EFFECT OF TRANSFORMATIONAL AND TRANSACTIONAL LEADERSHIP STYLE ON EMPLOYEES' PERFORMANCE IN LEBANESE UNIVERSITIES

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ABSTRACT

The effectiveness of individual employee' performance depends on the leader/supervisor. Effective leader can enhance the individual employee performance through proper leadership style and retain high performance and talent employees within the company. The behavior of leader is very importance to improve job performance and retain skillful employees for longer period in the organization. This study aims to investigate the effect of transformational leadership and transactional leadership styles on employees' performance in Lebanese Universities. Three main variables consist in conceptual framework. They are independent variables (transformational leadership style, transactional leadership style and dependent variable (employee performance). A sample of 400 respondents has been randomly selected from top four universities in Lebanon. Sample was selected by using simple random method and primary data was collected through structured questionnaires. Data analysis was conducted by using Statistical Package for Social Sciences (SPSS 23.0) and Smart-PLS 3.0. Results showed that both transformational leadership and transactional leadership styles have the significant effect on employees, performance in Lebanese universities. The outcomes of this study offered substantial empirical support to the research framework from a theoretical and managerial perspective.

Key Words: Employees' performance, Transformational leadership, transactional leadership

INTRODUCTION

Concept and application of effective leadership seems to be an inevitable element of life in groups and a necessary prerequisite for coordinating the behavior of individuals, group members and organizations in the pursuit of common goals. Superb leaders have very different ways of directing a team, a division, or a company (Goleman, 2018). The emergence of the concept of leadership in different life domains has been prevalent in the recent years. This concept is actually seen as necessary and crucial for the effective operation and function of any organization. Fundamentally, leadership is characterized by its persuading power on human resources, organization's source of competitive advantage, and the achieved results. While trying to sway followers and harness more members in an organization with respect to their roles, leaders mush work on improving employees' motivation levels due to that fact that engaging them in the work process ensures achieving desired goals (Batista-Taran et al., 2009).

Previous works of literature have focused on leadership styles and have examined employees' engagement at work and the consequences of such an involvement (Bakker and

Demerouti, 2008; Kim, 2014; Park et al., 2013; Saks, 2006; Salanova et al., 2011; Salanova and Schaufeli, 2008; Schaufeli and Bakker, 2004; Song et al., 2012; Xathopoulo et al., 2007). It has been found out that benefitting from available resources, social exchange theories, social cognitive theories, and leadership has been quite crucial and implicative. Within the plethora of researches and studies in relation to employee engagement and leadership styles in Western and Asian contexts, persona attributes perceived support, learning organizations, and transformational leadership have been considered significant in having a better citizenship behavior at the organization, proactive behavior, innovative mentality, and knowledgeable decisions. Regardless of the several studies on the relation between work engagement and other factors, little research has been conducted in relation to the potential correlation and association between leadership behaviors and organizational performance (Carasco-Saul et al., 2015).

More recent studies have focused on the individual characteristics of leadership and leadership effectiveness. The emergence of transformational, transactional, and charismatic leadership styles combined can be more greatly defined as an interactional approach. Forsyth's (2017) interactional approach defines leadership as "*a reciprocal, transactional, and transformational process in which individuals are permitted to influence and motivate others to promote and achieve the attainment of group and individual goals*" (p. 216).

Leadership even through all the models and discussion depicted above, leaves one aspect unanswered, is it nature or nurture? Rapid changes in organizational success and commitment in this age of globalization require leaders to be adaptive, customer focused, fore thinking of systems and process improvement, effective workers, and at most, shares the efforts of the bottom line. To meet this challenge, one needs to understand why there are leaders that succeed at all levels of management and execution. Leaders need to idealize and mentor the behaviors and key elements of future leaders to lead effective outcomes. In the words of Goleman, Boyatzis, and McKee (2019), Great leaders move us. They ignite our passion and inspire the best in us. When we try to explain why they are so effective, we speak of strategy, vision, or powerful ideas.

There's an evident lack of empirical and factual study that displays the factors which determine the performance. Moreover, since the leadership style is a main contributor in affecting the level of performance, this study aims to understand the manifestation of the leadership style especially transformational and transactional in higher institutions in Lebanon. Hence, the key question is to what extent do these leadership style in Lebanese higher institutions affect the employees' job performance? Based on the discussion above, this study attempts to answer the following research questions:

RQ1: Is there any relationship between transformational leadership style and employees' performance in Lebanese universities?

RQ2: Is there any relationship between transactional leadership style and employees' performance in Lebanese universities?

