

THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP AND JOB PERFORMANCE IN AMHARA NATIONAL REGIONAL STATE BUREAUS, ETHIOPIA

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Abstract

The purpose of this research was to analyze the relationship between transformational leadership and employee job performance in the public sector of Amhara National Regional State Bureaus. Correlational and descriptive survey design were applied. Quantitative data was collected from 373 sample respondents through the application of stratified and simple random sampling techniques but out of these, five questionnaires were not valid and the analysis was made for 368 respondents. Reliability and validity of the measurements were checked through the use of factor analysis and pilot test. Pearson correlation and linear regression analysis were applied. The researcher found that transformational leadership and its dimensions (idealized influence, inspirational motivation, intellectual stimulation and individualized consideration) have positive and significant correlation with employee performance. On the other hand, from the uni-and multi-dimensional regression analysis, it was found that transformational leadership and two of its dimensions (and inspirational motivation and individualized consideration) were significant predictor of job performance respectively while the remaining two dimensions of transformational leadership (idealized influence and intellectual stimulation) were not significant. Thus, the researcher concluded that transformational leadership has significant role on the job performance. Finally, the researcher suggested that further research is needed in other sectors through the involvement of other variables such as organizational citizenship behavior, organizational justice, etc.

Key words: Transformational Leadership: Job Performance: Amhara National Regional State Bureau: Ethiopia

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INTRODUCTION AND JUSTIFICATION OF THE STUDY

In this dynamic and competitive world, performing what an organization intends to perform is crucial for the existence and success of it and for the development of a country. The reason for the existence of an organization is to achieve its stated objectives through the use of its resources. It is obvious that no resource is productive in the absence of human though the need of human resource may vary and especially based on the nature of the work (labor intensive and machine intensive) and the latest technology adoption of the organization. Employees are the most important pushing and pulling element of any organization that have crucial role for the effectiveness and efficiency of an organization (Bandura, 1997; Kanfer and Ackerman, 2005; Kinicki and Kreiten, 2008).

For the effective and efficient performance of employees in an organization, effective leadership plays a vital role in which leadership is a special type of influential activity that has played an indispensable role in all types of social situations, in particular, where the situation requires that people work together towards common goal, leadership is vital to influence and motivate employees positively to exert their effort for the performance of an organization (Bass, 1985; Bass and Avolio, 1994; Buble, et al., 2014).

On the other hand, employee performance is an important building block and factor of an organization which lay the foundation for the competitiveness and effectiveness of an organization. Since every organization cannot achieve its expectation by depending on one or two individuals' effort, it is the collective effort of all the members of the organization. Performance is a multidimensional concept aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2000; Borman and Motowidlo, 1993; Campbell, et al., 1993; Roe, 1999).

Among the numerous styles of leadership, transformational leadership is one of the most appropriate approach of leadership to understand and boost individual, group and organizational effectiveness (Bass, 1985b; Bass, 1987, Bass and Avolio, 1994; Boehnke, et al., 2003). Transformational leadership is explained by certain behaviors that enable followers' to enhance their achievement, transcend their personal interest for the wellbeing of the common, focus on

their abilities to facilitate personal growth and increase their intellectual ability in a way to solve problems and the base for the motivation of employees to change the way to envision themselves in an organization (Bass, 1987; Bass, 1990; Bass and Riggo, 2006). In this regard, the researcher has examined the four behavioral dimensions of transformational leadership that involves: idealized influence and inspirational motivation (group focused leadership behaviors) targeted to influence the group as a whole through shared values and by creating common understanding; and intellectual stimulation and individualized consideration (individual focused leadership behaviors) aimed to influence individual employees by considering the uniqueness of each follower (Bass and Avolio, 1994; Bass, et al., 2003; Bass and Riggo, 2008; Bass and Bass, 2009). Indeed, these four behaviors of transformational leadership are more important than the overall transformational leadership construct to describe the individual roles that played on employees' job performance in Amhara national regional state bureaus.

