

# The Impact of Leadership Styles and Human Resource Practices on Commitment-to-Change

Mung Ling Voon, Kwang Sing Ngu

**Abstract:** *Leading an organisation through change requires not only setting a clear vision for the change agenda, but also improving existing systems and fostering employee commitment to change. Leadership style plays a role, along with human resource practices. This study examines the influence of transformational, transactional and laissez-faire leadership styles on academician commitment-to-change in Malaysian public universities and tests the mediation effect of human resource practices. The study finds that transformational, transactional and laissez-faire leadership styles were positively related to commitment-to-change, with a mediating effect of human resource practices. The results reveal that two human resource practices, teamwork and development and management transparency, mediated the relationship between two leadership styles (transformational and transactional) and commitment-to-change.*

**Index Terms:** *Keywords: Transformational Leadership; Transactional Leadership; Laissez-faire; Commitment-to-change; Human Resource Practices.*

## I. INTRODUCTION

Organisations must change and adapt to survive in a dynamic market environment. The leaders of these organisations need to set a clear vision for change, continuously improve existing systems and also foster employee commitment to the change agenda. Successful management of change is largely dependent on employee commitment and willingness to adapt. But it is not uncommon for some employees to resist change initiatives as they need to deal with unfamiliar processes, learn new skills or adapt to new work systems. Organisations unable to effectively deal with the challenges of the change process fail to realise the benefits of change initiatives.

Institutions of higher education are not exempt from these challenges and heavily rely on academician capability and commitment-to-change. For example, Malaysia's leading universities to meet the human resources demands from increasingly complex industries. In addition, they are expected to produce qualified graduates equipped with the skills to succeed in the workplace, universities employ a range of management mechanisms, including different leadership styles (Sadeghi & Pihie, 2012).

Leadership research has described many different and effective leadership styles, such as transformational, transactional and laissez-faire. Research shows that

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successful leaders adopt a variety of leadership styles, depending on their personal characteristics and the contextual setting. However, a key question, which is still largely unanswered, is which leadership style best fosters employee commitment to organisational change? Hence, Herscovitch and Meyer (2002) urged organisational leaders to identify and adopt human resource (HR) practices and leadership styles that support positive employee attitudes and behaviours to organisational change initiatives (Ulrich, 1997; Kiffen-Peterson & Cordery, 2003).

In response to this knowledge gap, this study attempts to assess the effect of transformational, transactional and laissez-faire leadership styles on academicians' commitment-to-change with the mediating effect of HR practices (i.e. participation and involvement, training and development, performance appraisal, incentives and compensation, and teamwork).

## II. LITERATURE REVIEW

### A. Leadership

Researchers have defined leadership across a broad range of themes. For example, Stogdill (1948) and Northouse (2016) stated leadership processes influence individuals towards goal setting and achievement. Yukl (1989) felt that leadership determines organisational objectives, motivates group behaviour to achieve the objectives and maintains the group culture. Burns (1978) contended that leaders transform followers' behaviours in order to increase motivation and morality. From these conceptualisations, leadership in this study is operationalised as a process of influencing people to achieve a common organisational goal through motivation and communication. In line with previous leadership effectiveness studies, this study has also focused on transformational, transactional and laissez-faire leadership (Bass & Riggio, 2006; Northouse, 2016).

Transformational leadership refers to a process that changes and transforms people, such as leaders who always motivate and inspire followers to accomplish more than what is usually expected of them (Dvir, Eden, Avolio, & Shamir, 2002; Avolio, Zhu, Koh, & Bhatia, 2004; Bass & Riggio, 2006; Northouse, 2016). Transformational leadership comprises five dimensions: idealised influence attributes, idealised influenced behaviours, inspirational motivation, intellectual stimulation and individualised consideration (Barnett, McCormick, & Conners, 2001; Antonakis, Avolio & Sivasubramaniam, 2003; Kirkbride, 2006). Idealised influence attributes refer to a



