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### The Link between Perceived Leadership Style and Institutional Readiness for Change in the Public Universities of Ethiopia

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#### Abstract

This study explored the links between leadership styles and institutional readiness for change using a correlational research design. A total of 616 academic staff drawn from five public universities was included using proportionate stratified and simple random sampling techniques. Data were collected using Multi-factor Leadership Questionnaire and Organizational Change Recipients Beliefs' Scale and analyzed using descriptive and inferential statistics. The results unveiled that the leadership style of top university leaders was found to be between transactional and laissez-faire in their leadership style and high institutional readiness for change in public universities. The findings further disclosed that the transformational leadership style had high, positive, and significant relations with institutional readiness for change while transactional and laissez-faire leadership styles had low, sometimes negative, and non-significant effects. Finally, it was concluded that high institutional readiness for change is an opportunity for university transformation. Still, failure to be transformational in leadership style at the top leadership echelon could hinder its implementation. Policy implications are also indicated in the study.

**Keywords:** leadership style, change, transformation, institutional readiness, institutional change

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#### **Background**

Attempts to understand leadership and its relationship with other factors in the literature began to develop long years back. The empirical study of leadership formally began in the early 1930s (Alimo-Metaclafe & Alban-Metaclafe, 2001). Most of these studies paid more attention to leadership effectiveness. They came up with different leadership theories of the 1940s: traits theory (Bass, 1990a) to the 1980s theories of transformational and transactional leadership (Burns, 1978).

Leadership style is a sequence of attitudes, characteristics, and skills used by a leader in different situations following individual and organizational values (Mosadegh & Hossein, 2006). The use of a particular leadership style affects employees' productivity, including their perceptions toward change and transformation (Nazarian et al.,2017). A leadership style is a means that provides a clear direction and path to enable employees to make their skills and performances more effective (Lee and Chuang, 2003). Different studies indicate that a leader's behavior or style is linked to different aspects of organizations, including employees' perception and commitment during the implementation of change (Hassan, 2019).

Successful change in any organization is impossible without the active participation of the leadership. Every human being is reluctant to change, whether it's planned or accidental. Recipients to change are affected by both external and internal factors. Among these internal factors, the leadership style and leadership that influence the process of change are the major ones (Chirimbu, 2011). According to Smith (2005), people, the human resources of organizations, are both essential factors in organizational change and, at times, the biggest obstacles to achieving change. Leaders are, therefore, the champions of change who keep the process of change going on and maintain the operational reliability of the organization (Nadler & Nadler, 1998).

An organization's leadership style impacts the relations between leaders and an employee directly, thus affecting both the latter's performance and the organization's total coherence (Wilderom, et.al., 2004). Moreover, a study by Mckinnon, et al. (2003) has shown that in organizations that are flexible and adopt a participative leadership style, emphasizing communication and employees' reward, the latter is more likely to be satisfied in the organization's success.

In general, according to Bogler (2001), failure to engage in a suitable leadership style would lead to a subordinate's action being dysfunctional rather than becoming productive and satisfied. Morales, et.al., (2012) research disclosed that transformational leadership positively influences organizational performance through organizational learning and innovation. They concluded that transformational leadership is needed for organizations to improve their performance in changing real-life business environments. Emery and Barker (2015) also note that transformational leaders positively increase employees' satisfaction and sense of accomplishment with their job because they encourage and motivate their followers to take more responsibility.



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Leadership style influences the well-being of followers (Skakon et al., 2010). This is also true during organizational change, where leaders play key roles as change agents (Kieselbach et al., 2009). Employees' positive reactions towards organizational change are produced if the leadership is competent enough and is perceived as fair by coworkers in an organization (Oreg et al., 2011). According to some findings, transformational leadership is an appropriate leadership style for organizational change (Bass and Riggio, 2006; Eisenbach et al., 1999). Besides, transformational leadership facilitates how followers handle change in an organization and boost followers' commitment, self-efficacy, and empowerment during change (Bommer et al., 2005, Callan, 1993)). A study by Oreg et al. (2011) reported that transformational leadership positively affects followers' reactions to organizational change.

