOS and the results are presented in Figure 5.21. The results showed that the turnover intention model has a poor fit, and that it is necessary to make adjustment to improve the goodness-of-fit to the model. There are some items which have a negative result (TU6 loaded -.01; TU7 loaded .38) in this model. According to Hair and his colleagues (2010), this result can be improved by considering other values such as the standardised residuals value. There are some strategies the researcher can use to achieve a better goodness-of-fit (Hair et al., 2010). The goodness-of-fit indices show a poor fit in this model $x^2/df = 13.21$, GFI = .87, CFI = .75, AGFI = .74, therefore action to improve the fit was taken and is presented in the next section.
5.6 The Final Models Fit of the Multi-Factor Measurement

This section describes how the final measurements were tested in order to establish an acceptable goodness-of-fit for the models. This is an important step which must be taken before the researcher can go further in the analyses. Most of the tests and the examinations depend on the accuracy of this step (Hair et al., 2010; Tabachnick et al., 2001). This section discusses how the factors of each variable were tested, and the goodness-of-fit estimated individually and then the measurement examined as a multi-factor measurement. These factors were examined individually and as multi-factor measurement via AMOS, and the results are now presented. There were modification indices and sometimes items were deleted to improve the goodness-of-fit until the model reached an acceptable value of fit. The researcher has taken into account and considered several important points such as the sample size and the complexity of the model, as suggested by Hair and his colleagues (2010). They declared that with a large sample and complex model, the researcher should apply less strict fit standards during the assessment of the GFO (Hair et al., 2010).

5.6.1 The Transformational Leadership Measurement Final Model

As mentioned previously, transformational leadership has five factors. These are idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration. Each factor is measured by four indicators or items in the original measurement (Bass & Avolio, 1997).

5.6.1.1 Idealised Influence Attributed

![Diagram of Idealised Influence Attributed](image)

Figure 5.22: Idealised Influence Attributed
To achieve a better fit, a modification index was performed, and the parameters were calculated in each attempt. Figure 5.22 indicates that the idealised influence attributed reached perfect by adding an additional path goodness-of-fit values $\chi^2/df = 2.14$, GFI = .99, CFI = .97, AGFI = .97, Default model Standardized RMR = .027.

5.6.1.2 Idealised Influence Behaviour

![Figure 5.23: Idealised Influence Behaviour](image)

From Figure 5.23 it can be seen that idealised influence behaviour has an acceptable fit after a modification index was performed. The test was rerun, and the goodness-of-fit indices calculated, which indicates a perfect fit $\chi^2/df = 2.18$, GFI = 99, CFI = .99, AGFI = .97, Default model Standardized RMR = .0143.

5.6.1.3 Inspirational Motivation

![Figure 5.24: Inspirational Motivation](image)

Adding an additional path to inspirational motivation model improved the model fit. The goodness-of-fit, illustrated in Figure 5.24, indicates that the inspirational motivation model achieved an acceptable goodness-of-fit value by using the
modification tools in AMOS, for example; $x^2/df = 7.19$, GFI = .98, CFI = .97, AGFI = .91, Default model Standardized RMR = .0285.

5.6.1.4 Intellectual Stimulation

![Figure 5.25: Intellectual Stimulation](image)

The estimated parameters of intellectual stimulation model, presented in Figure 5.25, show a perfect fit. This result was achieved after modification had been made. For example, the goodness-of-fit indices show a perfect fit $x^2/df = .835$, GFI = .99, CFI = 1, AGFI = .99, Default model Standardized RMR = .0120.

5.6.1.5 Individualised Consideration

![Figure 5.26: Individualised Consideration](image)

Individualised consideration test results are presented in Figure 5.26. The result indicated that the model has an acceptable fit. The goodness-of-fit indices indicates an acceptable fit $x^2/df = 2.366$, GFI = .99, CFI = .99, AGFI = .97, Default model Standardized RMR = .0173.
5.6.1.6 Transformational Leadership as a Multi-Factor Measurement Final Model

Figure 5.27: Transformational Leadership as a Multi-Factor Measurement Final Model

Originally transformational leadership was described as having five factors (idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration). Each factor scale has four indicators or items (Bass & Avolio, 1997). The assessment of goodness-of-fit transformational leadership model has been made considering the thesis objectives, sample size, and the complexity of the model in the thesis. There were five factors and 20 items presented for transformational leadership in the original measurement, however, four factors measured by 11 items remain in the final measurement. The transformational leadership model as a multi-factor measurement showed a reasonable fit. Figure 5.27 shows the transformational leadership model fit. The result indicated
that the model has a reasonable fit for example, \( x^2/df = 6.135 \), GFI = .94, CFI = .93, AGFI = .83, Default model Standardized RMR = .0731.

5.6.2 The Transactional Leadership Measurement Final Model

The Multifactor Leadership Questionnaire (MLQ) is built on multi-factor constructs. Bass and Avolio (1997) distinguished two main leadership behaviours (transformational and transactional leadership). Transactional leadership contains three factors (contingent reward, management-by-exception passive and management-by-exception active). Each factor is measured by four indicators or items. In the following section, these factors have been examined individually, and as multi-factor measurement via AMOS.

5.6.2.1 Contingent Reward

Figure 5.28: Contingent Reward

Figure 5.28 shows that the contingent reward model has an acceptable fit after using the modification tools in AMOS. The fit statistics show that the model fits the data in the study \( x^2/df = 3.971 \), GFI = .99, CFI = .76, AGFI= .96, Default model Standardized RMR = .0393.
5.6.2.2 Management-by-Exception Active

![Diagram of Management-by-Exception Active](image)

**Figure 5.29: Management-by-Exception Active**

The management-by-exception active model is presented in Figure 5.29. After considering the loading factor and the associated standardised residuals value, according to Hair and his colleagues to improve the fit (2010), the result indicated that adding an additional path to the model resulted in a better fit. The goodness-of-fit shows a perfect fit now $\chi^2/df = .012$, GFI = 1, CFI = 1, AGFI = 1, Default model Standardized RMR = .0011.

5.6.2.3 Management-by-Exception Passive

![Diagram of Management-by-Exception Passive](image)

**Figure 5.30: Management-by-exception passive**

The management-by-exception passive model is presented in Figure 5.30. The result indicates that the model fit can be improved by adding a new path to the model. The goodness-of-fit indices achieved a perfect fit $\chi^2/df = .012$, GFI= .99, CFI = 1, AGFI = .99, Default model Standardized RMR = .0108.
5.6.2.4 Transactional Leadership as a Multi-Factor Measurement Final Model

Figure 5.31: Transactional Leadership as a Multi-Factor Measurement Final Model

Transactional leadership has three factors (contingent reward, management-by-exception passive and management-by-exception active) in the original structure (Bass & Avolio, 1997). From Figure 5.31, we can see transactional leadership as a multi-factor measurement as tested through AMOS. The result showed that the model has a reasonable fit after adding new paths to the model to achieve a better goodness-of-fit. Two items were dropped from the contingent reward scale. The goodness-of-fit indices show a reasonable fit $\chi^2/df = 3.79$, GFI = .97, CFI = .96, AGFI = .90, Default model Standardized RMR = .0495.
5.6.3 The Organisational Commitment Measurement Final Model

The Organisational Commitment Questionnaire (Meyer & Allen, 1991) treated organisational commitment as three factors (affective, continuance, and normative commitment). Each factor is measured by eight indicators or items, however two items were deleted from continuance and from normative commitment in the early stage (to improve the reliability of the scales). The following section presents the estimated indicators of these factors individually and as a multi-factor measurement via AMOS.

5.6.3.1 Affective Commitment

From Figure 5.32 it can be seen that there are four items which were removed from affective commitment. The action was taken considering the associated standardised residuals value and loading factor, according to Hair and his colleagues to improve the fit (2010). The goodness-of-fit indices show a perfect fit now $\chi^2/df = 2.52$, GFI = .99, CFI = .99, AGFI = .97, Default model Standardized RMR.0134, therefore it is ready for the second step of analysis.
5.6.3.2 Continuance Commitment

![Image](Figure 5.33: Continuance Commitment)

From Figure 5.33 it can be seen that there are two items which were removed from this factor, continuance commitment. The action was taken in consideration of the associated standardised residuals value, according to Hair and his colleagues to improve the fit (2010). The goodness-of-fit indices in this factor show a perfect fit after removing the items $\chi^2/df = .588$, GFI = 99, CFI = 1, AGFI = .99, Default model Standardized RMR = .0127.

5.6.3.3 Normative Commitment

![Image](Figure 5.34: Normative Commitment)

There are three items which were removed from normative commitment to improve the fit. Figure 5.34 shows the result of the test. The goodness-of-fit indices showed a perfect fit $\chi^2/df = 2.299$, GFI = 99, CFI = .99, AGFI = .97, Default model Standardized RMR = .0251.
5.6.3.4 Organisational Commitment as a Multi-Factor Measurement Final Model

Organisational commitment has three factors (affective, continuance, and normative commitment) (Meyer & Allen, 1991). Organisational commitment as a multi-factor measurement final model was tested in AMOS and the result is presented in Figure 5.35. The result showed that the model has a good fit and it is ready for further analyses. There were 22 items (two items were dropped in the early stage), and 10 items were dropped from the measurement. Four items were dropped from the affective commitment scale, two items were dropped from the continuance commitment scale, and four items were dropped from the normative commitment scale. The goodness-of-fit indices show an acceptable value of fit $\chi^2/df = 2.86$, GFI = 94, CFI = .93, AGFI = .91, Default model Standardized RMR = .0711.
5.6.4 The Turnover Intention Measurement Final Model

Figure 5.36: The Turnover Intention Measurement Final Model

Seven items were used to measure the turnover intention in the survey. Only two items from the measurement were dropped to improve the fit of the model. The result, illustrated in Figure 5.36, showed that the turnover intention model has a good fit $\chi^2/df = 4.09$, GFI = .98, CFI = .98, AGFI = .94, Default model Standardized RMR = .0368.

Summary

To summarise the CFA process and results based on the data, CFA was conducted through AMOS 23 software. Thirteen items were removed from the Multifactor Leadership Questionnaire to reach an acceptable or perfect goodness-of-fit. Nine items from the transformational leadership scale were removed. There were four items from idealised influence attributed, therefore the scale was dropped from the analysis. Two items from idealised influence behaviour, one item from inspirational motivation, one item from intellectual stimulation, and one item from individualised consideration were removed from the scale. Only two items from transactional leadership were removed. There were two items from contingent reward, none from management-by-exception active, and none from management-by-exception passive removed from the scale. Ten items were deleted from the Organisational Commitment Questionnaires to achieve an acceptable goodness-of-fit. Four items were removed from affective commitment. Two items were removed from continuance commitment (one item was removed in the early stage). Four items were removed from normative commitment (one item was removed in the early stage). There were two items dropped from intention to turnover scale.
Based on the outcomes of the final model examinations, the goodness-of-fit statistics results were better than their initial scale results. Therefore, the remaining items in the Multifactor Leadership Questionnaire, Organisational Commitment Questionnaires, and intention to turnover scale fit the data and could be used for further analysis.

5.7 The Final Results of Cronbach’s Alpha Coefficients for the Modified Measurements

The reliability of the research survey was tested again to determine any influences on the data-gathering and the data quality after modifying the measurements and deleting some items (Sarhan, 2010). The reliability of the scales and sub-scales in the final survey are presented in this section. Cronbach's alpha coefficient is one of the commonly used techniques to estimate a scale's internal consistency reliability (Pallant, 2013). As declared previously, the coefficient alpha (α) value can be positive or negative (± 1.0). The closer α value to + 1.00, the better the internal consistency and the negative value is the opposite (Sekaran & Bougie, 2010). It is estimated that the alpha reliability above α > 0.6 is considered as acceptable (Hair et al., 2010). The coefficient alpha (α) of the overall leadership behaviour scale was α = .87 in Table 5.5 which is considered acceptable, according to Sekaran and Bougie (2010).

Table 5.5: Reliability of Leadership Behaviour

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.868</td>
<td>21</td>
</tr>
</tbody>
</table>

The next table, Table 5.6, shows the transformational leadership scale; it includes 11 items, reduced from 20 in the original scale. The table shows that the survey remains reliable, while the Cronbach's Alpha score was α = .84 in the study. According to Hair and her colleagues (2011), these scores reflect an acceptable alpha reliability score.

Table 5.6: Reliability of Transformational Scale

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.843</td>
<td>11</td>
</tr>
</tbody>
</table>
Table 5.7 shows that the transactional leadership scale, which includes 10 items, was reduced from 14 items. It was deemed reliable, while the Cronbach's alpha score was $\alpha = .81$ in the final scale in the study.

### Table 5.7: Reliability of Transactional Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.812</td>
<td>10</td>
</tr>
</tbody>
</table>

As shown in Table 5.8, the organisational commitment scale included 12 items and was found to be reliable, while the Cronbach's alpha score was $\alpha = .63$. According to Hair and her colleagues (2011), these scores reflected an acceptable alpha reliability score.

### Table 5.8: Reliability of the Organisational Commitment

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.63</td>
<td>12</td>
</tr>
</tbody>
</table>

The affective commitment scale, presented in Table 5.9, included four items reduced from eight items in the original scale. The result revealed that it was reliable, while the Cronbach's alpha score was $\alpha = .77$ in the final scale in the study.

### Table 5.9: Reliability of Affective Commitment Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.768</td>
<td>4</td>
</tr>
</tbody>
</table>

The continuance commitment scale, which included five items reduced from eight items in the original scale, was found to be reliable. The Cronbach's alpha score, presented in Table 5.10, reached $\alpha = .73$ in the final scale in the study.

### Table 5.10: Reliability of Continuance Commitment Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.738</td>
<td>5</td>
</tr>
</tbody>
</table>

The normative commitment scale, which included three items was reduced from eight items and was found to be reliable. The Cronbach's alpha score, presented in Table 5.11, was $\alpha = .82$ in the final scale in the study.
Table 5.11: Reliability of Normative Commitment Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.815</td>
<td>3</td>
</tr>
</tbody>
</table>

As shown in Table 5.12, the turnover scale included five items, reduced from seven items, and was found to be reliable. The Cronbach's alpha score was $\alpha = .77$ in the study. According to Hair and her colleagues (2011), these scores reflected an acceptable alpha reliability score.

Table 5.12: Reliability of Turnover Scale

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.759</td>
<td>5</td>
</tr>
</tbody>
</table>

Based on these results of scales’ reliabilities, it was found that there was not any major impact on the scale reliabilities after deleting some items from the original scales. These results confirmed the reliability of the survey in the final stage. The survey thus remained reliable; hence the researcher could continue with the study and do further analysis of the data.

5.8 Summary

This chapter has presented the procedures which were used in the data screening stage, outliers, normality, linearity, confirmatory factor analysis and evolution of the measurements. It also presents the criteria used to evaluate the models. The data were checked for outliers, normality, and linearity, and it was found that the data were ready to proceed with the analysis.

CFA was produced through AMOS 23 software. The result revealed that 11 items were removed during the evaluation stage from the Multifactor Leadership Questionnaire to reach an acceptable goodness-of-fit. Nine items from the transformational leadership scale were removed. There were four items from idealised influence attributed, which accounts for all the scale factors. Two items from idealised influence behaviour, one item from inspirational motivation, one item from intellectual stimulation, and one item from individualised consideration were removed from the scale. Only two items from transactional leadership were removed. There were two items from contingent reward, none from management-by-exception active, and none from management-by-exception passive removed from the scale. The CFA result
revealed that up to 10 items were deleted from the Organisational Commitment Questionnaires to achieve an acceptable goodness-of-fit. Four items were removed from affective commitment. Two items were removed from continuance commitment. Four items were removed from normative commitment. Two items were dropped from the intention to turnover scale to achieve an acceptable fit. Based on the outcomes of the final model examinations, the goodness-of-fit statistic results were better than the initial scales result. Therefore, the remaining items in the Multifactor Leadership Questionnaire, Organisational Commitment Questionnaires, and intention to turnover scale fit the data and could be used for further analysis. The following chapter reports the thesis findings.
CHAPTER SIX
RESEARCH FINDINGS

6.1 Introduction

The purpose of this chapter is to present the findings of the present research. Several different forms of statistical analysis were used in this thesis. The statistical package for social sciences (IBM SPSS Statistics 23) computer software program was used to carry out the data analysis such as correlation, and structural equation modelling (SEM). The main descriptive statistics were used to reveal the means and standard deviations for all scale items. Cronbach's alpha was calculated for each scale and subscale in order to test the reliability of the scales. SPSS was used because it is a powerful and popular software program for statistical analysis of data and it is used in almost all social research (Arham, 2014; Pallant, 2013; Hooper et al., 2008).

6.2 Descriptive Analysis

Descriptive statistics, such as frequency, percentage and standard deviation, provided analysis of the demographic characteristics. Descriptive statistics, such as the mean (central tendency) and standard deviation (measures of variability around the mean), were used to describe the leadership behaviour, organisational commitment, and the intention to turnover, of the respondents. In brief, the average value of the distribution is called the mean, and the most frequent value is called the mode (George & Mallery, 2010, p. 98).

6.2.1 Demographic Characteristics of Respondents

The demographic characteristics of respondents’ data were collected through seven questions at the beginning of the questionnaire. They were described using frequency, percentage, and standard deviation (measures of dispersion); the data included seven items: gender, age, educational level, marital status, occupational category, tenure, and nationality. A summary of the statistics used to describe the data is given in the following sections, presented in the same order as they appeared in the questionnaire.
6.2.1.1 Gender

Table 6.1: Number and Percentage of Respondents Regarding their Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Males</td>
<td>376</td>
<td>100</td>
</tr>
<tr>
<td>Females</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>376</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.1 shows that all respondents in the sample population were males.

6.2.1.2 Age

Table 6.2: Number and Percentage of Respondents Regarding their Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 25 years</td>
<td>78</td>
<td>20.7</td>
</tr>
<tr>
<td>25 to 34 years</td>
<td>173</td>
<td>46.0</td>
</tr>
<tr>
<td>35 to 44 years</td>
<td>68</td>
<td>18.2</td>
</tr>
<tr>
<td>45 to 54 years</td>
<td>42</td>
<td>11.2</td>
</tr>
<tr>
<td>55 to 64 years</td>
<td>8</td>
<td>2.1</td>
</tr>
<tr>
<td>65 years and over</td>
<td>7</td>
<td>1.9</td>
</tr>
<tr>
<td>Total</td>
<td>376</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.2 presents the distribution of the sample population with respect to their age. While eight age categories were used, the majority (almost half) of the respondents (173 out of 376, 46%) were in category two, aged between 25 and 34 years. The group aged under 25 years was the second largest category and it represented 20.7% (78 out of 376) of the sample. These two percentages together (46% and 20.7%) (173 out of 376, 78 out of 376) show that two thirds of the sample population are younger than 34 years. The third category, those aged between 35 and 44 years, comprised 18.1% (68 out of 376) of the sample.
6.2.1.3 Educational Level

Table 6.3: Number and Percentage of Respondents Regarding their Educational Level

<table>
<thead>
<tr>
<th>Educational level</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School / or less than High School</td>
<td>37</td>
<td>9.8</td>
</tr>
<tr>
<td>Diploma</td>
<td>75</td>
<td>19.9</td>
</tr>
<tr>
<td>Bachelor</td>
<td>165</td>
<td>43.9</td>
</tr>
<tr>
<td>Master Degree</td>
<td>99</td>
<td>26.3</td>
</tr>
<tr>
<td>Doctoral Degree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>376</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 6.3 shows that most respondents were well-educated. Approximately 70% of the respondents had bachelor’s or master’s degrees. The most common degree was the bachelor’s degree: 43.9% (165 out of 376) of respondents had bachelor’s degrees, 26.3% (99 out of 376) of respondents had master’s degrees, 19.9% (75 out of 376) of respondents had diplomas, and less than 10% (37 out of 376) of respondents had only high school qualifications.

6.2.1.4 Marital Status

Table 6.4: Number and Percentage of Respondents Regarding their Marital Status

<table>
<thead>
<tr>
<th>Marital status</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>141</td>
<td>37.5</td>
</tr>
<tr>
<td>Married</td>
<td>235</td>
<td>62.5</td>
</tr>
<tr>
<td>Divorced</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Widowed</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>376</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
Table 6.4 shows that most of the sample population 62.5% (235 out of 376) are married, while the single respondents comprised 37.5% (141 out of 376) of the sample. No participant is divorced or widowed in the research sample.

6.2.1.5 Occupational Category

Table 6.5: Number and Percentage of Respondents Regarding their Occupational Category

<table>
<thead>
<tr>
<th>Occupational category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Manager</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>General Manager</td>
<td>32</td>
<td>8.5</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>14</td>
<td>3.7</td>
</tr>
<tr>
<td>Administrator Branches</td>
<td>156</td>
<td>41.5</td>
</tr>
<tr>
<td>Branch Manager</td>
<td>174</td>
<td>46.3</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Executive Officer</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Supervisor</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>376</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 6.5 shows the nine occupational categories of the sample population. The highest number of respondents (about half, 46.3%, 174 out of 376) fell into the branch manager category. The next largest category (41.5%, 156 out of 376) was the administrator branch. Those two categories represented 87.8% (330 out of 376) of the sample population. Further, the general management positions represent only 8.5% (32 out of 376) of the sample. The last category of senior management positions represents just 3.7% (14 out of 376) of the sample population.
6.2.1.6 Nationality

Table 6.6: Number and Percentage of Respondents Regarding their Nationality

<table>
<thead>
<tr>
<th>Nationality</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudi</td>
<td>376</td>
<td>100</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>376</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.6 reveals that all of the sample population are Saudis (100%).

6.2.1.7 Tenure

Table 6.7: Number and Percentage of Respondents Regarding their Tenure

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 years and less</td>
<td>206</td>
<td>54.8</td>
</tr>
<tr>
<td>5 to less than 10 Years</td>
<td>77</td>
<td>20.5</td>
</tr>
<tr>
<td>10 to less than 15 Years</td>
<td>55</td>
<td>14.6</td>
</tr>
<tr>
<td>15 to less than 20 Years</td>
<td>38</td>
<td>10.1</td>
</tr>
<tr>
<td>20 to less than 25 Years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>25 to less than 30 Years</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>30 years and above</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>376</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 6.7 shows the number and the percentage of the respondents regarding their tenure in the bank. The first category is four years and less, which was comprised of 54.8% (206 out of 376) of the sample, which is more than half of the respondents. The second tenure category is five to less than 10 years, with 20.5% (77 out of 376) of the respondents.

Summary

The respondents’ demographic characteristics show that the entire research sample was comprised of males and there were no females amongst the respondents. Most of the respondents were aged between 25 and 44 years, which accounts for more
than half of all respondents. More than half of the respondents are university educated and have a bachelor’s or master’s degree. In addition, more than 60% of the respondents are married and the rest are single. Regarding their positions in the bank, most of the respondents fall between two occupational categories. Approximately 41% of the respondents held an administration branch position, and more than 46% held a branch manager position. All the respondents hold Saudi citizenship, with no other nationality represented in the respondents. Most of the respondents have spent four years or less in their bank, and 20% of the respondents have been there between 5 and 10 years. In addition, about 15% of the respondents have been employed in their bank for between 10 and 15 years, and 10% between 15 and 20 years.

6.2.2 Means and Standard Deviation of Leadership Behaviour

In total, there were 32 items which measured the leadership behaviours, and these were reduced to 24 items in several stages (assessment of the reliability and the goodness-of-fit stages) during the study.

6.2.2.1 Means and Standard Deviation of the Transformational Leadership Behaviour

Fourteen items measured the transformational leadership behaviours, which originally included 20 items in the MLQ developed by Bass and Avolio (1997). The items were dropped during the assessment of the reliability and the goodness-of-fit to reach an acceptable value of reliability and fit in the data. There were two items for idealised influence attributed (IIA), three items for idealised influence behaviour (IIB)), three items for inspirational motivation (IM), three items for intellectual stimulation (IS), and three items for individualised consideration (IC).

A 5-point Likert scale was used to determine the frequency of respondents’ perceptions of how each statement fits the transformational leadership behaviour. The Likert scale that was used ranged from 0 = Not at all, 1 = Once in a while, 2 = Sometimes, 3 = Fairly often, 4 = Frequently, if not always.
Table 6.8: Mean and Standard Deviation of the Transformational Leadership Behaviours

<table>
<thead>
<tr>
<th>Transformational leadership</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idealised influence (attributed)</td>
<td>IIA</td>
<td>3.212</td>
</tr>
<tr>
<td>Idealised influence (behaviour)</td>
<td>IIB</td>
<td>3.263</td>
</tr>
<tr>
<td>Inspirational motivation</td>
<td>IM</td>
<td>3.203</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>IS</td>
<td>2.935</td>
</tr>
<tr>
<td>Individual consideration</td>
<td>IC</td>
<td>2.717</td>
</tr>
<tr>
<td>Total</td>
<td>TFL</td>
<td>3.066</td>
</tr>
</tbody>
</table>

Table 6.8 presents the mean and standard deviations for transformational leadership behaviours: $M = 3.06$, $SD = 0.44$, respectively. The results indicate the respondents who consistently display transformational leadership behaviours in their daily workplace behaviours. The standard deviation shows the agreement of the respondents, and the value is from $SD = 0.0$ to $1.0$. The lowest number of standard deviation is better; hence the result indicates that there is agreement in the frequency among the respondents by standard deviation (SD): only 0.44 display transformational leadership behaviours. The transformational leadership results were further explored to determine whether there were differences between the factors. Comparing the transformational leadership factors, most of the behaviour being displayed was the idealised influence behaviour, which scored $M = 3.26$ with $SD = 0.52$. The idealised influence attributed was the second factor, with a score of slightly less idealised influence behaviour ($M = 3.21$ with $SD = 0.52$). Next was the inspirational motivation factor, which scored $M = 3.20$ with $SD = 0.62$. This was followed by the intellectual stimulation factor, scoring $M = 2.93$ with $SD = 0.68$. Lastly, the individual consideration factor scored $M = 2.71$ with $SD = 0.64$.