In Ethiopia, the issues of job performance and leadership are the focus of the government since 2003. Based on this, the government launched public sector reform programs to improve the quality of services provided; give special attention to leadership capacity development program to make leaders capable; and implement different management techniques like business process reengineering, balanced scorecard, kaizen and development of change army to improve the performance of public organizations (Getachew & Richard, 2006; MOCB, 2008; MOCS, 2013). The reasons for these initiatives were to transform the public service system into modern, effective and efficient that allows government to attain the vision and policy strategies (MOCS, 2013). However, the reform programs did not bring change as it is expected; and the performance of public employees' and organizations is still backward and poor; it was only structural change in an organization (Getachew and Richard, 2006; MOCS, 2013).

Amhara National Regional State is one region among the nine regions in Ethiopia in which almost in all the public sector bureaus of the region, the regional state performance is revealed as below the desired level and the employees' job performance is considered as average too. The basic reasons for the low performance of employees are manifested by some indicators such as staff turnover, lack of integrity, absenteeism, organizational justice, lack of punctuality, lack of

engagement, lack of public service motivation, irresponsiveness and lack of commitment in their present work (Muhammed, 2015; Abeje, 2015; Argaw and Gajendran, 2016).

Currently, Ethiopia has intensively embarked on implementing a comprehensive agenda to achieve its vision to become the middle-income country in the year 2025 through the major anchor of the second growth and transformation plan (ADBG, 2016) with the assumption of transformational leaders that enforce the plan. The plan is comprehensive and intensive which demands: motivated, committed and influential leaders that create a smooth working environment in the public organizations. Therefore, this research is significant for Amhara National Regional State Bureaus, Ethiopia, academicians, and in the literature to fill the gaps.

Objective of the Study

The objective of this study is to analyze the relationship between transformational leadership and employee job performance in Amhara National Regional State Bureaus.

REVIEW OF RELATED LITERATURE

Transformational Leadership

Transformational leadership is a paradigm shift in leadership that is appropriate to: broaden and scaleup the interests of followers'; generate awareness and acceptance of the purposes and missions of the group; encourage employees to look beyond their own self-interest for the good of the common; display charismatic role on their followers and inspire them; promote rational thinking; understand the emotional needs of followers; and then intellectually stimulate to achieve the objectives of their organization (Bass and Avolio, 1994; Bass, 1997; Bass and Avolio, 1997; Bass, et al., 2003; Boehnke, et al., 2003; Buble, et al., 2014). It involves four behavioral dimensions: a) Idealized Influence (Charisma): related to the leaders' conviction, trust, stands on difficult issues, important values, sense of vision and mission, commitment and the ethical consequences of decisions; and in turn, such leaders are admired by their followers as role model, create pride, loyalty, confidence and align shared vision. b) Inspiration Motivation: The manner that the leaders articulate an interesting vision of the future, challenge followers with high standards, communicate optimistically with enthusiastically and encourage/motivate followers to exert their effort. c) Intellectual Stimulation: It is the behavior that the leaders

question old assumptions, traditions and beliefs; promote rationality, intelligence; focus on new perspectives and ways of doing things; and allow the expression of ideas and reasons. d) Individualized Consideration: The behavior that the leaders deal with the individual followers, consider their values, needs, abilities and aspirations; listen actively, provide advice and coach them ((Bass and Avolio, 1994; Bass, 1997; Bass and Avolio, 1997; Bass, et al., 2003; Boehnke, et al., 2003; Buble, et al., 2014).

Job Performance

Job performance is a commonly used concept in industrial and organizational psychology. Performance can be grouped as organizational performance and job performance. Indeed, the performance of an organization is subjected to the performance of employees, and in turn, job performance is the result of employees' ability, effort and motivation that willingly contribute to their organization (Hunter, 1986; Motowidlo, 2003; Robbins, 2007; Kinicki and Kreitner, 2008). It is the act of doing a job to reach a goal or set of goals, or the total expected value that resulted from a discrete behavioral aspect of an individual that carries out over a standard period of time which is expressed in terms of quality, quantity, cost effectiveness, and timeliness that include both task and contextual performance in an organization (Borman and Motowidlo, 1993; Campbell, et al., 1993; Borman, Motowidlo and Scmit, 1997; Motowidlo, 2003).