Studies conducted to determine the relations between leadership styles and change indicated that change management depends on leadership to be enacted. Change theorists have noted the key role leaders play in the change process, yet no conclusive research focuses on this relationship between leadership and change (Almaraz, 1994). Particularly the links between leadership styles and employees' perception of change during transformation should get due attention for successful implementation. Hence, this study tries to fill in this research gap by focusing on the higher education institutions in Ethiopia that have recently embarked on different changes and transformations.

#### Statement of the problem

Although the history of modern higher education in Ethiopia dates back to 1950 with the establishment of Addis Ababa University College, the progress made to expand the system was very low compared to other sub-Saharan African countries in the past. However, after the downfall of the Military regime in 1991 in the country, different policies and strategies aimed at alleviating poverty through the development of human resources by increasing the number of higher education institutions were formulated.

Although much emphasis was given to developing higher education institutions by the government, the institutions' deep-rooted backward working systems hindered producing higher-level qualified manpower needed to achieve the overall development objectives of the country. In this regard, Teshome (2005:11-12) states that '... the need to transform higher education through relevant expansion, improving the system's efficiency and effectiveness ... 'required the commitment and competence of the leadership of the entire endeavor of change. The author further underlined that higher education in Ethiopia, particularly its leadership, must commit its time and energy to improve the existing traditional trends in the higher education system to involve and transform the country's development goals actively. Ashcroft (2005:37) further notes the need for transformation in the higher education institutions in Ethiopia and states that '... once a formula has been developed for teaching and learning, the values within it will change.' The above discussions indicate the need to improve the leadership effectiveness of universities and the importance of transforming the deep-rooted backward institutional culture existing in public universities to implement the envisaged changes.



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However, the extent to which top university leadership styles are effective in the process of transformation, to what extent they have examined the institutional readiness for transformation before embarking on it, are not studied and documented. Thus, this study tries to investigate the links between these two most important elements in the public universities of Ethiopia. The study raised three guiding questions.

- 1. What is the dominant leadership style of top leadership in the public universities as perceived by the academic staff?
- 2. What is the perception of the academic staff on the institutional readiness for change in public universities?
- 3. Are there statistically significant relationships between leadership styles and employees' perception of institutional readiness for change in the public universities of Ethiopia?

#### **Review of the literature**

#### **Leadership theories**

Different sources classify leadership theories differently, but the following classification is used in this study: personality or trait, behavior, contingency or situational, and transactional and transformational theories.

#### **Trait theories**

The traits approach is the oldest approach, which assumes that some traits and skills can predict whether a person will attain leadership positions and be effective in these positions. Personal attributes include humor, courage, judgment, integrity, intelligence, persistence, hard work, vision, and being opportunity conscious, including different interpersonal abilities and qualities of leaders (Yukl, 2007). Hundreds of trait studies conducted during the 1930s and 1940s sought to discover these qualities but failed to find any traits that would guarantee leadership success (Northhouse, 2013).

#### Behavioral style theory

This theory began to examine patterns of leader's behavior and came up with leadership styles such as democratic or autocratic, permissive or restrictive, and participative or non-participative (Richmon & Allison,2003). Three widely known studies of classic behavioral leadership theories were conducted at the University of Iowa, Ohio State University, and the University of Michigan.

#### Situational theories

Hersey and Blanchard developed the situational theory in 1969, and it was revised different times later (Northhouse, 2013). This theory focuses on leadership within given



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situations. It states that different situations require different leadership styles that a leader has to adapt to his/her specific style to fit the situation (Northhouse, 2013).

#### Transactional, transformational, and laissez-faire leadership theories

The theory of transformational and transactional leadership is one of the most comprehensive leadership theories of organizational change. While Burns developed the initial ideas on transformational and transactional leadership in the political environment, Bass (1985) refined and introduced them into the organizational context.

In his efforts to explain transactional leadership, Burns (1978) explains that politicians lead by exchanging one thing. Similarly, transactional business leaders offer financial rewards for productivity or deny it for lack of productivity (Bass and Riggio, 2006).