### 6.2.2.2 Mean and Standard Deviation of the Transactional Leadership Behaviour

Ten items measured the transactional leadership behaviours which originally included 12 items in the MLQ developed by Bass and Avolio (1997). Two items were dropped from contingent reward (CR) during the assessment of the reliability and the goodness-of-fit to reach an acceptable value of reliability and fit in the data. In management-by-exception active (MEA) four items remained and management-by-exception passive (MEP) had four items as well.
A 5-point Likert scale was used to determine the frequency of respondents’ perceptions of how each statement fits the transactional leadership behaviour. The Likert scale that was used ranged from 0 = Not at all, 1 = Once in a while, 2 = Sometimes, 3 = Fairly often, 4 = Frequently, if not always.

### Table 6.9: Mean and Standard Deviation of the Transactional Leadership Behaviours

<table>
<thead>
<tr>
<th>Transactional leadership</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contingent reward</td>
<td>CR</td>
<td>3.098</td>
</tr>
<tr>
<td>Management by exception-active</td>
<td>MBEA</td>
<td>2.733</td>
</tr>
<tr>
<td>Management by exception-passive</td>
<td>MBEP</td>
<td>1.744</td>
</tr>
<tr>
<td>Total</td>
<td>TAL</td>
<td>2.525</td>
</tr>
</tbody>
</table>

Table 6.9 shows that the overall mean score of the transactional leadership behaviour was M = 2.52 and the SD = 0.59. This score means that the respondents display transactional behaviour ‘once in a while’ or ‘sometimes’ at their bank. The contingent reward has the highest mean score, which is M = 3.09 with a 0.49 standard deviation. Management-by-exception active scored M = 2.73 and SD = 0.80. The lowest mean score was management-by-exception passive, which scored M = 1.74 and SD = 0.93.

### 6.2.3 Mean and Standard Deviation of Organisational Commitment

To assess employees’ organisational commitment levels, the study used the Organisational Commitment Questionnaire, a 24-item scale. The Three-Components Model of commitment is based on items developed by Meyer and Allen (1991, 1997). As reported previously, several items were dropped from the measurement during the assessment of the reliability and the goodness-of-fit. With the affective commitment, four items were dropped from the scale, and with the continuance component, three items were dropped from the scale. In the normative commitment, four items were dropped from the scale.

The scale used self-reporting, meaning that the respondents were asked to indicate the degree of their agreement or disagreement with each statement on a 5-point Likert scale (1 = Strongly disagree, 2 = Disagree, 3 = Undecided, 4 = Agree, 5 = Strongly agree).
Table 6.10: Mean and Standard Deviation of the Organisational Commitment

<table>
<thead>
<tr>
<th>Organisational commitment</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective commitment AC</td>
<td>3.633</td>
<td>0.59</td>
</tr>
<tr>
<td>Continuance commitment CC</td>
<td>3.263</td>
<td>0.70</td>
</tr>
<tr>
<td>Normative commitment NC</td>
<td>3.316</td>
<td>0.67</td>
</tr>
<tr>
<td>Total OC</td>
<td>3.414</td>
<td>0.42</td>
</tr>
</tbody>
</table>

As shown in Table 6.10, the overall mean of organisational commitment is M = 3.41 and the standard deviation is SD = 0.42, which shows that the sample has a high organisational commitment to the bank. The highest level of organisational commitment related to the affective commitment factor, which scored M = 3.63 and SD = 0.59. The means of the continuance and normative commitment factors were very similar: M = 3.26, 3.31 and SD = 0.70, 0.67 respectively.

6.2.4 Mean and Standard Deviation of the Turnover

Turnover intention was measured by the global measure of job embeddedness, as developed by Crossley et al. (2007). There were seven items used to capture four factors: organisation, community, work and non-work factors. These factors work together to involve workers in their current job and organisation (Crossley et al., 2007). Only six items were used in the study, as one item was dropped from the measurement during the assessment of the reliability and the goodness-of-fit. The measurement used a 5-point Likert scale (1 = Strongly disagree, 2 = Disagree, 3 = Undecided, 4 = Agree, 5 = Strongly agree) to assess the participants’ turnover intention.

Table 6.11: Mean and Standard Deviation of the Turnover Intention

<table>
<thead>
<tr>
<th>Turnover</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>3.11</td>
<td>0.66</td>
</tr>
</tbody>
</table>

Table 6.11 presents the mean and standard deviations for turnover intention. The mean score is M = 3.11 and the standard deviation is SD = 0.66. The result indicated that there is an undecided intention to turnover among the respondents, but the standard deviation result revealed that there is a difference within the respondent sample (disagreement).
6.3 Correlation Analysis

The statistical package for social sciences (IBM SPSS Statistics 23) computer software program was used to carry out the data analysis. The simple correlation between the variables is presented in this section. Note that the range of the \( r \) value varies between +1 to -1. George and Mallery (2010, pp. 124–125) explained the range of the \( r \) value in more detail. According to these authors, a correlation value of +1 indicates a perfect positive correlation \((r = 1)\). A positive correlation \((0 < r < 1)\) is very predictable and its value increases if other variables increase. If the value is closer to 1 then it is considered a strong variable, while if the value is closer to zero, then it is considered a weak variable. But if one variable increases and the other variable decreases, then it is called a negative correlation \((-1 < r < 0)\). They have added that this perfect positive or negative correlation is possible only in mathematics and is not possible in social sciences.

6.3.1 Multicollinearity Test

Multicollinearity refers to the situation where two or more independent variables are highly correlated. Using multiple regression analysis requires testing the multicollinearity among the independent variable, as if it is occurring it will cause difficulty in the regression coefficients, or maybe makes it impossible. Most researchers consider 90% value and higher correlation as a symbol of multicollinearity (Sekaran & Bougie, 2010). The correlation between the independent variables has been examined to find out whether there is a high correlation between them or not, as suggested by Tabachinck and Fidell (2001). They claimed that if the correlation between two independent variables exceeded \(>0.7\) then one of the variables needs to be deleted, or the researcher treats both of them as one variable.

The next section presents the correlation between the independent variables. It commences by testing leadership behaviours (transformational and transactional leadership behaviour), then testing organisational commitment (affective, continuance, and normative commitment).
6.3.2 Correlation Between Transformational and Transactional Leadership Behaviour

Table 6.12: Correlation Between Transformational and Transactional Leadership Behaviour

<table>
<thead>
<tr>
<th>Variable</th>
<th>Transactional Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership</td>
<td>Pearson Correlation .581**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) .000</td>
</tr>
<tr>
<td></td>
<td>N 376</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

Table 6.12 shows the correlation between the transformational and transactional leadership behaviour which is below $r < 0.7$, therefore both variables were kept for further analysis.
Table 6.13: Correlation Between Leadership Behaviours

<table>
<thead>
<tr>
<th>Variable</th>
<th>Idealised Attributed</th>
<th>Idealised Behaviour</th>
<th>Inspirational Motivation</th>
<th>Intellectual Stimulation</th>
<th>Individualised Consideration</th>
<th>Contingent Reward</th>
<th>Management -by- Exception active</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idealised behaviour</td>
<td>Pearson Correlation</td>
<td>.262</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>Pearson Correlation</td>
<td>.369</td>
<td>.294</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td>376</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>Pearson Correlation</td>
<td>.296</td>
<td>.478</td>
<td>.554</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individualised Consideration</td>
<td>Pearson Correlation</td>
<td>.406</td>
<td>.388</td>
<td>.472</td>
<td>.565</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingent Reward</td>
<td>Pearson Correlation</td>
<td>.374</td>
<td>.333</td>
<td>.505</td>
<td>.610</td>
<td>.354</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td></td>
</tr>
<tr>
<td>Management-by-Exception Active</td>
<td>Pearson Correlation</td>
<td>.250</td>
<td>.363</td>
<td>.427</td>
<td>.526</td>
<td>.335</td>
<td>.590</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.162</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

Table 6.13 identifies the correlation between the factors of transformational and transactional leadership. The leadership behaviours are represented by eight leadership factors. Transformational leadership has five factors (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration), while transactional leadership has three factors (contingent reward,
management-by-exception active, and management-by-exception passive). The correlation between the transformational leadership behaviours ranged from $r = .56$ to .26, none of them exceeded $r > 0.7$, and therefore all of the behaviours remained for further analysis. The correlation between the transactional leadership behaviours ranged from $r = .59$ to .36, and none of them exceeded $r > 0.7$, therefore all of the behaviours remained for further analysis.

The highest correlation was between inspirational motivation and management-by-exception passive, which reached $r = 0.61$. The lowest correlation was between intellectual stimulation and contingent reward, which was only $r = 0.07$. All the correlations between the independent variables were in the acceptable range and below $r < 0.7$, therefore all variables remained for further analysis in the thesis.

6.3.3 Correlation Between the Three-components of Organisational Commitment

Table 6.14: Correlation Between Affective, Continuance, and Normative Commitment

<table>
<thead>
<tr>
<th>Variable</th>
<th>Affective Commitment</th>
<th>Continuance Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuance Commitment</td>
<td>Pearson Correlation</td>
<td>.120</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.020</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
</tr>
<tr>
<td>Normative Commitment</td>
<td>Pearson Correlation</td>
<td>.195</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

Table 6.14 shows the correlation between the sub-commitments of organisational commitment which combined three factors (affective, continuance, and normative commitment). The correlation between the three components of organisational commitment ranged from $r = .19$ to .10, none of them exceeded $r > 0.7\%$, therefore all of the three components remained in the study for further analysis. The highest correlation was between affective and normative commitment, which reached $r = 0.19$. The lowest correlation was between continuance and normative commitment, which was simply $r = 0.10$. All the correlations between the three components of
organisational commitment as independent variables were in the acceptable range and below $r < 0.7$, therefore all variables remained in the study for further analysis.

6.3.4 Correlation Between MLQ, OCQ and Turnover

Table 6.15: Correlation Between MLQ, OCQ and Turnover

<table>
<thead>
<tr>
<th>Variable</th>
<th>Transformational Leadership</th>
<th>Transactional Leadership</th>
<th>Organisational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership</td>
<td>Pearson Correlation</td>
<td>.581**</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td></td>
<td>376</td>
</tr>
<tr>
<td>Transactional Leadership</td>
<td>Pearson Correlation</td>
<td>-.037</td>
<td>-.135**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td></td>
<td>376</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>Pearson Correlation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td></td>
<td>376</td>
</tr>
<tr>
<td>Turnover</td>
<td>Pearson Correlation</td>
<td>.121*</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.019</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>376</td>
<td>376</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

The above table, Table 6.15, demonstrates that there is a significant positive correlation ($r = .58$) between transformational leadership and transactional leadership at the 0.01 level of significance. Organisational commitment has a significant negative correlation ($r = .135$) with transactional leadership at $p = 0.05$, and the correlation with transformational leadership was not significant. Meanwhile, turnover has a significant correlation with the three variables. The stronger correlation was between turnover and organisational commitment, which was a positive correlation ($r = .19$) at $p = 0.01$. The correlation between turnover and transformational leadership was a positive correlation ($r = .12$) at $p = 0.01$. The correlation between turnover and transactional leadership was a positive correlation, but only ($r = .15$) at $p = 0.05$.

6.3.5 Correlation Between the Demographic Characteristics and MLQ Factors

The statistical package for social sciences (IBM SPSS Statistics 23) computer software program was used to carry out the data analysis. The simple correlation between the variables is presented in this section. Note that the range of the $r$ value
varies between +1 and -1. The correlation between the demographic characteristics and MLQ factors are presented in Table 6.16 below.

Table 6.16: Correlation Between the Demographic Characteristics and MLQ Factors

<table>
<thead>
<tr>
<th>Leadership behaviour</th>
<th>Marital</th>
<th>Age</th>
<th>Education</th>
<th>Tenure</th>
<th>Occupational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idealised influence attributed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>.004</td>
<td>.149**</td>
<td>.111*</td>
<td>.121*</td>
<td>-.428**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td>Idealised influence behaviour</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>.042</td>
<td>.248**</td>
<td>.162**</td>
<td>.113*</td>
<td>-.379**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>.026</td>
<td>-.141**</td>
<td>.150**</td>
<td>-.032</td>
<td>-.204**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>.057</td>
<td>.071</td>
<td>.218**</td>
<td>.045</td>
<td>-.308**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>.147**</td>
<td>.234**</td>
<td>-.072</td>
<td>.093</td>
<td>-.373**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td>Contingent Reward</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>.018</td>
<td>.157**</td>
<td>.160**</td>
<td>.224**</td>
<td>-.350**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td>Management by Exception Active</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>-.062</td>
<td>-.023</td>
<td>.186**</td>
<td>-.002</td>
<td>-.217**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
<tr>
<td>Management by Exception Passive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation (Sig. (2-tailed))</td>
<td>.007</td>
<td>-.047</td>
<td>-.016</td>
<td>-.188**</td>
<td>-.158**</td>
</tr>
<tr>
<td>N</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
<td>376</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed).
*Correlation is significant at the 0.05 level (2-tailed).

Table 6.16 illustrates that idealised influence, idealised influence behaviour and contingent reward have significant correlation with three demographic characteristics: age, educational level, and tenure. In addition, they have negative correlation with the occupational category. Inspirational motivation has a significant correlation with educational level and a negative correlation with age and the occupational category. Intellectual stimulation and management-by-exception active have significant
correlation with educational level and negative correlation with the occupational category. Individualised consideration has a significant correlation with marital status and age, while it has a negative correlation with the occupational category. Management-by-exception passive has a negative correlation with tenure and the occupational category.

Table 6.17: Correlation Between the Demographic Characteristics and Leadership Behaviour

<table>
<thead>
<tr>
<th>Variable</th>
<th>Leadership Behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marital status</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>.055</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>.286</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>376</td>
</tr>
<tr>
<td>Age</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>.097</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>.061</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>376</td>
</tr>
<tr>
<td>Educational level</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>.146**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>.005</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>376</td>
</tr>
<tr>
<td>Tenure</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>.046</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>.371</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>376</td>
</tr>
<tr>
<td>Occupational category</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td></td>
<td>376</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed).
*Correlation is significant at the 0.05 level (2-tailed).

Table 6.17 presents the correlation between leadership behaviour and five demographic characteristics. The table shows that the occupational category has a negative significant relationship with leadership behaviour with about (r = -.42), and there is a positive significant relationship between educational level and leadership behaviour. The correlation table shows that marital status, age, and tenure have an insignificant relationship with leadership behaviour.
### 6.3.6 Correlation Between Demographic Characteristics and Organisational Commitment Factors

**Table 6.18: Correlation Between Demographic Characteristics and Organisational Commitment**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Organisational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pearson Correlation</strong></td>
<td><strong>Sig. (2-tailed)</strong></td>
</tr>
<tr>
<td>Marital status</td>
<td>-.085</td>
</tr>
<tr>
<td>Age</td>
<td>-.025</td>
</tr>
<tr>
<td>Educational level</td>
<td>.008</td>
</tr>
<tr>
<td>Tenure</td>
<td>-.040</td>
</tr>
<tr>
<td>Occupational category</td>
<td>.014</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (2-tailed).**

**Correlation is significant at the 0.05 level (2-tailed).**

Table 6.18 presents the correlation between organisational commitment and five demographic characteristics. The table shows that the demographic characteristics have an insignificant relationship with organisational commitment.
6.3.7 Correlation Between Demographic Characteristics and Intention to Turnover

Table 6.19: Correlation Between Demographic Characteristics and Intention to Turnover

<table>
<thead>
<tr>
<th>Variables</th>
<th>Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Marital status</td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Age</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Educational level</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Tenure</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
<tr>
<td>Occupational category</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

Table 6.19 presents the relationship between demographic characteristics and intention to turnover, which shows a negative significant relationship between marital status and intention to turnover. Meanwhile, the table shows that all other demographic characteristics (e.g., age, educational level, tenure, and the occupational category) have an insignificant relationship with intention to turnover.
6.4 Testing the Hypotheses

The thesis investigated 11 core hypotheses. The following section provides the hypotheses test results based on the AMOS software program (AMOS statistics 23) and SPSS software (SPSS 23). The core hypotheses were tested first, followed by further testing the factors of the variables. To assess the hypotheses in the thesis, path analysis was developed to ensure that the important and logical associations between the leadership behaviours, organisational commitment, and intent to turnover were taken into account in the analysis.

Testing hypotheses in quantitative research requires a few steps before conducting the analysis and testing the hypotheses. The researcher needs to establish a framework to be studied and states the null and alternative study hypotheses based on the literature review of earlier studies in the discipline. The measurement should meet an acceptable reliability. The sample needs to meet the data assumptions such as the normal distribution (skewness and kurtosis), the outliers, dealing with missing data, and linearity relation. The researcher should select an acceptable level of significance ($p$) based on the criteria of the study (Hair et al., 2010).

The null hypothesis ($H_0$) assumes that there is no relationship between two variables in a study. The alternative hypothesis ($H_1$) refers to the developed hypothesis and the researcher seeking to test it in the study. The alternative hypothesis assumes there is relationship between the variables. If the researcher found a significant level in the result, that means the null hypothesis is rejected and the alternative hypothesis accepted. As most studies use a sample to be representative of the population, there is a high risk of type I or II error. The type I error occurs when the researcher rejected the null hypothesis and accepted the alternative hypothesis based on the sample results, although the null hypothesis is true. The type II error occurs when the researcher has not rejected the null hypothesis or has accepted the null hypothesis based on the sample results, although the null hypothesis is false. Therefore, the researcher should have established a reasonable significance level in the study. Generally, business researchers accept ($p < 0.05$) level of significance. The power of the test is another concept that needs be taken into the researcher’s consideration. Statistical power of the hypothesis test refers to the probability of rejecting the null hypothesis when it is false. All these concepts can be evaluated during the selection of the sample size and significant level (Hair et al., 2010).
After the thesis framework was developed and the hypotheses stated based on the literature review, and acceptable significant value had been established based on the objectives of the thesis and the discipline of the study, the next step was to state the null hypotheses and then test the proposed hypotheses. Several techniques can be chosen to test the hypotheses. The numbers of the variables, measurements and objectives of the study need to be considered during the selection of the appropriate technique (Hair et al., 2010). Hence, considering all these requirements in the study, a multivariate statistical technique can be used to achieve the study’s objectives.

The next section (6.4.1) will provide the results of testing the direct relationship between transformational and transactional leadership behaviour, organisational commitment, and intention to turnover. It begins with the main hypotheses ($H_1, H_2, H_3,$ and $H_4$) in the thesis.

This is followed by section (6.4.2) which provides the results of testing the direct relationship between the factors. Transformational leadership has five factors (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration); meanwhile, transactional leadership has three factors (contingent reward, management-by-exception active, and management-by-exception passive). Organisational commitment combines three factors (affective, continuance, and normative commitment). Intention to turnover is treated as one factor.

Then the next section (6.4.3) will provide the results of testing the indirect relationship between the variables which are transformational and transactional leadership behaviour and intention to turnover. This will provide answers to the main hypotheses ($H_6, H_7$), which suggested that organisational commitment mediates the relationship between leadership behaviour and intention to turnover.

This is followed by the mediation test section (6.4.4), which will provide the results of testing the indirect relationship between the factors, transformational and transactional leadership, the three factors of organisational commitment (affective, continuance, and normative commitment), and intention to turnover.

Baron and Kenny (1986) suggested that mediating hypotheses requires three steps to test the mediating effect of variables on the relationship between the two variables. The first step is establishing the relationship between an independent variable, for example transformational leadership behaviour, and a dependent variable,
for example intention to turnover. It is required to establish the relationship between an independent variable, for example transformational leadership behaviour and the mediator variable, for example organisational commitment. If a significant relationship is reported between the independent and the dependent variable, then the next step is testing the relationship between the mediating variable (organisational commitment as independent variable) and the dependent variable (turnover) which should be related significantly. In the next step, the mediator variable will be introduced or computed in the model and the outcome reported. If the relationship is reduced between the independent and dependent variables, this indicates that the mediator mediated the relationship between the two variables.

There are three outcomes: full mediation, partial mediation, and no mediation. When the relationship between the independent and dependent variables becomes reduced from significant to insignificant, this means the mediator has a full mediation. But when the relationship between the independent and dependent variables is only reduced and continued significant, this means that the mediator has a partial mediation. If the relationship between the independent and dependent variables is unchanged when the mediator is introduced, this means there is no mediation (Hair et al., 2010; Baron & Kenny, 1986).

6.4.1 Test the Direct Relationship Among Variables

In the beginning of the analysis all the direct relationships between the variables in the study were tested before testing the indirect impact between the variables. To test the direct path between the independent variables and dependent variables, a simple regression was performed for each single independent variable with a dependent variable. Some researchers have suggested that correlation value can be interpreted based on the following guideline $\pm (0.91 - 1.00)$ very strong, $\pm (0.71 - 0.90)$ high, $\pm (0.41 - 0.70)$ moderate, $\pm (0.21 - 0.40)$ small but definite relationship, $\pm (0.00 - 0.20)$ slight /almost negligible (Hair et al., 2010).
6.4.1.1 Transformational Leadership Behaviour and Organisational Commitment

The first hypothesis \( (H_1) \) states that: Transformational leadership behaviour affects organisational commitment. The null hypothesis \( (H_0) \) will be: Transformational leadership behaviour does not affect organisational commitment. As the hypothesis proposes, the independent variable is transformational leadership behaviour and the dependent variable is organisational commitment. To examine the hypothesis, a simple regression was conducted in SPSS and the results are explained below.

As can be seen in Figure 6.1, the transformational leadership behaviour as predicted has only \( r = -0.04 \) impact on the organisational commitment as the dependent variable. This value of correlation is considered as slight or almost negligible (Hair et al., 2010). However, the correlation is insignificant, the \( p \) value = .440 > .05. Based on this result, the null hypothesis is accepted, and the alternative hypothesis is rejected. Transformational leadership behaviour does not affect organisational commitment. The results of the regression test between transformational leadership behaviour and organisational commitment show that there is an insignificant relationship between the variables.

The leadership theory developed by Bass and Avolio (1997–2004) asserted that transformational leadership has five factors (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration), while transactional leadership has three factors (contingent reward, management-by-exception active, and management-by-exception passive). Meyer and Allen (1990–2007) suggested that organisational commitment can combine three factors (affective, continuance, and normative commitment). A further analysis to test the relationship between the factors of the transformational leadership behaviour (idealised attributed,
idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration) and the three components of organisational commitment needed to be undertaken, as outlined in the next section (6.3.2).

A further test was undertaken in AMOS (see Figure 6.2). A SEM path analysis was performed in AMOS, as it takes into account the data size and multi dependents at the same time. The outcome of the model revealed that the model fits the data as the goodness of fit indices are notes for the model (CMIN/DF 2.631, GFI .990, AGFI .967, RMSEA, .066, Default model Standardized RMR = .0446). However, the results show an insignificant relationship between transformational leadership and the three components of organisational commitment.

![Figure 6.2: The Relationship Between Transformational Leadership Behaviour and the Three Components of Organisational Commitment](image)

6.4.1.2 Transactional Leadership Behaviour and Organisational Commitment

The second hypothesis ($H_1$) states that: Transactional leadership behaviour affects organisational commitment. The null hypothesis ($H_0$) will be: Transactional leadership behaviour does not affect organisational commitment. As the hypothesis proposed, the independent variable is the transactional leadership behaviour and the dependent variable is organisational commitment. To examine the hypothesis, a simple regression was conducted in SPSS and the results are explained below.
From Figure 6.3 it can be seen that the transactional leadership behaviour as predicted has explained $r = .059\%$ of organisational commitment as the dependent variable. This value of correlation is considered as slight or almost negligible (Hair et al., 2010). However, the correlation is insignificant, the $p$ value = 0.258 > .05. Based on this result, the null hypothesis is accepted, and the alternative hypothesis is rejected. Transactional leadership behaviour does not affect organisational commitment. A further analysis to test the relationship between the factors of transactional leadership behaviour (contingent reward, management-by-exception active, and management-by-exception passive) and the three components organisational commitment (affective, continuance, and normative commitment) was needed (6.4.2).

A SEM path analysis was performed in AMOS as it takes into account the data size and multi dependents at the same time (see Figure 6.4). The outcome of the model revealed that the model fits the data as the goodness of fit indices are notes for the model (CMIN/DF 2.665, GFI .990, AGFI .967, RMSEA .067, Default model Standardized RMR = .0449). However, the results show insignificant relationships between transactional leadership and the three components of organisational commitment.

Figure 6.3: The Relationship Between Transactional Leadership Behaviour and Organisational Commitment
6.4.1.3 Transformational Leadership Behaviour and Intention to Turnover

The third hypothesis \( (H_3) \) states that: *Transformational leadership behaviour affects intention to turnover*. The null hypothesis \( (H_0) \) will be: *Transformational leadership behaviour does not affect intention to turnover*. As the hypothesis proposed, the independent variable is transformational leadership behaviour and the dependent variable is intention to turnover. To examine the hypothesis, a simple regression was conducted in SPSS and the outputs of the test are explained below.

Figure 6.5 illustrates that the transformational leadership behaviour as predictors has \( r = 0.117 \% \) impact on the intention to turnover as the dependent variable. This value of correlation is considered as slight or almost negligible (Hair et al., 2010). However, the correlation is significant, the \( p \) value < .05 = 0.024. Based on this result, the alternative hypothesis is accepted. Transformational leadership behaviour affects the intention to turnover.
From the results of the regression test between the transformational leadership behaviour and the intention to turnover, it is concluded that there is a significant positive relationship between the variables.

The theory developed by Bass and Avolio (1997–2014) declared that transformational leadership has five factors (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration). A further analysis to test the relationship between the factors of the transformational leadership behaviour (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualized consideration) and the intention to turnover needed to be done, the results of which are presented in the next section (6.4.2).

6.4.1.4 Transactional Leadership Behaviour and Intention to Turnover

The fourth hypothesis \(H_1\) states that: \textit{Transactional leadership behaviour affects intention to turnover}. The null hypothesis \(H_0\) will be: \textit{Transactional leadership behaviour does not affect intention to turnover}. As the hypothesis proposed, the independent variable is transactional leadership behaviour and the dependent variable is intention to turnover. To examine the hypothesis, a simple regression was conducted in SPSS and the results are explained below.