leader's personality, whether followers perceive him or her as confident, powerful and trustworthy (Barnett et al., 2001; Antonakis et al., 2003). Idealised influence behaviours are the behaviours of an ideal leader role model. Individual consideration refers to leaders' ability to identify and meet followers' needs (Simic, 1998; Avolio, 1999; Shin & Zhou, 2003; Bass & Avolio, 2004). The aim of intellectual stimulation is to generate high levels of creativity, which leaders achieve by changing followers' perspectives towards a problem and improving their capacity to solve it (Bass & Avolio, 2004; Bono & Judge, 2004; Kelly, 2003). Inspirational motivation means leaders set high expectations in their followers and inspire commitment to an organisation's vision (Kelly, 2003; Stone, Russell & Patterson, 2003; Hoption, Phelan, & Barling, 2007; Northouse, 2016).

Transactional leadership has been defined as an influence process, in which leaders manage the performance of subordinates by exchanging valued rewards (Kuhnert, 1994; Xirasagar, 2008). Transactional leaders do not attempt to meet the needs of individual followers (Northouse, 2016); instead, they focus on exchanging things of value to advance their own and followers' agendas (Kuhnert & Lewis, 1987; Kuhnert, 1994). Employees who do their jobs and are compliant receive tangible and intangible rewards, such as recognition, merit increases, promotions and bonuses (Bass, 1985; Rowold & Rohmann, 2009; Shamsudin, Subramaniam, & Alshuaibi, 2012).

Antonakis et al. (2003) categorised transactional leadership into three key dimensions: contingent rewards, management-by-exception (active) and management-by-exception (passive). Northouse (2016) defined contingent rewards as a process where leaders and followers exchange effort for specific rewards. Active management-by-exception style leaders monitor followers' behaviour for any mistakes or rule violations and immediately take action to correct the situation (Gill, 2006; Winkler, 2010; Northouse, 2016). In contrast, passive management-by-exception leaders intervene after a problem arises or followers miss performance standards (Winkler, 2010).

The third type of leadership discussed in this paper is *laissez-faire*, which was first described by Lewin, Lippit and White (1939). Laissez-faire leaders do not closely manage or provide guidance to followers; they try to avoid group and individual decision-making (Bradford & Lippit, 1945; Stoner, 1982; Bittel, 1989; Bass, 1990; Judge & Picolo, 2004; Bass & Riggio, 2006; Hong, Mustafa, Songan, Hasbee, Gan, & Ngui, 2009).

## B. Commitment-to-Change

Like leadership, organisational commitment has a number of theories and definitions. It has been defined as "a strong belief in and acceptance of the organisation's goals and values", "a willingness to exert effort on behalf of the organisation", and "a strong desire to maintain membership in the organisation" (Mowday, Steers, & Porter, 1982, p. 27). From their research, Mowday et al. (1982) described two elements of organisational commitment: commitment-related attitudes and commitment-related behaviours. Employees,

who perceive a strong relationship with their organisation and accept that their personal and organisation's goals and values are aligned, exhibit commitment-related attitudes (Mowday et al., 1982). Employees demonstrating commitment-related behaviours conduct themselves in a way that meet an organisation's goals and interests (Wiener, 1982 cited in Ugboro, 2006).

We have defined, in this study, commitment-to-change as the functional equivalent of motivation (Yu, Leithwood, & Jantzi, 2002), including personal goals, capacity beliefs, context beliefs and emotional arousal. Personal goals are sought after desired future states, such as aspirations, needs and wants (Bandura, 1986). Capacity beliefs are considered aspects of self-esteem, such as self-efficacy, self-confidence and academic self-concept (Yu et al., 2002). Context beliefs, defined by Ford (1992), are an individual's perception of whether the organisational environment supports successful change management initiatives. Research in the education section, by Leithwood and Beatty (2008), has reported that teachers' motivation to respond to change is influenced by their emotions and feelings, in addition to individual capacity and a supportive working environment. Emotions or strong feelings, such as satisfaction, happiness, love and fear, are closely associated with achieving goals and driving actions (Leithwood, Begley and Cousin, 1994).