Transformational Leadership and Job Performance

It is noted by various scholars such as Ana (2014), Avinash (2015), Humayun, et al. (2015), Leli and Budi (2015), Ndisya (2016), Fatma and Nor Aini (2016), Purit (2016), Liridon et al, (2017), Muslimin et al., (2017), Sladjana (2017); and Shahzad and Benish (2018) found that transformational leadership has significant and positive correlation with job performance and stated as a strong predictor of job performance. Similarly, few of these researchers also found that the dimensions of transformational leadership have correlations with job performance and showed the contributions of the dimensions on job performance of employees. For instance, Ngaithe (2015) and Sladjana (2017) noted that transformational leadership and its four dimensions have significant influence on job performance while Ndisya (2016) stated that transformational leadership and three of its dimensions (idealized influence, inspirational motivation and intellectual stimulation) have significant effect on job performance.

Hypotheses of the Research

Hence, based on the above reviewed literature, the researcher formulated the following major and sub- hypothesis.

Hypothesis 1: Transformational leadership has a significant relationship with employee performance.

H1a: Idealized influence leader has a significant relationship with employee performance.

H1b: Inspirational motivation leader has a significant relationship with employee performance.

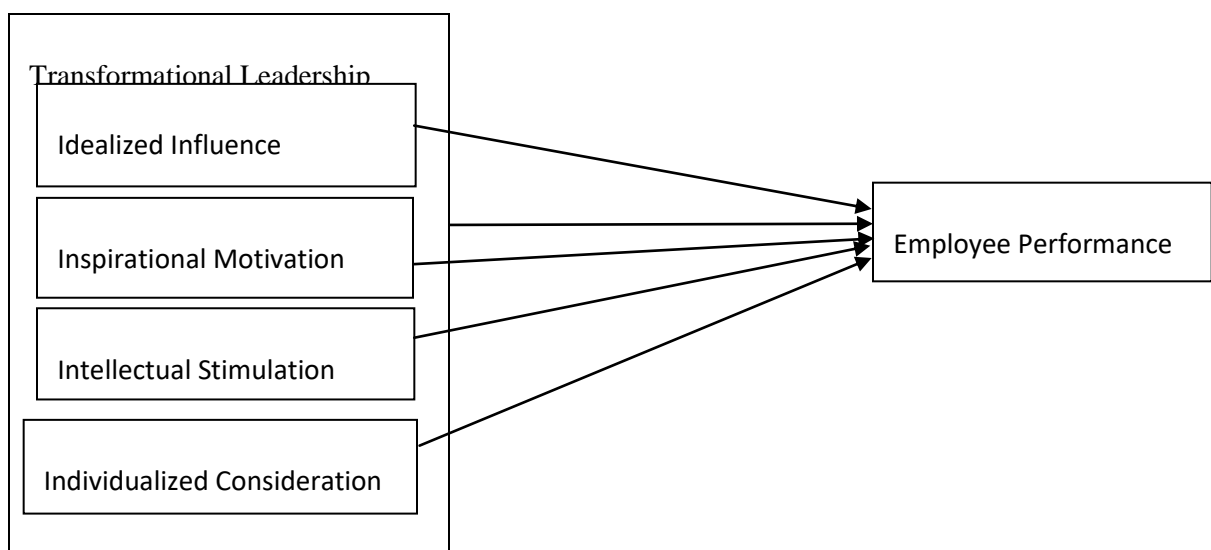
H1c: Intellectual stimulation leader has a significant relationship with employee performance.

H1d: Individualized consideration leader has a significant relationship with employee performance.