![Figure 6.6: The Relationship Between Transactional Leadership Behaviour and Intention to Turnover](image)

As shown in Figure 6.6, the transactional leadership behaviour as predicted has \(r = 0.170\%\) impact on the intention to turnover as the dependent variable. This value of correlation is considered as slight or almost negligible (Hair et al., 2010). However, the correlation is significant, the \(p\) value = 0.001 < .05. Based on this result, the alternative hypothesis is accepted. Transactional leadership behaviour affects intention to turnover. The regression test between the transactional leadership behaviour and the
intention to turnover concluded that there is a significant positive relationship between the variables.

The theory developed by Bass and Avolio (1997–2014) declared that transactional leadership has three factors (contingent reward, management-by-exception active, and management-by-exception passive). A further analysis to test the relationship between the factors of the transactional leadership behaviour (contingent reward, management-by-exception active, and management-by-exception passive) and the intention to turnover needed to be conducted, as presented in the next section (6.4.2).

6.4.1.5 Organisational Commitment and Intention to Turnover

To answer the fifth hypothesis ($H_5$): Organisational commitment affects intention to turnover, the relationship between organisational commitment and intention to turnover was tested and the result is presented below.

As illustrated in Figure 6.7, the organisational commitment as predicted has $r = 0.172$% impact on the intention to turnover as the dependent variable. This value of correlation is considered as slight or almost negligible (Hair et al., 2010). However, the correlation is significant, based on the $p$ value = 0.001 < .05. The alternative hypothesis is accepted based on this result. Organisational commitment affects the intention to turnover.
6.4.2 Test the Direct Relationship Between the Factors of the Variables

Transformational leadership contains five factors (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration), and transactional leadership contains three factors (contingent reward, management-by-exception active, and management-by-exception passive), as developed by Bass and Avolio (1997–2014). Organisational commitment combined three factors (affective, continuance, and normative commitment) (Meyer and Allen, 1990–2004). Further analysis involved regression analysis between the factors of the variables, as presented in this section. Multiple regression analysis involves multi-independent variables to predict a dependent variable; it is an appropriate statistical technique to use for this purpose.

6.4.2.1 The Factors of the Transformational Leadership Behaviour and Organisational Commitment

To test the relationship between the factors of the transformational leadership behaviour (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration) and the three components of organisational commitment (affective, continuance, and normative commitment), multiple regression analysis procedures were used as a multivariate technique between the factors. A standard multiple regression analysis involving multi-independent variables to predict a dependent variable was used in this stage.

6.4.2.1.1 Transformational Leadership Factors and Affective Commitment

Figure 6.8 presents the multiple regression analysis results of the relationship between idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration, with affective commitment. Most of the leadership behaviours have a weak relationship with affective commitment, for example, inspirational motivation, intellectual stimulation, and individualised consideration predict r = 0.05, 0.06, and -0.05 respectively. Only idealised behaviour has a significant negative relationship with affective commitment, which is about r = -0.12%.
6.4.2.1.2 Transformational Leadership Factors and Continuance Commitment

The multiple regression analysis results of the relationships between idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration with continuance commitment, are presented in Figure 6.9. Almost all the leadership behaviours have a weak relationship with continuance commitment, for example, idealised behaviour, inspirational motivation, and intellectual stimulation, predict $r = 0.006$, $0.09$, and $-0.03$ respectively. Only one leadership behaviour has a negative relationship with continuance commitment, which is individualised consideration. Individualised consideration has a significant negative relationship with continuance commitment, which is about $r = -0.16\%$. 

Figure 6.8: The Relationship Between Transformational Leadership Behaviours (factors level) and Affective Commitment
6.4.2.1.3 Transformational Leadership Factors and Normative Commitment

The multiple regression analysis results of the relationship between idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration with normative commitment are presented in Figure 6.10. All the leadership behaviours have a weak relationship with normative commitment, for example, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration predict $r = 0.04$, $-0.005$, $0.03$, and $-0.03$ respectively. It could be concluded that there is not a significant relationship between idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration with normative commitment in this study.
6.4.2.2 The Factors of Transactional Leadership Behaviour and Organisational Commitment

Transactional leadership has three factors (contingent reward, management-by-exception active and management-by-exception passive) and the three components of organisational commitment (affective, continuance, and normative commitment). To test the relationship between the factors of the variables, standard multiple regression analysis involving multi-independent variables to predict a dependent variable was used in this section.

6.4.2.2.1 The Relationship Between Transactional Leadership Behaviours (factors level) and Affective Commitment

The multiple regression analysis results of the relationship between contingent reward, management-by-exception active, and management-by-exception passive with affective commitment are presented in Figure 6.11. There is no significant relationship between transactional leadership behaviours (contingent reward, management-by-exception active, and management-by-exception passive) and affective commitment.
The transactional leadership factors have a very weak relationship with affective commitment, for example, contingent reward, management-by-exception active, and management-by-exception passive, predict $r = 0.05$, -0.04, and -0.05 respectively.

![Figure 6.11: The Relationship Between Transactional Leadership Behaviours (factors level) and Affective Commitment](image)

### 6.4.2.2.2 The Relationship Between Transactional Leadership Behaviours (factors level) and Continuance Commitment

As shown in Figure 6.11, the multiple regression analysis results of the relationship between contingent reward, management-by-exception active, and management-by-exception passive with continuance commitment are presented. It shows no significant relationships between contingent reward, management-by-exception active, and management-by-exception passive with continuance commitment. The transactional leadership factors have limited relationship with continuance commitment, for example, contingent reward, management-by-exception active, and management-by-exception passive, predict $r = 0.04$, -0.003, and -0.04 respectively.
6.4.2.2.3 The Relationship Between Transactional Leadership Behaviours (factors level) and Normative Commitment

Figure 6.11 illustrates the multiple regression analysis results of the relationships between contingent reward, management-by-exception active, and management-by-exception passive with normative commitment. The results indicate that there is no significant relationship between contingent reward, management-by-exception active, and management-by-exception passive with normative commitment. The transactional leadership factors have a very low relationship with normative commitment, for example, contingent reward, management-by-exception active, and management-by-exception passive, predict $r = 0.01, -0.04, \text{ and } -0.02$ respectively.
6.4.2.3 Transformational Leadership Behaviour and Intention to Turnover

To test the relationship between the factors of the transformational leadership behaviour (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration) and the intention to turnover, multiple regressions between the factors were used. The standard multiple regression analysis involves multi-independent variables to predict a dependent variable and is an appropriate statistical technique to be utilised for this purpose.

6.4.2.3.1 Transformational Leadership Factors and Intention to Turnover

The multiple regression analysis results of the relationship between idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration with intention to turnover are presented in Figure 6.14. The leadership behaviours have a weak relationship with intention to turnover, for example, idealised behaviour, intellectual stimulation, and individualised consideration explain $r = 0.11$, $-0.02$, and $-0.05$ respectively.
Only one leadership behaviour has a positive significant relationship with intention to turnover, which is inspirational motivation. Inspirational motivation has a significant positive relationship with intention to turnover, which is about $r = 0.14\%$. It could be concluded that there is a significant relationship between inspirational motivation and intention to turnover in this study.

![Figure 6.14: The Relationship Between Transformational Leadership Behaviours (factors level) and Intention to Turnover](image)

6.4.2.4 Transactional Leadership Behaviour and Intention to Turnover

In this section, the relationships between the three factors of transactional leadership (contingent reward, management-by-exception active, and management-by-exception passive) and intention to turnover are examined. To test the relationship between the factors of the variables, multiple regression analysis involving multi-independent variables to predict dependent variables were used.
6.4.2.4.1 The Relationship Between Transactional Leadership Behaviours (factors level) and Intention to Turnover

As shown in Figure 6.15, the multiple regression analysis results of the relationship between contingent reward, management-by-exception active, and management-by-exception passive with intention to turnover are presented. They show no significant relationships between management-by-exception active, and management-by-exception passive with intention to turnover. The transactional leadership factors have limited relationship with intention to turnover, for example, management-by-exception active, and management-by-exception passive, predict $r = 0.03$, and $-0.003$ respectively. Meanwhile, contingent reward has a positive significant relationship with intention to turnover, which is about $r = 0.24\%$.

![Figure 6.15: The Relationship Between Transactional Leadership Behaviours (factors level) and Intention to Turnover](image)

6.4.2.5 Organisational Commitment and Intention to Turnover

The relationship between the three components of organisational commitment (affective, continuance, and normative commitment) and intention to turnover are examined in this section. To test the relationship between the factors of the variables, multiple regression analysis involving multi-independent variables to predict a dependent variable were used.
Figure 6.11 shows the multiple regression analysis results of the relationships between the three components of organisational commitment (affective, continuance, and normative commitment) with intention to turnover. It indicates that there is a positive significant relationship between affective and continuance commitments with intention to turnover. Affective and continuance commitments explain $r = 0.13$, and $0.10$, respectively. The normative commitment has a low relationship with intention to turnover, which is not a significant relationship ($r = 0.07 / p > 0.05$).

![Figure 6.16: The Relationship Between the Three Components of Organisational Commitment (factors level) and Intention to Turnover](image)

6.4.3 Testing Mediational Hypotheses (Test the Indirect Relationship Among Variables)

After all the direct relationships between the variables and the factor’s variables were tested (section 6.4.1 and 6.4.2), the researcher tested the mediating impact of organisational commitment between the independent variables (transformational and transactional leadership behaviour), and dependent variable (turnover). The test conducted for the relationship met the requirements of the mediation relationship suggested by Baron and Kenny (1986). The requirements were that a significant relationship between the independent variables (transformational and transactional leadership behaviour) and dependent variable (turnover) should be related significantly and establish a significant relationship between the independent variables (transformational and transactional leadership behaviour) and the mediator variable (organisational commitment). Then testing the relationship between the mediating variable (organisational commitment as independent variable) and dependent variable
(turnover) should be related significantly. The next step was introducing the mediating variable into the relationship between the independent variables (transformational and transactional leadership behaviour) and the dependent variable (turnover), and then to examine the relation to determine whether it improves or drops (see Figure 6.17).

**Figure 6.17: Mediator Path Procedure (adopted from Baron and Kenny, 1986)**

The outcome of the mediation test can be interpreted to full mediation, partial mediation, and no mediation. If the relationship is reduced between the independent and dependent variables, this indicates that the mediator mediated the relationship between the two variables. In the first situation, when the relationship between the independent and dependent variables becomes reduced from significant to insignificant, this means that the mediator has a full mediation. But when the relationship between the independent and dependent variables only are reduced and continue as significant, this means that the mediator has a partial mediation. If the relationship between the independent and dependent variables is unchanged when the
mediator is introduced, this means that there is no mediation (Hair et al., 2010; Baron & Kenny, 1986).

6.4.3.1 Organisational Commitment Mediates the Relationship Between Transformational Leadership Behaviour and Intention to Turnover

The sixth hypothesis ($H_6$) states that: Organisational commitment mediates the relationship between transformational leadership behaviour and intention to turnover. The null hypothesis ($H_0$) will be: Organisational commitment does not mediate the relationship between transformational leadership behaviour and intention to turnover. As the hypothesis proposed, the independent variable is transformational leadership behaviour, the dependent variable is the intention to turnover, and the mediator variable is organisational commitment. To examine the sixth hypothesis, the researcher checked whether the requirements of testing the mediational hypothesis have been met, as suggested by Baron and Kenny (1986). From the previous results of multiple regression analysis, the researcher found that the requirements of testing the mediational hypothesis did not meet all the conditions with the data as there was not a significant relationship between the independent variable (transformational leadership) and the mediator variable (organisational commitment), which is one of the conditions to test a mediating effect of organisational commitment. Hence, the testing of the organisational commitment as a mediator variable in the relationship between transformational leadership and intention to turnover cannot proceed in the data. In other words, the study failed to test the sixth hypothesis ($H_6$): Organisational commitment mediates the relationship between transformational leadership behaviour and intention to turnover.

Further analysis to test the relationship between the factors of transformational leadership behaviour (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration) and the three components of organisational commitment was conducted.
6.4.3.2 Organisational Commitment Mediates the Relationship Between Transactional Leadership Behaviour and Intention to Turnover

The seventh hypothesis ($H_7$) states that: *Organisational commitment mediates the relationship between transactional leadership behaviour and intention to turnover.* The null hypothesis ($H_0$) will be: *Organisational commitment does not mediate the relationship between transactional leadership behaviour and intention to turnover.* As the hypothesis proposed, the independent variable is transactional leadership behaviour, the dependent variable is the intention to turnover, and the mediator variable is organisational commitment.

To examine the seventh hypothesis, the researcher checked whether the requirements of testing the mediational hypothesis have been met, as suggested by Baron and Kenny (1986). Based on the previous results of multiple regression analysis, the researcher found that the requirements of testing the mediational hypothesis did not meet all the conditions in the data as there is not a significant relationship between the independent variable (transactional leadership) and the mediator variable (organisational commitment), which is one of the conditions to test a mediating effect of organisational commitment. Hence, the testing of the organisational commitment as a mediator variable in the relationship between transactional leadership and intention to turnover cannot proceed with the data. In other words, the study failed to test the seventh hypothesis ($H_7$): *Organisational commitment mediates the relationship between transactional leadership behaviour and intention to turnover.*

A further analysis to test the relationship between the factors of the transactional leadership behaviour (contingent reward, management-by-exception active, and management-by-exception passive) and the three components of organisational commitment was conducted.

6.4.3.3 Testing Mediation at Factor Level (Test the Indirect Relationship at Factor Level)

This test should be conducted for only the relationship which met the conditions of the mediation effect, as suggested by Baron and Kenny (1986). As explained previously, the relationships between the independent variables and the mediators did not meet the condition. In other words, there are insignificant relationships between transformational leadership and the three components of organisational commitment.
(affective, continuance, and normative commitment). Therefore, the mediating effect of the three components of organisational commitment on the relationship of transformational leadership and intention to turnover cannot be tested in the data. The outcome of the previous test revealed that the mediating test of organisational commitment cannot be tested as it did not meet all the mediating effect conditions, as suggested by Baron and Kenny (1986).

With regard to whether the three components of organisational commitment mediate the relationship of the transactional leadership and intention to turnover, the previous results suggested that the test cannot proceed as it did not meet all the mediating effect conditions, as suggested by Baron and Kenny (1986).

6.5 Justification for Performing a Moderating Effect Test

It is crucial to extend the research and investigate the mediation and moderation effects on the relationship among the variables in the research. The investigation of mediation and moderation effects can lead the researcher to discover “How”, “When”, and “For whom”, or help the researcher to understand the relationship mechanism, whether a variable has a mediating or moderating effect (Karazsia et al., 2014). Karazsia et al. noted that the mediation effect of a variable does not remain universal, and the relationship might be moderated by other variables, therefore changing the function of a variable from mediation to moderation could lead to finding a moderating effect in the relationship instead of a mediating effect (2014).

A moderating process has been explained in Holmbeck’s work: “In a basic moderational model, regression results are obtained, and then ‘post hoc probing’ procedures are used to investigate the moderation effect. Post hoc probing involves creation of a regression equation and then estimating the predicted value of criterion at various levels of the moderator” (Holmbeck, 2002, in Karazsia, 2014, p. 166).

A critical concern has been raised about Baron and Kenny’s (1986) mediating process (Hayes, 2009). The researcher claimed that Baron and Kenny’s analytic procedure might lead to statistical power, which could lead the researcher to type II error. This result could occur especially in large sample research. Therefore, the researcher might conclude that there is no mediation effect as the relation path between the independent variable and criterion is insignificant due to the large sample size, or type II error (Preacher & Hayes, 2008).
In this case, based on attempting to test the mediating effect of organisational commitment on the relationship between transformational leadership and intention to turnover in the research, the relationships did not meet the four mediational effect conditions which have been suggested by Baron and Kenny (1986). Therefore, testing organisational commitment as a moderator instead of a mediator variable would be a good strategy to enhance understanding of the relationship mechanism between the variables.

The alternative analytic method proposed in this situation is testing the moderating effect of organisational commitment on the relationship between transformational leadership and intention to turnover. (Testing organisational commitment as a moderator instead of a mediator variable.) Adopting this approach has been noted in Baron and Kenny’s (1986) research. They suggested that when the relationship between the independent variable and a criterion variable has been found to have “an unexpectedly weak or inconsistent relation”, the researcher might introduce a moderator variable (Baron & Kenny, 1986, p. 1178). Baron and his colleague stressed that research could start by investigating a mediating effect, then finish by elucidating a moderating effect, or vice versa (Baron & Kenny, 1986). It is more likely to engage in testing a mediating effect, and then discover that it has a moderating effect rather than the reverse. Testing both potential cases could advance the understanding of the mechanism of the relationships between the variables.

A moderating variable (e.g., organisational commitment) can affect the relationship between independent variables (e.g., transformational, transactional leadership) and the criterion variable (e.g., turnover). The effect can be seen in the strength or the direction of the change in the relationship between two variables (Baron & Kenny, 1986). It can be captured by using a moderator model which involves three paths to an outcome variable. The moderator hypothesis can be tested via the outcome of the third path, which is the interaction path. If the interaction path has a significant relationship, the researcher can conclude that the moderational hypothesis is supported, see Figure 6.18 (Baron & Kenny, 1986).
6.5.1 Testing Moderational Effect of Organisational Commitment (Test the Interaction Effect on the Relationship Among Variables)

This phase involves a transformation procedure to produce a new variable. First, the variables need to be standardised (or alternatively a centred variable can be used) as a new variable, and then compute a new variable (the standardised independent variable (transformed variable), and then multiply by the standardised moderator variable (transformed variable) in order to test the interaction effect of the moderator variable on the relationship. Structural equation modelling was used in this phase to test the hypotheses. The test results are presented below.
Figure 6.19 presents organisational commitment as a moderating variable in the relationship between transformational leadership and turnover. The figure shows acceptable GOF fit indices and the results of the selected fit indices were perfect, for example: $x^2/df = .923$, GFI = .99, CFI = 1, AGFI = .98, RMSEA = .000 and Default Model Standardized RMR = .0108.

The test results show a positive significant relationship between transformational leadership and turnover ($r = 0.15 / p < 0.05$). In addition to the positive significant relationship between organisational commitment and turnover ($r = 0.18 / p < 0.05$), Figure 6.19 shows a significant relationship between the interaction variable and turnover ($r = 0.11 / p < 0.05$) which indicates that organisational commitment moderated the relationship between transformational leadership and turnover. This result supports the hypothesis ($H_{10}$) which states that: Organisational commitment moderates the relationship between transformational leadership behaviour and intention to turnover.

Figure 6.20: Organisational Commitment as a Moderator Variable Between Transactional Leadership and Turnover

Figure 6.20 presents the organisational commitment as a moderating variable in the relationship between transactional leadership and turnover. The figure shows acceptable GOF fit indices and the results of the selected fit indices were perfect, for example: $x^2/df = 2.240$, GFI = .99, CFI = .96, AGFI = .97, RMSEA = .058 and Default Model Standardized RMR = .0255. All of the fit indices show good fit of the model which is an acceptable fit.

The test results show a positive significant relationship between transactional leadership and turnover ($r = 0.19 / p < 0.01$), in addition to the positive significant relationship between organisational commitment and turnover ($r = 0.19 / p < 0.01$).
Figure 6.20 shows an insignificant relationship between the interaction variable and turnover ($r = 0.09 / p > 0.05$), which indicates that organisational commitment does not moderate the relationship between transactional leadership and turnover. The null hypothesis ($H_0$) will be accepted: *Organisational commitment does not moderate the relationship between transactional leadership behaviour and intention to turnover.*

### 6.5.2 Testing Moderational Effect of Organisational Commitment (Test the Interaction Effect on the Relationship Among Factors)

Following Baron and Kenny’s (1986) moderation test procedure, path analysis was performed using the SEM program. The outcome of the test is presented in this section. This step involves a transformation procedure to produce a new variable. First, the variables need to be standardised as a new variable and then a new variable computed (the standardised independent variable (transformed variable) and multiplied by the standardised moderator variable (transformed variable)) in order to test the interaction effect of the moderator variable on the relationship. Organisational commitment was used as a moderator variable between leadership behaviour and turnover.

#### 6.5.2.1 Transformational Leadership Behaviour

To test whether organisational commitment moderates the relationship between the factors of the transformational leadership behaviour (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, and individualised consideration) and the intention to turnover, SEM was used to investigate the moderating impact of organisational commitment.

The following figure, Figure 6.21, shows the path analysis between idealised behaviour and turnover, and between organisational commitment and turnover. In addition, it displays the path analysis between the transformed variable (interaction) and turnover.
Figure 6.21 shows acceptable GOF fit indices and the results of the selected fit indices were perfect, for example: $\chi^2/df = 1.909$, GFI = .99, CFI = .98, AGFI = .97, RMSEA, .049 and Default Model Standardized RMR = .0238.

The results show a significant relationship between idealised behaviour and turnover. The idealised behaviour can predict 25% of the intention to turnover. Meanwhile, the path analysis between organisational commitment and turnover is significant, and it explains about 20% of the intention to turnover. However, the interaction path analysis is not significant in this diagram. Therefore, it could be concluded that organisational commitment does not moderate the relationship between idealised behaviour and intention to turnover.

The following figure, Figure 6.22, shows the results of path analysis between inspirational motivation and turnover, organisational commitment and turnover. In addition, it shows the path analysis between the moderator variable and turnover.
The above figure illustrates acceptable GOF fit indices and the results of the selected fit indices were perfect, for example: $x^2/df = .863$, GFI = .99, CFI = 1, AGFI = .99, RMSEA = .000 and Default Model Standardized RMR = .0236.

The test result demonstrates a significant relationship between inspirational motivation and intention to turnover, even though inspirational motivation can predict only 14% of the intention to turnover. Meanwhile, the path analysis between organisational commitment and turnover is significant and it predicts about 15% of intention to turnover. However, the moderator variable has a significant relationship with turnover in this test. This means that the organisational commitment moderates the relationship between inspirational motivation and intention to turnover.

Figure 6.23 illustrates the results of path analysis between intellectual stimulation and turnover, organisational commitment, and turnover. In addition, it indicates the path analysis between the moderator variable and turnover.

![Figure 6.23: Organisational Commitment as a Moderator Variable Between Intellectual Stimulation and Turnover](image)

The figure shows satisfactory GOF fit indices and the results of the selected fit indices were perfect, for example: $x^2/df = 1.256$, GFI = .99, CFI = .93, AGFI = .98, RMSEA = .026 and Default Model Standardized RMR = .0323.

The path analysis results show that intellectual stimulation can predict only 8% of the intention to turnover and this relation is insignificant. Meanwhile, the path analysis between organisational commitment and turnover is significant and it predicts 17% of intention to turnover. However, the moderator variable has an insignificant relation with turnover in this test. This indicates that organisational commitment does not moderate the relationship between intellectual stimulation and intention to turnover.
The following figure, Figure 6.24, shows the results of path analysis between individualised consideration and turnover, organisational commitment and turnover. In addition, it indicates the path analysis between the moderator variable and turnover.

![Diagram](image)

**Figure 6.24: Organisational Commitment as a Moderator Variable Between Individualised Consideration and Turnover**

The figure displays satisfactory GOF fit indices and the results of the selected fit indices were perfect, for example: $\chi^2/df = 2.533$, GFI = .99, CFI = .91, AGFI = .98, RMSEA, .064 and Default Model Standardized RMR = .0265.

The results of the analysis show that individualised consideration can predict just 4% of the intention to turnover, and this relation is insignificant. Meanwhile, the path analysis between organisational commitment and turnover is significant, and it predicts 17% of intention to turnover. However, the moderator variable has an insignificant relationship on this path. It can be concluded that organisational commitment does not moderate the relationship between individualised consideration and intention to turnover.

### 6.5.2.2 Transactional Leadership Behaviour

The following section tests whether organisational commitment moderates the relationship between the factors of transactional leadership, which has three factors (contingent reward, management-by-exception active, and management-by-exception passive), and intention to turnover.

Figure 6.25 illustrates the results of the test analysis between contingent reward and turnover, and organisational commitment and turnover. In addition, it shows the path analysis between the moderator variable and turnover.
Figure 6.25: Organisational Commitment as a Moderator Variable Between Contingent Reward and Turnover

Figure 6.25 shows satisfactory GOF fit indices and the results of the selected fit indices were perfect, for example: $x^2/df = 1.985$, GFI = .99, CFI = .92, AGFI = .97, RMSEA = .051 and Default Model Standardized RMR = .0405.

The path analysis results display that the contingent reward can predict 25% of the intention to turnover, and this is a significant relationship. In addition, the path analysis between organisational commitment and turnover is a significant relationship, and it predicts 17% of intention to turnover. Nevertheless, the moderator variable has an insignificant relationship with intention to turnover in this test. This indicates that organisational commitment does not moderate the relationship between contingent reward and intention to turnover.

Figure 6.26 shows the results of a path analysis between management-by-exception active and turnover, organisational commitment and turnover, and between the moderator variable and turnover.
The above figure shows acceptable GOF fit indices and the results of the selected fit indices were perfect, for example: $\chi^2/df = .786$, GFI = .99, CFI = 1, AGFI = .99, RMSEA, .000 and Default Model Standardized RMR = .0215.

The test results demonstrate a significant relationship between management-by-exception active and intention to turnover, although management-by-exception active can predict 16% of the intention to turnover. On the other hand, the path analysis between organisational commitment and turnover predicts 19% of intention to turnover, and it is a significant relationship. However, the moderator variable has a significant relationship with turnover in this case. This means that the organisational commitment moderates the relationship between management-by-exception active and intention to turnover.

Figure 6.27 illustrates the results of the path analysis between management-by-exception passive and turnover, organisational commitment and turnover, and between the moderator variable and turnover.
Figure 6.27: Organisational Commitment as a Moderator Variable Between Management-by-Exception Passive and Turnover

The figure shows satisfactory GOF fit indices and the results of the selected fit indices were perfect, for example: $x^2/df = 2.499$, GFI = .99, CFI = .91, AGFI = .97, RMSEA = .063 and Default Model Standardized RMR = .0265.

The test results demonstrate a significant relationship between management-by-exception passive and intention to turnover, and that it can predict 16% of the intention to turnover. On the other hand, the path analysis between organisational commitment and turnover predicts 17% of intention to turnover, and it is a significant relationship. However, the moderator variable has an insignificant relationship with turnover in this case. This means that organisational commitment does not moderate the relationship between management-by-exception passive and intention to turnover.