On the other hand, transformational leaders stimulate and inspire followers to both achieve extraordinary outcomes and, in the process, develop their leadership capacity. They also help followers grow and develop into leaders by responding to individual followers' needs by empowering and aligning the objectives and goals of the individual followers, the leader, the group, and the larger organization (Bass and Riggio, 2006). Besides, transformational leaders motivate others to do more, set more challenging expectations and have more committed and satisfied followers. On top of this, they empower followers and pay attention to their individual needs and personal development, helping followers to develop their leadership potential (Bass and Riggio, 2006).

Transactional leadership emphasizes the transaction or exchange among leaders, colleagues, and followers, as explained above. Transformational leadership, however, raises leadership to the next level by inspiring followers to commit to a shared vision and goals for an organization or unit, challenging them to be innovative, problem solvers, and developing followers' leadership capacity via coaching, mentoring, and provision of both challenge and support (Bass and Riggio, 2006).

According to some studies, certain transformational qualities are appropriate for leading the change process during organizational change. For instance, Bass (1985) states that transformational leadership is better in non-routine situations, while Pawar & Eastman (1997) state that organizations are more receptive to transformational leadership during adaptation. When there is a realization that the old ways no longer work, transformational leaders undertake developing an appealing vision of the future. Tichy and Devanna (1990) study further disclosed that transformational leaders engage in the change process with different phases: recognizing the need for change, creating a new vision, and then institutionalizing it.

According to Avolio et al. (1999) and Bass and Riggio (2006), transformational leadership consists of interrelated behavioral components: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration.



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The Full Range of Leadership model also includes several components of transactional leadership behavior, along with laissez-faire behavior. According to Bass and Riggio (2006), transactional leadership depends on Contingent Reward (CR) and Management-by Exception (MBE).

Laissez-faire leadership is the avoidance or absence of leadership and is, by definition, most inactive and most ineffective according to almost all research on the style (Bass and Riggio, 2006). According to these authors, in contrast to transactional leadership, laissez-faire represents a non-transaction where necessary decisions are not made, actions are delayed, leadership responsibilities are ignored, and authority remains unused. According to Robert & Vandenberghe (2020), Laissez-faire leadership is not only ineffective but also destructive. However, leaders letting their employees make their own decisions in complex organizations such as universities is significant. In the academic environment, self-determination is essential. Laissez-faire leadership should emphasize the importance of focusing on the personal relationship between the leaders' style and different situations and staff needs. Leaders must create a positive environment where the employees and the employers feel like they are a family regardless of their positions in the academic institutions due to the nature and quality of staff they employ (Suong et al., 2019).

Most of the recently carried out studies on the relations between these three leadership styles mainly focus on other variables such as staff motivation, staff commitment, and staff satisfaction than their relationship with staff perception of change. For instance, Robert & Vandenberghe (2021) focused on Laissez-Faire Leadership and Affective Commitment: the Roles of Leader-Member Exchange and Subordinate Relational Self-concept. Another study by Suong et al.(2019) indicated that Transformational leadership directly impacts job satisfaction. This proves that transformational leadership is appropriate in the educational environment. In addition, transformational leadership is very effective in increasing the satisfaction of working officers, staff, and lecturers. A study by Wulandari et al. (2020) unveiled that transformational leadership style significantly influenced employees' high level or low level of work motivation in the ICT sector. In addition, another study by Zeleke and Kifle (2020) focused on the links between leadership style, organizational change perceptions, and job satisfaction at the Ethiopian Electric Utility. The findings from this study indicated significant and positive correlations between transformational leadership style and organizational change perceptions in Ethiopia. Furthermore, the transformational leadership style has emerged as the strongest predictor of employees' change perception. The findings from this study would also add some insights into the existing literature and encourage other researchers to pursue further investigations in the area.

#### Employees' perception of change

Perception is the process by which an employee organizes and interprets his/her impressions to give meaning to workplace behavior (Langton & Robbins, 2006) significantly place behavior (Langton & Robbins, 2006). The evidence suggests that what individuals perceive



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about their work situation influences their attitudes and behavior during organizational change. Thus, employee perceptions will lead to resistance or acceptance of the change (Galpin, 1996). To be successful, change leaders should execute a process to influence the chance of the assessor's beliefs to assess progress.