## C. Human Resource Practices

Many researchers have examined the relationship between human HR and organisational performance (Gerhart & Milkovich, 1992; Terpstra & Rozell, 1993; Arthur, 1994; Huselid, 1995; MacDuffie, 1995; Wright, Gardner, Moynihan, & Allen, 2005; Khan, 2010). For example, Ogilvie (1986) and Ulrich (1997) concluded that HR practices and programs may enhance employee organisational commitment.

This study defines HR practices as mechanisms that management in Malaysian public universities employ to acquire, develop and motive human capital. Practices include participation and involvement, training and development, compensation and team work. In the context of a university, employee participation is defined as the degree to which academic staff contribute in strategic decision making (Dessler, Lloyd-Walkers & Griffiths, 2007). Staff involvement is the level of academician commitment and contribution to the universities' objectives. Training programs enrich the knowledge, skills and attitudes of academic staff so they can successfully perform their current job. Development enables academic staff to expand their knowledge, skills and attitudes and achieve job aspirations (Dessler et al., 2007). Teamwork occurs when academic staff collectively work towards common goals.

## D. The Relationship between Leadership Styles, Human Resource Practices and Commitment-to-Change

The positive influence of HR practices on organisational and employee-level outcomes and, specifically, a direct relationship between HR practices and employee



commitment-to-change, are widely acknowledged in available research (Meyer & Smith, 2000; McElroy, 2001; Meyer & Herscovitch, 2001; Whitener, 2001; Kinnie, Hutchinson, Purcell, Rayton & Swart, 2005). The present study, in comparison, expected that HR practices assume the role of mediator between leadership styles and employee commitment-to-change.

In this study, we suggest that leaders adopt HR practices consistent with their dominant leadership style to motivate subordinates' commitment-to-change, and hence developed the following hypotheses.

### III. METHODOLOGY

The current study examines the influence of leadership styles (transformational, transactional and laissez-faire) on academicians' commitment-to-change and the mediating effect of HR practices, in the context of Malaysian public universities.

From the study objectives, three hypotheses were developed:

H1: HR practices mediate the relationship between transformational leadership style and commitment-to-change.

H2: HR practices mediate the relationship between transactional leadership style and commitment-to-change.

H3: HR practices mediate the relationship between laissez-faire leadership style and commitment-to-change.

Data were collected from full-time academic staff, at various position rankings, in 20 Malaysian public universities using a purposive sampling approach. The respondents are tutors, associate lecturers, lecturers, senior lecturers, associate professors and professors. We collected 505 completed questionnaires but discarded 45, resulting in 470 usable data sets.

The primary research instrument was a questionnaire consisting of 77 items in three sections, measuring leadership styles, commitment-to-change and demographic characteristics. Fifty-one items measured academicians' perception of their immediate supervisor's leadership style (using a 7-point Likert scale). The items were adopted from existing literature (e.g., Kouzes & Posner, 1992; Carlson & Perrewe, 1995; Kouzes & Posner, 1995; Craig & Gustafson, 1998; Gardner & Cleavenger, 1998; Avolio, Bass, & Jung, 1999; Simons, 1999; Avolio & Bass, 2004; Swailes, 2004). Sixteen items, adapted from Yu et al. (2002), measured academicians' commitment-to-change, and ten items were developed to collect respondent profile and demographic information. The present study used multiple regression techniques to test the hypotheses H1, H2 and H3.

### IV. RESULTS AND DISCUSSION

#### A. Profile of the Respondents

Demographic characteristics of the respondents are reported in Table I.