6.6 Testing the Moderational Hypotheses

This section presents the results from testing the interaction effect of the population sample’s demographic characteristics on the relationship among the variables. Two hypotheses were tested, the first of which is $H_8$: Demographic characteristics moderate the relationship between transformational leadership and intention to turnover, and the second is $H_9$: Demographic characteristics moderate the relationship between transactional leadership and intention to turnover.

This phase involved a transformation procedure to produce a new variable. First, the variables needed to be standardised as a new variable and then a new variable computed (the standardised independent variable (transformed variable), multiplied by the standardised moderator variable (transformed variable)), in order to test the interaction effect of the moderator variable on the relationship. A SEM analysis was performed to test the interaction effect of demographic characteristics in the
relationship between transformational and transactional leadership with intention to turnover.

In order to test hypothesis $H_8$, which states that demographic characteristics moderate the relationship between transformational leadership and intention to turnover, and test hypothesis $H_9$ which states that demographic characteristics moderate the relationship between transactional leadership and intention to turnover, SEM in AMOS was used to test the interaction of the demographic characteristics between leadership behaviour and intention to turnover.

### 6.6.1 Transformational Leadership Behaviour

Figure 6.28 presents age as a moderating variable in the relationship between transformational leadership and turnover. The figure shows acceptable GOF fit indices and the results of the selected fit indices are perfect, for example: $x^2/df = 3.541$, GFI = .99, CFI = .95, AGFI = .95, RMSEA = .082 and Default Model Standardized RMR = .0327.

\[
\begin{array}{c}
\text{Transformational Leadership} \\
\text{Age} \\
\text{Moderator_TRL_Age} \\
\end{array}
\]

\[
\begin{array}{c}
\text{Turnover} \\
\end{array}
\]

\[
\begin{array}{c}
0.00 \\
0.00 \\
0.00 \\
0.15 \\
0.02 \\
0.03 \\
0.02 \\
0.03 \\
0.05 \\
0.08 \\
0.02 \\
\end{array}
\]

**Figure 6.28: Age as a Moderator Variable Between Transformational Leadership and Turnover**

The results showed a positive and significant relationship between transformational leadership and turnover ($r = 0.15 / p < 0.01$). The relationship between age and intention to turnover was not a significant relationship ($r = 0.02 / p > 0.05$). Figure 6.28 also shows an insignificant relationship between the interaction variable and intention to turnover ($r = 0.03 / p > 0.05$), which indicates that age does not moderate the relationship between transformational leadership and intention to turnover. This result supports the null hypothesis ($H_6$): *Age does not moderate the relationship between transformational leadership behaviour and intention to turnover.*
The following figure (Figure 6.29) presents tenure as a moderating variable in the relationship between transformational leadership and turnover. It shows acceptable GOF fit indices and the results of the selected fit indices are acceptable, for example: $x^2/df = 5.072$, GFI= .99, CFI = .91, AGFI = .93, RMSEA, .10 and Default Model Standardized RMR = .0384.

Figure 6.29: Tenure as a Moderator Variable Between Transformational Leadership and Turnover

The results show a positive and significant relationship between transformational leadership and turnover ($r = 0.17 / p < 0.01$). The relationship between tenure and intention to turnover is an insignificant relationship ($r = 0.03 / p > 0.05$). Figure 6.29 shows that the relationship between the interaction variable and intention to turnover is negatively significant ($r = -0.16/ p < 0.01$), which indicates that tenure moderates intention to turnover. Therefore, the hypothesis is accepted ($H_1$): Tenure moderates the relationship between transformational leadership behaviour and intention to turnover. This means a significant moderating effect of tenure on the path between transformational leadership and intention to turnover.

The next figure, Figure 6.30, shows the educational level as a moderating variable in the relationship between transformational leadership and turnover. It presents acceptable GOF fit indices and the results of the selected fit indices are perfect, for example: $x^2/df = 1.128$, GFI= .99, CFI = .99, AGFI = .99, RMSEA, .018 and Default Model Standardized RMR = .0179.
The result shows a positive and significant relationship between transformational leadership and turnover ($r = 0.16 / p < 0.01$). However, the relationship between educational level and intention to turnover was not a significant relationship ($r = -.02 / p > 0.05$). In addition, Figure 6.30 indicates that the relationship between the interaction variable and intention to turnover was not significant ($r = 0.00 / p > 0.05$), which suggests that educational level does not moderate the relationship between transformational leadership and turnover. Thus, the null hypothesis ($H_0$): *Educational level does not moderate the relationship between transformational leadership behaviour and intention to turnover* is accepted in this case. It is therefore concluded that educational level has not affected the path between transformational leadership and intention to turnover.

Figure 6.30: Educational Level as a Moderator Variable Between Transformational Leadership and Turnover

In the following figure (Figure 6.31) the path analysis between transformational leadership and turnover is presented. It shows the path analysis between marital status and turnover. In addition, it displays the path analysis between the transformed variable (interaction) and turnover. The GOF fit indices are acceptable, for example: $\chi^2/df = 1.088$, GFI = .99, CFI = .99, AGFI = .99, RMSEA = .015 and Default Model Standardized RMR = .0173.
The result shows a positive significant relationship between transformational leadership and turnover ($r = 0.17 / p < 0.01$), in addition to the negative and significant relationship between marital status and turnover ($r = -0.12 / p < 0.05$). Figure 6.31 shows an insignificant relationship between the interaction variable and intention to turnover ($r = 0.04 / p > 0.05$), which indicates that marital status does not moderate the relationship between transformational leadership and turnover. This result confirmed the null hypothesis ($H_0$): Marital status does not moderate the relationship between transformational leadership behaviour and intention to turnover.

Figure 6.31: Marital Status as a Moderator Variable Between Transformational Leadership and Turnover

Figure 6.32 presents occupational category as a moderating variable in the relationship between transformational leadership and turnover. The figure shows acceptable GOF fit indices and the results of the selected fit indices are perfect, for example: $x^2/df = .579$, GFI= .99, CFI = 1, AGFI = .99, RMSEA, .000 and Default Model Standardized RMR = .0142.

The result shows a positive and significant relationship between transformational leadership and turnover ($r = 0.15 / p < 0.01$). The relationship between an occupational category and intention to turnover was not a significant relationship ($r = -0.01 / p > 0.05$). Figure 6.32 shows an insignificant relationship between the interaction variable and intention to turnover ($r = 0.06 / p > 0.05$), which indicates that occupational category does not moderate the relationship between transformational leadership and intention to turnover. This result supports the null hypothesis ($H_0$): Occupational category does not moderate the relationship between transformational leadership behaviour and intention to turnover.
6.6.2 Transactional Leadership Behaviour

Figure 6.33 shows age as a moderating variable in the relationship between transactional leadership and turnover. It presents acceptable GOF fit indices and the results of the selected fit indices are perfect, for example: $x^2/df = 0.039$, GFI = 1, CFI = 1, AGFI = .99, RMSEA = .000, and Default Model Standardized RMR = .0051.

The result shows a significant positive relationship between transactional leadership and turnover ($r = 0.17 / p < 0.01$). However, the relationship between age and intention to turnover was not a significant relationship ($r = 0.05 / p > 0.05$). In addition, Figure 6.33 indicates that the relationship between the interaction variable and intention to turnover was not significant ($r = -0.04 / p > 0.05$), which suggests that age does not moderate the relationship between transactional leadership and turnover. Thus, the null hypothesis ($H_0$): \textit{Age does not moderate the relationship between transactional leadership behaviour and intention to turnover} is accepted in this case. This concludes that age has not affected the path between transactional leadership and intention to turnover.
Figure 6.33: Age as a Moderator Variable Between Transactional Leadership and Turnover

Figure 6.34 below presents tenure as a moderating variable in the relationship between transactional leadership and turnover. It shows acceptable GOF fit indices and the results of the selected fit indices are acceptable, for example: $\chi^2/df = 1.586$, GFI = .99, CFI = .99, AGFI = .98, RMSEA = .04 and Default Model Standardized RMR = .0213.

The results show a significant positive relationship between transactional leadership and turnover ($r = 0.13 / p < 0.01$). The relationship between tenure and intention to turnover is an insignificant relationship ($r = 0.02 / p > 0.05$). Figure 6.34 shows that the relationship between the interaction variable and intention to turnover is a significant negative relationship ($r = -0.21/ p < 0.01$), which indicates that tenure moderates the relationship between transactional leadership and turnover. Therefore, the hypothesis ($H_1$) is accepted: *Tenure moderates the relationship between transactional leadership behaviour and intention to turnover*. This means that tenure has a significant moderating effect on the path between transactional leadership and intention to turnover.
Figure 6.34: Tenure as a Moderator Variable Between Transactional Leadership and Turnover

Figure 6.35 shows educational level as a moderating variable in the relationship between transactional leadership and turnover. It presents acceptable GOF fit indices and the results of the selected fit indices are perfect, for example: $\chi^2/df = 2.081$, GFI=.99, CFI = .94, AGFI = .97, RMSEA, .054 and Default Model Standardized RMR = .0242.

The result shows a positive and significant relationship between transactional leadership and turnover ($r = 0.17 / p < 0.01$). However, the relationship between educational level and intention to turnover was not a significant relationship ($r = -0.01 / p > 0.05$). In addition, Figure 6.35 indicates that the relationship between the interaction variable and intention to turnover was not a significant relationship ($r = -0.03/ p > 0.05$), which suggests that educational level does not moderate the relationship between transactional leadership and intention to turnover. Hence, the null hypothesis ($H_0$): *Educational level does not moderate the relationship between transactional leadership behaviour and intention to turnover* is accepted in this case. It can be concluded that educational level does not affect the path between transactional leadership and intention to turnover.
Figure 6.35: Educational Level as a Moderator Variable Between Transactional Leadership and Turnover

Figure 6.36 presents occupational category as a moderating variable in the relationship between transactional leadership and turnover. The figure shows acceptable GOF fit indices and the results of most of the selected fit indices are acceptable with some limitations, for example: $x^2/df = 9.72$, GFI= .99, CFI = .90, AGFI = .87, RMSEA, .152 and Default Model Standardized RMR = .0551.

The result shows a significant positive relationship between transactional leadership and turnover ($r = 0.14 / p < 0.01$). The relationship between occupational category and intention to turnover was not a significant relationship ($r = -0.03 / p > 0.05$). Figure 6.36 shows a significant relationship between the interaction variable and intention to turnover ($r = 0.11 / p< 0.05$), which indicates that occupational category moderates the relationship between transactional leadership and intention to turnover. This result confirmed the hypothesis ($H_1$): Occupational category moderates the relationship between transactional leadership behaviour and intention to turnover. The results confirmed that a significant moderating influence has been found for occupational category on the path between transactional leadership and turnover.
Figure 6.36: Occupational Category as a Moderator Variable Between Transactional Leadership and Turnover

In Figure 6.37 the path analysis between transactional leadership and turnover is presented. It also presents the path analysis between marital status and turnover and displays the path analysis between the transformed variable (interaction) and intention to turnover. The GOF fit indices are acceptable, for example: $\chi^2/df = .026$, GFI = 1, CFI = 1, AGFI = 1, RMSEA, .000 and Default Model Standardized RMR = .0033.

The result shows a significant positive relationship between transactional leadership and intention to turnover ($r = 0.15 / p < 0.01$), and a significant negative relationship between marital status and turnover ($r = -0.10 / p < 0.05$). Figure 6.37 shows an insignificant relationship between the interaction variable and intention to turnover ($r = 0.06 / p > 0.05$), which indicates that marital status does not moderate the relationship between transactional leadership and turnover. This result confirmed the null hypothesis ($H_0$): Marital status does not moderate the relationship between transactional leadership behaviour and intention to turnover.

Figure 6.37: Marital Status as a Moderator Variable Between Transactional Leadership and Turnover
6.7 Summary

In this chapter, the findings were presented in six sections. The first section is the introduction. In the second section, the demographic profile of the respondents is explained. The profile of the respondents includes their gender, age, educational level, marital status, occupational category, nationality, and tenure. The demographic characteristics of the respondents show that all the respondents were males, most were aged between 25 and 44 years (nearly half), more than half were university educated and had a bachelor’s or a master’s degree. In addition, more than 60% of the respondents were married whilst the rest were single. In regard to their positions in the bank, most of the respondents were in two occupational categories. About 41% of the respondents held an administration branch position, and more than 46% occupied a branch manager position. All the respondents were Saudi citizens with no other nationalities represented. Most of the respondents had spent four years or less in their bank, with approximately 20% between 5 and 10 years. Approximately 15% of the respondents had been employed in their bank for between 10 and 15 years, with 10% between 15 and 20 years.

This chapter also presented the mean and standard deviations of transformational, transactional leadership behaviour, organisational commitment and intention to turnover. The mean and standard deviations for transformational leadership behaviours were M = 3.06 (SD = 0.44). The results indicate that the respondents consistently display transformational leadership behaviours in their daily behaviours at the bank ‘fairly often’. The transformational leadership results were further explored to determine whether there were differences between factors. When comparing the transformational leadership factors, it was found that most of the behaviour being displayed was the idealised influence behaviour, which scored M = 3.26 with SD = 0.52. The idealised influence attributed was the second factor, with a score of slightly less (M = 3.21 with SD = 0.52). Next was the inspirational motivation factor, which scored 3.20 with SD = 0.62, followed by the intellectual stimulation factor, scoring M = 2.93 with SD = 0.68. Lastly, the individual consideration factor scored M = 2.71 with SD = 0.64. The overall mean score of the transactional leadership behaviour was M = 2.52 and the SD = 0.59. This score means that the respondents display transactional behaviour in the bank ‘sometimes’. The contingent reward has the highest mean score, which was M = 3.09 with a 0.49 standard deviation. Management-by-exception active scored M = 2.73 and SD = 0.80. The lowest mean score was management-by-exception
passive, which scored $M = 1.74$ and $SD = 0.93$. The high score of standard deviation indicates that there are differences among respondents concerning the leadership behaviours they display in their banks. The overall mean for organisational commitment was $3.41$, and the standard deviation was $SD = 0.42$, which shows that the research sample has high organisational commitment to their organisation. The highest level of organisational commitment related to the affective commitment factor, which scored $M = 3.63$ and $SD = 0.59$ respectively. The continuance and normative commitment factor scored around the same mean $M = 3.26, 3.31$ and $SD = 0.70, 0.67$ respectively. The mean for turnover was $M = 3.11$, and the standard deviation was $SD = 0.66$. The results indicated that there is a high intention to turnover among the respondents, but the standard deviation result revealed that there is difference between the respondents.

In the third section, the correlation analysis between the independent variables and demographic characteristics was presented. In the fourth section, the results of testing the hypotheses were presented, which included the direct and indirect relationship among the variables. The moderating effect of organisational commitment between leadership behaviour and turnover was presented in section five. In addition, the results of testing the moderating effect of the demographic characteristics between leadership behaviour and turnover were presented in section six. The results of testing the moderating effect of the demographic characteristics between leadership behaviour and turnover were presented in section 6.6. The results revealed that tenure and occupational category moderated the relationship between leadership behaviour and turnover. The following chapter links the thesis results to the literature and provides a discussion identifying the way in which the results provide significant contributions to academic and practical contexts.
CHAPTER SEVEN
DISCUSSION

7.1 Introduction

In this chapter, the main thesis findings are presented, discussed and linked to the transformational and transactional leadership, organisational commitment, and intention to turnover literature.

The main objective of this thesis was to explore the relationships between leadership behaviours, organisational commitment and intention to turnover in the Saudi Arabian banking sector. Based on this objective, the following secondary objectives were developed:

1- To investigate the effect of leadership behaviour on organisational commitment in the Saudi Arabian banking sector.
2- To investigate the effect of leadership behaviour on intention to turnover in the Saudi Arabian banking sector.
3- To explore whether organisational commitment mediates the relationship between leadership behaviour and the intention to turnover in the Saudi Arabian banking sector.
4- To examine the moderating effect of demographic characteristics on the relationship between leadership behaviours and intention to turnover in the Saudi Arabian banking sector.

Therefore, the thesis investigated and analysed the relationships between leadership behaviour (transformational and transactional leadership) and the three factors of organisational commitment (affective, continuance and normative commitment) in Saudi Arabia’s banking sector. The following thesis questions were addressed:

Q1: In what way, if any, does leadership behaviour affect organisational commitment in the Saudi Arabian banking sector?
Q2: In what way, if any, does leadership behaviour affect intention to turnover in the Saudi Arabian banking sector?
Q3: In what way, if any, does organisational commitment mediate the relationship between leadership behaviour and intention to turnover in the Saudi Arabian banking sector?
Q4: In what way, if any, do demographic characteristics (gender, age, educational level, marital status, occupational category, tenure and nationality) moderate the relationship between leadership behaviour and intention to turnover?

The data were obtained from a survey of 371 respondents, and then the researcher used suitable methods to prepare the data for analysis and to test the hypotheses. Correlation, multiple regression analyses, and SEM were used to test the relationships between the variables.

7.2 Respondent Demographics

The profile of the respondents is discussed with respect to seven demographic characteristics: gender, age, educational level, marital status, occupational category, nationality, and tenure. The target population of this thesis were employees in leadership roles in the Saudi Arabian banking sector.

The descriptive frequency of respondents shows that all the respondents were male. This outcome could reflect the fact that males comprise the majority of banking sector employees. Saudi Arabian culture provides another reason for having only male respondents. There are factors that have led to have male respondents only, such as organisational culture and people culture. The banking sector in Saudi Arabia is a male-dominated industry, and women have only just started joining this industry in recent years. In addition, Saudi culture provides another reason for having only male respondents. Most Saudi Arabian organisations which employ male and female staff separate them into different departments that are only accessible to a single gender. This situation may have impacted on the fact that all respondents were males.

The Banking and Finance Institute, which belongs to the government and is part of the Saudi Arab Monetary Authority (SAMA), is responsible for the deployment of specialised financial knowledge and the development of the services provided by the banking sector in order to keep up with the ongoing training required in this sector. The institute offers several junior development programmes, such as preparing new graduates to work in suitable jobs in the banking sector, as well as attracting graduates and providing them with specialised training, such as English language, investment programme, and management training, to fit in banking positions. In 2015, the institute delivered 747 training activities benefiting nearly 25,589 participants. As a result of these programmes, in 2015 the number of employees in the banking sector rose by 3.1%
to 47,588 employees (SAMA, 2015). This may have an impact on the nature of workers in the banking sector, for instance the descriptive frequency in this research showed that the respondents were young and well educated.

The Saudi Arabian labour force reached approximately 5.6 million in 2014, including 4.4 million individual males who comprise 79% of the total, while females make up only 21% of the overall Saudi workforce (MEP, 2015). The total percentage of Saudi workers (male and female) is about 89.1% of the total number of workers in the banking sector, which is approximately 42,380 employees. This equates to approximately 76.6% of males in total employment, compared with 10.8% of non-Saudi male workers; and the percentage of Saudi female workers amounted to about 12.5% of the total, compared with 0.1% of non-Saudi female workers (SAMA, 2015). The reason behind the increase in the female workers’ contribution is the recent establishment of female-only bank branches in the sector. For example, Riyad Bank had 334 commercial branches in 2015, of which 76 were female-only branches. Al-Rajhi Bank had 504 branches in 2015 of which 108 were female-only branches, which is considered the largest number of all banks.

The completed surveys, which targeted only the managerial level in the current research, have neither female nor non-Saudi respondents. This may be due to the fact that males comprise the majority of banking sector employees (80%) whilst 10% of employees are non-Saudi (SAMA, 2015). The banking sector in Saudi Arabia is a male-dominated industry, and women comprise only 20% of employees. Women have just begun to join the banking sector in recent years. They are still in the early stages of their career and have not yet reached managerial level, which is the target of the study (SAMA, 2015). Therefore, it appears to be reasonable that the sample contains neither female nor non-Saudi respondents. These data are supported by a recent review of the research on women and leadership. Place and Vardeman-Winter (2017) mentioned that “women are still largely absent from leadership and senior management positions” and “women’s representation in leadership positions across the public relations industry remains lacking”, which shows that women present in leadership positions are less likely to be found at the managerial level, which is targeted by this study.

In addition, Alogaili (2017) declared that the majority of leaders in the top organisations in Saudi Arabia are Saudis, and there are limited opportunities for women because of gender-segregation, and rarely are women found in leadership positions.
The female labour force participation rate was 23% in the Arab world in 2016 and 75% for males. In contrast to other regions, the Arab world suffers from the lowest female-to-male participation rates (Sidani, 2018). Female labour participation has tended to be concentrated in the lower levels of organisations. Consequently, female-to-male ratios in senior leadership positions in the public and private sectors range between 2% and 28%, which is far below the world average (Sidani, 2018). Saudi’s female representation in senior leadership is positioned near the bottom, situated at 120 of 123 countries (Sidani, 2018). These rates clearly indicate that there are obstructions in terms of female progression into senior leadership positions in government and in the private sector in Saudi Arabia.

Regarding the respondents’ age, the descriptive frequency showed that more than a third of the respondents were between 25 and 34 years, which represents the largest single category of the respondents. In addition, 20% of the respondents were under 25 years. The two categories thus accounted for more than half of the respondents. This is an acceptable representative sample, as Saudi Arabia is considered a young nation because more than half of the population are under 30 years, accounting for approximately 60% of Saudi’s population (MEP, 2015). The findings of this thesis are consistent with Riaz, Akram and Ijaz’s (2011) findings, which found that approximately 54% of their respondents were young, aged between 20 and 30 years. It is worth noting that their data were collected from 210 employees working in four banks in Pakistan. Based on these outcomes, it might be expected that younger employees prefer to stay within the banking industry for a period of time. This unsteady situation could be explained by the younger employees using it as a bridging job, until they obtained a government job. Generally, government jobs are seen as more attractive, with less working hours, more holidays, and lighter job targets are required in the government jobs compared to the private sector.

The respondents’ educational level was generally high, with most having tertiary qualifications. The descriptive frequency showed that more 26% of the respondents held a master’s degree, which accounts for almost 100 respondents out of a total of 376 respondents. In addition, more than 43% of the respondents held a bachelor’s degree, which accounts for nearly 165 respondents from a total of 376 respondents. The results from an earlier study also indicated that the majority of respondents held a master’s degree, approximately 79% of the respondents in Riaz, Akram and Ijaz’s study (2011). It is noted that banking employees appear to be well
educated. Hence, it could be assumed that the banking environment, as a competitive industry, requires well-educated employees.

The fact that most of the banking employees are well educated has impacted the results, as is discussed later. In previous research, it was reported that highly qualified employees have more intention to turnover compared to less qualified employees. The data in this thesis show that the sample population was well educated, the majority (70%) of the respondents have either a master’s or a bachelor’s degree, therefore it seems that the employees might have more intention to turnover. This is similar to the result found by Cotton and Tuttle (1986), who found that well-educated employees have more intention to turnover compared to less-qualified employees (Cotton & Tuttle, 1986). This is discussed in the following sections.

With regard to the respondents' marital status, the descriptive frequency showed that only two categories were selected, married and single. The majority of the respondents were married (63%), with 37% being single.

The occupational category selected most frequently by the respondents was ‘branch manager’. About 46% of the respondents held a position as a branch manager in the bank. The occupational category ‘administration manager’ was selected by 41% of the respondents. Those two occupational categories thus account for more than 85% of the respondents. One explanation could be related to the numbers of employees in the branches, compared to the numbers of employees from the banking sector head office. There are 1,768 branches and approximately 50 head offices. However, those two occupational categories (branch manager and administration manager) fitted the target sample of the thesis perfectly, with other categories such as general and senior management positions, as the focus of the research was employees at a managerial level in the banking sector.

The descriptive frequency showed that all of the respondents were Saudis with no representation from other nationalities. This indicated that most of the bank workers have Saudi Arabian citizenship.

The tenure category that was selected most frequently by the respondents was less than four years working in the banking sector. Respondents who had held tenure for 4 years or less comprised 54% of the total. From the frequency, the percentage of tenure decreased as the time increased. When comparing the age and the tenure
categories, similar results are found, that is most of the younger category employees remained within the banking sector for a maximum of ten years and then decided to leave. None of the respondents had served their bank for 20 years or more. This finding is similar to Riaz, Akram and Ijaz’s (2011) study which found in recent research on the banking sector in Pakistan that most of the respondents (94%) in the sample had worked for 10 years or less in the banking sector.

The findings in the current thesis are supported by previous studies in the Arab region, such as Khan and Varshney (2013) and Ali (1992). Khan and Varshney (2013) found that demographic characteristics did not have any significant effect on the Saudi managers. This result is supported by an earlier study on Arab managers (Ali, 1992) in which there was found to be only minimal impact on managers by the demographic and organisational variables.

7.3 The Main Findings

7.3.1 Investigating the Relationship Between Leadership Behaviour and Organisational Commitment

The process of investigating the relationship between leadership behaviour and organisational commitment involved testing two main hypotheses which were developed for each behaviour separately (transformational and transactional leadership) by Bass and Avolio (1997–2014) to answer the statements of the hypotheses and the main question in the research. Organisational commitment combines three factors (affective, continuance, and normative commitment) (Meyer & Allen, 1990–2004). However, further analyses were developed based on the factors of the leadership behaviour (idealised attributed, idealised behaviour, inspirational motivation, intellectual stimulation, individualised consideration, contingent reward, management-by-exception active, and management-by-exception passive), and these were tested and the findings have been presented in previous sections of this thesis.

The first hypothesis ($H_1$) suggested that transformational leadership behaviour affects organisational commitment. The result of testing the first hypothesis revealed that there is not a significant relationship between transformational leadership behaviour and organisational commitment. Hence, the first hypothesis is rejected based on the results of the sample population from the Saudi Arabian banking sector.
The second hypothesis ($H_2$) suggested that transactional leadership behaviour affects organisational commitment. The result of the second hypothesis test found that there is not a significant relationship between transactional leadership behaviour and organisational commitment. This hypothesis is rejected based on the results of the sample population from the Saudi Arabian banking sector.