RESEARCH GAP AND CONCEPTUAL FRAMEWORK

The researcher has identified the following research gaps from the reviewed literature: Firstly, there is no sufficient, clear and updated empirical literature that shows the uni-dimensional and multidimensional effects of transformational leadership and its dimensions on employees' job performance (literature gap); secondly, the working culture of a country in which the research is conducted and organizational culture (private sector is different from public sector organizations) is varied (contextual gap) since most of the research is done in private sectors of other countries in a sense the working culture of Ethiopian public organization is different. Finally, based on the reviewed literature, the researcher developed the following conceptual framework.

figure 1: Conceptual Framework of the Study



Source: Researcher Based on the Reviewed Literature, 2018

RESEARCH METHODOLOGY

Research Design

The researcher used descriptive cross-sectional survey and correlation research designs (relational and prediction designs). Correlation research designs are suitable to analyze the association among variables and to predict the effect with respect to outcome variable and descriptive cross-sectional survey is also used to describe what is going on (Bordens and Abbot, 2008). The researcher followed quantitative research approach.

Population and Sample

The target population of this study was 5552 permanent public sector employees of Amhara National Regional State Bureaus, Ethiopia who were working in thirty-five respective bureaus in the region. The researcher used probability sampling technique to select representative sample and to avoid bias. Sample respondents were selected from the thirty-five bureaus using proportional stratified random and simple random sampling techniques. The total sample size was 373 employees selected by using Yamane (1967:86) formula: $n = N / (1 + N * e^2)$; assuming 95% level of confidence, where, n is sample size, N is the population, and e is the probability of error. But out of 373 sample respondents, five questionnaires were incomplete and thus discarded; and then the analysis was done using 368 sample respondents.

Measurement and Data Collection Tools

In this study, primary data was used which was collected through the help of scheduled questionnaire from the sample employees. Self-administered questionnaire was personally distributed for the sample employees. In this research, the Multifactor Leadership Questionnaire (MLQ form S6) developed by Bass and Avolio (1997), a five-point Likert scale was used to measure transformational leadership style (independent variable). In general, 12 revised items were used to measure the four dimensions of transformational leadership. Employee job performance (dependent variable) was measured by 25 items adopted from Borman and Motowidlo (1997), Williams and Anderson (1991) and Koopmans et al. (2013) which include several activities and behaviors of employees in carrying out their task and contextual performance in an organization. Relevant information was also collected from secondary sources.

Validity and Reliability

Validity: It is the degree used to ensure the accuracy and ability of the measurement scales which is intended to the concept (Sekaran, 2003; Creswell, 2014; Hair, et al., 2010; Anol, 2012). Specifically, the researcher checked content, nomological, convergent and discriminant validity of the measurements using expertise, academicians, and factor analysis.

Content/Face validity: This measures regard to the consistency of the content of the items with the construct. The researcher checked the face (content) validity through the use of expertise, pilot test, and his own discretion.

Nomological validity: It reflects the relationship between the research constructs and the researcher checked this validity by the use of the Pearson correlation coefficient and thus, based on the analysis, all the constructs have positive and significant correlations.

Convergent validity: This is used to show the correlation between the measurement items and the theoretical constructs of a research. In other words, the measurement items that are the indicators of a construct should converge or share a high proportion of variance in common. Its value ranges between zero and one (0-1). The ideal level of standardized loadings for reflective indicators and average variance extracted (AVE) for the constructs is 0.70 but 0.50-0.60 is also considered as an acceptable level (Barclay, et al., 1995; Fornell and Larcker, 1981). The researcher checked convergent validity through the use of factor loadings and calculate AVE from confirmatory factor analysis, and thus, all the factor loadings and AVE values are above the acceptable range (0.50-60), thus this validity meets the required benchmark.

Table 1: AVE and Factor Loadings of the Construct

Construct	AVE	Construct Factor Loadings
Idealized Influence	0.79	0.89
Inspirational Motivation	0.81	0.90
Intellectual Stimulation	0.78	0.88
Individualized Consideration	0.81	0.90
Employee Performance	0.64	0.80

Source: Own Survey Result, 2018

Discriminant validity: It is the extent to which a construct is truly distinct from other constructs. It means that a latent variable should be explained better by its own indicators than the variance of other latent variables. In other words, the loadings of an indicator on its assigned latent

variable should be greater than its loadings on all other latent variables. The researcher checked discriminant validity by comparing the average variance extracted (AVE's) with the squared correlation for each of the constructs. As a rule of thumb for evaluating discriminant validity, the square root of AVE should be greater than the squared correlations between constructs (Fornell and Larcker, 1981; Hair et al., 2010). Hence, as observed from the factor correlation matrix from the following table, the square root of average variance extracted values are greater than the correlation values between constructs and confirmed the discriminant validity of this research.