**Table I:** The demographic Characteristics of Study Respondents ( $n = 470$ )

Demographic Variable	Category	Frequency	Percentage
Gender	Male	245	52.13
	Female	225	47.87
	18 - 24	16	3.40
	25 - 34	161	34.26
Age (in years)	35 - 44	181	38.51
	45 - 54	81	17.23
	Above 54	31	6.60
	Permanent	353	75.11
Employment status	Contract (Full-time)	117	24.89
	1 - 5 yrs.	405	86.17
Length of employment (in years)	6 - 10 yrs.	46	9.79
	11 - 15 yrs.	11	2.34
	16 - 20 yrs.	5	1.06
	More than 20 yrs.	3	0.64
Demographic Variable	Category	Frequency	Percentage
Job position	Tutor	56	11.91
	Associate	6	1.28
	Lecturer	223	47.45
	Senior Lecturer	110	23.40
	Associate Professor	50	10.64
	Professor	25	5.32
Highest education attainment	Bachelor	58	12.34
	Master	262	55.75
	Doctorate	150	31.91
	University Level	52	11.06
Administrative experience	Faculty Level	113	24.04
	None	305	64.89

Exploratory factor analysis results revealed that many items did not load on the intended factors. This may be due to differences between respondents in the present study and those of previous studies. After the factor analysis, the dimensions of transformational leadership style were reduced from eight to five. Transactional leadership dimensions dropped to two, the single laissez-faire leadership dimension remained, and commitment-to-change was reduced to three. HR practices was reduced from five to three dimensions.

Since many items did not load on the intended factors, the new dimensions derived from factors in this study were renamed accordingly. Hence, transformational leadership consisted of behavioural integrity, innovation and charisma, intellectual stimulation, inspirational communication and supportive leadership. Transactional leadership consisted of active management-by-exception and passive



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management-by-exception. HR practices dimensions were renamed teamwork and development, communication effectiveness and management transparency. As for commitment-to-change dimensions, the factors are self-efficacy, emotional engagement and context belief.

Mean and standard deviation values of leadership styles, commitment-to-change and HR practices are presented in Table II. The bivariate-correlation coefficients of the variables are shown in Table III. The results of the Pearson product-moment correlation test did not indicate multicollinearity; all correlation coefficients were below the threshold level suggested by Pallant (2011).

**Table II:** Descriptive Statistics of the Variables ( $n = 470$ )

Variables	Mean	Std. Deviation
<b>Transformational Leadership</b>		
Behavioural Integrity	4.02	1.45
Innovation and Charisma	5.04	1.01
Intellectual Stimulation	4.80	0.99
Inspirational Communication	4.80	0.99
Supportive Leadership	4.92	1.14
<b>Transactional Leadership</b>		
Active Management-by-Exception	4.97	0.88
Passive Management-by-Exception	5.01	1.08
<b>Laissez-Faire</b>		
Laissez-Faire	4.24	1.31
<b>Commitment-to-Change</b>		
Self-Efficacy	5.18	0.95
Emotional Engagement	5.12	0.96
Context Belief	4.88	1.08
<b>HR Practices</b>		
Teamwork and Development	4.79	1.10
Communication Effectiveness	4.44	1.06
Management Transparency	4.95	1.00

**Table III:** Correlation Matrix for Study Variables

Variables	Tr	Tr	Tr	Tr	Tr	Tr	Tr	LF	H	H	H	H	CT	CT	CT	CT
	an	an	an	an	an	an	an	air	R	P	R	P	C	C	C	C
sF	sF	sF	sF	sF	sF	sF	sF	sc	sc	eF	F	F	F	C_1	C_2	C_3
1	2	3	4	5	F1	F2	1	1	2	3	F1	F2	F3			
Behavioural Integrity	1.															
Innovation and Charisma	.3	1.														
Intellectual Stimulation	.1	.6	1.													
Emotional Engagement	.0	.4	.0													
Communication Effectiveness	.5*	.8*	.0													
Management Transparency	*.	*	0													
Self-Efficacy	.1	.6	.6	1.												
Emotional Engagement	.1	.8	.3	.1												
Context Belief	.8	.7*	.3*	.0												