THEORITICAL DAN HYPOTHESIS
Employees' Performance

All the activities related to a particular job revolve around certain expectations of a worker and how they are executed and managed to achieve the organization's goals. It happens in several institutions where the employees' performance is assessed by personnel directors, annually or quarterly in order to recommend some changes, aiming at improving

productivity and performance (Kelly Burkart, 2019). Several organizations nowadays put extensive efforts in to guaranteeing and enhancing employees' competency, productivity, communication skills, commitment, cooperation, and professionalism (Kelly Burkart, 2019).

According to empirical literation on the relation between leadership styles and employees' performance, several authors have found out that autocratic and laissez-faire leadership styles have direct results on employees' performance more directly.

Both the transformational and transactional leadership styles work in coordination in order to bring out motivated employees in the workplace. This notion goes hand-in-hand with Bass' theory (Yukl, 1998) which considers the transformational leadership styles as the best approach which can arouse or encourage employees to be prosperous and thriving at work. In the same light, David (2002) states that there are some important factors which affect the performance of employees at work, and motivation is a rudimentary factor. When employees have high motivation levels at work, the transformational leadership styles, if implemented, would affect their performance by epitomizing it (David, 2002). However, the transactional leaders highlight the notion that the leader should be able to recognize and identify the needs of their employees and how they should be better addressed to achieve the goals of the organization (David, 2002). Therefore, in order to motivate workers to do their duties more effectively, transactional leaders tend to emphasize the establishment of reward and punishment systems (Luthans, 2016). These systems constitute a motivation in themselves for the workers. Thus, motivation results from the act of encouraging leaders to fulfill the needs of their followers (Luthans, 2016).

Employee performance appears then to be affected by motivation and vice versa. The transactional leadership styles also have a direct impact on employee performance. This meets what Haryadi (2003) has asserted. The positive effect of this kind of styles on employees' performance takes place when the latter assess this style from a positive point of view, and can have negative implications when employees have tendencies to be dishonest, distrustful, and disloyal (Haryadi, 2003). Furthermore, Andarika (2004) and Ahn et al. (2005) confirm that transactional leadership styles have significant impacts on the performance of employees and more positively. Through this, the subordinate groups will reciprocate by showing maximum work efforts.

Leadership Style

Leadership has been depicted as the leader's ability to affect his/her followers, mainly the employees if the workplace is to be regarded, for the purpose of achieving organizational goals and objectives (Mather & Rakesh, 2016). Furthermore, Hughes, Richard, and Ginnett (2002) identified leadership as the personal capability of building a team, which focuses on an already-established target or goal and entails teamwork and employees' collaboration altogether to be accomplished. From another perspective, Susan Ward (2002) considers leadership as a motivating force that pushes a group of people or employees to work coherently for the purpose of achieving a key goal. As for the business sector, working on organizing the employees' work and directing them within a collaborative framework with their colleagues and a clear strategy adopted by the company should be guaranteed in order to meet the company's needs and goals (Ward, 2002).

In any organization where leadership styles are employed, here are many factors which contribute to the operation and effective performance at work. The styles of leadership have important impacts on the long-term in relation to the culture of the organization as a whole. In fact, these effects play a key role in improving or demotivating the performance of employees in an organization (Haque et al., 2015; Klein et al., 2013). Because leadership is viewed as the blood of the business organization, its significance cannot be overlooked or underestimated. In this regard, Armstrong (2012) highlights the approach of establishing and adopting leadership styles, which are defined as approaches implemented by managers for the purpose of exercising their leadership function. These approaches are summarized as particular behaviors which a leader in any institution adopts and employs in order to get employees to work according to their maximal abilities for better achievement results (Haque et al., 2015; Igbaekemen & Odivwri, 2015; Ng'ethe et al., 2012). From here, it can be asserted that a leadership style is vital for the development of the organization.

In clear terms, leadership style(s) is defined as a way or manner within which a higher authority chooses to act toward directing employees and subordinates in a way that fosters their operational work (Mullins, 2000 & Xenikou, 2017). Several researchers on leadership styles have confirmed that there is no right or wrong leadership or even better or best leadership practice, but their styles are affected by some key factors (Armstrong, 2012; Adair, 2003). These factors often include the type and nature of the organization, its vital features, the attributes and qualities of individuals working in teams, the whole group being led by a certain leader, and the character of the leader, which comes as a priority (Armstrong, 2012; Adair, 2003). Then, identifying one leadership style is considered as a limitation. However, it is advisable if every situation or condition at a given organization is addressed within a combination of different styles for better achievements (Armstrong, 2012; Adair, 2003).

