

Exploring the Mediating Role of Job Stress in Relationship Between Leadership Styles and Employees Commitment

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Vol. I, No. I (2016)

Pages: 1 – 9

DOI: 10.31703/gesr.2016(1).01

Abstract

This study is an attempt to examine whether leadership styles (transformational & transactional) have any effect on the commitment of employees, working in PESCO. The current study also examined the facilitating role of job stress in connection amid employees' commitment and leadership styles that whether the job stress affects this relationship or otherwise. A stratified random sampling technique was used to select the respondent of the research study. The primary data were collected by using questionnaire. The significance level ($p < .05$) was used to accept and reject the hypotheses. The results acclaim that the development in the perceived level of leadership style used by the leaders can affect the commitment level among the employees. The leadership style of the leaders is expected to mark not only the commitment level of the workforces but also the performance of the organization. Similarly, job stress "fully mediated the relationships between leadership" styles and employees' performance.

Key Words: Leadership Styles, Job Stress, Employees Commitment & Job Stress

Introduction

In the contemporary competitive scenario, the organizations are required to update their resources to maintain their positions in the prevailing situation. These organizations direly required to utilize their human resource more efficiently and effectively to reach towards their objectives more successfully ([Chew & Chan, 2008](#)). The success of these organizations mainly depends upon the skilled and competent workforces. In this regard, organizations required the skilled, competent and committed employees, managers and the leaders at all the levels in organization ([Kehoe & Wright, 2012](#)). In this regard, leadership, employees' commitment and job stress have been the topics of interest among researchers. The committed and stressless employees have high level of motivation towards task achievement and show their utmost abilities to complete them. Thus, organizations are constantly seeking dedicated leaders and employees in order to cope with their competitors and to attain the desired objectives ([Nazirah, Kamal & Seri, 2015](#)). It only the effective leadership which "can play an" overwhelming "role in reducing the" job stress and increasing obligation among the workforces in the organizations.

Around the globe, the leadership is the most researchable phenomenon and always described as process of mutual interaction between the employees and the leaders towards the achievement of certain common objectives. It is an influential process by which the individuals are influenced by some authority to reach desired outcomes ([Ali & Mohamud, 2015](#)). For effective management and supervision, there are numerous styles about the leadership as recommended by the previous researchers. To inspire and encourage the employees, their styles are used by the leadership in the organizations. Among these styles, the most prominent are transformational and the transactional styles of leadership as recommended and validated by previous researches ([Rehman, Aamer, Mahmood & Amir, 2014](#)). In this regard, the leaders with transformational style always try to influence their subordinates with their positive and transforming attitude by providing them respect and trust them which resultantly increase the level of commitment and performance of the employees. Transactional

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“leadership is described as” exchange association between the subordinates and the leaders (Ali & Mohamud, 2015). These leaders award employees for decent performance and punish them when they fail to achieve their assigned tasks. This study examined the “impact of leadership styles on employees’ commitment” through facilitating role of the job stress in the context of PESCO Pakistan.

Problem Statement

The leadership can play an important role in the intensification the employees’ “level of commitment”. In this regard, which style (transformational & transactional) is more befitted in enhancing the level of commitment to the desired standards? In the same line, either the occupational stress can play any role in the association between styles of leadership and commitments of the employees or not “is the main theme of” present study. The existing study aimed “to which extent this relationship (leadership styles & employees’ commitment) is mediated by the occupational stress”. In the same vein, the “researcher aims to analyze” the impact of these variables among the PESCO employees in Peshawar region Khyber Pakhtunkhwa, Pakistan.

Objectives of Study

- The present study aims to analyze the impact of leadership styles on employees’ commitment in the PES CO, Peshawar region.
- To explore the association “between employees’ commitment” and leadership styles among the PESCO workforces.
- To discover the mediating role of job stress in the association between the leadership styles and the employees’ commitment among the PESCO employees.

Research Hypothesis

- H₁: There is a “positive and significant correlation between” leadership styles, employees’ commitment and job stress. (Correlation analysis).
- H₂: The job stress significantly “mediates the relationships between leadership styles” and employees’ commitment. (mediation analysis).

literature Review

The present study is an effort to discuss and analyze effect of leadership styles on the commitment of workforces with the arbitrating role of work stress. The leadership is the only factor which can increase or decrease the employees’ level of commitment. Similarly, the organizational success and failure is highly contingent upon the committed and the motivated employees. In the same line, the job stress can also play an overwhelming part in the association amid leadership styles (transformational & transactional) and workforces’ commitment. The job stress not only hamper the commitment of the workers but also effect the working attitude of the employees. For this purpose, the existing study is an effort to inspect the effect of leadership styles (transactional & transformational) (independent variables), on the employees’ commitment (dependent variable) and the job stress as the mediating variable in the context of PESCO. By this way, data was composed from the PESCO workforces regarding the above said variables to reach the conclusion more comprehensively.