Supportive Leadership	.5	.7	.5	.5	1.											
Active Management-by-Exception	1	5	8	7	0											
Passive Management-by-Exception	7*	5*	2*	6*	0											
Laissez-Faire	*.	*	*	*	0											
Teamwork and Development	.7	.3	.1	.2	.5	.3	.5	1.								
Communication Effectiveness	4	7	0	.4	4	0	3									
Management Transparency	4*	8*	5*	4	1*	4*	6*	6*	5*	0						
Self-Efficacy	*.	*	*	*	1*	*	*	*	*	*						
Emotional Engagement	.4	.4	.3	.3	.4	.4	.4	.3	.6	1.						
Context Belief	1	9	9	7	9	2	3	4	9	0						
Teamwork and Development	7*	3*	1*	6*	4*	4*	6*	6*	5*	0						
Communication Effectiveness	*.	*	*	*	*	*	*	*	*	*						
Management Transparency	.3	.5	.4	.4	.5	.5	.4	.3	.7	.6	1.					
Self-Efficacy	6	8	2	9	4	6	8	9	1	0						
Emotional Engagement	7*	0*	9*	3*	8*	2*	6*	4*	8*	4*	0					
Context Belief	*.	*	*	*	*	*	*	*	*	*	*					
Teamwork and Development	.2	.4	.4	.4	.3	.4	.4	.2	.5	.3	.6	1.				
Communication Effectiveness	2	6	0	6	8	9	0	7	4	6	0					
Management Transparency	0*	5*	1*	7*	5*	2*	2*	9*	1*	8*	9*	0				
Self-Efficacy	*.	*	*	*	*	*	*	*	*	*	*	*				
Emotional Engagement	.0	.3	.4	.4	.2	.4	.2	.1	.4	.3	.5	.6	1.			
Context Belief	6	8	0	7	6	4	8	4	3	1	7	6	0			
Teamwork and Development	4*	1*	3*	2*	0*	0*	0*	7*	9*	5*	4*	0				
Communication Effectiveness	*.	*	*	*	*	*	*	*	*	*	*	*				
Management Transparency	.3	.4	.4	.4	.4	.5	.4	.2	.6	.4	.6	.6	.5	1.		
Self-Efficacy	0	9	5	5	7	0	3	9	2	7	1	7	8	0		
Emotional Engagement	6*	6*	0*	5*	8*	2*	3*	4*	3*	7*	0*	9*	0*			
Context Belief	*.	*	*	*	*	*	*	*	*	*	*	*	*			

**Note.** TransF1= Behavioural Integrity; TransF2= Innovation and Charisma; TransF3= Intellectual Stimulation; TransF4= Inspirational Communication; TransF5= Supportive Leadership; TransC1= Active Management-by-Exception; TransC2= Passive Management-by-Exception; LFaireF1= Laissez-Faire; HRP\_F1= Teamwork and Development; HRP\_F2= Communication Effectiveness; HRP\_F3= Management Transparency; CTC\_F1= Self-Efficacy; CTC\_F2= Emotional Engagement; CTC\_F3= Context Belief.

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

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

## B. Mediated Regressions Analysis

This study utilised Baron and Kenny's (1986) mediated regression approach to test the hypothesised mediation effects of HR practices on the relationships between leadership styles and commitment-to-change. Their



work prescribed four conditions for full mediation. First, leadership styles must affect commitment-to-change in the predicted direction and, second, it must affect HR practices. Third, HR practices must also have a relationship with commitment-to-change. And fourth, when leadership styles and HR practices are concurrently tested on their relationships with commitment-to-change, the effect of leadership styles is reduced as a result of the inclusion of HR practices.