Employees are the main recipients of any change initiative. Hence, understanding employees' perception of change within an organization helps leaders design their strategies and techniques to implement their vision. In addition, examining employees' subjective experience of change may reveal that employees are not necessarily resisting the change itself, but rather perceived undesirable outcomes of change (Dent and Goldberg, 1999) or the process of implementing the change. In this regard, researchers identify five types of employees' beliefs or perceptions of change: discrepancy, appropriateness, efficacy,principal support, and valence (Armenakis, et.al. 2007).

#### **Discrepancy**

Different studies indicate that employees must believe the need for change exists from the outset. This is achieved when the change agent or leader shows the existing gap within the organization with what is expected of the organization through continuous orientation and communication with its employees. A difference between current and desired performance helps legitimize the need for change. Otherwise, the motive for change may be perceived as arbitrary. Hence, employees' beliefs about discrepancy can be influenced by the information offered by leadership to explain the need for change (Bartunek, et.al., 2006). Specifically, transformation requires an array of communication techniques as communication creates a sense of urgency that motivates employees to act. Leaders are advised to provide abundant information to employees about proposed changes and innovation, inform employees about the rationale for change, hold meetings to address employees' questions and concerns, and give those who feel the impact of the change opportunities to discuss how change might affect them (Roususseau & Shah., 1999).

#### **Appropriateness**

Appropriateness refers to how employees perceive the change introduced by the agent is helpful to solve the gap within the organization. It is about the appropriate corrective action that could match that situation and eliminate the discrepancy (Armenakis, et al., 2007).

#### **Efficacy**

Efficacy refers to employees' perception of the capacity to implement the change initiative. According to some researchers, some employees commonly avoid activities that they believe exceed their coping capabilities. In contrast, others will have positive beliefs of the activities that they evaluate to be capable. Thus, employees must feel they can execute the new behaviors required by the change initiative (Bandura, 1999).



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#### **Principal support**

Principal support describes employees' belief in the support they get from their leaders. For Simons (2002), principal support is behavioral integrity or the alignment or misalignment of words and deeds of a leader. If employees believe principal support for the change is inadequate, it can influence whether the change initiative will be embraced. Leaders who coach, help employees improve their renewal capacity and resilience, which positively influences organizational success. Accordingly, it is suggested that coaching entails the ability to question the status quo, approach situations from a new perspective, and allow others to make mistakes and learn from them. Further studies reveal that coaching involves establishing a collegial partnership between leaders and their employees, one based on two-way communication that is nonjudgmental, free of fear, personal, and professional (Gilley & Gilley, 2007). Coaching allows a leader the opportunity to better serve their employees in implementing change activities. Denning (2005), for instance, argues that change requires leadership to move beyond the command and control way of leading.

#### Valence

Valence refers to employees' belief in the attractiveness associated with the perceived outcome of the change. Valence could be extrinsic or intrinsic. Extrinsic valence refers to the rewards to benefits realized from adopting the new behaviors. Incentive systems, like gain-sharing programs, contribute to the perceived benefits of the change initiative, while intrinsic rewards provide more autonomy for decision-making among operative workers and increase higher-order need satisfaction. LeBoeuf's (1985) research revealed that compensation and reward based on rewarding employees for the right performance encourages the implementation of change. This approach ensures that the organization will secure its desired outcomes. By contrast, failure to reward the right behaviors leads to unsatisfactory outcomes.

A compensation and reward philosophy should be flexible enough to consider the dynamic nature of the organization's change initiatives and other important system-wide activities (Flannery, et.al. 1996). Consequently, compensation and rewards are to be fluid and subject to review, alteration, or redesign. Employees respond favorably to celebrating milestones and being rewarded for incremental change (Lussier, 2006).

#### Scope of the study

This study was delimited to the academic staff's perception of the change efforts and doesn't include that of students, support staff, and other stakeholders. The study was also delimited to academic staff's perception of top-level university leadership styles used in the implementation of transformation.

#### Research methodology

Since this study aimed to examine the links between leadership styles and institutional readiness for change as perceived by the academic staff, a correlational design of a quantitative research approach was applied. Correlational research is a non-experimental



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research method that studies the relationship between two or more variables with the help of statistical analysis. The design was used in this study to examine if there are significant relationships between the three independent variables (Transformational, transactional, and laissez-faire leadership styles) and the dependent variable, employees perception of change measured using the five dimensions (a discrepancy, appropriateness, efficacy, principal support and valence).