Leadership Styles

The leadership can influence the individual behavior towards the higher performance in achieving the organizational objectives. A suitable leadership can make organizational members more motivated and dedicated by following them to the right direction to accomplish the organizational goals with more confidence (Bass & Avolio, 1990). The “leadership style has” emotional impact on the connection between workforces and the leaders and also have momentous link with employees’ attitudes, behavior, job performance, commitment and motivation. During the past decades, the researches on leadership remained focused upon the considerations of behavioral, contingency, trait theory and

certain other theories regarding the leadership ([Yousef, 2000](#)). In the due course, a model of leadership was proposed which were focused upon the two leadership styles comprises transactional and transformational leadership ([Antonakis, Avolio & Sivasubramaniam, 2003](#)). This model explained transformational leadership are leaders those who hold charismatic characteristics includes “individualized consideration, inspirational motivation, intellectual stimulation, idealized influence” ([Avolio & Bass, 2004](#)). Conversely, transactional leadership are those leaders who hold characteristics of punishments and rewards that are depending on employees’ performances ([Bakar & Mahmood, 2014](#)).

Transformational Leadership

The literature reveals that the transformational leaders can inspire their employees to exceed the actual expectations regarding the performances by leading, communicating and enforcing them to achieve the objectives more confidently ([Goodwin, Wofford & Whittington, 2001](#)). These leaders always try to create the meaningful and effective vision for “their organization and their employees to achieve their vision” and mission with the already established criteria. This style of leadership has been considered as the practice which can develop and change the employees and it is correlated to ethical values, attributes and elongated goals and objectives (Avolio, Zhu, Koh & Bhatia, 2004). These leaders are active in inspiring and motivating their employees to perform beyond the expectations with a clear understanding regarding the vision and objectives which will help them in sustainable development. The transformational leaders act as model roles for their subordinates and support them by looking problems. from diverse approaches by defining transformational leadership to encourage employees by pleasing to complex moral and ideals values (Nazirah, Kamal & Seri, 2015).

Transactional Leadership

The literature reveals that transactional leaders have an understanding regarding the exchanges which are contingent upon the performances. These leaders encourage their employees by inducing the sense of responsibility, motivate them to recognize their tasks and backlog sureness in the looked-for performance criteria (Bass & Avolio, 1990). The transactional leadership which is otherwise called exchange leadership requires foundation of relationships between employees and leader those who work under the direct management of their leadership. The workers should get their fancied rewards as an end-result of the execution of their assignments ([Hayward, Goss & Tolmay, 2004](#)). The kind of association in transactional leadership is built on prospect recompence and the style of management by exemption. The possibility reward is suggesting that the leader might reflect distinctive sorts of rewards for workers for achievement of the concurred objectives and tasks, in this manner the possibility “reward is” measured as the most dynamic conduct of “any transactional leader” ([Barbuto & John, 2005](#)). In “management by exception” (passive and active) the active leader mainly is exasperating to recognize and avert deviation from the leading goals of organization.

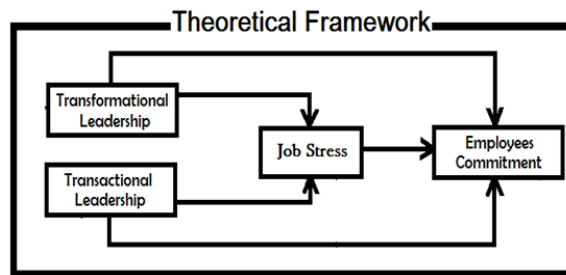
Organizational Commitment

The researchers conducted different studies on the organizational commitment and recommends that commitment is a sort of trust that links spirits of objectives and values of organization with the objectives and values of the individual. The commitment of employee is individual articulation of reliability and dedication to institution ([Allen & Meyer, 1991](#)). The employees’ commitment is a virtual quality of an employee relationship with and contribution in a specific organization and speaks to the faithfulness, loyalty and focus on a professional role in organization ([Allen & Meyer, 1996](#)). The employees’ commitment represents that when the individuals in organization trust and acknowledge esteem, they are more eager to strive to achieve the organizational objective and have more commitment. High employees’ commitment will be valuable for an organization since it flags that the employees have high organizational distinguishing proof ([Meyer, Stanley, Herscovitch & Topolnysky, 2002](#)). The literature on the organizational commitment reveals three magnitudes of the commitment, comprises the affective, continuance and the normative commitment.