For the three dimensions of commitment-to-change, regression equations were estimated and met the four conditions for full mediation (Baron & Kenny, 1986). The Sobel test was also used to validate mediation effects (Baron & Kenny, 1986; Wood, Goodman, Beackman, & Cook, 2008) and the results are reported as follows.

### 1) Self-Efficacy

The HR practices factor teamwork and development mediated the relationship between the transformational leadership dimension, intellectual stimulation (Sobel test  $Z = 1.668^{**}$ ), the transactional leadership dimension, passive management-by-exception ( $Z = 1.979^{**}$ ), and self-efficacy. The four conditions for mediation effects were achieved and the Sobel test indicated a significant mediation effect. Furthermore, the HR practices factor management transparency mediated the relationship between intellectual stimulation ( $Z = 1.825^{**}$ ), active management-by-exception ( $Z = 1.688^{**}$ ) and self-efficacy. However, no leadership style dimensions were significantly related to communication effectiveness; hence, it was concluded that communication effectiveness did not mediate the relationships between leadership styles and self-efficacy. These results are presented in Tables IV and V.

**Table IV:** Mediated Regression Test Results of Teamwork and Development Mediating Leadership Styles and Self-Efficacy

Independent variables	Dependent variable		Model 1	Model 2	Model 3	Sobel Test
	Self-efficacy (Without Mediator)	Teamwork & Development	Self-efficacy (With Mediator)	Self-efficacy (With Mediator)	Self-efficacy (With Mediator)	Significance
Intellectual Stimulation	$B = .210^{***}$	$B = -.097^{**}$	$B = .212^{***}$	$B = .212^{***}$	$B = .1668^{**}$	1.668 <sup>*</sup>
Passive Management-by-Exception	$B = .158^{**}$	$B = .116^*$	$B = .058^*$	$B = .058^*$	$B = 1.979^{**}$	1.979 <sup>**</sup>
Teamwork & Development	-	-	$B = .398^{***}$	-	-	-

**Note.** \*\*\* represents significant level at 0.01 or below; \*\* represents significant level at 0.05 or below; \* represents significant level at 0.1 or below.

**Table V:** Mediated Regression Results of Management Transparency as a Mediator Between Leadership Styles and Self-efficacy

Independent variables	Dependent variable		Model 1	Model 2	Model 3	Sobel Test
	Self-efficacy (Without Mediator)	Management Transparency	Self-efficacy (With Mediator)	Self-efficacy (With Mediator)	Self-efficacy (With Mediator)	Significance
Intellectual Stimulation	$B = .210^{**}$	$B = .124^{**}$	$B = .202^{***}$	$B = .202^{***}$	$B = 1.825^{**}$	1.825 <sup>**</sup>
Active	$B = .190^{**}$	$B = .171^{**}$	$B = .060^{**}$	$B = .060^{**}$	$B = 1.688^{**}$	1.688 <sup>**</sup>

Management-by-Exception  
Management Transparency -  $B = .162^{***}$  -  
**Note.** \*\*\* represents significant level at 0.01 or below;  
\*\* represents significant level at 0.05 or below; \* represents significant level at 0.1 or below.

### 2) Emotional Engagement

The results of mediated regression testing showed management transparency significantly mediated the relationship between two leadership style dimensions and emotional engagement. Management transparency mediated the relationships intellectual stimulation and emotional engagement ( $Z = 2.068^{**}$ ), and active management-by-exception and emotional engagement ( $Z = 1.875^{**}$ ). However, the results did not support communication effectiveness and management transparency as mediators of leadership styles and emotional engagement. These results are presented in Table VI.