According to Al Khajeh (2018), the significance of leadership styles lies in providing employees with more focused direction and psychological gratification. Hence, it is believed that employees' success and effective performance emanates from the actions of leaders which trigger them to showcase their abilities, and this is evident in their enhanced performance (Khan & Adhan, 2014; Kužnin & Walker, 2017). Multiple authors have discussed different kinds of leadership styles, other than autocratic, democratic. They have gone farther in order to examine transactional, transformation, and participative styles (Mohammad et al., 2017; Sofi & Devanadhen, 2015). Every style from these has a different influence on employees' performance and therefore on the productivity of the whole organization. This is why it is significant to not that leadership practices target mobilization of human resources in order to measure the performance of workers (Khan & Adhan, 2014).

Analyzing leadership and its styles and theories is not an easy process, due to the complexity and variability in its natures (Mullins, 2007). In fact, all these theories can be implemented in different contexts and industries (Becker et al., 2010). This helps managers and leaders understand the operational frameworks in their organization. these theories strive better, mainly in jobs that require a high sense of responsibility, monitoring, measurement, and authority (Becker et al., 2010). However, in the technological area, forensic scientists are highly motivated to shift toward management due to the fact that technical skills are more recognized and more influential aptitude is emphasized (Becker et al., 2010).

Transformational Leadership Style

The transformational leadership style, according to Jyoti and Bhau (2015), is regarded as the process that motivates and encourages the followers in a positive sense as it appeals to better ideas and entrenched internal moral and ethical values to be sustained throughout the workplace. Besides, Puni et al. (2018) stat that this leadership style recognizes the needs of the subordinates and finds ways to meet them within full involvement. On the other hand, Jyoti and Bhau (2015) contend that if a leader is described as being good, then there should be a marriage adoption between transactional and transformational leaderships, as they can both complement each other. Besides, Chan and Mak (2014) confirm that this leadership style pivots the personality and character of the leader as a key influence to affect and bring about positive changes. This happens by having a clear motivating vision and energizing goals and attitudes to improve the performance of employees. Similarly, Zwingmann et al. (2014) hinge on the main concept which underpins this theory through the belief that transformational leaders seek changes and modifications in values, ethics, thoughts, norms, traditions, and attitudes by affecting them to act in a way that goes beyond their threshold. This perspective is reinforced by Sun et al. (2014) who suggest that transformational leadership can be highly inspirational, and leaders can play an efficacious role in changing the attitudes and perspectives of their employees" for the benefit of the whole organization.

Such authors state that their perspective revolves around aiding the subordinate groups throughout the process of change and motivating them to critically think of how their performance influences the entire organization(Sun et al., 2014). Furthermore, this is supported by Al Khajeh (2018) who insists on the fact that this form of leadership concentrates on establishing a generic value system for the employees in an organization and focuses on upgrading their morals, abilities, potentials, and inspirations. Al Khajeh (2018) also postulates that the transformational leaders act as mediocre or mediator in the process of developing an understanding of the inspirations, values, and interests.

In this regard, while trying to evaluate how leadership's impact on the well-being of employees within transformative or transactional leadership theoretical styles, Zwingmann et al. (2014) find that guaranteeing a positive environment leads to the development of a better attitude or work perception. On a similar basis, Wang et al. (2011) and Sofi & Devanadhen (2015) strongly argue that transformational leaders importantly impact the performance of workers by affecting their motivation, morale, and potentials. This relation between the transformational style and the employees' performance has been emphasized by Xu and Wang (2008) who note that it results from a developed performance, and what lie behind this are enhanced skills and capabilities, know-how and motivation for employees, and promoted organizational interests.

The leadership expert James MacGregor Burns was the first to introduce the transformational leadership style in 1978. According to Burns (1978), there are four key dimensions which govern the implementation of this theory, and they are: professional effect like confidence and trustworthiness, inspirational motivation, intellectual trigger, and individualized consideration. These dimensions play an effective role in allowing leaders to act as powerful role models in creating more productive individuals (Hay, 2000). Moreover, transformational leaders should have a high sense of intellectual motivation, as they should instill motivation and enthusiasm in the employees' spirits, and

this eventually encourages them to be more concentrated on the collective well-being and the ultimate goals of the organization (Aydin, Sarier, and Uysal, 2013; Cho and Dansereau, 2010). For these reasons, the behaviors of transformational leaders are effective in bringing change to employee by making them more aware of the outcomes of their work activities, and this helps activate their higher order needs and expand their abilities beyond their self-interests (Bass and Avolio, 2000). Moreover, Avolio, Walumbwa and Weber (2009) state that transformational leadership helps employees to perform tasks in an organization in a manner which goes beyond the expectations, and this is achieved through the process of transcending self-interest for the whole goodness of the workplace. Thus, transformational leaders adopt a more socialized and emotionally intelligent character (McKee, 2014). They are also highly charismatic and know how to guard, trigger, and express their emptions (McKee, 2014). Lastly, they have a clear vision in order to boost excitement, hopefulness, and inspiration among employees. Jin (2010) suggests that transformational leaders have a high potential in integrating values like empathy, affection, compassion, sensitivity, innovation, and socialization. Those leaders also include elements of shared decision-making process (Aldoory and Toth, 2014). Therefore, being able to re-invent the entire philosophy, mission statement, vision, system, and culture of organization is facilitated through transformational leadership (. Gibson, Ivancevich, Donnely and Konopaske, 2012).