These two findings answered the first question of the thesis, Q1: In what way, if any, does leadership behaviour affect organisational commitment in the Saudi Arabian banking sector? Based on the findings, the study could not find a significant relationship between leadership behaviour and organisational commitment in the banking sector in Saudi Arabia. The results are supported by a recent study conducted by Shim, Jo and Hoover (2015) which found that there is no direct relationship between transformational leadership behaviour and organisational commitment. An additional study found that all dimensions of transformational and transactional leadership behaviour were weakly associated with the three components of organisational commitment (Alkahtani, 2016).

The leadership characteristics in Saudi Arabia were found to be high on large power distance, and they show uncertainty avoidance in their decisions, which may be the result of the nature of Saudi culture (Al-Adaileh & Al-Atawi, 2011). This was supported by Noer et al.’s (2007) study. They found that Saudi leaders exhibit high uncertainty avoidance, power distance, and tend toward concern for others and nurturing compared to US leadership (Noer et al., 2007).

In addition, the findings are consistent with a previous study by Lo et al. (2010), who clarified that transactional leadership behaviours have an insignificant relationship with neither affective, continuance commitment nor normative commitment. They reported that only three factors from transformational leadership behaviour (intellectual stimulation, idealised influence and inspirational motivation) were significantly and positively connected with only two of the organisational commitment factors (affective and normative commitment), but intellectual stimulation and individualised consideration are positively connected to continuance commitment.

The results are consistent with previous findings, for example Lee (2005), who found that transactional leadership behaviour has an insignificant relationship with organisational commitment; however, he found that transformational leadership
behaviour does have a significant relationship with organisational commitment. They are also consistent with Hayward et al.’s (2004) study (cited in Lo, Ramayh, Min & Songan (2010)) which found that there is no significant relationship between transactional leadership and the three components of organisational commitment. In addition, there is no significant relationship between transformational leadership and continuance commitment.

Similar results were found in Rua and Araújo’s (2015) study. Their study investigated the relationship between leadership behaviour and organisational commitment in Portugal. The study results indicated that the relationship between transformational leadership behaviour and organisational commitment is an insignificant one, thus supporting the current findings.

To a certain extent, the findings are supported by a recent research study which found that only one factor of transformational leadership behaviour had a positive relationship with affective commitment, the individual consideration behaviour (Yunus & Ibrahim, 2015). Based on this reported result, it could be assumed that other transformational leadership behaviour factors have no significant relationship with organisational commitment in this study.

Even though the thesis suggests that there is no significant relationship between transformational, transactional leadership behaviour and organisational commitment, previous studies have shown the opposite findings. Thus, these findings are inconsistent with previous study results. For example, one study reported a significant positive relationship between transformational leadership behaviour and the employee’s affective commitment (Riaz, Akram & Ijaz, 2011); however, they did not address the relationship between transactional leadership behaviour and commitment. Another study reported a similar result, that transformational leadership has a positive relationship with organisational commitment (Avolio et al., 2004).

Another previous study investigated the relationship between leadership behaviour and organisational commitment. The study focused on the social work context and the importance of transformational leadership in Sweden. It investigated the impact of transformational leadership in relation to two important employee attitudes: commitment and role clarity in the social work organisations. The findings showed a positive correlation between transformational leadership, role clarity and
commitment. The results illustrated that continuity is needed in order to support and increase the influence of transformational leadership on employee commitment (Tafvelin, Hyvönen & Westerberg, 2014). This study supports the idea that there is a need to focus on reducing the leaders’ turnover rate in order to enhance their guidance and ability to motivate their employees to achieve high productivity and performance.

A previous study conducted by Lo, Ramayah and Min (2009) showed that several factors of transformational leadership have a significant relationship with organisational commitment. The study investigated the relationship between transformational leadership behaviours and organisational commitment in the Malaysian manufacturing sector. The results indicated that idealised influence, intellectual stimulation and inspirational motivation had a positive significant relationship with normative and affective commitment. In addition, individualised consideration and intellectual stimulation had a positive significant relationship with continuance commitment. There is no significant relationship between any transactional leadership factors and the three factors of organisational commitment.

On the other hand, the findings from this thesis are inconsistent with findings from another research area. Some researchers claim that transformational leadership predicts organisational commitment. Previous research by Indrayanto, Burgess, Dayaram and Noermijati (2014), for example, found that transformational leadership affected organisational commitment at the Civilian Para-Police Force in Indonesia. Similar results were found in Swid’s (2014) study, which suggested that some factors of transformational and transactional leadership behaviours affected positive organisational commitment.

A recent study by Afshari and Gibson (2016) has shown that the relationship between transactional leadership and organisational commitment is mediated by psychological needs satisfaction. The findings revealed that the healthcare and manufacturing sectors each had different impacts. Satisfaction of competence had the strongest mediating influence among the three psychological needs satisfaction in the healthcare sector; meanwhile, satisfaction of competence and relatedness had the strongest mediating influence among the three psychological needs satisfaction in the manufacturing sector. The authors explained this difference in the results between the two sectors as due to the context of the industry, as the proportion of female respondents in the healthcare sample was 88%, whilst the male proportion in the manufacturing
sector was 92%. Gender may have had an influence on the different psychological needs satisfaction between the two groups. The influence of the types of organisation and sample characteristics were considered to be an area for further study by Afshari and Gibson (2016) and in an earlier study conducted by Somers (2009).

Although this thesis suggests that there is no relationship between transformational leadership behaviours and organisational commitment, a previous study (Lo, Ramayah & Min, 2009) showed that several factors of transformational leadership behaviours had significant relationships with organisational commitment. The study investigated the relationship between transformational leadership behaviours and organisational commitment in the Malaysian manufacturing sector. The results indicated that idealised influence, intellectual stimulation and inspirational motivation had positive significant relationships with normative and affective commitment. In addition, individualised consideration and intellectual stimulation had a positive significant relationship with continuance commitment. There was no significant relationship between any transactional leadership factors and the three factors of organisational commitment.

Another study conducted by Jackson, Meyer and Wang (2013) found that leadership behaviours had a positive relationship with employee commitment. In addition, the relationship between transformational leadership with normative and continuance commitment was stronger in societies that rate collectivism highly. They found that the relationship between affective commitment and contingent reward is stronger in societies with higher power distance rather than the lower power distance societies, from their meta-analysis study. They could not find a significant relationship between transformational leadership and continuance commitment, which is consistent with the finding in this thesis. Also, in the study conducted by Jackson (2010) to explore the relationship between transformational/charismatic leadership behaviour and the three components of organisational commitment, the results indicated that transformational/charismatic leadership behaviour had a positive relationship with affective and normative commitment. Nevertheless, the relationship with continuance commitment was an insignificant one.

Furthermore, some authors have reported that the findings of western context studies might not accurately reflect the Asian contexts, as a result of variances in the population, nationality, and industry (Cotton & Tuttle, 1986). Hence, there are
variations due to culture and social atmosphere differences. As Hanges et al. (2016, p. 64) explained, “Indeed, social culture can be a powerful factor that shapes who is seen as a leader and which leaders are effective”. They concluded that culture influences leadership behaviour and the productivity of different leadership behaviours is also culturally based. The findings led them to suggest that societal culture plays a role in the followers’ desired leadership behaviour which is related to their culture (Hanges et al., 2016).

Similar results were found in Bealer and Bhanugopa’s (2013) study, suggesting that United Arab Emirates managers preferred passive-avoidant leadership behaviour rather than transformational leadership behaviours, whereas US and European managers preferred more transformational and less passive-avoidant leadership behaviours. In other words, United Arab Emirates managers like transactional leadership behaviours rather than transformational leadership behaviours, compared to US and European managers who like the opposite.

In the study conducted by Jackson (2010), the findings indicated that some leadership behaviour effectiveness varies across countries and cultures. From this point, it can be argued that culture plays a role in the relationship between leadership behaviour and other variables such as organisational commitment and intention to turnover. Jackson et al. (2013), for example, found that in collectivist countries, the relationship between transformational leadership and two factors of organisational commitment (normative and continuance commitment) is stronger than in other countries. This view is supported by recent research conducted by Shim, Jo, and Hoover (2015) which found that the relationship between transformational leadership and organisational commitment was fully mediated through the group culture factor.

These findings might also be supported by Hofstede’s studies. According to Hofstede (2011), the difference between cultures plays an important role in personal values, practices, power distance, uncertainty avoidance, long-short term orientation and organisational culture. As he expressed it, “there is something common in the behaviour of bank employees, journalists, policemen, or university professors from one country to another” (Hofstede, 1981, p. 27). Culture influences organisations through their organisational objectives, goals, structure, decision-making processes and reward systems (Hofstede, 1981). Culture is the concept of shared complex rules, norms,
attitudes, traditions, values and beliefs characteristic of a group of people (Hofstede, 2001).

In Hofstede’s (1991) study, it was found that in Arab countries, including Saudi Arabia, religion has a large influence on people’s lives. Saudi Arabia is considered to be an Islamic country, and therefore is influenced by Islamic rules and this factor plays a significant role in shaping appropriate leadership qualities. There is no doubt that sociocultural factors have impacted this economy. Islam stresses value-based leaders and expects them to take full advantage of the benefits accruing to the community (Khan & Varshney, 2013). A theory that has been developed in the US, which is considered to be an individualistic culture, therefore may not motivate people in another countries, such as in the Middle East which are considered to be collectivistic cultures (Hofstede, 1984). This may lead to the importance of an employee’s satisfaction and fulfilment of requirements to differ from one culture to another. Western culture, therefore, is referred to as an individualistic culture, whereas Arabic culture is considered a collectivistic culture. Hofstede (1980, 1984) clarified that leadership behaviour varies from one culture to the other, which is socially determined. He also suggested that a significant difference in leadership behaviour could be produced by national culture, and what appears to be desirable in one culture may not be attractive in another culture (Hofstede, 1980, 1984).

The literature provided supporting evidence that the influence of transformational leadership is moderated by other factors. A result from a recent research study indicated that the Leader-Member Exchange as a moderator variable had a significant impact on the relationship between idealised influence behaviour and intellectual stimulation with normative commitment (Yunus & Ibrahim, 2015). This result is supported by an earlier study, which stated that “The nature of the relationship between the manager and subordinate has been acknowledged as complex and interactive, with the existence of reciprocity in the dyad” (Lo et al., 2010, p. 95). This is consistent with Lee (2005) who found that the Leader-Member Exchange had a mediation impact on the relationship between leadership behaviour and organisational commitment. The Leader-Member Exchange was not within the scope of the current study, but it might have impacted the result directly or indirectly, as the descriptive frequency of the respondent profile shows that the majority of the respondents have four years or less experience in their bank. This short period could reflect that the employees have not yet built a good relationship with their leaders as more time is
required to build a good relationship and exchange the benefits between leaders and members.

The literature indicates that employees need time to build organisational commitment or attachment to the organisation, in other words, commitment builds over time and increases its strength several years after joining an organisation (Meyer & Allen, 1997). This view is supported by Familoni’s (2014) study which suggested that employees with short tenure in their organisation might be progressing to build their organisational commitment to their organisation. Hence, their intention to turnover could be high, and they still need more time to increase their organisational commitment. Indrayanto, Burgess, Dayaram and Noermijati (2014) suggested that the impact of transformational leadership behaviour on followers required time to begin influencing the subordinates.

7.3.2 Investigating the Relationship Between the Variables (Leadership Behaviours and Organisational Commitment) and Intention to Turnover

The key research question in this research is ‘What are the relationships between leadership behaviours, organisational commitment and intention to turnover in the Saudi Arabian banking sector?’. To provide an answer to this question, the relationships between leadership behaviours and intention to turnover were investigated, and two main hypotheses were developed. Eight further analyses were conducted based on leadership behaviour factors developed by Bass and Avolio (1997–2014). These factors are idealised attributed, idealised influence behaviour, inspirational motivation, intellectual stimulation, individualised consideration, contingent reward, management-by-exception active, and management-by-exception passive. The main two hypotheses focused on transformational and transactional leadership. To test the relationship between organisational commitment and intention to turnover an additional hypothesis was developed, and further analysis associated with organisational commitment was conducted which combined the three factors of affective, continuance, and normative commitment (Meyer & Allen, 1990–2004).

In the third hypothesis ($H_3$), it was suggested that transformational leadership behaviour affects intention to turnover. The research result revealed that there is a significant relationship between transformational leadership behaviour and intention to turnover in the sample. In other words, the hypothesis is confirmed and the
transformational leadership behaviour was found to affect intention to turnover by about $r = 12\%$ in the sample population. The fourth hypothesis ($H_4$) suggested that transactional leadership behaviour affects intention to turnover. The results from the data support the hypothesis, as it was found that transactional behaviour affects intention to turnover significantly by $r = 17\%$. However, both relationships are considered to be almost negligible, according to Hair et al. (2010).

Theoretically, transformational leadership refers to a process that inspires followers by motivating them to their higher ideals and moral values. This type of leader sees operational problems as opportunities to develop and enhance individual and team performance. The transformational leader’s superior performance occurs when leaders broaden and enhance the wellbeing of their subordinates and inspire them to look beyond their own self-interest for the good of the group, especially through inspirational motivation and intellectual stimulation factors (Avolio, Waldman & Yammarino, 1991; Bass & Avolio, 1997; Muenjohn, 2007). Hence, it is expected that employees of a leader who exhibits transformational leadership behaviours will be motivated to a higher level of performance, and that therefore they will be more attractive to competitors. Trevor (2001) asserted that employees develop high performance under transformational leaders through intellectual stimulation and individualised consideration, which results in a greater capability for their jobs, career development, and organisational change. On the other hand, they are also more likely to be more attractive to other employers and will have enhanced their ability to find a better opportunity. Therefore, they might search for a new job that is compatible with their new vision and skills. This interpretation is supported by Harris et al.’s (2005) and Sturman, Shao and Katz’s (2012) studies, where they found that other employers will be more attractive to those employees who show high performance, consequently it may increase their intention to leave their current organisation for a new opportunity.

Earlier research has studied transformational leadership. The findings mentioned that it is expected that followers who have a high Leader-Member Exchange relationship with their leaders have a high potential to quit when their leaders quit from the organisation. The increasing subordinates’ turnover with their leaders exhibited transformational leadership in an organisation (Ballinger et al., 2010).

Several researchers suggest that there is no significant relationship between transformational and transactional leadership behaviours and intention to turnover. For
example, Long, Thean, Ismail and Jusoh’s (2012) study found that there was no significant relationship between leadership behaviour and intention to turnover among academic staff in a Malaysian college. They referred to the industry context and socio-culture to explain the results, which were contrary to those in other studies. Similarly, a study conducted by Gul, Ahmad, Rehman, Shahir and Razzaq (2012) to examine the relationship between leadership behaviours and turnover intention reported that there were insignificant relationships between transformational and transactional leadership behaviours and intention to turnover. Similarly, a study by Familoni (2014) focused on leadership behaviour and turnover, and found that there was no significant relationship between transformational leadership behaviour and intention to turnover. The study was focused on the service industry (fast-food) in the US (Familoni, 2014). A similar result was found in Afshari and Gibson’s (2016) study, as discussed earlier, which showed that the relationship between transactional leadership and organisational commitment is mediated by psychological needs satisfaction. The findings revealed that each of the two sectors was impacted differently (healthcare and manufacturing). The researchers explained this difference in the results between the two sectors as being due to the gendered context of the two industry sectors, which may have had an influence on the different psychological needs satisfaction between the two groups.

The findings of this thesis are inconsistent with findings reported by Waldman et al. (2015). Waldman et al.’s (2015) study findings revealed that there was a negative relationship between transformational leadership and quit intention and actual turnover. Age and Leader-Member Exchange had negative relationships with quit intention. In addition, the relationship between quit intention and voluntary turnover was moderated by transformational leadership behaviour. The group-level impacts of transformational leadership behaviour on actual individual-level turnover was mediated by turnover intention.

Although early work suggested that there is a significant negative relationship between transformational and transactional leadership behaviours with intention to turnover (Green, Miller & Aarons, 2013; Jackson, Meyer & Wang, 2013), subsequent studies have shown there is no significant relationship between transformational and transactional leadership behaviours with intention to turnover (Familoni, 2014; Long et al., 2012; Gul et al., 2012). Therefore, more research is needed to investigate other internal or external factors which can have an impact on the relationship of the variables. Internal factors include culture, tenure, education level, and Leader-Member
The relationship between organisational commitment and intention to turnover was investigated to provide an answer to the fifth hypothesis (H5) which suggested that organisational commitment affects intention to turnover. The research result shows a positive significant relationship between organisational commitment and intention to turnover. Hence, the hypothesis was confirmed in the research. The value of the correlation, which was \((r = .17\%)\) is considered as slight or almost negligible, according to Hair et al. (2010).

These results are contrary to the findings from earlier studies, such as Ibrahim et al., 2011; Ballout, 2009; Gamble and Huang, 2008. A similar finding was, however, found in Somers’s (2009) study which reported that affective and normative commitment had more influence on the intention to turnover than continuance commitment. The group with a high commitment level had a higher intention to remain in the organisation, compared with the low-commitment group.

A study conducted by Ballout (2009) from the health discipline compared three variables (organisational commitment, job satisfaction and turnover intention) among Lebanese nurses. The results revealed that job satisfaction and organisational commitment reduced the turnover intention in the sample. In addition, the findings indicated that job involvement was positively correlated with job satisfaction and organisational commitment. Job involvement and job satisfaction were positively correlated with organisational commitment. Another study's findings showed a positive correlation between transformational leadership, role clarity and commitment. The results illustrated that continuity is needed to support and increase the influence of transformational leadership on employee commitment (Tafvelin, Hyvönen & Westerberg, 2014).

The most likely cause of this finding in the current study seems to be the dramatic growth in the Saudi Arabian banking sector. There is a high demand for banking employees in Saudi Arabia because of the high growth in the banking sector. The number of commercial bank branches operating in the Kingdom increased dramatically by more than 500 new branches in 2013 to reach 1,768 branches, from 1,216 branches in 2004 (SAMA, 2012; SAMA, 2013; CDSI, 2013). This growth
generated more job opportunities in the sector, which resulted in a high demand for banking employees. As well as this increase in demand for banking employees, especially those with expertise in the banking sector, the growth and development in the banking sector also makes skilled banking employees more employable, and thus more attractive to competitors. Hence, this factor might explain the difference between the findings of this thesis as compared with previous studies.

Another possible reason is the shortage of employees. Saudi Arabia faces a shortage of employees and employee numbers are insufficient to maintain the growth in the banking sector (SAMA, 2009). Employee shortages could be a reason for the high turnover rate in the banking sector, as the employees have alternative job opportunities. This is an external factor which banks cannot control. In other words, it is an uncontrollable factor (Khatri et al., 2001). Skilled, trained and experienced employees have become more attractive (Khatri et al., 2001) to the new banks which have been recently established in Saudi Arabia, as employees in the service industry such as the banking sector have a tendency to be more mobile from bank to bank, or from one location to another (Zheng & Lamond, 2010). Therefore, the nature of the banking sector could explain the difference between the findings of this thesis and other studies from different sectors. As mentioned earlier, the service sector faces a high rate of turnover compared to other sectors such as manufacturing.

Generally, these findings are consistent with those of Zheng and Lamond (2010), who found that when economic growth increased in China, the rate of employee turnover increased. Saudi Arabia’s recent dramatic economic growth, especially in the banking and services sectors, has resulted in increased job opportunities in these sectors, thereby increasing the turnover. The results in this study support the findings of Zheng and Lamond’s (2010) study.

The employees at a managerial level were found to have a greater intention to turnover compared with non-managerial level employees (Khatri et al., 2001). As this thesis targeted employees at the leadership level, it was expected to find a high intention to turnover among respondents, especially as there are many opportunities to find alternative jobs during the dramatic growth of the banking sector.

Another possibility considered in previous studies is the size of the organisation. In the past few years, the Saudi Arabian banking sector has witnessed
dramatic growth, which has resulted in establishing more than 500 bank branches. Most of the recently established banks in Saudi Arabia are international banks, and this might affect the retention of their employees. In addition, the new banks are small compared to the existing banks. In a new bank, leaders require time to establish their organisational climate, workplace environment, and encourage employees to develop organisational commitment. As Zheng and Lamond (2010) found, larger organisations tend to lead to lower member turnover rates, which is consistent with Mobley’s (1982) earlier finding. This factor could explain the difference in the findings of this thesis compared with other studies.

The findings are, however, supported by the results of Ali and Yangaiya’s study (2015). They found that teachers’ commitment mediates the relationship between distributed leadership and school effectiveness in Katsina state, Nigeria. They refer to staff who are committed both organisationally and professionally. Hence, commitment plays a role in the relationships between leadership behaviours and employees’ outcomes. Considering the Saudi Arabian banking employees’ turnover, it was found that the majority of the employees had less than four years’ experience in their bank. Therefore, it might be assumed that the employees are in the early stage of building their commitment to their bank, and this could reduce the impact of leadership behaviours on their employees’ outcomes and behaviours.

In addition, some authors (for example, Hanges, Aiken, Park and Su (2016)) have agreed that social and cultural diversity could impact the relationship between leadership behaviours, organisational commitment and turnover. As mentioned previously, one study reported that the findings of western context studies might not be accurately reflecting the Asian contexts as a result of variances in the population, nationality, and industry (Cotton & Tuttle, 1986), hence, there are variations in the cultural and social atmospheres between them. As Hanges et al. (2016, p. 64) suggest, “Indeed, social culture can be a powerful factor that shapes who is seen as a leader and which leaders are effective”. They concluded that the culture influences leadership behaviour and the productivity of different leadership behaviours based on their followers’ culture. The findings led them to suggest that societal culture plays a role in followers’ desirable leadership behaviour (Hanges et al., 2016). Similar results were found in Bealer and Bhanugopa’s (2013) study, where they suggest that United Arab Emirates managers preferred passive-avoidant leadership behaviour rather than transformational leadership behaviour. Meanwhile, US and European managers
preferred more transformational and less passive-avoidant leadership behaviours. In other words, United Arab Emirates managers like transactional leadership behaviours rather than transformational leadership behaviours, compared with the US and European managers whose preference is the opposite.

In a study conducted by Jackson (2010) the findings indicated that the effectiveness of some leadership behaviours varies based on countries and their cultures. From this point, it can be argued that culture plays a role in the relationship between leadership behaviour and other variables such as organisational commitment and intention to turnover. This view is supported by recent research conducted by Shim, Jo and Hoover (2015), which found that the relationship between transformational leadership and organisational commitment was fully mediated through the group culture factor. This finding could be supported by Hofstede’s (1980, 1984, 2011) studies, which have been discussed earlier. The difference between cultures could influence value, practices, power distance, uncertainty avoidance, long-short term orientation and organisational culture. Hofstede (1980, 1984) distinguished between Western culture (individualism) and Arabic culture (collectivism), and stated that the difference in leadership behaviour could be shaped by national culture; and what appears to be desirable in one culture, may not be attractive in another culture.

7.3.3 Investigating the Moderation Between the Leadership Behaviours and Intention to Turnover

The second objective of the research was to explore whether organisational commitment moderates the relationship between leadership behaviour and their intention to turnover in the Saudi Arabian banking sector. Two main hypotheses were formulated ($H_{10}$ and $H_{11}$). Hypothesis $H_{10}$ suggested that organisational commitment moderates the relationship between transformational leadership behaviour and intention to turnover in the Saudi Arabian banking sector. Hypothesis $H_{11}$ suggested that organisational commitment moderates the relationship between transactional leadership behaviour and intention to turnover in the Saudi Arabian banking sector.

Testing hypothesis $H_{10}$ revealed that the relationship between transformational leadership behaviour and intention to turnover is moderated by organisational commitment. This means that hypothesis $H_{10}$ is supported in the research. The results showed significant relationships between transformational leadership behaviour and
turnover, organisational commitment and turnover, the interaction variable and intention to turnover. Hypothesis $H_{11}$ suggested that organisational commitment moderates the relationship between transactional leadership behaviour and intention to turnover. The results showed that there were significant relationships between transactional leadership and turnover, organisational commitment and turnover, the interaction variable and turnover. These relationships supported hypothesis $H_{11}$. The results mean that the relationship between transactional leadership and turnover is moderated by organisational commitment.

In fact, there are complex and different factors which play a role in the decision of turnover, which is related to the organisations and individuals, or internal and external factors (Zheng & Lamond, 2010, Zheng et al., 2006; Huselid, 1995). These factors need to be considered during the assessment of the turnover in the banking sector or other sectors depending on their context and employee requirements, which may potentially contribute to the decision of turnover in the organisation.

Zheng and Lamond (2010) found that an organisation’s size, years of operation, and industry may have confounded the relationship between organisation training and turnover, and between expatriation and local employee turnover, with a negative relationship between turnover and years of operation in local subsidiaries. It seems that most of the recently established banks in Saudi Arabia (new banks) are international banks, and this could affect the retention of their employees. In addition to that, the new banks are small compared to the existing banks. As Zheng and Lamond (2010) found, larger organisations tend to have lower member turnover rates, which is consistent with Mobley’s (1982) result.

Regardless of whether there is a moderator or mediator variable influencing the relationships between leadership behaviour, organisational commitment and intention to turnover, there is a widely accepted view that the relationship between two variables is not straightforward, and that there are other factors which might interact with the relationship. A previous study found that affective commitment mediated the relationship between transformational leadership behaviour and intention to turnover. In addition, the results provided a supportive view that transformational leadership behaviour was related to social exchange mechanisms and affective commitment (Tse, Huang, & Lam, 2013). Moreover, Pieterse-Landman (2012) found a mediating role of
employee engagement on the relationship between transformational leadership and intention to turnover.

Another study that supported this result was Wells and Welty’s (2011) study. They found that the relationship between transformational leadership behaviour and intention to turnover was mediated by satisfaction with the leaders. As the respondents’ demographic characteristics in this thesis revealed that the majority of the respondents have had only a short tenure at the bank, it seems that the relationship and satisfaction with the leaders may still be in progress and not yet have reached a satisfied point between the employees and leaders. The relationship needs more time to reach such a point.