**Table VI:** Mediated Regression Results of Management Transparency as a Mediator Between Leadership Styles and Emotional Engagement

Independent variables	Dependent variable	Model 1	Model 2	Model 3	Sobel Test
		Emotional Engageme nt (Without Mediator)	Managem ent Transparency	Emotional Engageme nt (With Mediator)	Significance
Intellectual Stimulation	$B = .317^{***}$	$B = .124^{**}$	$B = .052^{***}$	$B = .052^{***}$	2.068 <sup>*</sup>
Active Management-by-Exception	$B = .147^*$	$B = .171^{***}$	$B = .057$	$B = .057$	1.875 <sup>*</sup>
Management Transparency	-	-	-	$B = .524^{***}$	-

**Note.** \*\*\* represents significant level at 0.01 or below; \*\* represents significant level at 0.05 or below; \* represents significant level at 0.1 or below

### 3) Context Belief

Two HR practices factors, teamwork and development and management transparency were significant mediators of the relationship between context belief and leadership styles. Teamwork and development mediated context belief and two leadership dimensions, namely, behavioural integrity ( $Z = 4.268^{***}$ ) and intellectual stimulation ( $Z = 1.674^{**}$ ). Likewise, management transparency mediated the relationship between context belief and intellectual stimulation (Sobel test  $Z = 2.043^{**}$ ). In contrast, communication effectiveness did not mediate leadership styles and context belief. These results are shown in tables VII and VIII.

**Table VII:** Mediated Regression of Teamwork and Development as Mediator Between Leadership Styles and Context Belief

Independent variables	Dependent variable		Model 1	Model 2	Model 3	Sobel Test of Significance
	Context Belief (Without Mediator)	Teamwork & Development	Context Belief (With Mediator)	Teamwork & Development	Context Belief (With Mediator)	Significance
Intellectual Stimulation	$B = .210^{**}$	$B = .124^{**}$	$B = .202^{***}$	$B = .202^{***}$	$B = 1.825^{**}$	1.825 <sup>**</sup>
Active	$B = .190^{**}$	$B = .171^{**}$	$B = .060^{**}$	$B = .060^{**}$	$B = 1.688^{**}$	1.688 <sup>**</sup>



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Behavioural Integrity	$B = .136^{**}$	$B = .182^{***}$	$B = .049$	$4.268^{***}$
Intellectual Stimulation	$B = .137^{**}$	$B = -.097^{**}$	$B = .140^{**}$	$1.674^{**}$
Teamwork and Development	-	-	$B = .479^{***}$	-
<b>Note.</b> *** represents significant level at 0.01 or below; ** represents significant level at 0.05 or below; * represents significant level at 0.1 or below.				

**Table VIII:** Mediated Regression Testing of Management Transparency as Mediator between Leadership Styles and Context Belief

Independent variables	Dependent variable	Model 1 Context Belief (Without Mediator)	Model 2 Management Transparency	Model 3 Context Belief (With Mediator)	Sobel Test of Significance
Intellectual Stimulation	$B = .137^{**}$	$B = .124^{**}$	$B = .083^{**}$	$2.043^{**}$	
Management Transparency	-	-	$B = .434^{***}$	-	

**Note.** \*\*\* represents significant level at 0.01 or below; \*\* represents significant level at 0.05 or below; \* represents significant level at 0.1 or below.

## V. DISCUSSION

### A. Transformational Leadership

The present study found two HR practices constructs mediated the relationship between transformational leadership and commitment-to-change. First, teamwork and development mediated intellectual stimulation with self-efficacy and with context belief. It also mediated behavioural integrity and context belief. Second, management transparency mediated intellectual stimulation and all dimensions of commitment-to-change.

Furthermore, the direct effects of transformational leadership on commitment-to-change dimensions (perceived self-efficacy and context belief) were supplemented by the indirect effects of teamwork and employee development. In a Malaysian public university context, a head of school or dean who adopts transformational leadership behaviours (effective teamwork, employee skills development and management transparency) positively influences academicians' commitment-to-change. They may also encourage and reward subordinates for effective team performance, employee development and problem-solving. Similar findings, in a financial sector study in The United States and Hong Kong, were observed by Schaubroeck, Lam and Cha (2007). They found a positive relationship between transformational leadership and team performance through the mediating effect of team potency (i.e. a team's confidence in their own abilities).