Transactional Leadership Style

This leadership style is described as being a sanction and reward model in which the leaders discuss the requirements and the outcome compensation for achieving those requirements or needs (Kužnin & Walker, 2017). Leaders also have a chance to assess the correlating chastisement for failures (Kužnin & Walker, 2017). In order to guarantee a positive performance, the employees or subordinate groups are rewarded, either in a materialistic or non-materialistic way (Kužnin & Walker, 2017). However, for a negative performance, the subordinate groups are punished in many overt and covert ways. Groves (2014) contends that a transactional leader is someone who, at most times instances, provides chances or behaviors which guarantee or reciprocate positive performance and attitude. This can be achieved through rewards including raising promotions, increasing incomes or wages, review and assessing performance, and expanding job responsibilities (Groves, 2014). Transactional leadership is actually characterized by the reward expectation, and this makes the processes at work take a more exchangeable nature through targets and rewards between both parties, the management from one hand and the lower level employees form another (Kužnin & Walker, 2017). In addition to that, Groves (2014) states that this style of leadership plays a vital role in inspiring people to be better and have interest in their work and their performance. Consequently, transactional leaders tend to minimize the anxiety experienced in the workplace by shifting concentration toward specific business priorities like ensuring high quality products, providing effective support for customers, reducing costs and prices, and increasing output (Groves, 2014).

However, Longe (2014) argues that the approach related to transactional leadership can be highly productive and effective if implemented in the banking sector. Within temporary transactions including short-term exchanges of gratifications, a sense of dissatisfaction between leaders in the banks and their workers is often generated. Several researches have investigated the impacts of transactional leadership on employees' performance, either positively or negatively. According to Longe's example, transactional leadership has led to positive impacts on the performance of employees in some banks in

Nigeria (Longe, 2014). Longe (2014) also noted that this style has helped in creating, optimizing, increasing, and preserving the capabilities of employees, mainly those who achieved subsequent successes andaccomplished tangible and intangible rewards. On the other hand, other authors have criticizedsuch notions. Sofi and Devanadhen (2015) argue that the transactional leadership is not directly associated with the performance of employees in an organization. their assumption or argument is based on discouraging creativity and innovation and on leading employees to being less productive. According to both authors, the influences of transactional leadership relies on the organization context, where it is established, and how this style is implemented (Sofi and Devanadhen, 2015).

METHODOLOGY

The study focused on describing employees of Lebanese Universities as the characteristics of the population. According to Sekaran and Bougie, (2010) descriptive design is undertaken in order to describe the features of the concerned variable in a given circumstance. The survey method was adopted to achieve the aim of the study, since the study focused on the employee' performance of the employees. Furthermore, the survey research employed questionnaires to have responses from the respondents (Zikmund, 2003). The study used a self-report questionnaire method for all adapted items to measure independent variables (transformational leadership, transactional leadership), and dependent variable (employee' performance).

The research adopted quantitative method as the aim is to determine the effect on each variable on another. It also allows results generalization to the entire population as a result of vast sample population (Malhotra, 2010; Gelo et al., 2008; McDanial & Gates, 2007). The population comprises of all employees in Lebanese universities. This study selected four top universities in Lebanon, with 6,012 total employees. Therefore, according to Kriejcie and Morgan sample determination table, for 6000 to 7000 population, the minimum of 374 samples were required. Nevertheless, the size of the sample was multiplied by two to minimize error in sampling and to take care of nonresponse rate issue (Hair, Wolfinbarger & Ortinall 2008). Hence, 400 was selected as the total number of questionnaires to administer..

The 400 questionnaires with self-addressed envelopes were distributed through post-mail to the employees in selected four Lebanese universities. To increase and achieve high response rates, series of follow-up were made through emails, SMS, several phone call reminders and self-visit to the respondents (Silva, Smith, & Barnmer, 2002; Traina, MacLean, Park, & Kahn, 2005; Sekaran, 2003; Dillman, 2000; Porter, 2004; Dillman et al., 2009). As suggested by De Leeuw, (2005) and Dillman et al., (2009) on response rate improvement to post-mail mode, an email was sent to some respondents through their associations as an appreciation to those that send back the questionnaire and as another remainder to those that did not send back their responses. For those could not reach by email, a self-visit was conducted to their respective representative in order to persuade them to fill in the questionnaire in their regular monthly or emergency meetings.