Table 2: Factor Matrix for Discriminant Validity

		1	2	3	4	5
1	Idealized Influence	0.89				
2	Inspirational Motivation	0.61	0.90			
3	Intellectual Stimulation	0.57	0.56	0.88		
4	Individualized Consideration	0.55	0.68	0.62	0.90	
5	Employee Performance	0.22	0.25	0.22	0.25	0.80

Source: Own Survey Result, 2018

Note: Diagonal values are squared root of AVE and others are squared correlation

Reliability: Score reliability is a requirement for construct validity. Reliability can be defined as the degree to which measurements are free from error and, yield consistent results. Reliability, also called internal consistency and reproducibility, or used to evaluate the degree of consistency of the items to measure the research variables (Carmines and Zeller, 1979, Hair, et al., 2010). Internal reliability of a measurement is checked using composite reliability (Fornell and Larcker, 1981) and Cronbach's alpha value (Nunnally, 1978; Nunnally and Bernstein, 1994; Ghauri and Gronhaug, 2005). According to these scholars, when the reliability of the variables greater than 0.70 is considered as more appropriate but also 0.60 is acceptable. Pilot test was also conducted through the use of 30% (112 employees) of the total sample employees in order to check the Cronbach's alpha value of the scales. Hence, the composite reliability (CR), average variance extracted (AVE) and Cronbach's alpha values of all the constructs are presented in the following table.

Table 3: Cronbach's alpha, Composite Reliability and AVE values

Constructs	No. of items	Cronbach alpha	CR	AVE
Idealized Influence	3	0.89	0.92	0.79
Inspirational Motivation	3	0.90	0.90	0.81
Intellectual Stimulation	3	0.87	0.88	0.78
Individualized Consideration	3	0.91	0.90	0.81
Employee Performance	25	0.93	0.64	0.64

Source: Own Survey Result, 2018

The above table showed that almost all composite reliability and Cronbach's alpha values of the constructs have a value greater than the benchmark of 0.70; and the composite reliability of the variables is above the minimal requirement (0.60) which indicated that there is adequate internal consistency. It is also noted that exploratory factor analysis was used to assess the underlying relationships of a large number of items and to determine whether the items can be reduced to a smaller set of factors. A number of measures are used for examining the appropriateness of data for factor analysis. In this regard, KMO (Kaiser-Meyer-Olkin) measure of sampling adequacy is a popular diagnostic measure and should be greater than 0.5 (Hair et al., 2010). It is a method to evaluate the extent of the indicators that belong together to a construct and a means used to measure the homogeneity of the variables of a construct. In line to this, the researcher applied exploratory factor analysis only for employee performance measurement items since the other measurement items are standardized.

Table 4: KMO and Bartlett's Test for Job Performance

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.930	
Bartlett's Test of Sphericity	Approx. Chi-Square	8504.176
	Df	300
	Sig.	.000

Source: Own Survey Result, 2018

The above table 4 indicated that the Kaiser-Meyer-Olkin measure of sampling adequacy is 0.93 which is greater than 0.5 as suggested by Hair et al., (2010) and the Bartlett's test of Sphericity is 0.000 (significant at 0.05). As a rule-of-thumb, a cut-off value of 0.40 was adopted by Nunnally and Bernstein (1994) and Hair et al (2010) for factor loadings. In this respect, all factor loadings

are greater than the cut-off point (0.40), thus all the twenty-five items were used in the analysis of this study and this was also confirmed during confirmatory factor analysis.