One study (Hanges et al., 2016) showed that culture moderates the results from different leadership behaviours. The study concluded that culture influences leadership behaviour and the productivity of different leadership behaviours, based on the follower’s culture. The findings led them to suggest that societal culture plays a role in the follower’s desirable leadership behaviours (Hanges et al., 2016). This moderating variable might have played a role in this study’s results; therefore, it should be considered in comparison with other studies.

7.3.4 Investigating the Moderated Impact of the Demographic Characteristics on the Leadership Behaviours

With respect to whether the demographic characteristics moderate the relationship between leadership behaviour and intention to turnover, two main hypotheses were formulated and tested. The hypothesis $H_8$ suggested that demographic characteristics moderate the relationship between transformational leadership and intention to turnover in the banking sector. The hypothesis $H_9$ suggested that demographic characteristics moderate the relationship between transactional leadership and intention to turnover in the banking sector.

The research explored whether age is a moderator variable in the relationship between transformational leadership and turnover. It was found that the relationship between transformational leadership and turnover is a significant relationship, having predicted about $r = 15\%$ of turnover. This result supports Yousif, Hossan and McNeil’s (2015) study, which found that age has a significant positive relationship with transformational leadership behaviour. However, the relationship between age and
intention to turnover is an insignificant relationship. The relationship between the interaction variable and intention to turnover is also an insignificant relationship. Following Baron and Kenny’s (1986) suggestions, the findings indicated that age does not moderate the relationship between transformational leadership and turnover.

With respect to testing tenure as a moderator variable between the relationship of transformational leadership and turnover, it was revealed that the relationship between transformational leadership and turnover is a significant relationship. However, the relationship between tenure and intention to turnover is an insignificant relationship, and the relationship between the interaction variable and intention to turnover is a significant relationship. These results indicate that tenure moderates the relationship between transformational leadership and turnover. A meta-analysis of published quantitative studies from 1979 to 1984 concluded that tenure has a negative relationship with turnover (Cotton & Tuttle, 1986). Another study by Familoni (2014) clearly indicated that a short tenure of service could be associated with high intention to turnover. These findings are supported by the findings of the present study, as they suggested that tenure is a moderator variable in the relationship between leadership behaviour and turnover; therefore, tenure needs to be considered carefully when studying leadership behaviour and turnover or comparing these findings with those from other studies.

Additional support for this explanation comes from Waldman et al.’s (2015) study. They reported that age has a negative relationship with quit intention. The majority of the population sample in their study were young employees, approximately 66% aged between 25 and 34 years. This could play a role in the relationship between the variables, and could therefore affect the findings of Waldman et al.’s (2015) study.

Further analysis was conducted to test whether the educational level moderates the relationship between transformational leadership and intention to turnover. The analysis found that there was a significant relationship between transformational leadership and intention to turnover in the sample population. Figure 5.30 of this thesis presents the results of the test of the relationship between educational level and intention to turnover, which was found to be an insignificant relationship. However, the relationship between the interaction variable and turnover was found to be not a significant relationship. These results indicated that educational level does not moderate the relationship between transformational leadership and turnover. A meta-
analysis of published quantitative studies from 1979 to 1984 concluded that educational level has a positive relationship with turnover (Cotton & Tuttle, 1986). In addition, the authors found that well-educated employees have more intention to turnover than less-qualified employees. The data in this thesis show that the sample population was well educated, and that the majority of the respondents have master’s or bachelor’s degrees; therefore, it seems that these employees might have more intention to turnover, similar to and supported by the results of Cotton and Tuttle’s (1986) study.

Marital status was also tested as a moderator variable in the relationship between transformational leadership and intention to turnover. It was found that the relationship between transformational leadership and intention to turnover is a significant relationship. In addition, the relationship between marital status and intention to turnover is also a significant relationship. However, the relationship between the interaction variable and intention to turnover is an insignificant relationship. These results indicated that marital status does not moderate the relationship between transformational leadership and turnover. A meta-analysis concluded that marital status has only between a weak and modest relationship with turnover (Cotton & Tuttle, 1986). Cotton and Tuttle’s (1986) findings therefore support the findings in this thesis.

The research results show occupational category as a moderator variable in the relationship between transformational leadership and turnover. It has been found that the relationship between transformational leadership and turnover is a significant relationship, and it has predicted 15% of turnover. However, the relationship between occupational category and intention to turnover is an insignificant relationship. The relationship between the interaction variable and intention to turnover is also an insignificant relationship. These results suggest that occupational category does not moderate the relationship between transformational leadership and turnover.

In regard to transactional leadership, the main hypothesis $H_9$ suggested that demographic characteristics moderate the relationship between transactional leadership and intention to turnover. First, age was tested as a moderator variable in the relationship between transactional leadership and turnover. It was found that the relationship between transactional leadership and turnover is a significant relationship, and it predicted about $r = 17\%$ of turnover. However, the relationship between age and intention to turnover is not a significant relationship. In addition, the relationship
between the interaction variable and intention to turnover is an insignificant relationship. These results indicated that age does not moderate the relationship between transactional leadership and turnover.

A moderating test was conducted to assess whether tenure is a moderator variable in the relationship between transactional leadership and intention to turnover. It was revealed that the relationship between transactional leadership and intention to turnover is a significant one. However, the relationship between tenure and intention to turnover is an insignificant relationship. The relationship between the interaction variable and intention to turnover is a significant relationship. These results indicated that tenure does not moderate the relationship between transactional leadership and turnover. A meta-analysis concluded that tenure has a negative relationship with turnover (Cotton & Tuttle, 1986). Another study, conducted by Familoni (2014), clearly indicated that a short tenure of service could be associated with high intention to turnover, which is a similar finding to the findings from this research study to some extent.

Further analysis was conducted to test whether educational level moderates the relationship between transactional leadership and intention to turnover. The results found that there is a significant relationship between transactional leadership and intention to turnover in the sample population. The result of testing the relationship between educational level and intention to turnover was found to be an insignificant relationship. However, the relationship between the interaction variable and turnover was found to be not a significant relationship. This means that educational level does not moderate the relationship between transactional leadership and intention to turnover. A meta-analysis concluded that education has a positive relationship with turnover (Cotton & Tuttle, 1986). In addition, Cotton and Tuttle (1986) found that well-educated employees have more intention to turnover than less-qualified employees. The data in this thesis show that the sample population were well educated, therefore it appears that the employees may have more intention to turnover, which is a similar to the result found by Cotton and Tuttle (1986).

A further moderating test was conducted to test occupational category as a moderator variable in the relationship between transactional leadership and turnover. It has been found that the relationship between transactional leadership and turnover is a significant relationship. However, the relationship between occupational category and
intention to turnover is an insignificant relationship. The relationship between the interaction variable and intention to turnover is also an insignificant relationship. These results concluded that occupational category does not moderate the relationship between transactional leadership and turnover.

Finally, a moderating test was conducted to test marital status as a moderator variable in the relationship between transactional leadership and intention to turnover. The result shows a significant relationship between transactional leadership and intention to turnover. In addition, it was found that the relationship between marital status and intention to turnover is a significant relationship. However, the relationship between the interaction variable and intention to turnover is an insignificant relationship. Thus, it is concluded that marital status does not moderate the relationship between transactional leadership and turnover. A meta-analysis of published quantitative studies from 1979 to 1984 concluded that marital status has between a weak and modest relationship with turnover (Cotton & Tuttle, 1986). This to some extent supports the findings of this thesis.

7.4 Summary

In this chapter, the main thesis findings are presented and discussed based on the previous literature. The findings are discussed in relation to transformational leadership, organisational commitment, and intention to turnover literature. The main objectives of this thesis were achieved through answering the following four thesis research questions:

Q1: In what way, if any, does leadership behaviour affect organisational commitment in the Saudi Arabian banking sector?

Q2: In what way, if any, does leadership behaviour affect intention to turnover in the Saudi Arabian banking sector?

Q3: In what way, if any, does organisational commitment mediate the relationship between leadership behaviour and intention to turnover in the Saudi Arabian banking sector?

Q4: In what way, if any, do demographic characteristics (gender, age, educational level, marital status, occupational category, tenure and
nationality) moderate the relationship between leadership behaviour and intention to turnover?

The study results show no significant relationship between leadership behaviour and organisational commitment in the context of the Saudi Arabian banking sector. This result has been discussed in line with previous literature in this chapter. The study results support the effect of leadership behaviour on intention to turnover, which comes in line with transformational leadership theory. As the leaders will inspire and motivate employees to a higher level of performance, the employees will be more attractive to competitors. The study results indicate that organisational commitment moderated the relationship between leadership behaviour and intention to turnover. The next concluding chapter identifies the significant contributions of the thesis and the conclusions that may be drawn from them.
CHAPTER EIGHT
CONCLUSIONS

8.1 Introduction

The purpose of this chapter is to present a conclusion and summary of the key contributions of the thesis. In addition, it presents the limitations of the thesis, which may restrict the generalisation of the findings on other sectors or countries. It also presents new areas of future research.

8.2 Conclusions from Research Findings

Before proceeding with the development of the research framework of this thesis a comprehensive literature review was performed and is contained in chapter 2. In chapter 3, the research framework was developed based on previous studies. The transformational leadership, organisational commitment, and turnover theories were used as fundamental concepts for the study.

The purpose of this thesis was to explore which leadership behaviours affect specific organisational commitment factors (affective, continuance and normative commitment) in the Saudi Arabian banking sector. The main research question in this thesis was ‘What are the relationships between leadership behaviours, organisational commitment and intention to turnover in the Saudi Arabian banking sector?’

The data of the thesis were collected in three phases: a pre-test, followed by a pilot study, and then the main study. The data were obtained by means of a survey from 438 respondents, and then the researcher used an appropriate method to prepare the data for analysis and test the hypotheses. The statistical package for social sciences (IBM SPSS Statistics 23) computer software program was used to carry out the data analysis. Several different forms of statistical analyses were used in this thesis, specifically correlation, multiple regression analyses, and SEM were used to test the relationships between the variables. The findings and results of these analyses are summarised in three implications (practical perspective, theoretical perspective and methodological implications), which are explained in more detail in the next section (the thesis contributions).
It was interesting to find that most of the respondents are well educated, young, hold Saudi Arabia citizenship, male, and at an early stage of managerial positions in their banks. These characteristics of the respondents influenced the results as is explained in more detail in the findings section.

The findings showed that the influence of leadership behaviours on organisational commitment is not significant in the Saudi Arabian banking sector, which is explained in more detail in the main findings section. Transformational leadership behaviour influenced the intention to turnover, but it was considered as an almost negligible impact. The influence of organisational commitment on the intention to turnover was found to be almost negligible as well. It was interesting to find that organisational commitment moderated the relationship between transformational and transactional leadership behaviour.

Several demographic characteristics were found not to moderate the relationships between leadership behaviours and intention to turnover, such as educational level, marital status, occupational category and age. Meanwhile, tenure was found to be the only demographic characteristic which moderated the relationship between leadership and intention to turnover.

8.3 Thesis Contributions

The thesis analysed, in depth, the relationships between leadership behaviour, organisational commitment and intention to turnover in the banking sector in Saudi Arabia. It explored the impact of leadership behaviours, which are transformational leadership and its five factors (idealised influence attributed, idealised influence behaviour, intellectual stimulation, inspirational motivation and individualised consideration); and transactional leadership and its three factors (contingent reward, passive management by exception and active management by exception) (Bass & Avolio, 1997), with respect to the three factors of organisational commitment: affective, continuance, and normative (Meyer & Allen, 1990), as well as intention to turnover.

Turnover intention was measured with respect to two factors, organisation and community (Crossley et al., 2007, 2011). In addition, the present research tested the demographic characteristics (age, gender, education, tenure, occupational category, marital status and nationality) as moderating variables in these relationships.
Additionally, it explored whether organisational commitment moderates the relationships between leadership behaviour and employee turnover in the banking sector in Saudi Arabia. It is expected that the findings may assist in improving the sustainability of human resources and provide a deeper understanding of specific areas of leadership that require improvement. Such information will, in turn, affect employee outcomes, such as performance and productivity and hence, organisational effectiveness.

The thesis contribution can be summarised within three perspectives: the practical perspective, the theoretical perspective and methodological implications, as presented below.

8.3.1 The Practical Perspective

- The findings will assist leaders to select the effective leadership behaviour to increase organisational commitment level (Asaari et al., 2016; Afshari & Gibson, 2015; Harper, 2012). For example, leaders will know which behaviours are best suited for which situations and have the ability to shift between behaviours depending on the situation and the employee as required.

- HRM professionals in the banking sector might establish programmes, orientation days and policy adjustments, to involve employees in bank decisions, and provide clear career development opportunities considering organisational and individual factors, in order to enhance employee commitment and reduce turnover rates in the banking sector (SAMA, 2013; SAMA, 2012). In fact, there are complex and different factors which play a role in decisions on turnover, which is related to the organisations and individuals, or internal and external factors (Zheng & Lamond, 2010, Zheng et al., 2006; Huselid, 1995). These factors need to be considered during the assessment of the turnover in the banking sector or other sectors depending on their context and employee requirements, which may potentially contribute to decisions on employee turnover.

- It appears that reducing the turnover rate in the banking sector requires the HRM professional to include more factors rather than relying only on leadership behaviours. New programmes might be developed to involve employees in the organisation, and employee surveys could be conducted to consider organisational and individual factors which may reduce
turnover, which is still a challenge to leaders in the Saudi Arabian banking sector.

• The thesis found that there is no significant relationship between transformational leadership behaviour and intention to turnover. Consequently, this result does not support transformational leadership practices as being critical for helping leaders to minimise employee turnover in this sample population. This means that leaders in the banking sector need to find alternative leadership practices to minimise employee turnover, such as situational leadership, ethical leadership, or others.

• The main contribution of this thesis is evidenced in developing a better understanding of the leadership perspective. This is accomplished by analysing, in depth, the relationships among each of the leadership behaviour factors and intention to turnover. It is expected that the results might enhance the skills of leaders regarding how to direct, motivate and improve the capacity of their workers and to maximise their efforts in the organisation. Our understanding of the relationship could offer insights into several aspects of the leadership behaviour of Saudi Arabian employees in the bank sector. It could enhance the selective behaviour of the leaders in many organisations to understand and adopt leadership behaviours that are appropriate in performing as leaders. Furthermore, the findings could reduce the turnover in the Saudi Arabian banking sector by understanding the relationship between leadership behaviours and turnover. The study will make a significant contribution to the banking sector, as it is the first research to date that addresses this sector in Saudi Arabia.

• The findings may assist leaders to increase organisational commitment in the banking sector and create stability in the sector in relation to human resources generally, by understanding the relationship between leadership behaviour, organisational commitment and intention to turnover.

• Enhancing leaders’ skills, abilities and guidance of employees allows companies to reach organisational and employee goals.

• From a practice perspective, the findings suggested the need for more research in leadership behaviour and turnover in the Saudi Arabian banking sector to reduce turnover and increase commitment among employees,
especially new employees. During the growth of a sector, such as the Saudi Arabian banking sector, there is a need to find an alternative way to support and assist leaders to retain employees and reduce the turnover rate in the banking sector. For example, HRM professionals might assist leaders to establish employee development plans from the beginning until reaching an acceptable stabilised commitment and involvement with other employees in the bank. They might also introduce other forms of leadership behaviours in the bank, if specific leadership behaviour does not work well in a dramatically expanding sector. They could elicit the favourable leadership behaviours among employees and manage them in preferable ways (Amankwaa & Anku-Tsede, 2015).

- This is the first study to address leadership in the Saudi Arabian banking sector.

8.3.2 The Theoretical Perspective.

- The findings answer questions raised by several researchers in previous studies (e.g. Hartog & Belschak, 2012; Hu et al., 2012).

- The findings contribute to the existing body of knowledge in the fields of leadership behaviour, organisational commitment and turnover; this study has addressed several identified research gaps (Khan & Varshney, 2013).

- The findings improve our understanding of the relationships between leadership behaviour, organisational commitment and intention to turnover in the Saudi Arabian banking sector (Afshari & Gibson, 2016; Waldman et al., 2015) as the thesis investigated the relationships between factors of leadership behaviour, organisational commitment and turnover, which to date has not been addressed in previous studies.

- Previous studies tended to analyse transformational leadership as a whole without further analyses of the factors, and there is no analysis of the mechanism of these factors in the relationships with other variables (for example; Waldman, Carter & Hom, 2015; Sheikh, Newman & Al Azzeh, 2013; Hartog & Belschak, 2012; Riaz, Akram, & Ijaz, 2011). This omission limits our understanding of the impact of transformational leadership on employee outcomes. This thesis might encourage researchers to consider a specific behaviour or factor, which is the valuable and effective one in the
relationship with other variables, by addressing and analysing the variables in factor levels. This thesis has addressed the unexplored relationships between leadership factors and contributes to the literature by enhancing our understanding of the relationship between leadership behaviours and organisational commitment.

- The findings improve our explanation of the mechanisms used in the relationships between leadership behaviour, organisational commitment and intention to turnover.

- This thesis consolidates the fragmented literature by generating new knowledge and contributions to leadership behaviour, organisational commitment and turnover. This thesis merges the fragmented literature by generating new knowledge and contributes to our understanding of (the relationships between) leadership behaviour, organisational commitment, and intention to turnover.

- The thesis findings develop a better understanding of the leadership perspective. This is done through in-depth analysis of the relationships among the variables of each factor in leadership behaviour, organisational commitment and turnover intention. The results could provide approaches for improving leadership skills associated with directing, motivating, and improving the capacity of their workers to maximise their organisational efforts. This understanding offers wide ranging insights into several aspects of the leadership behaviours of Saudi Arabian employees in the bank sector. Such knowledge enhances the selective behaviour of leaders in many organisations, especially in understanding and adopting leadership behaviours that are appropriate for performing their roles as leaders. Furthermore, the findings are expected to help reduce turnover through banking leaders gaining an understanding of the mediating factors that impact upon the relationships between leadership behaviours and turnover.

- The findings provide new directions for further research.

**8.3.3 Methodological Implications**

- This thesis simultaneously validated three western-established scales in one survey measuring an important aspect of organisations (leadership behaviour, organisational commitment, and turnover) in a new context
(Saudi Arabian) (Bealer & Bhanugopan, 2014; Sheikh et al., 2013; Khan & Varshney, 2013). To date none of the three scales has been simultaneously used in Saudi Arabia.

• The thesis shed new light on the established literature by investigating the three concepts of leadership behaviour, organisational commitment and job turnover simultaneously to identify in depth the relationship between leadership behaviour, organisational commitment and turnover.

• The thesis contributes to the previous body of knowledge by revalidating the Multifactor Leadership Questionnaire (MLQ) developed by Bass and Avolio (1997) and assessing the reliability of the scales in the Arabic language. The coefficient alpha reliability for the thesis ranged between $\alpha = .82$ to .84. The scales were translated from English to Arabic following back-to-back translation, as per Brislin (1980). This process ensured the reliability of content to ensure an accurate replication of the original items.

• The thesis contributes to the existing body of knowledge by revalidating the Organisational Commitment Questionnaire (OCQ) developed by Meyer and Allen (1991) and assessing the reliability of the scale in the Arabic languages. The coefficient alpha reliability for the thesis ranged between $\alpha = .62$ to .69. The scale was translated from English to Arabic following back-to-back translation, as per Brislin (1980).

• The thesis contributes to the existing literature by revalidating the global measure of job embeddedness, which was developed by Crossley et al. (2007, 2011) (the first study used the global measure of job embeddedness in Arabic) and assessed the reliability of the Arabic scale. The coefficient alpha reliability for the thesis was $\alpha = .83$. The scale was translated from English to Arabic, following Brislin (1980) back-to-back translation producer in this thesis.

The main thesis contribution involves developing a better understanding of the leadership perspective. This was achieved through a comprehensive analysis of the relationships among the variables of each factor in leadership behaviour, organisational commitment and turnover intention. The results provide strategies for improving the skills of leaders, especially as they relate to how they direct, motivate, and improve the capacity of their workers to maximise their efforts in the organisation. This greater
understanding of these relationships offers, in general, more wide-ranging insights into several aspects of the leadership behaviours of Saudi Arabian managers in the banking sector. Such knowledge might enhance the selective behaviours of leaders in many organisations, especially in understanding and adopting leadership behaviours that are appropriate for performing their roles as leaders. Furthermore, the findings will potentially help to reduce turnover because banking leaders will have an understanding of the mediating factors that impact upon the relationships between leadership behaviours and turnover.

8.4 Limitations

As with all studies, there were limitations in this thesis. The present thesis analysed the relationship between transformational leadership and organisational commitment in the Saudi Arabian banking sector. Although the study was limited to Saudi firms, the findings can be generalised to provide a wider understanding of the phenomena. There were limitations in the target and the timeframe of the thesis. The sample population was selected at one point in time: the beginning of 2015. If the data had been collected at two or several points in time over different years, it would have been interesting to evaluate the time lag factor. A limitation could be noted in the respondents’ sample as all of the respondents were male and Saudi citizens.

In addition, the thesis only targeted leaders and managers in the Saudi Arabian banking sector. Therefore, the results may only be applied to leaders and managers in the banking sector. There is a possibility that the results cannot be generalised to other employees in other industries.

Leadership and management levels were addressed as one uniform type without analysing the differences between cross-level or cross-sectional leadership behaviours in banks. This should be considered a limitation because it may influence the leadership behaviours, organisational commitment, and intention to turnover according to employees’ levels of authority or the tenure in the bank.

Saudi Arabian culture is considered a collectivistic culture and is influenced by Islamic rules. The objective of this thesis was to determine the relationship between leadership behaviour, organisational commitment, and turnover in the banking sector. My interest was therefore limited to the main objectives of the thesis, and the influence
of culture was beyond the scope of the thesis. This limitation may have directly or indirectly influenced leadership behaviours or organisational commitment.

The researcher is aware of the issues that are associated with the Multifactor Leadership Questionnaire (MLQ) and the Organisational Commitment Questionnaire (OCQ), which have been raised by other researchers (E.G. Jaros, 2007; Özaralli, 2003). However, the MLQ and the OCQ have been well established and reported good validity and reliability in previous studies. These instruments remain the best instruments to assess and capture leadership behaviours and organisational commitment. In addition, these instruments have been developed by authors who had significant contributions in the development of the transformational leadership (Bass & Avolio, 1997) and the Three-Components Model of commitment theories (Meyer & Allen, 1991) (as discussed in more detail in the instrument section). The results in the thesis must therefore be interpreted in light of these limitations.

8.5 Future Research

Future research which investigates culture as a moderating variable on the relationships between transformational leadership, organisational commitment and intention to turnover would be valuable. Other factors could be used as moderators, such as the size of the organisation, national or international organisations, employee nationality and type of industry (service / manufacturing - public / private). According to Hofstede (2011) the difference between cultures could play an important role in personal value, practices, power distance, uncertainty avoidance, long-short term orientation and organisational culture. Therefore, research which investigates culture as a moderating factor between leadership behaviours, organisational commitment and intention to turnover would be valuable. A research links culture to leadership, organisational commitment, and turnover will be worthwhile.

Employee shortages could be a reason for high turnover rates in a sector. This is an external factor and the companies do not have any ability to control it. In other words, it is an uncontrollable factor (Khatri et al., 2001). Saudi Arabia faces a shortage of employee numbers to maintain the growth in the banking sector (SAMA, 2009). Future research might investigate the relationship between alternative jobs and turnover in Saudi Arabia.
Female leadership in Saudi Arabia will be a good target of future research. A comparative study between female and male leadership will be a potential of future research in Saudi Arabia. Similarly, a comparative study between Saudis citizenship leaders and other nationality leaders will be worth addressing in further research. In addition, using other research methodologies and approaches such as qualitative approaches in further research will be recommended for future research.

Future research may also include other factors as potential predictors of employees’ intention to turnover not included in this study, such as culture, organisation size, organisational and individual factors, and years in the local subsidiary company. Zheng and Lamond (2010) found that organisation size, years of operation, and industry may have confounded the relationship between organisation training and turnover, and between expatriation and local employee turnover, and negative relationships between turnover and years in local subsidiary. It seems that most of the newly-established banks in Saudi Arabian are international banks, and this could affect the retention of their employees. In addition, the sizes of the new banks are small compared to existing banks. As Zheng and Lamond (2010) found, larger organisations lead to lower member turnover rate, which is consistent with Mobley’s (1982) result.

A comparative study between national and international banks, or small and big banks would be useful, as employees in the service industry such as the banking sector have a tendency to be more mobile from bank to bank or from one location to another (Zheng & Lamond, 2010). Hence, a comparative study between service, manufacturing, public and private sectors could be considered for future research.

8.6 Summary

This thesis presents evidence for, and insights into, the relationships between leadership behaviour, organisational commitment, and intention to turnover in the banking sector in a developing economy context. The outcomes of this thesis indicate that there are other elements that could contribute or influence on relationships between leadership behaviour, organisational commitment, and intention to turnover. Examples of these elements could be growth of the sector, culture, the size of the organisation and alternative job opportunities. The thesis findings contribute to the existing body of knowledge in different areas such as leadership behaviour, organisational commitment
and intention to turnover. The limitations are identified, and future research directions are suggested.
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## Appendix 1

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<th>No. of ATMs</th>
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* Banks operating in Saudi Arabia at May 2017 (SAMA, 2017)  
** The total at 2016 (SAMA, 2016)
Appendix 2

Business College Human Ethics Advisory Network

Notice of Approval

Date: 8 October 2014
Project number: 18734
Project title: The relationships between leadership, organisational commitment, and turnover in the banking sector in Saudi Arabia.
Risk classification: Low risk
Principal Investigator: Dr Nuttawuth Muenjohn
Student Investigator: Mr Fiyad Ahmad Alenazi
Other Investigator: Professor Adela McMurray
Project Approved: From: 8 October 2014 To: 22 July 2017

Terms of approval:

Responsibilities of the principal investigator
It is the responsibility of the principal investigator to ensure that all other investigators and staff on a project are aware of the terms of approval and to ensure that the project is conducted as approved by BCHEAN. Approval is only valid while the investigator holds a position at RMIT University.

1. Amendments
Approval must be sought from BCHEAN to amend any aspect of a project including approved documents. To apply for an amendment, submit a request for amendment form to the BCHEAN secretary. This form is available on the Human Research Ethics Committee (HREC) website. Amendments must not be implemented without first gaining approval from BCHEAN.