Although the sample of the study is 374 as suggested by Krejcie and Morgan (1970) the increase of the 400 sent out questionnaires was deliberately done to overcome the likelihood of not getting the required number of sample size because of the tendency of non-responses (Bartlett, Kotrlik, & Higgins, 2001; Cochran, 1977). Thus, because of

the efforts made, 330 questionnaires were returned out of 400 questionnaires that were distributed by postal delivery to the targeted respondents.

After the collection of sufficient data that matches the minimum sample size requirements, researcher coded, summarized and analysed the data with SPSS, structural equation modelling (PLS). Both descriptive and inferential statistics were employed as a method of data analysis. Descriptive statistics was employed to explain the features of data quantitatively. It aims to summarize a sample rather than taking the whole population (Bichi, 2004). It gives a summary about the sample and the observation made. Therefore, PLS-SEM was employed in the data analysis. Below are details explanations on the instruments employed in analysing and interpreting the data collected for the main explanatory study. The PLS modelling is considered as the most appropriate method of data analysis in this study based on several reasons.

PLS path modelling is selected in this study because of the estimation the interactions between constructs or structural model and associations between indicators and their corresponding latent constructs or measurement model concurrently, even though it is similar to conventional regression technique (Chin, Marcolin, & Newsted, 2003; Duarte & Raposo, 2010; Gerlach, Kowalslu, & Wold, 1979; Lohmoeller, 1989. Additionally, the objective of the study is to predict the role of organizational factors in increasing academicians' commitment. In addition, the study has reflective constructs. Lastly, compared to other path modelling software, Smart PLS software was carefully chosen as a tool of data analysis for the reason that of its friendly graphical user interface that help users to create a moderating and mediating effect for path models with interaction effects (Temme, Kreis, & Hildebrandt, 2006, 2010).

Findings

Overall, a total of 400 sets of questionnaires were distributed to the targeted participants. Out of 400 distributed questionnaires, 330 were returned making the response rate of 82.5 percent. 13 of the 330 questionnaires were eliminated during data cleaning process and the remaining 317 sets of questionnaires were usable for further analysis. Data was screened and cleaned to ensure the accuracy of the data collected. This was done by analysing the original data collected against the source data file. Following Tabachnick and Fidell (2001), data cleaning in this study involved checking the accuracy of the data input, dealing with missing values, detecting and treating the outliers.

Table 1 summarised the demographic background of the respondents. As indicated in Table 1, 45.7 percent (N=145) of the respondents were male compared to female employees of 54.3 percent (N=172). The respondents were less than 30 years old (10.7%), 31 to 40 (40.4%), 41 to 50 (24.3%) and over 50 (24.6%). Most of Bachelor Degree (32.5%) and Master Degree (30.3%) holders. Majority of the respondents had the working experience between 7 to 10 years (45.9% and more than 10 years (26.5%).

Table 1
Demographic Background of Respondents (N = 317)

	Frequency	Percentage
Gender		
Male	145	45.7
Female	172	54.3

Age (Years)		
Less than 30	34	10.7
30 to 40	128	40.4
41 to 50	77	24.3
>50	78	24.6
Education		
Certificate	14	4.4
Diploma	53	16.7
Bachelor Degree	103	32.5
Masters/PhD	96	30.3
Others	51	16.1
Working Experience (Years)		
Less than 3	29	9.1
3 to 6	68	21.5
7 to 10	136	42.9
More than 10	84	26.5

Assessment of a Measurement Model

To assess the measurement model, the following activities were undertaken in this study: examining internal consistency reliability, ascertaining indicator reliability and determining convergent and discriminant validity (Hair et al., 2014). These activities were undertaken in order to identify the relationship between the observed variables and the underlying latent constructs (Hamid, Ishak & Yusof, 2015).