Statistical Tools

In this study, both descriptive statistics (mean, standard deviation); and inferential statistics such as Pearson correlation moment and linear-regression analysis were used. Pearson's correlation coefficient was used to determine the relationship of transformational leadership and its dimensions (idealized influence, inspirational motivation, intellectual stimulation and individualized consideration) with employee job performance and then the hypotheses were tested. Uni-dimensional and multidimensional linear regression analysis approach was applied to examine the aggregate role of transformational leadership and the individual contribution of the dimensions of transformational leadership on employee performance.

RESULT AND DISCUSSION

Firstly, in this study, the assumptions of regression such as normality, linearity, collinearity, homogeneity of variance were checked through the graph of histogram, tolerance value and variance inflation factors; and scatter plot. The results revealed the normality of data and linear relationship of the study variables. The collinearity of the variables was diagnosed by analyzing the values of tolerance and Variance Inflation Factors (VIF) (Gujarat and Porter, 2010) and correlation coefficient (Gupta et al., 2001). Most commonly suggested tolerance value is 0.1-1.0 and a VIF is <10 in a sense a tolerance value less than 0.1 or greater than 1.0 and a VIF greater than 10 is a multicollinearity problem. Thus, multicollinearity was not a problem for this study.

Descriptive Analysis

Descriptive analysis such as mean score and standard deviation values were used to compare the practice of the dimensions of transformational leadership in Amhara National Regional State Bureaus. According to previous researchers (Avolio and Bass, 1997), the mean score from 9-12, 5-8, and 0-4 were considered as high, moderate and low respectively.

Table 5: Descriptive Analysis: Mean and Standard Deviation

Dimensions	Mean	Standard Deviation
Idealized Influence	10.11	2.29
Inspirational Motivation	9.77	2.52
Intellectual Stimulation	9.68	2.36
Individualized Consideration	9.63	2.53

Source: Own Survey Result, 2018

From the above table, all the dimensions of transformational leadership were highly practiced in the study area (Amhara National Regional State Bureaus) but their influence on the performance of employees is varied (the dimension played different degree of influence on employees' behavior).

Correlation Analysis

In this study, the researcher used Pearson correlation analysis to check the correlation of the independent variable (transformational leadership) and its dimensions (idealized influence, inspirational motivation, intellectual stimulation and individualized consideration with the dependent variable (employee performance). According to Cohen (1988) $r=0.10$ to 0.29 weak relationship, $r=0.30$ to 0.49 is medium correlation and $r=0.50$ to 1.0 is strong relationship among variables.

Table 6: Pearson Correlation Coefficient

		TL	II	IM	IS	IC
Employee Performance	Pearson Correlation	.53**	.44**	.50**	.48**	.50**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000
	N	368	368	368	368	368

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

Source: Own Survey Result, 2018

From the above table, one can understand that transformational leadership and its two dimensions (inspirational motivation and individualized consideration) have strong and significant correlation with employee job performance in a positive direction while the remaining two dimensions of transformational leadership (idealized influence and intellectual stimulation) have moderate and positive association with employee performance with a Pearson correlation

coefficients ($r=0.44$, $p<0.000$; $r=0.48$, $p<0.000$) respectively. Therefore, the Pearson correlation analysis result showed that major (H1) and all the sub- hypotheses (H1a-H1d) of this study were accepted. This implied that transformational leadership as single variable has strong, positive and significant correlation; and separately two of the dimensions have strong significant and positive association whereas the remaining two dimensions have moderate and positive association with job performance.

Regression Analysis

Simple and multiple linear regression analysis was done to examine the effect of transformational leadership and its dimensions on employee performance. The researcher used uni-dimensional regression analysis to show the total effect (aggregate effect) of transformational leadership on employee job performance and multi-dimensional regression analysis to determine the specific effects (individual effects) of the dimensions of transformational leadership on employee performance.

Simple Linear Regression Analysis

Simple regression analysis (uni-dimensional approach) was applied to investigate the aggregate role of transformational leadership on employee performance.