Job Stress

At the workplaces, there are certain factors . which can affect credibility of the organization and the employees; . among those factors the job stress is the foremost factor. The stress at the workplaces “not only affect” performances of the workforces but also mark the performance of the organization as well (Cary, Dew & Driscoll, 2003). The literature reveals that stress on the part of employees has negative impact on the effectiveness and the productivity of the organizations. In the same line, it is only the leadership in the organizations who can take suitable measures to reduce the stress and to increase pleasurable environment in organizations (Schaufeli & Bakker, 2004). This in turn, not only increase the employees’ motivation but can also increase commitment and performance of the employees. In this regard, organizations are required to put their emphasis upon the factors that can cause the stress at workplaces and are required to take suitable measures to reduce the stress at the workplaces (Imtiaz & Ahmed, 2009). The stress can create the job dissatisfaction, lower level of motivation and may hamper the level of commitment “on the part of the employees”. Likewise, stress-less workforces may produce more positive outcomes (Muhammad, Khalid, Nadeem & Muhammad, 2014).

The Theoretical Framework



Research Methodology

The literature reveals that survey is the most comprehensive tool for collecting of the data from the large population. In the current research, the population comprises the employees working in the PESCO, Peshawar region, Khyber Pakhtunkhwa. In the population, a sample of 225 was selected by using the standard formula. The secondary data is always collected from the existing research on the topic. The data are always collected from the published articles, books and other sources from the internet. The researcher, in the existing research, used the “questionnaire to collect” the responses “from respondents”. For the data analysis, the researchers always used the recommended tools as already applied by different scholars “to find the answers of research questions” likewise the descriptive as well as inferential tools for analysis.

Data Analysis

Hypothesis # 1 Predictors are Highly Correlated with the Criterion Variable

Table 1. Table of Correlations

		Transformational	Transactional	Commitment
Transformational Leadership	Pearson Correlation	1	.937**	.763**
	Sig. (2-tailed)		.000	.000
	N	225**	225	225
Transactional Leadership	Pearson Correlation	.937**	1	.780**
	Sig. (2-tailed)	.000		.000
	N	225**	225**	225
Organizational	Pearson Correlation	.763**	.780**	1

Commitment	Sig. (2-tailed)	.000	.000	
	N	225	225	225
Job Stress	Pearson Correlation	.638**	.474**	.484**
	Sig. (2-tailed)	.000	.000	.000
	N	225	225	225

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

The above table shows the analysis regarding the correlation (association) with respect to the “independent, dependent and the mediating variables”. It “shows that all the variables are highly and significantly associated with one another. The independent variables (transformational and transactional leadership styles) are significantly” associated with dependent variable (employees’ commitment) (.763 with significant value of .000 and .780 with significant value of .000 respectively). Similarly, the job stress (mediating variable) is significantly associated with the “independent variables (transformational and transactional leadership styles)” and with the criterion variable (employees’ commitment) with the significant values of .763 with significant value of .000, .780 with significant value of .000 and .484 with significant value of .000 respectively. Thus, from these analyses, “it is concluded that the hypothesis is accepted”.

Hypothesis # 2 Job Stress Significantly mediates the connection between Predictors and Criterion Variable

Table 2. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error Estimate	F	Sig.
1	.732 ^a	.535	.531	.54361	127.939	.000 ^a

Table 3. Coefficients of Regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.428	.245		5.839	.000
	Transformational	1.614	.132	1.601	12.189	.000
	Transactional	-.911	.117	-1.027	-7.819	.000

a. Predictors: (Constant), Transformational Leadership, Transactional Leadership

b. Dependent Variable: Job Stress

The second step in the “mediation analysis is to check” cause and effect connection between the predicting and the mediating variables. The regression analysis between these two variables as shown in the table that there is 54% change/variation in the dependent variable (job stress) is due to the independent variable (transformational and transactional leadership styles). Besides, the analysis confirms that transactional leadership style is significant with (.000) and transformational leadership (.000). Hence, the second condition for mediation is therefore accepted and substantiated.

Table 4. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.484 ^a	.234	.231	.73516	68.247	.000 ^a

Table 5. Coefficients of Regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.728	.319		8.542	.000
	Job Stress	.511	.062	.484	8.261	.000

a. Predictors: (Constant), Job Stress

b. Dependent Variable: Organizational Commitment

The third step in the “mediation analysis is to check” the cause and effect connection between the “mediating and the dependent” variables. The regression analysis between these two variables as shown in the table that there is 23% variation//change in the dependent variable (employees’ commitment) is “due to the independent variable” (job stress). Moreover, the analysis shows that job stress is significant with the value of (.000). Hence, the third condition for mediation is therefore accepted and substantiated.