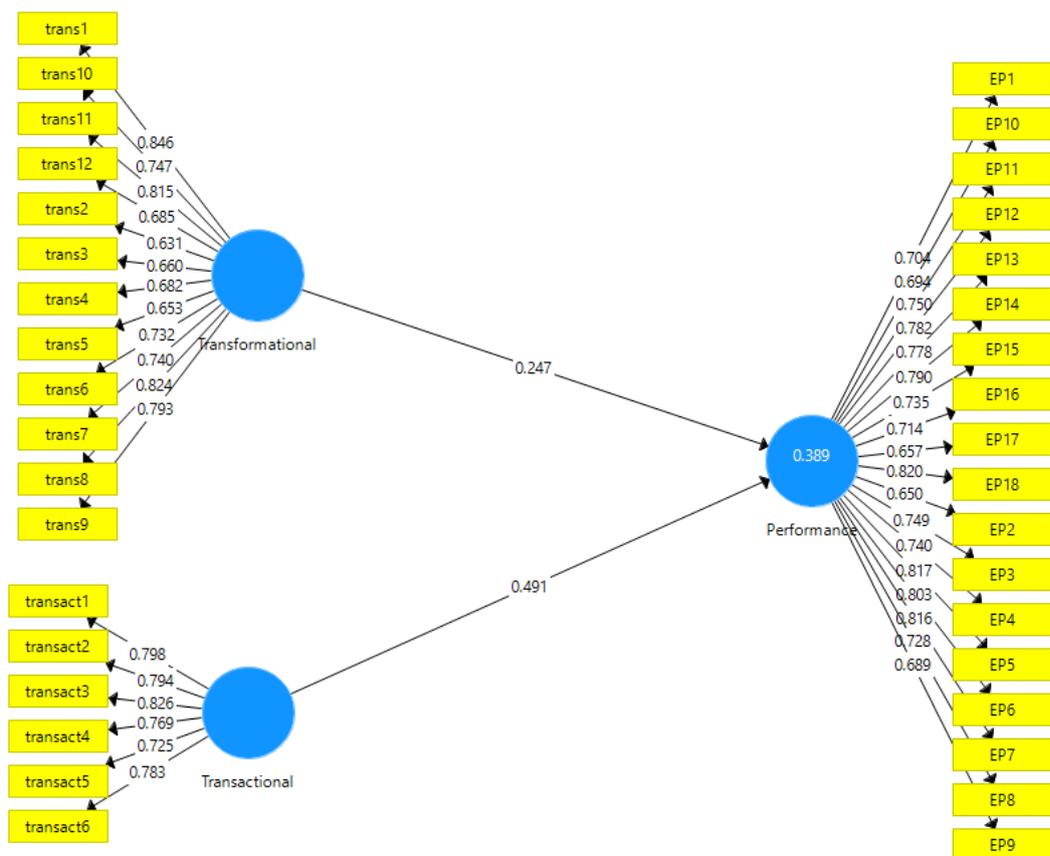The first stage hierarchical construct model was first assessed as seen in Tables 2, Table 3 and Figure 1 and 2.

Figure 1: Algorithm of First-Stage Hierarchical Construct Model

The Cronbach's alpha coefficient and composite reliability coefficient were used to measure the internal consistency reliability for this study. Using composite reliability coefficient to interpret internal consistency reliability is based on the rule of thumb that composite reliability coefficient should be at least 0.70 (Hair et al., 2010). Thus, as can be seen in Table 2, the Cronbach's Alpha values are between 0.874 and 0.953, while values of composite reliability are between 0.905 and 0.958. Thus, internal consistency reliability is not an issue for this study.

The indicator reliability was assessed by examining the outer loadings of each constructs' measure (Hair et al., 2012). To ensure unidimensionality of a measurement model, items should be 0.50 or higher (Afthanorhan, 2013). Since most of the items in Figure 1 have relatively good loadings, 0.60 was taken as the minimum for the first stage model of this study; hence, all items shows good loadings greater than 0.60 and were retained in the model.

Convergent validity is the extent to which items truly represent the intended latent construct and correlate with other measures of the same latent construct (Hair et al., 2006). The convergent validity of this study was examined by the AVE of each latent construct, as suggested as suggested by Fornell and Larcker (1981). The AVE of each latent construct should be at least 0.50 (Chin, 1998). The AVEs for this study as shown in Table 2 are all above 0.50, suggesting adequate convergent validity.

Table 2

Loadings, Average Variance Extracted (AVE) and Reliabilities for First Stage Hierarchical Construct Model

Latent Construct & Indicators	Standardised Loading	Composite Reliability	Cronbach's Alpha	Average Variance Extracted (AVE)
Performance		0.958	0.953	0.558
EP1	0.704			
EP10	0.694			
EP11	0.750			
EP12	0.782			
EP13	0.778			
EP14	0.790			
EP15	0.735			
EP16	0.714			
EP17	0.657			
EP18	0.820			
EP2	0.650			
EP3	0.749			
EP4	0.740			
EP5	0.817			
EP6	0.803			
EP7	0.816			
EP8	0.728			
EP9	0.689			
Transformational		0.905	0.874	0.613
trans1	0.846			
trans10	0.747			
trans11	0.815			
trans12	0.685			
trans2	0.631			
trans3	0.660			
trans4	0.682			
trans5	0.653			
trans6	0.732			
trans7	0.740			
trans8	0.824			
trans9	0.793			
trans1	0.846			
Transactional		0.934	0.922	0.543
transact1	0.798			

transact2	0.794
transact3	0.826
transact4	0.769
transact5	0.725
transact6	0.783

Similar to convergent validity, AVE was also used to determine the discriminant validity of this study (Fornell & Larcker, 1981). Accordingly, based on Fornell and Larcker's (1981) suggestion, discriminant validity was evaluated with the use of the AVE with a score of 0.50 or more. Also the square root of the AVE should be greater. Thus, as seen in Table 2, the values of AVE for this study are between 0.543 and 0.613, indicating acceptable values. In Table 3, the correlations among the latent constructs are compared with the square root of AVE (in bold face). The AVEs are all greater than the correlations among latent constructs, indicating sufficient discriminant validity (Fornell & Larcker, 1981).