Table 7: Simple Linear Regression Analysis Result (uni-dimensional approach)

Explanatory variable	Beta	T-value	P-value
Transformational Leadership (TL)	0.528	11.891	0.000
R ²	0.279		
Adjusted R ²	0.277		
F-value (Sig.)	141.40	(0.000)	

Dependent Variable: Employee Performance

Source: Own Survey Result, 2018

Based on the above result (table 7), the overall significance and fitness of the model was statistically significant as confirmed by the F-statistics (141.40) with its significance level 0.001 ($p<0.05$). This showed that the explanatory variable (transformational leadership) can significantly influence the dependent variable (employee performance) and the relationship between transformational leadership and employee performance was statistically significant.

Similarly, in table 7 above, the model result portrayed the value of R^2 (0.279) and adjusted R^2 (0.277) which gives 27.7% of proportion of variance in the dependent variable caused by the selected independent variable for the model. The result showed that 27.7% of the variance in employee job performance was explained by transformational leadership while the remaining 72.3% of the change in employee performance was explained by other determinant factors which are not actually included in this model. Hence, it can be concluded that transformational leadership has played an important role on the performance of employees in Amhara National Regional State Bureaus. Furthermore, the regression coefficient (beta) ($\beta=0.528$, $p=0.000$ ($p<0.05$), $t=11.891$ ($t>1.96$)) revealed the amount of changes in the dependent variable due to the changing unit of explanatory variable. The study supports the view that the aggregate effect of transformational leadership as a single construct is significant and has positive role on the performance of employees. The finding is consistent with the previous research findings (Ana, 2014; Fatma and Nor Aini, 2016; Muslimin et al., 2017; Sladjana, 2017). This indicated that transformational leadership is a good predictor and has significant and positive effect on employee performance.

Multiple Linear Regression Analysis

Multiple linear regression analysis (multi-dimensional approach) is used to examine the individual contribution of each independent variables on the dependent variable. Thus, the researcher conducted multi-dimensional approach (multiple linear regression analysis) to examine the individual contribution of the dimensions of transformational leadership (idealized influence, inspirational motivation, intellectual stimulation and individualized consideration) on employee performance.

Table 8: Multiple Linear Regression Analysis Result (Multi-Dimensional approach)

Explanatory variables	Beta	T-value	P-value
Idealized Influence (II)	0.032	0.407	0.684
Inspirational Motivation (IM)	0.183	2.022	0.044
Intellectual Stimulation (IS)	0.160	1.953	0.052
Individualized Consideration (IC)	0.197	2.176	0.030

R ²	0.280	
Adjusted R ²	0.272	
F-value (Sig.)	35.247	(0.000)

Dependent Variable: Employee Performance

Source: Own Survey Result, 2018

Even though, in uni-dimensional approach, the overall effect of transformational leadership was found to be significant and has a positive role on job performance, it did not show the individual contribution of the dimensions of transformational leadership on job performance. Thus, the researcher has used multi-dimensional approach and attempt to investigate the individual effect of transformational leadership dimensions on the performance of employees. For this reason, multiple regression analysis was applied since it can tell how well a set of different variables are able to predict a particular outcome. Accordingly, the multiple linear regression analysis result of the above table showed that the data in this study fit the model as indicated with the F-value ($F=35.247$, $p=0.000$ ($p<0.05$)). This implied that the dimensions of transformational leadership and employee job performance were statistically significant.

Besides this, in the same table (8) above, the multiple regression analysis produced the coefficient of determination R-square (0.280) and adjusted R-square (0.272) that revealed the proportion of variances in the dependent variable accounted for by the explanatory variables of the study. It revealed that 27.2% of the variance in the performance of employees is explained by the dimensions of transformational leadership. From the analysis result, it is noted that two dimensions (Inspirational motivation, $\beta=0.183$, $t= 2.022$, $p=0.044$; and individualized consideration, $\beta=0.197$, $t= 2.176$, $p=0.030$) of transformational leadership were significant while the remaining two dimensions of transformational leadership (idealized influence, $\beta=0.032$, $t=0.407$, $P=0.684$); and intellectual stimulation ($\beta=0.160$, $t= 1.953$, $P=0.052$) were not significant predictor of employees' performance. Hence, from the above expressions, one can concluded that the best contributor dimensions of transformational leadership on employees' performance was individualized consideration ($\beta=0.197$, $t= 2.176$, $p=0.030$) followed by inspirational motivation ($\beta=0.183$, $t= 2.022$, $p=0.044$). This indicated that individualized consideration and inspirational motivation dimensions of transformational leadership behaviors have played crucial role for the enhancement of employees' performance in Amhara National Regional State

Bureaus although the four dimensions of transformational leadership were practiced by the leaders.