Table 6. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					Sig. F Change	Sig. F Change
1	.785 ^a	.616	.613	.52170	.000	.000
2	.790 ^b	.625	.620	.51696	.025	.025

Table 7. Coefficients of Regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.353	.235		5.764	.000
	Transformational	.281	.127	.264	2.213	.028
	Transactional	.498	.112	.532	4.453	.000
2	(Constant)	1.147	.250		4.593	.000
	Transformational	.049	.163	.046	.300	.765
	Transactional	.629	.125	.672	5.028	.000
	Job Stress	.144	.064	.136	2.256	.025

a. Predictors: (Constant), Transformational Leadership, Transactional Leadership, Job Stress

b. Criterion: Employees Commitment

The fourth (final) step in the “mediation analysis is to check” the cause and effect connection between the independent, dependent and mediating variables. The “regression analysis between the independent and the dependent variables” (Model 1) variables as shown in the table that there is 62% variation in dependent variable (employees’ commitment) is “due to independent variable (transformational leadership” (.028) & “transactional leadership styles” (.000). Besides, in (Model 2) by adding the mediating variable (job stress), the R square increased for 62% to 63% which shows that there in mediation exists. However, the analysis shows that transformational leadership style value (.028) has been changes (.765) which shows that it becomes changed from significance to un-significance (Full Mediation). While transactional leadership style remained, unchanged which means there is no mediation to this variable. Thus, the condition and the hypothesis are therefore accepted.

Discussion and Conclusion

The current study examined the impact of “leadership styles” (transformational and transactional) on the employees’ commitment with the mediating role of job stress among the employees working in the PESCO, Khyber Pakhtunkhwa, Pakistan. The employees are facing high work stress in the contemporary work environment. Work push issue representing physically and mentally as well as exasperates associations genuinely. The essential objective of the present review was to reach out earlier work push inquiring about by examining the effect of authority on representatives’ view of duty and the work worry at the work environments. The motivation behind this review was to look at connection amongst “transformational & value-based” initiative style and representatives’ authoritative duty among the workers. Pearson’s connection was utilized to decide the connection between research factors. Relapse examination was connected to explore the effect of free factors on ward variable.

Correspondingly, again the relapse device was connected to check the intervening part of occupation weight on the connection between initiative styles and representatives' dedication.

The researchers looked to decide the differences in leadership styles, convincing the employment concern in diverse context. The results obtained in the present study demonstrate that representatives under the transformational pioneers exhibited essentially more elevated amount of duty than the workers' working under the immediate protection of the value-based pioneers. Supervisors utilize different initiative styles to impact subordinates and to complete things in associations. Carrying on in ways that propel and rouse everyone around them, focusing on every individual's desires for accomplishment and development, making a steady authoritative atmosphere, perceiving singular contrasts in necessities and goals, empowering two-path trade in post and effectively tuning in to subordinates' worries and sentiments are all the cases of individual power sources that are relationship-arranged. Then again, giving requests without tuning in to minions' thoughts, rebuffing and pulling back prizes or advancement are cases of positional forces that are assignment situated. As indicated by the exploration including mine on initiative practices, these methodologies may prompt high occupation stretch, low fulfillment and responsibility in subordinates, undermine and a high turnover rate.

The current study provides significant information in deciding relationships among the research variables. Likewise, significant and positive connotation is evident amid the transformational and transaction styles of leadership and employees' commitment, positive and "significant association between" leadership styles and job stress, significant association between employees' commitment and job stress and significant correlation "among all the research variables". Likewise, mediation analysis showed that job stress fully arbitrated the connection between the leadership styles and employees' performance. Therefore, the study . concluded that the "leadership styles have" significant impact on the employees' commitment however, role of "transformational leadership style is more effective than transactional leadership style in" determining employees' commitment and performance. Similarly, the job stress also showed its significance by effecting relationships "between leadership styles and employees' commitment".

Recommendations

- As workers have hierarchical responsibility, their efficiency will increment as is occupation execution. In meantime, bosses ought to give suitable prizes to subordinates when they accomplish work targets.
- If chiefs can't understand their guarantee, it will incite subordinates' negative emotions and cause them unwilling to apply deeds to their work and work execution will be diminished.
- The 'think about' recommends that when an association procures administration level representatives, it ought to consider choosing applicants with better authority qualities so they will notice subordinates to increment authoritative duty and occupation execution.

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