Table 3
Latent Variable Correlation and Square Roots of Average Variance Extracted

	Performance	Transactional	Transformational
Performance	**0.747**		
Transactional	0.579	**0.783**	
Transformational	0.423	0.359	**0.737**

Assessment of Significance of the Structural Model

The current study assessed the structural model. This study also applied bootstrapping method with 5000 bootstrap samples to assess the significance of the path coefficients (Hair et al., 2014; Hair et al., 2012; Hair et al., 2011; Henseler et al., 2009). Figure 2 and Table 4 therefore show the estimates for the full structural model.
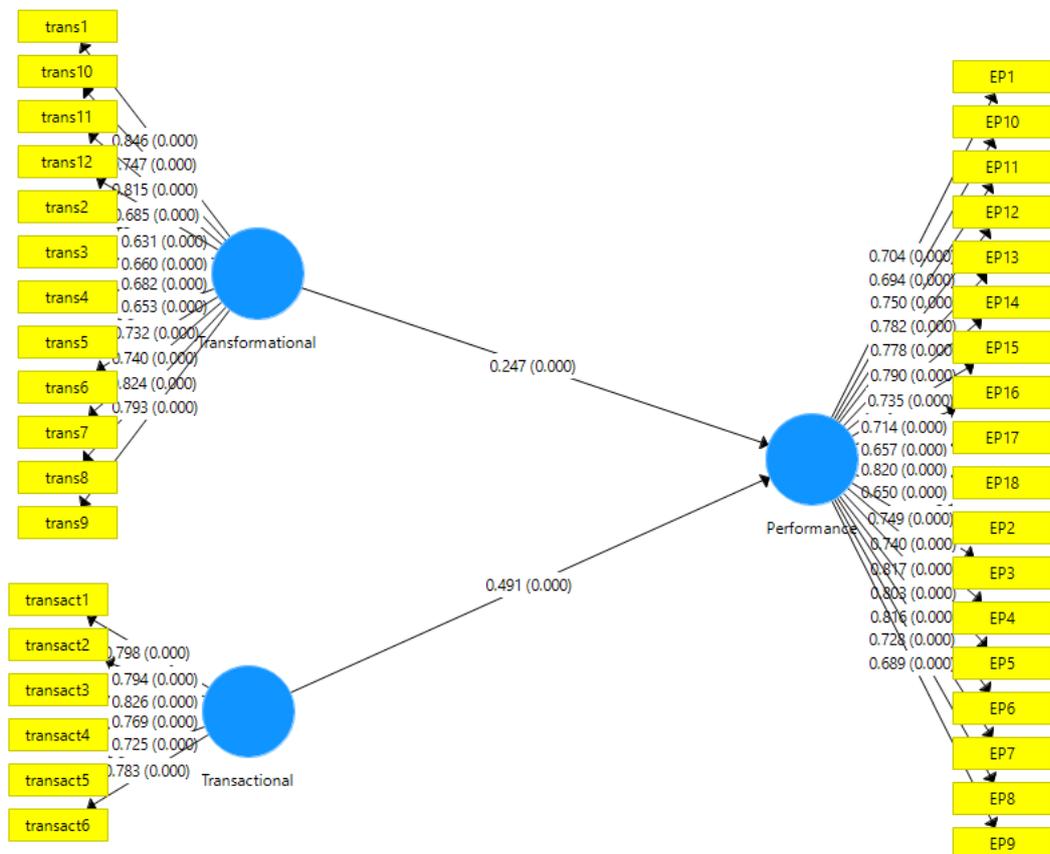
Figure 2: PLS Structural Model

Assessment of Variance Explained in the Endogenous Latent Variables

As presented in the above Table 4, the research model explains 38.9 percent of the total variance in employee performance. This advocates that the sets of exogenous latent variables (i.e., leadership styles) collectively explain 38.9 percent of the variance of the employee performance. Therefore, resulting from Falk and Miller's (1992) and Chin's (1998) the criteria, the endogenous latent variables showed acceptable levels of R-squared values, which were considered as substantial respectively.