2. Adverse events
You should notify BCHEAN immediately of any serious or unexpected adverse effects on participants or unforeseen events affecting the ethical acceptability of the project.

3. Participant Information and Consent Form (PICF)
The PICF must be distributed to all research participants, where relevant, and the consent form is to be retained and stored by the investigator. The PICF must contain the RMIT University logo and a complaints clause including the above project number.

4. Annual reports
Continued approval of this project is dependent on the submission of an annual report.

5. Final report
A final report must be provided at the conclusion of the project. BCHEAN must be notified if the project is discontinued before the expected date of completion.

6. Monitoring
Projects may be subject to an audit or any other form of monitoring by BCHEAN at any time.

7. Retention and storage of data
The investigator is responsible for the storage and retention of original data pertaining to a project for a minimum period of five years.

Regards,

Professor Roslyn Russell
Chairperson RMIT BCH
Appendix 3

Permission to use MLQ

For use by Fiyad Alenazi only. Received from Mind Garden, Inc. on October 27, 2014

www.mindgarden.com

To whom it may concern,

This letter is to grant permission for the above named person to use the following copyright material;

Instrument: Multifactor Leadership Questionnaire

Authors: Bruce Avolio and Bernard Bass

Copyright: 1995 by Bruce Avolio and Bernard Bass

for his/her thesis research.
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The entire instrument may not be included or reproduced at any time in any other published material.
Sincerely,

Robert Most
Mind Garden,
Inc. www.mindgarden.com

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Appendix 4

Translation agreement for MLQ

Translation Agreement Number TA-449
Multifactor Leadership Questionnaire (MLQ) – Leader & Rater Forms – All 45 items each – Arabic
Requestor/Translator: Fiyad Alenazi

mind garden

Permission Agreement for Research Edition Use and Translation
Agreement Requested: October 22, 2014
Invoice Number: 27930
Invoice Date: October 22, 2014
Translation Agreement Number: TA-449
Translation Agreement Number assigned: October 27, 2014
Fiyad Alenazi

445 Swanston Street Melbourne
Victoria 3001 Australia

RMIT University

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Multifactor Leadership Questionnaire (MLQ) — Leader & Rater Forms — All 45 items each — Arabic
Requestor: Fiyad Alamezi

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Fiyad Alamezi
Translation Agreement Number TA-449
Multifactor Leadership Questionnaire (MLQ) – Leader & Rater Forms – All 45 items each – Arabic
Requestor/Translator: Fiyad Alenazi

I Agree To The Above Conditions
Requestor/Translator: Fiyad Alenazi - Signature

Date: 5/11/2014

Mind Garden, Inc.
Mind Garden Representative Signature:

Date: 6/26/17
Appendix 5

Approval letter from Saudi Arabia Monetary Authority

Waleed I. Shaajeri
To: Fiyad Alenazi
Jan 29

Dear Fiyad Alenazi,

We would like to inform you that your request to do your research on Saudi banks has been approved and should limited to the survey attach to your request letter.

Regards,
Waleed Ibrahim Alshaajeri
Saudi Arabian Monetary Agency (SAMA)
General Department of Banking Control | Department of approvals
Tel: 00966-1- 4633000 | ext 5825 | Fax:00966-1-4662119

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جامعة معهد ملبورن الملكي للتكنولوجيا / كلية إدارة الأعمال / كلية الإدارة

دعوة للمشاركة في مشروع بحثي مبنية عن البحث

عنوان البحث: السلوك الإداري وتأثيره على الولاء التنظيمي وترك العمل لدى المدراء في قطاع البنوك السعودية.

عزيزي المشارك:
انت مدعو للمشاركة في الدراسة. أنا د. ياز العنصري، رئيس دكتوراه في جامعة معهد ملبورن الملكي للتكنولوجيا (RMIT). حيث أقوم حالياً بإعداد الدكتوراه الذي تناولت فيه مهندسة النجاح، ومساعد المشروع الدكتوراه إلهية مكماري. لقد تم الموافقة على اجراء هذا البحث من قبل اللجنة الاستشارية لأبحاث البحث الإدارية في الجامعة. الدراسة قرأت مساعدة، جودة النصائح، ومثابة رسالة معنوية من الناحية. ونتمنى أن تكون مساهمتك نوعية قبل الموافقة على المشاركة في البحث وتوجيه الاستبان، في حال وجدت أي استفسارات لديك يمكن التواصل مع أحد اعضاء الفريق التالي:

<table>
<thead>
<tr>
<th>المشارك</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>فياد العنصري</td>
<td><a href="mailto:fiyad.alenazi@rmit.edu.au">fiyad.alenazi@rmit.edu.au</a></td>
</tr>
<tr>
<td>نتواتو مينهوغين</td>
<td><a href="mailto:nuttawuth.muenjohn@rmit.edu.au">nuttawuth.muenjohn@rmit.edu.au</a></td>
</tr>
<tr>
<td>أديل مكماري</td>
<td><a href="mailto:adela.mcmurray@rmit.edu.au">adela.mcmurray@rmit.edu.au</a></td>
</tr>
</tbody>
</table>

يهدف هذا البحث إلى دراسة السلوك الإداري عاملاً في المملكة العربية السعودية، حيث تبين أن السلوك القيادي يلعب دوراً حاسمًا في تنشيط الولاء التنظيمي. يمكن أن يوفر نظرة شاملة عن عدد من جوانب السلوك القيادي في المملكة العربية السعودية في قطاع البنوك. وأ captains علمي، يشمل ذلك قيادة المجموعات في العديد من المنظمات، ويتم التعرف على لهجة الدفاع في البنوك، وعلاقة بين المساهمة الاستشارية لأبحاث البحث الإدارية في الجامعة. RMIT (18734).

النتائج قد تعزز مهارات القيادة بشأن كيفية توجيه وتحفيز وتحسين قدرات العاملين في البنوك لتعظيم جهودهم في البنك. فهذا البحث يحتوي على السباق بين السلوكي القيادي وسلوك التنظيمي، وترك العمل يمكن أن يوفر نظرة شاملة على عدد من جوانب السلوك القيادي في المملكة العربية السعودية في قطاع البنوك. أيضاً فإنه يمكن أن يعزز السلوك الاجتماعي لقيادة المسؤولين في العديد من المنظمات على نحو، وتثبتسلوكيات القيادة التي تتضمن مع أدوارهم كقيادات في البنوك. وعلاقة بين القيادة في المملكة العربية السعودية من خلال فهم العوامل المشاركة في العلاقة بين سلوكيات القيادة في الاستبان لدى الموظفين، وباختصار نوعية العوامل والسمات الديموغرافية للموظفين.

يهدف البحث إلى التعرف على العلاقة بين السلوك الإداري وتأثيره على الولاء التنظيمي وترك العمل لدى المدراء في قطاع البنوك السعودي. سوف يجيب على ثلاثة تساؤلات رئيسية: 1) ما مدى تأثير السلوك الإداري على الولاء التنظيمي لدى المدراء في قطاع البنوك السعودية؟
هل الولاء التنظيمي يؤثر على العلاقة بين السلوك الإداري وترك العمل لدى المدراء في قطاع البنك السعودي؟

هل العامل الديموغرافي تؤثر على العلاقة بين السلوك الإداري و الولاء التنظيمي لدى المدراء في قطاع البنك السعودي؟

وعلى ضوء ذلك، فالفحوصات تتناول الأسئلة الفرعية التالية:

أولاً، إلى أي مدى تؤثر القيادة الالتزام التنظيمي؟

ثانياً، إلى أي مدى الالتزام التنظيمي تؤثر العلاج القيادة المتعارف عليها ومدى الالتزام التنظيمي؟

ثالثاً، إلى أي مدى الالتزام التنظيمي تؤثر العلاج القيادة المتعارف عليها ومدى الالتزام التنظيمي؟

خامساً، إلى أي مدى المتغيرات الديموغرافية معتدلة العلاقة بين القيادة والالتزام التنظيمي؟

إذا وافق على المشميكا، فماذا يلزم القيم؟

سوف يطلب منك استكمال استبانه على الالتزام من شأنه أن تكون حوالي 30 دقيقة. في الاستطلاع، سوف يطلب منك أن تجيب عن أسئلة حول المثال، وستوضع المسح عبر مؤسسة النقد العربي السعودي، إلى قسم القيادة البشرية من كل بنك. أن القيم مجموعة من وظائفهم مع شرط أن المشتركين ينبغي أن يكونون في المستوى الإداري في البنك. مؤسسة النقد العربي السعودي سوف تقوم بإرسال بريد إلكتروني إلى قسم القيادة البشرية من كل بنك وتقديم دعوة للمشاركة في هذا البحث. حيث لدي مؤسسة النقد العربي السعودي كل التفاصلات الإدارية من الالتزام في جميع البنوك 32 في المملكة العربية السعودية، وختار الباحث السماح لهم بإرسال البريد الإلكتروني لتقديم الدعوة إلى جميع المشتركين المحتملين وخاصة وأن تقع في جميع أنحاء البلاد. السماحة الوحيدة من مؤسسة النقد العربي السعودي للبحث هي إرسال إلكتروني إلى الموارد البشرية في البنك السعودي للمشاركة بالبحث. سوف يضمن البلد الرقمي الإلكتروني أيضاً رابط للإستبانة على الالتزام و سبب إرسال إميل متابعة إلى المشاركين المحتملين بمثابة تذكير لمعد الاستطلاع بعد أسبوعين من تلقى البريد الإلكتروني الأول.

المخاطر المحتملة: لا يوجد أي مخاطر للمشارك في هذا البحث، حيث أن الأسئلة لا تحتوي على أي معلومات شخصية كالاسم أو غيره، وحيث أن الاستبانة على تخرج عن بعض الأسئلة الديموغرافية و بعض الأسئلة المتعلقة بأعمالك بالنسبة في المنظمة التي تعمل بها وشعورك تجاه هذه العلاقة. وإذا كنت تشعر بأي قلق حول مشاركتك في اختي الالتزام بأحد إعداد الفرق، يمكنك التواصل مع ممثلة الفرق. سوف يتم نشر النتائج على رابط مؤسسة النقد العربي السعودي للمشاركة بالبحث. إذا كنت لا ترغب في المشاركة، يمكنك أن تطلب منكم التأكد من نشر النتائج على رابط مؤسسة النقد العربي السعودي للمشاركة بالبحث. إذا كنت لا ترغب في المشاركة، يمكنك أن تطلب منكم التأكد من نشر النتائج على رابط مؤسسة النقد العربي السعودي للمشاركة بالبحث.

لماذا تم اختيار هذه دعوة للمشاركة في هذا البحث؟

في هذا البحث، تم اختيارها عشوائياً. ووجدت أن عدد المشاركات في هذا البحث لا يكون في مستوى الإدارة في بنك في المملكة العربية السعودية. يطبق تعريف الإبحاثية القيادة التي يستعمل المشرفين في جميع المستويات، مدير، مدير كبير والمشرف الذي يعمل في آخر البنك في المملكة العربية السعودية.

الفوائد المتوقعة: لا يوجد أي فائدة مباشرة للمشارك، ولكن قد تعود نتائج الدراسة للمفيدة بشكل عام على الموظفين في قطاع البنوك في السعودية عن طريق زيادة نسبة الاستقرار ورفع مستوي الولاء الوظيفي لدى لموظفين.
الأمان والسريية: أي معلومة تم تزويده الباحث بها لن يتم الإساسح عنها، لأن الأمان والسرية (1) لحمايته أو حماية الآخرين من أي ضرر (2) بطلب رسمي من المحكمة (3) بموافقة خطيه من كل معلومة البحث لن يتم الإطلاع عليها إلا من قبل الباحث والمشرفين أو في اغراض البحث العلمي.

المشاركة في هذا البحث طوعية و اختيارية و بدون تحديد نويعية المشارك، كما يمكن الانسحاب من المشاركة في أي وقت و سحب أي معلومات تخصك لم تستعمل بعد. ولك الحق في اجابة أي سؤال يخص البحث العلمي.

يجب أن تكون على علم بأن الشبكة العالمية هي شبكة عامة غير أمنة أن يؤدي إلى الخطر المحتملة التي يتم عرضها، في نهاية المطاف أو تعديل من قبل أطراف أخرى أو الباحث الذي قد تحتوي على المستخدم بتحليل فروعات الكمبيوتر أو غيرها من الادوات. هذا المشروع سوف يستخدم موقع خارجي لخلق وجمع وتحليل البيانات التي تم جمعها في شكل المسح. الموقع يحتوي على شبكة الإنترنت "Qualtrics" إذا وافق على المشاركة في هذه الدراسة، سيتم تخزين الردود التي تغطي المشاكل المعقدة المستخدمة من قبل المحققين فقط و سيتم جمع أي معلومات شخصية بحيث سيتم تخزين أي البيانات. بعد أن تكون قد أكملت جمع وتحليل البيانات لدينا، نحن سوف سنستخدم البيانات التي نجمعها إلى عدد محدد من سنوات، وبعد ذلك، سيتم تخزين البيانات بشكل آمن لمدة خمسة (5) سنوات.

نفترض أن لديك موافقة من قبل الانتهاء من الاستبان الخاص عن طريق مسار على شبكة الإنترنت.

• ما هي حقوقك كمشارك؟
  في هذا البحث لديك:
  • الحق في الانسحاب من المشاركة في أي وقت، دون تحيز.
  • الحق في أن الإجابة على أي أسئلة في أي وقت.
  • الحق في أن يحمى أي معلومات مكتوبة أو من حيث أن تم تضمين البيانات للتحليل التحليلي.
  • الحق في أن يحمى أي معلومات مكتوبة أو من حيث أن تم تضمين البيانات للتحليل التحليلي.

كل المعلومات التي سيتم تزويده الباحث بها سواء كانت شخصية أو مكتوبة أو مرسلة عن طريق البريد، سيتم المحافظة عليها بطريقة مشتركة أو مكتبة أو معروضة في جامعة RMIT و نظام الشبكة في جامعات RMIT و مدينة ملبورن بابك. بسبب هذه الانتهاء من الاستبان الخاص عن طريق مسار على شبكة الإنترنت.

وفي حالة يوجد أي استفسار لديك يمكن التواصل مع أحد اعضاء الفريق المعني أعلاه:

أ. الدكتور/ الدكتوراه
ب. علماً بأن مستندات البحث التي يمكن التواصل مع لجنة الاستشارية لاختراق

ويذا كان لديك أي أسئلة لا ترغب مناقشتها مع اعضاء البحث يمكن التواصل مع المحكمة المكثوفة في جامعة RMIT.

مدينة ملبورن، أستراليا
0061399255489
0247692301
0399252251
0399252251
0247692301
INVITATION TO PARTICIPATE IN A RESEARCH PROJECT
PROJECT INFORMATION STATEMENT

Plain Language Statement of Questionnaire / Web-Based

Research Title: The relationships between leadership, organisational commitment, and turnover in the banking sector in Saudi Arabia

Dear Participants,

You are invited to participate in a PhD research project survey being conducted through RMIT University, Melbourne, Victoria, Australia. The time to complete the survey will take approximately 30 minutes. This information sheet describes the research in straightforward language, or ‘plain English’. Please read this sheet carefully and be confident that you understand its contents before deciding whether to participate. If you have any questions about the project, please ask one of the investigators.

PhD Candidate  Fiyad Alenazi  fiyad.alenazi@rmit.edu.au
Dr.  Nuttawuth Muenjohn  nuttawuth.muenjohn@rmit.edu.au
Prof.  Adela McMurray  adela.mcmurray@rmit.edu.au

Who is involved in this research? Why is it being conducted?

The investigators identified above are researchers at RMIT University, Melbourne Australia. This research is designed to uncover the relationships between leadership, organisational commitment, and turnover in the banking sector in Saudi Arabia. The research is being conducted as a requirement for the degree of Doctor of Philosophy in Management at RMIT University. The research has been approved by the RMIT Human Research Ethics Committee (BCHEAN18734).

The main contributions of this research are to develop a better understanding of the relationships between leaders and employees. The research results might enhance the skills of leaders regarding how to direct, motivate, and improve the capacity of their workers to maximise their efforts in the
organisation. Our understanding of these relationships could offer insights into a number of aspects of leadership behaviour of Saudi Arabia employees in the banking sector. Also, it could enhance the selective behaviour of the leaders in many organisations to understand and adopt leadership behaviours that are appropriate to perform their roles as leaders which in turn may impact on employee turnover.

Why have you been approached?

As a leader who is working in a bank in Saudi Arabia, you are invited to take part in this research. Please read this invitation in full before deciding whether or not to participate. You have been selected randomly and you have been invited to participate in this research because you hold a management level in a bank in Saudi Arabia. This matches the research definition of leadership which includes high-level managers, managers, senior managers and supervisors who work at a bank in Saudi Arabia.

What is the research about? What are the questions being addressed?

The aim of this research project is to uncover the relationships between leadership, organisational commitment, and turnover in the banking sector in Saudi Arabia. To achieve this aim, the research team intends to answer the following research questions:

Q1: In what way, if any, does leadership behaviour affect their organisational commitment in the banking sector in Saudi Arabia?

Q2: In what way, if any, does organisational commitment mediate the relationship between leadership behaviour and their turnover intent in the banking sector in Saudi Arabia?

Q3: In what way, if any, do demographic characteristics (age, gender, education, and nationality) moderate the relationship between leadership behaviour and organisational commitment?

The research will address the following sub-questions:

i. To what extent does transformational leadership impact organisational commitment?

ii. To what extent does transactional leadership impact organisational commitment?

iii. To what extent does organisational commitment mediate the relationship between transactional leadership and turnover?

iv. To what extent does organisational commitment mediate the relationship between transformational leadership and turnover?

v. To what extent the demographics variables moderate the relationship between leadership and organisational commitment?

If I agree to participate, what will I be required to do?

You will be asked to complete an online survey that will take approximately 30 minutes of your time. In the survey, you will be asked to answer questions relating to your workplace such as your leadership.
The survey will be distributed via Saudi Arabia Monetary Authority (SAMA), which is a government sector and equals the central bank in other countries. The email will be sent to the human resource department of each bank to request that they randomly sample their employees with a condition that participants should be at a managerial level in the bank. SAMA will send an email to the human resource department of each bank including an invitation to participate in this research. SAMA has the contact details of the HR personnel of all the 23 banks in Saudi Arabia, thus has access to contact all the potential participants relevant to this project. SAMA’s contribution to the research is sending the email to the HR in the Saudi’s banks which will include a link to the on-line survey (web-based). They will also notify the researchers as to which banks have agreed to participate in the project. The researchers will then dispatch a follow up email to the potential respondents as a way of welcoming them to the project and also as a reminder to complete the survey.

**What are the risks or disadvantages associated with participation?**

There are no perceived risks associated with participation outside your normal day-to-day activities. If you are unduly concerned about your responses or if you find participation in the research distressing, you should contact one of the investigators as soon as convenient. The investigator will discuss your concerns with you confidentially and suggest appropriate follow-up, if necessary. Participation in this research is entirely voluntary and anonymous. The consent will be assumed when respondents click the link and fill in the online survey. The researcher will not collect any personal data from the respondents and the survey participants will remain anonymous at all times and at all stages in the research. Also, it is essential to mention that the results will be reported in statistical form only. In the case of an incomplete survey; the data will not be included for the final analysis.

You should be aware that the World Wide Web is an insecure public network that gives rise to the potential risk that a user’s transactions are being viewed, intercepted or modified by third parties or the data which the user downloads may contain computer viruses or other defects. This project will use an external site to create, collect and analyse data collected in a survey format. The site we are using is ‘Qualtrics’ web-based survey (http://www.qualtrics.com/). If you agree to participate in this survey, the responses you give to the survey will be stored on a host server that is used by the investigators only. No personal information will be collected so none will be stored as data. Once we have completed our data collection and analysis, we will import the data we collect to the RMIT server where it will be stored securely for a period of five (5) years. The data on the ‘Qualtrics’ host server will then be deleted and expunged. Because of the nature of data collection, we are not obtaining written informed consent from you. Instead, we assume that you have given consent by your completion of the questionnaire via the web-based survey.

**What are the benefits associated with participation?**

There may be no direct benefit to you as a respondent to this research. However, if you decide to participate, the findings will contribute to the body of knowledge in the field of leadership behaviours, organisational commitment and turnover and will advance our understanding of the relationships between leadership behaviours, organisational commitment and turnover. In addition, the findings will add new knowledge to the body of the discipline of leadership behaviour, organisational commitment and turnover. This might help bank leaders to retain their employees in order to expand their work, increase their commitment to the organisation, and reduce their turnover rate.

**What will happen to the information I provide?**

To ensure that data collected is protected, the data will be retained for five years upon completion of the project after which time paper records will be shredded and placed in a security recycle bin and electronic data will be deleted/destroyed in a secure manner. All data will be kept in a locked
filling cabinet and soft data in a password protected computer in the office of the investigator in the research lab at RMIT University. Data will be saved on the University network system where practical (as the system provides a high level of manageable security and data integrity, can provide secure remote access, and is backed up on a regular basis). Only the researchers will have access to the data. Data will be kept securely at RMIT University for a period of five years before being destroyed. However, any information that you provide can be disclosed only if (1) it is to protect you or others from harm, (2) a court order is produced, or (3) you provide the researchers with written permission. Data will be stored for five years after completion of the project at which time it will be destroyed in a secure manner. The results will be published and disseminated (e.g., in a thesis in the RMIT Repository).

**What are my rights as a participant?**

In this research you have:

- The right to withdraw from participation at any time, without prejudice. In case of incomplete survey; the data will not be included for the final analysis.
- The right to have any questions answered at any time.

**Whom should I contact if I have any questions?**

If you need to contact anyone regarding the project, please directly contact the researchers mentioned above.

Yours Sincerely,

Fiyad Alenazi
PhD Candidate

School of Management | College of Business | RMIT University | Building 80 | Level 9, Office L9.70 WS 13 | 445 Swanston Street Melbourne | Victoria 3001 Australia | Tel: +61 3 9925 5489

If you have any concerns about your participation in this project, which you do not wish to discuss with the researchers, then you can contact the Ethics Officer, Research Integrity, Governance and Systems, RMIT University, GPO Box 2476V VIC 3001. Tel: (03) 9925 2251 or email human.ethics@rmit.edu.au
Appendix 8

The Arabic version of the survey

Leadership behaviours in Saudi’s banking sector (Arabic version)

السلوك الإداري للمدراء في البنوك السعودية

أخي الكريم:

أقوم حالياً بإعداد رسالة الدكتوراه في موضوع السلوك القيادي وتأثيره على الولاء التنظيمي والرغبة
بترك العمل للموظفين في البنوك السعودية، ويعتقد أن اطلب مشاركتك في هذه الدراسة عن طريق تعبيئة
الاستبيان المرفق لإستطلاع آرائكم حول هذا الموضوع، والتي لن تتأخذ من وقتكم الثمين سوى بضع دقائق
معديدة.

أرجو منك أن تعفي الإجابة على الاستبيان بكل صدق ووضوحية للخروج بنتائج واقعية من الدراسة تعود بالنفع
على الجميع، وعلماً بأن جميع الإجابات ستكون موضع عناية وسرية ولن نستخدم إلا في أغراض البحث العلمي.

وفي حالة وجود أي استفسار يمسني الإجابة عليه.

شكرًا ومقدراً لكم حسن تعاونكم.

الباحث / فاضل بن أحمد العنزي

طالب الدكتوراه
الجزء الأول: البيانات الشخصية (لا يتطلب ذكر الاسم):

1. الجنس: ذكر ( ) آثري ( )
2. الجنسية: سعودي ( ) غير سعودي ( )

3. في المجموعات العمرية انت:
   - أقل من 25 سنة ( )
   - من 25 إلى 30 سنة ( )
   - من 31 إلى 35 سنة ( )
   - من 36 إلى 40 سنة ( )
   - من 41 إلى 45 سنة ( )
   - من 46 إلى 50 سنة ( )
   - 51 سنة فأكثر ( )

4. المستوى التعليمي:
   - دبلوم متوسط ( ) بكالوريوس ( )
   - ماجستير ( ) دكتوراه ( )
   - ثاني وأقل ( )

5. الحالة الاجتماعية: مزوج ( ) مطلق ( ) أعزب ( )
   - آخر ( )

6. المستوى الوظيفي: إدارة عامة ( ) إدارة وظيفية ( )
   - إدارة تنفيذية ( ) مستند مباشر ( )
   - إدارة فرعية ( )

7. عدد سنوات الخدمة في البنك:
   - أقل من 5 سنوات ( )
   - 5 سنوات إلى أقل من 10 سنوات ( )
   - 10 سنوات إلى أقل من 15 سنوات ( )
   - أكثر من 15 سنة إلى أقل من 20 سنة ( )
   - 20 سنة إلى أقل من 25 سنة ( )
   - أكثر من 25 سنة ( )
الجزء الثاني: فيضًا، احدد مدى موقفك مع العبارات التالية، وذلك بوضع علامة (✓) عند الإجابة التي تناسب مع موقفك من العبارة.

الجزء الثالث: فيضًا، احدد مدى موقفك مع العبارات التالية، وذلك بوضع علامة (✓) عند الإجابة التي تناسب مع موقفك من العبارة.