Summary of the Research Hypotheses

Based on the analysis results of this study, the test of the research hypotheses is displayed in the following table.

Table 9: Test of the Research Hypotheses

Hypotheses	Decision
Hypothesis 1: Transformational Leadership has significant relationship with employee performance.	Accepted
H1a: Idealized Influence has significant relationship with employee performance.	Accepted
H1b: Inspirational Motivation has significant relationship with employee performance.	Accepted
H1c: Intellectual Stimulation has significant relationship with employee performance.	Accepted
H1d: Individualized Consideration has significant relationship with employee performance.	Accepted

Source: Own Survey Result, 2018

From the above table, it is found that transformational leadership has significant relationship with employee performance (H1) and has an influence on it. It is also observed that all the dimensions of transformational leadership have significant and positive correlation with employee performance (H1a-H1d). The result is consistent with the previous research outcomes (Muthuveloo, et al., 2014; Rasool, et al., 2015; Avinash and Zuhari, 2015; Purit, 2016) but this result is inconsistent with the previous researches of Nugroho (2014), Elgelal and Noermijati (2015) in which they stated that transformational leadership has no effect on employee performance. Thus, the major (H1) and all the sub-hypotheses (H1a-H1d) of this study were supported.

On the other hand, from the regression analysis result, individualized consideration dimension of transformational leadership has greater influence on employee performance which is inconsistent with the study of Ndisya (2016) Ngaithe (2016), and Sladjana (2017). This indicated that the employees' in Amhara National Regional State Bureaus were more influenced by their leaders'

attention provided to their needs, problems, ideas and feelings and inspirational motivation encouraged them to exert their effort in accomplishing their job.

Conclusion

Based on the findings of this study, the researcher concluded that transformational leadership and its dimensions (idealized influence, inspirational motivation, intellectual stimulation and individualized consideration) were significantly and positively correlated with employees' job performance. Thus, all the research hypotheses, the major hypothesis (H1) as well as the four sub-hypotheses (H1a-H1d) were supported. On the other hand, the regression analysis result showed that transformational leadership aggregately; and separately, although the four dimensions of transformational leadership were practiced by the leaders, two of its dimensions (inspirational motivation and individualized consideration) have significant effect on employees' job performance whereas the remaining two dimensions of transformational leadership (idealized influence and intellectual stimulation) have no significant effect on employees' job performance in Amhara National Regional State Bureaus. From this, one can understand that the degree of the influence of the dimensions of transformational leadership on employee performance was varied.

Recommendation

Finally, based on the conclusions of this study, the researcher suggested that the Amhara National Regional State should create better awareness about transformational leadership through training and other mechanism to strengthen the practice of transformational leadership in different areas of the public sector to enhance the performance of employees in the region; the leaders of the Amhara National Regional State Bureaus should also understand the relevance of transformational leadership and give due emphasis to all the four dimensions of transformational leadership to better influence their followers with the four dimensions of transformational leadership and would enhance their followers' job performance.

Limitations and Future Research

Firstly, this study was based on the perception of the employees (self-reported data), hence there might be differences between the actual practice on the ground; and secondly, the study was focused only on public sector employees in Amhara National Regional State Bureaus. Thus,

further research is required on the topic to enlarge the scope to different organizations in different areas and sectors in Ethiopia through incorporating secondary data and other variables such as job satisfaction, organizational justice, organizational citizenship behavior to better determine the relationship of transformational leadership and job performance.

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