Table 4
Variance Explained in the Endogenous Latent Variables

Latent Variables	Variance Explained (R²)	Adjusted R²
Employee Performance	0.389	0.385

Hypotheses Testing

At the beginning, Hypothesis 1 to Hypothesis 2 predicted that leadership styles are positively related to employee performance. Result in Table 5 and Figure 2 revealed a significant positive relationship between transformational leadership and employee performance (B = 0.491, t = 12.241, p< 0.01), supporting Hypothesis H1. Similarly,

Hypothesis 2 anticipated that transactional leadership is positively associated to job employee performance. As shown in Table 5 and Figure 2, result also showed the significant association between transactional leadership and employee performance (B=0.247, t = 5.244, p > 0.01). These findings have successfully support H1 and H2.

Table 5
Structural Model Assessment

Hypothesis	Relationship	Beta	T	Sig.	Summary
H1	transformational -> employee performance	0.491	12.241	0.000	Supported
H2	transactional -> employee performance	0.247	5.244	0.000	Supported

RESULT AND DISCUSSION

The finding revealed that leadership styles significantly influence the employee's performance in Lebanese universities, parallel with the previous results (Peter (2018; Nadarasa, 2017; Shen et al. 2018; Zhou 2019). The two-leadership style studied were found to have significant influence on the employees' performance. The styles were transactional and transformational.

Similarly, Judge and Piccolo (2019) found a significant relationship between this leadership style and the level of employees' performance and attitude toward the workplace. In other studies, the transformational leadership style has been regarded as having a positive impact on different aspects of employees' performance and satisfaction levels. The same notion applies for transactional leadership, and so did laissez-faire leadership (David, 2017).

In order to motivate workers to do their duties more effectively, transactional leaders tend to emphasize the establishment of reward and punishment systems (Luthans, 2016). These systems constitute a motivation in themselves for the workers. Thus, motivation results from the act of encouraging leaders to fulfill the needs of their followers (Luthans, 2016). Both the transformational and transactional leadership styles work in coordination in order to bring out motivated employees in the workplace. This notion goes hand-in-hand with Bass' theory (Yukl, 2017) which considers the transformational leadership styles as the best approach which can arouse or encourage employees to be prosperous and thriving at work. In the same light, David (2017) states that there are some important factors which affect the performance of employees at work, and motivation is a rudimentary factor. When employees have high motivation levels at work, the transformational leadership styles, if implemented, would affect their performance by epitomizing it (David, 2017). However, the transactional leaders highlight the notion that the leader should be able to recognize and identify the needs of their employees and how they should be better addressed to achieve the goals of the organization (David, 2017). Therefore, in order to motivate workers to do their duties more effectively, transactional leaders tend to emphasize the establishment of reward and punishment systems (Luthans, 2016).

The transformational leadership styles also have a direct impact on employee performance. This meets what Haryadi (2003) has asserted. The positive effect of this kind of styles on employees' performance takes place when the latter assess this style from

a positive point of view, and can have negative implications when employees have tendencies to be dishonest, distrustful, and disloyal (Haryadi, 2003). Furthermore, Andarika (2004) and Ahn et al. (2005)confirm that transformational leadership styles have significant impacts on the performance of employees and more positively. Through this, the subordinate groups will reciprocate by showing maximum work efforts.

The outcomes of this study offered substantial empirical support to the research framework from a theoretical perspective. Through this study, the relationship between the leadership styles, emotional intelligence and employees' performance was established. The findings of this study support the work by Agustian (2021) who reported that leadership styles and emotional intelligence have the significant effect on employees' performance. In addition, this study discovered that emotional intelligence had a mediating impact on the relationship between leadership styles and employee's performance.

Al Khajeh (2018) found that previous studies on leadership styles tended to focus on three domains of leadership styles. However, this study focused on five domains of leadership styles including democratic, autocratic, laissez-faire, transactional and transformational leadership styles. The findings validated the theoretical underpinning of employee's performance and the idea of employee's performance in in organization was impacted by leadership styles and emotional intelligence (Narsir et al. (2020). The findings partially supported the hypothesis because of many distinct elements compared to previous research, such as the kind of population, decision-making process, a mix of respondents and factors, or perception of risk in a variety of settings (situational factors). Another contribution of this study was to explore leadership styles from a domestic viewpoint, which differed from previous studies that primarily involved employees in general and public organization before the pandemic and lockdown. This study's findings were based on the general participants, who included support staffs, managerial level employee, academics, and others.

This study also offers an opportunity to conduct future research on employees' performance from various dimensions (particular group of respondents) situations for comparison. This study focused on the universities' employees, which means that researchers may not be able to directly compare the findings if studies were conducted on different individuals and conditions.

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