Transformational leadership also promotes teamwork and subordinate development when leaders demonstrate behaviours that reflect leadership integrity. Leaders signal their integrity by rewarding subordinates' effort, providing constructive feedback, and facilitating teamwork. These behaviours promulgate a supportive environment and increase subordinates' confidence that leaders respect them; hence, employees support the new changes. Inspirational communication also articulates a purpose, binding

subordinates to a shared vision for the organisation (Kelly, 2003; Stone et al., 2003; Hoption et al., 2007; Northouse, 2016).

### B. Transactional Leadership

The present study noted teamwork and development mediated the relationship between passive management-by-exception and self-efficacy. This implies by adopting passive management-by-exception a head or dean of faculty can strengthen academicians' self-efficacy when mechanism that support teamwork and development exist. In other words, university leaders who organise teamwork development programs may enhance academicians' commitment-to-change.

Management transparency mediated the relationship between contingent rewards and active management-by-exception and two aspects of commitment-to-change, namely, self-efficacy and emotional engagement. Transactional leaders who use contingent rewards (recognition, merit increases, promotions or bonuses) to reward employees who meet performance goals (Bass, 1985; Shamsudin et al., 2012), stimulate employee psychological attachment to the organisation (Meyer & Allen, 1997). These types of rewards can also be associated with management transparency, informing employees of the links between incentives, staff performance and goal achievement.

### C. Laissez-faire Leadership

Unlike the other leadership styles, the laissez-faire and commitment-to-change relationship was not mediated by HR practices. As laissez-faire leaders seldom intervene in employees' work (Judge & Piccolo, 2004; Bass & Riggio, 2006; Limsila & Ogunlana, 2008; Hong et al., 2009), it is unsurprising that employees disassociate this leadership style with HR practices. The findings indicated that to influence employee performance, HR practices require active or passive leadership style. HR practices are leadership tools, not substitutes for strong leadership.

## VI. IMPLICATIONS OF THE STUDY

### A. Theoretical Implications

This study identified new dimensions for transformational leadership style and commitment-to-change: innovation and charisma, inspirational communication and supportive leadership. By enhancing our understanding of transformational leadership, this study adds value to the existing literature.

Further, the results suggest that HR practices may influence employees' commitment directly and also mediate the effect of leadership styles on academicians' commitment-to-change. This study's framework has enriched our understanding of how HR practices mechanisms link to leadership style and commitment-to-change in the context of Malaysian higher education.

### B. Policy and Managerial Implications

Several policy and managerial implications are



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drawn from the findings. Firstly, empirical evidence from higher education institutions supports the view that leadership style evokes academician commitment-to-change and generates successful change outcomes. Even though all three leadership styles influenced academicians' commitment-to-change, transformational leadership was more effective in institutions of higher education. Policy makers and university leaders adopt a variety of leadership styles, but the values and behaviours of transformational leaders positively affect the level of academicians' commitment-to-change.

University policy makers are now better equipped to understand the impact of HR practices on academicians' commitment-to-change and HR committees are now able to design more effective HR policies to foster higher levels of commitment-to-change. For example, financial incentives and rewards for teamwork may strengthen university staff communication processes, boosting coordination and control and minimising disruption. In addition, leadership training programmes may help leaders create a teamwork culture and build a collaborative work environment.

## VII. CONCLUSION

The present study suggests that HR practices are not limited to directly influencing employee commitment, but may also mediate the effect of leadership styles on academicians' commitment-to-change. The results reveal that two HR practices, teamwork and development and management transparency, mediated the relationship between two leadership styles (transformational and transactional) and commitment-to-change. The present study has added to the literature on HR practices and their influence on leadership styles and commitment-to-change, especially in a Malaysian context where few studies exist.

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