<table>
<thead>
<tr>
<th>العبارة</th>
<th>موافق بشدة</th>
<th>موافق</th>
<th>غير موافق غير متأكد</th>
<th>موافق بشدة</th>
</tr>
</thead>
<tbody>
<tr>
<td>لا أشعر بانتظام قويٍّ للذك الذي أعمل به.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>لا أشعر بأنني مرتبط عاطفيًا بهذا البنك.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>هذا البنك يحب الكثير من المعاني الشخصية بالنسبة لي.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>لا أشعر بأنني جزء من أسرة في هذا البنك.</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>سأكون في غاية السعادة لأن أقصي بقية حياتي المهنية في هذا البنك.</td>
<td></td>
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</tr>
<tr>
<td>استمع بالحديث عن البنك للأخرين الذين لا يعملون به.</td>
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</tr>
<tr>
<td>أشعر حقيقة أن مشاكل هذا البنك هي جزء من مشاكلنا الشخصية.</td>
<td></td>
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</tr>
<tr>
<td>أعتقد أن مبتكري أن ارتبط نفسي بنك آخر بسهولة كما أنا مرتب باهذا البنك.</td>
<td></td>
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<tr>
<td>لا أخشي مما قد يحدث إذا تركت عملي الحالي دون أن يكون هناك عمل آخر ينتظرني.</td>
<td></td>
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</tr>
<tr>
<td>سيكون من الصعب جداً على ترك البنك في الوقت الحالي.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>حتى وإن كنت راغبًا في ذلك.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>إن تركي للبنك في الوقت الحاضر سيرك حياتي كثيرة.</td>
<td></td>
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</tr>
<tr>
<td>سيطرتي تركي للبنك في الوقت الحاضر الكثير.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>إن بقائي في هذا البنك في الوقت الحاضر هو مسألة ضرورة.</td>
<td></td>
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<tr>
<td>يقدر ما هو رغبتي.</td>
<td></td>
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</tr>
<tr>
<td>لا أخشي أن لدي خيارات محدودة جداً لأن أفكر في ترك هذا البنك.</td>
<td></td>
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</tr>
<tr>
<td>أحد الآثار السلبية التي قد تنتج عن تركي البنك تمثل في دورة الدوال المقامة.</td>
<td></td>
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<tr>
<td>أدى الأسباب الرئيسية التي تجعلني استمرر بالعمل بهذا البنك هو أن ت্‌</td>
<td></td>
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<tr>
<td>تطلب تحضيرات شخصية كبيرة من قبل (قد لا يعرف البنك أخرى الموازاة الكلية التي أحصل عليها هنا).</td>
<td></td>
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</tr>
<tr>
<td>أعتقد أن الناس في هذه الأيام ينتمون من بنك إلى أخرى أكثر من المعتاد.</td>
<td></td>
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<tr>
<td>لا أعتقد أنه ينبغي للفرد أن يكون دائم الولاء للبنك الذي يعمل به.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>لا أرى أن التدخل من بنك إلى أخرى أمرًا غير أخلاقيًا بالنسبة لي.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>أحد الأسباب الرئيسية التي تعني استمرار بالعمل لهذا البنك هو أن أؤمن من أن الولاء أمر مهم، ولهذا أشعر بالالتزام أخلاقيًا لأنني أحمي.</td>
<td></td>
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</tr>
<tr>
<td>إذا حصلت على عرض لعمل أفضل في مكان آخر، فاني لن أشعر بأنه من المقبول ترك البنك.</td>
<td></td>
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<tr>
<td>لقد تعلمت بأن أمو بحث الولاء بنك واحد.</td>
<td></td>
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</tr>
<tr>
<td>كانت الأمور أفضل في تلك الأيام التي كانت فيها الأفراد يعملون في بنك واحد مع بعضهم البعض.</td>
<td></td>
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<tr>
<td>لا أعتقد أن سعي الفرد لأن يكون الرجل المهم في البنك له معنى في الوقت الحاضر.</td>
<td></td>
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</tbody>
</table>
الجزء الرابع:

فمثلا: حدد مدى موافقتك مع العبارة التالية، وذلك بوضع علامة (✓) عند الإجابة التي تناسب مع موقفك من العبارة.

<table>
<thead>
<tr>
<th>العبارة</th>
<th>موافق بشدة</th>
<th>موافق بطريقة معتدلة</th>
<th>غير موافق بشكل ثابت</th>
<th>غير موافق بشكل معتدله</th>
<th>غير موافق بطريقة معتدلة</th>
</tr>
</thead>
<tbody>
<tr>
<td>أشعر بأنني مرتبط بهذا البنك.</td>
<td></td>
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<tr>
<td>سيكون من الصعب بالنسبة لي أن أترك هذا البنك.</td>
<td></td>
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<tr>
<td>أنا مقيد بهذا البنك ولا يمكنني المغادرة.</td>
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<tr>
<td>أشعر بأنني مقيد بهذا البنك.</td>
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</tr>
<tr>
<td>ببساطة لا يمكنني ترك البنك الذي أعمل به.</td>
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<tr>
<td>سيكون من السهل بالنسبة لي أن أترك العمل بهذا البنك.</td>
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</tr>
<tr>
<td>أنا مرتبط بقوة بهذا البنك.</td>
<td></td>
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</tbody>
</table>

الم :  

64
65
66
67
68
69
70
Appendix 9

The English version of the survey

Leadership behaviours in Saudi’s banking sector (English version)

Section 1: Characteristics
Please answer the following questions by ticking in the appropriate category:

1. What is your gender?
   ( ) Male  ( ) Female

2. What is your nationality?
   ( ) Saudi  ( ) Others, please specify

3. What is your age group?
   ( ) Under 25  ( ) 25 - 30
   ( ) 31 - 35  ( ) 36 – 40
   ( ) 41 - 45  ( ) 46 - 50
   ( ) Above 51

4. What is the highest level of education you have completed?
   ( ) High School / or less than High School  ( ) Technical Diploma
   ( ) Higher Diploma  ( ) Bachelor
   ( ) Master  ( ) Doctorate

5. Please indicate your marital status:
   ( ) Single  ( ) Married
   ( ) Divorced  ( ) Widowed
   ( ) Others …

6. Which occupational category best describes your employment?
   ( ) Executive Manager  ( ) General Management
   ( ) Senior management  ( ) Administration Branches
   ( ) Branch Manager  ( ) Assistant Management
   ( ) Executive Officer  ( ) Supervisor
   ( ) Others …. 

7. How long have you working at this bank?
   ( ) 4 years and less  ( ) 5 to less than 10 years
   ( ) 10 to less than 15 years  ( ) 15 to less than 20 years
   ( ) 20 to less than 25 years  ( ) 25 to less than 30 years
   ( ) 30 years and above
**Section 2: Leadership behaviours**

Please answer the following questions by ticking in the appropriate scale point. As a guide please note, that zero stands (not at all) to four (frequently, if not always).

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**Section 3: Organisational commitment**

Please answer the following questions by ticking in the appropriate number. As a guide please note, that one stands (strongly disagree) to five (strongly agree).

<table>
<thead>
<tr>
<th>No</th>
<th>States</th>
<th>strongly disagree</th>
<th>disagree</th>
<th>Neither agree nor disagree</th>
<th>agree</th>
<th>strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>40</td>
<td>I do not feel a strong sense of belonging to my organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>I do not feel 'emotionally attached' to this organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>This organisation has a great deal of personal meaning for me.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>I do not feel like 'part of the family' at my organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>I would be very happy to spend the rest of my career with this organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>45</td>
<td>I enjoy discussing my organisation with people outside it.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>46</td>
<td>I really feel as if this organisation's problems are my own.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>47</td>
<td>I think that I could easily become as attached to another organisation as I am to this one.</td>
<td></td>
<td></td>
<td></td>
<td>AC</td>
<td></td>
</tr>
<tr>
<td>48</td>
<td>I am not afraid of what might happen if I quit my job without having another one lined up.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>It would be very hard for me to leave my organisation right now, even if I wanted to.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>Too much in my life would be disrupted if I decided I wanted to leave my organisation now.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>Right now, staying with my organisation is a matter of necessity as much as desire.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>52</td>
<td>I feel that I have too few options to consider leaving this organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>53</td>
<td>One of the few serious consequences of leaving this organisation would be the scarcity of available alternatives.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>54</td>
<td>One of the major reasons I continue to work for this organisation is that leaving would require considerable personal sacrifice - another organisation may not match the overall benefits I have here.</td>
<td></td>
<td></td>
<td></td>
<td>CC</td>
<td></td>
</tr>
</tbody>
</table>
I think that people these days move from company to company too often.

56 I do not believe that a person must always be loyal to his or her organisation.

One of the major reasons I continue to work for this organisation is that I believe that loyalty is important and therefore feel a sense of moral obligation to remain.

58 If I got another offer for a better job elsewhere I would not feel it was right to leave my organisation.

59 I was taught to believe in the value of remaining loyal to one organisation.

60 Things were better in the days when people stayed with one organisation for most of their careers.

I do not think that wanting to be a 'company man' or 'company woman' is sensible anymore.

NC

Section 4: Turnover

Please answer the following questions by ticking in the appropriate number. As a guide please note, that one stands (strongly disagree) to five (strongly agree).

<table>
<thead>
<tr>
<th>No</th>
<th>States</th>
<th>strongly disagree</th>
<th>disagree</th>
<th>Neither agree nor disagree</th>
<th>agree</th>
<th>strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>62</td>
<td>I feel attached to this organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>63</td>
<td>It would be difficult for me to leave this organisation.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>64</td>
<td>I'm too caught up in this organisation to leave.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>65</td>
<td>I feel tied to this organisation.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>66</td>
<td>I simply could not leave the organisation that I work for.</td>
<td></td>
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</tr>
<tr>
<td>67</td>
<td>It would be easy for me to leave this organisation.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>68</td>
<td>I am tightly connected to this organisation.</td>
<td>TU</td>
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</tr>
</tbody>
</table>
## Appendix 10

A selection of studies from the literature review

<table>
<thead>
<tr>
<th>Reference and place</th>
<th>Study focus</th>
<th>Theory</th>
<th>Measurement</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zhu, W, Riggio, R, Avolio, B &amp; Sosik, J</td>
<td>The paper studied the effects of transformational leadership (TRL) and transactional leadership (TSL) behavior on how followers report their level of moral identity.</td>
<td>TRL: Idealized influence, Intellectual stimulation, Inspirational motivation, Individualized consideration. TSL: Contingent reward, Management by EX (active).</td>
<td>Survey through a research company participants had the chance to win $10 gift from Amazon Company the respondent 672, N1= 336, N2=215. S1/ The scale of moral identity is original, created 5 items to measure the concept of moral identity. TRL+TSL measure by MLQ (Bass &amp; Avolio, 2003), 5-points scale; Idealized influence 8 items, Intellectual stimulation 4 items, Inspirational motivation 4 items, Individualized consideration 4 items, Contingent reward 4 items, Management by EX (active) 4 items S2/ TRL based on Bass and Avolio, (1994) behavioral descriptions of the components comprising TRL. Idealized influence, Intellectual stimulation, Inspirational motivation, Individualized consideration. TSL based on Bass and Avolio, (1994) behavioral descriptions of the components comprising TSL. (Contingent reward/Management by EX (active).</td>
<td>Study number 1/ TRL + TSL are positively related to follower’s moral identity. TRL has a larger positive effect on follower than TSL. Study number 2/ TRL + TSL are positively related to follower’s moral identity. TRL has a larger positive effect on followers than TSL.</td>
</tr>
<tr>
<td>Afshari, L &amp; Gibson, P.</td>
<td>The study addressed the relationship between organisational commitment and transactional leadership in the manufacturing and healthcare sectors.</td>
<td>Transactional leadership (Bass &amp; Avolio, 1995), organisational commitment measured by a nine-item version of the scale developed originally by Meyer et al., (1993).</td>
<td>Transactional leadership (Bass &amp; Avolio, 1995), organisational commitment measured by a nine-item version of the scale developed originally by Meyer et al., (1993).</td>
<td>The results found that the relationship between organisational commitment and transactional leadership is partially mediated by psychological needs satisfaction. Moreover, among the three psychological needs satisfaction in the healthcare sector, the strongest mediating influence was the satisfaction of competence; meanwhile, in the manufacturing sector, satisfaction competence and relatedness had the strongest mediating</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Year</td>
<td>Country</td>
<td>Study Description</td>
<td>Measures of TRL</td>
</tr>
<tr>
<td>-----------</td>
<td>------</td>
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<td>-----------------</td>
</tr>
<tr>
<td>McMurray, A, Islam, M, Sarro, J &amp; Pirola-Merlo, A</td>
<td>2013</td>
<td>AU, New South Wales</td>
<td>The study examined the relationships among leaderships, organisational climate and workplace innovation in nonprofit organisation.</td>
<td>TRL = articulates vision, provides appropriate role model, provides intellectual stimulation, fosters acceptance of goals, provides individual support, has high performance expectations. TSL = contingent reward, contingent punishment behavior.</td>
</tr>
<tr>
<td>Hartog, D, &amp; Belschak, F</td>
<td>2012</td>
<td>Netherlands</td>
<td>The study addressed the interactive effects of personal and contextual variables on employees’ proactive behavior. TRL + Job autonomy, role breadth, self-efficacy (RBSE).</td>
<td>TRL content similar to other measures of TRL (Bass, 1985; Bass &amp; Avolio, 1990; House; 1998; Podsakoff, Mackenzie, Moorman, &amp; Fetter, 1990).</td>
</tr>
<tr>
<td>Barbuto, J</td>
<td>2005</td>
<td>AU</td>
<td>This study investigated the relationships between leaders’ motivation and their use of charismatic, transactional, transformational leadership.</td>
<td>Leaders: Transactional (contingent reward, management by exception (passive and active), laissez-faire. Charismatic (idealized influence) (Charismatic behavior -)</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Study Details</td>
<td>Methodology</td>
<td>Findings</td>
<td></td>
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<td>-----------</td>
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</tr>
<tr>
<td>Sheikh, A., Newman, A &amp; Al Azzeh, S</td>
<td>The study examined whether individually held cultural values moderate the relationship between TRL behavior of supervisors and job involvement of subordinates in the Middle Eastern organisational context.</td>
<td>Inductive study and it based only developed a conceptualization.</td>
<td>TRL (idealized influence, inspirational motivation, individualized consideration, intellectual stimulation). TSL (contingent reward, management by exception passive and active), Organisational Commitment: (affective, continuance, and normative commitment), Organisational culture: employees' values in the organisation. The findings were that personnel are more likely committed with the organisation when the organisation culture is reflecting the employee's values in the organisation or meet their expectations. Transformational leadership (TRL) and transactional leadership (TSL) is strong dimension of Organisation Commitment when the organisation culture is reflecting the employee's values in the organisation.</td>
<td></td>
</tr>
<tr>
<td>Sabir, M, Sohail, A &amp; Khan, M</td>
<td>They reviewed the impact of transformational leadership (TRL) and transactional leadership (TSL) on organisational commitment in a mediating role of employee values with a condition - which is when the organisation’s culture represents the employee’s values in the organisation.</td>
<td>Survey data from 229 employees of 10 organisations in United Arab Emirates.</td>
<td>TRL was found to influence job involvement positively. The cultural value orientations of individuals were found to moderate this relationship. Collectivism positively influenced the relationship between TRL and job involvement.</td>
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<tr>
<td>McMurray, A, Pirola-Merlo, A, Sarros, J &amp; Islam, M</td>
<td>It explored the impact of leadership on organisational climate, employee psychological, commitment, and wellbeing in a religious/church-based nonprofit organisation.</td>
<td>They use a scale which measure TRL and TLS based on (Podsakoff et al., 1990) six dimensions, 7-point Likert-type scales. Organisational climate - they used the organisational climate questionnaire to measure it developed by Koy and DeCotiis, (1991) eight dimensions. Psychological capital was measured by PsyCap instrument developed by Luthans et al. (2006) four scales. Organisational commitment they used scales based on the items developed by Meyer and Allen, (1998) three dimensions. 5-points used Likert-type scales. There are positive relationships between leadership, organisational climate, psychological capital, employee wellbeing, and employee commitment in a religious/church-based nonprofit organisation. Age, education (older- highly) recorded a higher level of leadership than other employees.</td>
<td>attributed Charismatic) Transformational behaviors; (inspirational motivation, individualized consideration, intellectual stimulation). Motivation: five sources of motivation: intrinsic process, instrumental, self-concept-external, self-concept-internal and goal internalization.</td>
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<tr>
<td>Authors</td>
<td>Study Details</td>
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<tr>
<td>Wang, P &amp; Zhu, W</td>
<td>They investigated the relationships between transformational leadership with group creative identity, individual creative identity, individual creativity, and group creativity.</td>
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<tr>
<td>Yang, M</td>
<td>They studied the impact of transformational leadership on the job satisfaction and organisational commitment of public relations (PR) practitioners within the context of PR companies in Taiwan.</td>
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<tr>
<td>Individual level TFL (TRL) measured by 16 items from MLQ (Bass &amp; Avolio, 2000), 5-points scale. Work group level TFL (TRL) measured by averaged individual employees’ evaluation of the work group supervisor’s TFL. Individual and group creative identity, they used Farmer et al., (2003). Individual and group creativity, they used a scale developed by Tierney et al., (1999).</td>
<td>Significantly and positively correlation found between transformational leaders with group creative identity, individual creative identity, individual creativity. Group level TFL (TRL) has no positive effect on group creativity and group creative identity. Group level TFL (TRL) has significant relationship with individual creative identity. Group creative identity mediated the relation between group level TFL (TRL) and individual creative identity.</td>
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<tr>
<th>Wellbeing</th>
<th>Wellbeing was measured using the positive and negative scale (PANAS) developed by Watson et al., (1988).</th>
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<tbody>
<tr>
<td>Job satisfaction: they use Minnesota Satisfaction Questionnaire (MSQ), developed by Weiss, Dawis, England, and Significantly and positively correlation found between transformational leaders with group creative identity, individual creative identity, individual creativity. Individual level TFL (TRL) is significantly related to individual creativity.</td>
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Wang, P & Zhu, W  
2010 US

Yang, M  
2012 Taiwan

MLQ (Bass & Avolio, 1994) measurement used to measure Transformational leadership, public relations practitioners were rating their supervisors’ leadership style, 5-points Likert scale. Job satisfaction: they use Minnesota Satisfaction Questionnaire (MSQ), developed by Weiss, Dawis, England, and
Lofquist, (1967), 5-point Likert scale.
The Organisational commitment measured by the Organisational commitment Questionnaire (OCQ) which is developed by Porter et al., (1974), 5-point Likert scale.

Group level TFL (TRL) has no positive effect on group creativity.
Group level TFL (TRL) is significantly and positively affect on follower group creativity and group creative identity.
Group level TFL (TRL) has significant relationship with individual creative identity.
Group creative identity mediated the relation between group level TFL (TRL) and individual creative identity.

Avolio, B, Zhu, W, Koh, W, & Bhatia, P 2004 Singapore

They explored whether psychological empowerment mediated the effects of transformational leadership on followers’ organisational commitment, and how structural distance (direct and indirect) leadership between leaders and followers moderates the relationship between transformational leadership and organisational commitment. They examine the mediating effects of psychological empowerment on the relationship between transformational leadership and organisational commitment at multiple organisational levels.

Transformational leadership:
- Idealized Influence,
- Intellectual Stimulation,
- Inspirational Motivation,
- Individualized Consideration.

Organisational Commitment:
- Value Commitment,
- Retention Commitment,
- Effort Commitment.

Job satisfaction:
- Intrinsic job Satisfaction,
- Extrinsic job Satisfaction.

TRL use 20 items from MLQ. 5X. (Bass & Avolio, 1997), 5-point used Likert-type scales. Organisational commitment measured by 9 items scale developed by Cook and Wall (1980) measured three components of organisational commitment: identification, involvement, loyalty. 5-point used Likert-type scales.

Psychological empowerment use 12-items scale, measured four components psychological empowerment: competence, impact, meaning, self-determination. 7-point used Likert-type scales.

Transformational leadership (inspirational motivational and idealized influence) has significant regression coefficient on commitment (value, retention, effort commitment). Individual consideration has positive impact only to the level of effort commitment. Intellectual simulation has a significant negative impact upon effort commitment. Job satisfaction mediated the effects of the transformational leadership (the four factors)

Transformational leadership (inspirational motivational, individual consideration and idealized influence) has a significant positive impact on subordinates’ job satisfaction (intrinsic job satisfaction, extrinsic job satisfaction).

Transformational leadership (intellectual stimulation) has an impact between little and negative on subordinates’ job satisfaction. Intellectual stimulation has a negative impact upon effort commitment. Inspirational motivational, individual consideration and idealized influence have a significant positive impact on commitment especially on effort commitment.
Intrinsic job satisfaction is more likely to affect organisational commitment rather than extrinsic job satisfaction. Indirect effect of transformational leadership on organisational commitment via job satisfaction. The effects of Idealized influence on value and retention commitment were completely mediate by job satisfaction.

Victor Garcia-Morales
Maria Jimenez-Barrionuevo
Leopoldo Gutierrez-Gutierrez
2012 Spain

The study investigated the influence of transformational leadership on performance through the dynamic capabilities of organisational learning and innovation.

Transformational leadership: Idealized Influence, Intellectual Stimulation, Inspirational Motivation, Individualized Consideration.

Organisational Commitment: Identification, Involvement, Loyalty.


Transformational leadership measured by the scale of four items developed by McColl-Kennedy and Anderson, (2002). Self-reports and subordinates, 7-point Likert scales.

Organisational learning measured by a scale of four items developed by Argon et al., (2007), and Garcia Morales, Llorens Montes, and Verdu Jover, (2006).

Organisational innovation measured by a scale developed by Antoncic and Hisrich (2001). Organisational performance measured by a scale of five items developed by Murray and Kotabe, (1999).

All of them use Likert-type 7-point scales.

Psychological empowerment was significantly related to organisational commitment. Organisational commitment was significantly related to transformational leadership. Psychological empowerment would mediate the relationship between transformational leadership and organisational commitment. Transformational leadership had a greater impact at the indirect level than the direct. Transformational leadership at the level of SSN was significantly correlated. Transformational leadership at the indirect level was positively correlated with psychological empowerment for the direct follower and organisational commitment.

Hu, J, Wang, Z, Liden, R, & Sun, J 2012 China

The role of leader core self-evaluations (CSE) investigated for its influence on follower perceptions transformational leadership (TFL).

Transformational leadership: charisma, inspiration, intellectual stimulation (Bass, 1999; Bass & Avolio, 2000; Conger, 1999).

Organisational learning: knowledge acquisition, knowledge sharing, knowledge utilization. Organisational innovation:


Transformational leadership is closely related to and affects organisational learning and organisational innovation. The results show an indirect effect of transformational leadership on organisational innovation by organisational learning. The effect of organisational learning on organisational innovation is larger than the total effect of transformational leadership.
Xiao-Hua Wang
Jane Howell
2012
Canada

They examined the influence processes of transformational leadership (TFL) at both the individual and group levels concurrently and explored cross-level relationships.


The leader CSE is positively related to follower perceptions of leader TFL (the positive self-regard of high core Self-Evaluation leaders appears to exude an air of self-confidence that results in their follower perceiving them as transformational leaders).
<table>
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<tr>
<th>Authors</th>
<th>Year</th>
<th>Location</th>
<th>Findings/Methods</th>
<th>Transformational Leadership</th>
<th>Notes/Meaning</th>
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<tbody>
<tr>
<td>Avolio, B &amp; Walumbwa, F</td>
<td>2008</td>
<td>US</td>
<td>They examined whether the relationship between transformational leadership and follower work engagement is moderated by follower characteristics.</td>
<td>Transformational leadership: MLQ (5X-short) 20 items from Bass and Avolio, (2000), 5-point scale. Identification with work unit: measure the extent to which individual followers identified with their work unit by 10 items developed by Kark et al., (2003), 5-point scale. Self-efficacy: they used a 10-item scale from Riggins,Warka,Babasa, Betancourt,and Hooker, (1994), 6-point scale. Means efficacy: they used a 10-item scale from Eden and Granat, Flomin, (2000) and Eden and Sulimani, (2002) for the bank context (work tools), 5-point scale. Supervisory-rated task performance: 4-item measure. 2 items developed by Heilman, Block, and Lucas, (1992) 2 items developed by the researchers to this study, 5-point scale.</td>
<td>At individual level, follower' personal identification with the leader mediated the effects of individual-focused TFL behavior on individual performance and empowerment. At the group level, group identification mediated the effect of group-focused TFL behavior on collective efficacy. Also supported two cross-level effects from the group level to the individual level.</td>
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<tr>
<td>Zhu, W</td>
<td>2008</td>
<td>South Africa</td>
<td>They examined whether follower characteristics moderate the relationship between transformational leadership and follower work engagement.</td>
<td>Transformational leadership: Idealized Influence, Intellectual Stimulation, Inspirational Motivation, Individualized Consideration.</td>
<td>Transformational leadership was significantly correlated with follower work engagement. The relationship of transformational leadership with work engagement was stronger when the follower characteristics were more positive. Follower characteristics moderated the relationship of transformational leadership with follower work engagement.</td>
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<tr>
<td>Voirin, A, El Akremi, A &amp; Charbonnier</td>
<td>2008</td>
<td>US</td>
<td>They examined whether individual perceptions of transformational leadership: (Podsakoff, MacKenzie,</td>
<td>Transformational leadership: measured by using a 22-item scale developed by Podsakoff, MacKenzie, Moorman, and</td>
<td>They found a positive relationship between transformational leadership and adoptive</td>
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<tr>
<td>Author(s)</td>
<td>Year</td>
<td>Country</td>
<td>Leadership and Transformational Leadership Climate</td>
<td>Climate for Innovation</td>
<td>Adoptive Performance</td>
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<td>Vandenberghe, C</td>
<td>2010</td>
<td>French</td>
<td>Team-level transformational leadership climate would be positively related to individual adaptive performance. Stronger climate for innovation would enhance the association between transformational leadership and adoptive performance at the individual level.</td>
<td>Developed a six-items scale addressing norms and practices that encouraged employees to generate and implement new ideas, products, and process.</td>
<td>Developed a scale based on Pulakos et al., (2000), Four factors.</td>
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<td>Moorman, &amp; Fetter, 1990</td>
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<td>Included 6 dimensions: Articulating a vision, Fostering the acceptance of group goals, Providing an appropriate model, Setting high performance expectation, Individualized consideration, Providing intellectual stimulation.</td>
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<tr>
<td>Sakiru, O, D'Silva, J, Othman, J, Silong, A &amp; Busayo, A</td>
<td>2013</td>
<td>Nigeria</td>
<td>They examined the correlation between leadership style and job satisfaction among employees in small and medium enterprises.</td>
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<tr>
<td>Transformational leadership: Idealized Influence, Intellectual Stimulation, Inspirational Motivation, Individualized Consideration, Job satisfaction.</td>
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<td>Leadership style: measured by MLQ (Bass &amp; Avolio, 1990), 5-point Likert type scales. Job satisfaction: adapted from the Minnesota Satisfaction Questionnaire, 5-point Likert type scales.</td>
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