### Sampling techniques

Currently, there are 44 public universities categorized into four generations based on the ages of the establishment. This study considered the first two generations containing 20 public universities of which five were included as samples randomly. The sample respondents for the study were drawn from a total of 12,824 academic staff in these universities. In correlational studies of such kind, Stephen Olejnik recommends a sample size of 616 at 0.7 statistical power and .05 alpha with a small effect size (Gall, et al. 1996) and included from five sample universities. The number of sample respondents from each university was determined proportionally and selected using a three-stage sampling. Each sample university was first divided into faculties or institutes at stage one and representative faculties were selected. In contrast, the selection of sample departments from each sample faculty was carried out at stage two. Finally, the selection of individual respondents from each sample department was carried out at stage three. In all cases, a simple random sampling procedure was used where individual samples were selected from the total population list at each university.

#### **Data Gathering Tools**

The data for the study was collected using two standardized questionnaires i.e. Multifactor Leadership Questionnaire and Organizational Change Recipients' Beliefs Scale with additional biodata of respondents.

**Multifactor Leadership Questionnaire** (MLQ): is a standardized questionnaire developed by Bass (1995:1998) to measure the dominant leadership styles. The MLQ 5X short is a 45- item questionnaire that measures transformational leadership, transactional leadership, and laissez-faire leadership using a five-point Likert Scale (Bass & Avolio, 2000). The internal validity of the MLQ for the three styles of transformational, transactional, and laissez-faire was 0.78, 0.81, and 0.83, respectively.

Organizational Change Recipients' Beliefs Scale (OCRBS): developed by Armenakis, et al. (2007), consisting of 24 items were used to examine employees' perception of change. According to the developers, the internal reliabilities of the instrument were acceptable for both the subscales and the overall OCRBS. Data for the study were collected between March to April 2020 with the help of trained data collectors at each sample university. The training of data collectors was offered for two days at the center, and the data collection was conducted at the same time at each sample university in parallel.



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#### Data analysis

Data were analyzed using the Statistical Package for Social Science (SPSS-22). Thus, a descriptive analysis such as percentages and mean ratings were used to identify the dominant leadership style and institutional readiness for change as rated by respondents.

Multiple regression was used to analyze the links between the three leadership styles and employees' perception of change as measured by its five dimensions. The strength of relationships between each independent and each of the dependent variables was measured with the help of Pearson's product-moment correlation (r) where a correlation coefficient (r) between 0 to  $\pm$  .35 was interpreted as weak or low; between  $\pm$  .36 to  $\pm$  .65 considered as a moderate and greater than  $\pm$  .65 was considered as strong relationship (Gay et al.,2009).

Analysis of Variance (ANOVA) was used to examine if there were statistically significant differences between the independent variables in predicting each dependent variable in the study. It was used to provide a summary of variance for regression to indicate if there was a significant relationship between the independent variables as specified by the model and the dependent variable. Still, further, an independent t-test was used to examine if there was a statistically significant relationship observed between each dependent and independent variable in the study.

#### **Results and discussions**

The majority of the sample respondents were males, which could be attributed to low female academic staff in the public universities. On top of this, the majority of them served between 1-10 years in the universities.

#### Dominant Leadership Style and Institutional Readiness for Change in the Universities

Table 1

Dominant Leadership Style in the Public Universities

Leadership Styles	N	Mean	Std. Deviation
Transformational	529	1.975	.76
Transactional	529	1.915	.74
Laissez faire	529	1.948	.89
Valid N (listwise)	529		

The mean results for leadership style showed that top university leadership was rated 1.98 for transformational, 1.92 for transactional, and 1.95 for laissez-faire leadership styles. According to Bass (1998), the most ideal leadership scores from the MLQ are over 3 on the transformational scale, about 2.5 for the transactional scale, and under 1 on the laissez-faire scale. Yet, top



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university leadership was rated very far from being transformational and transactional and most probably is between the transactional and laissez-faire in their leadership style. This suggests that the university leaders are acting a mix of both transactional and laissez-faire that causes an employee to perceive them as belonging at the middle.

Table 2
Institutional Readiness for Change Perception in the Public Universities

Change Perception	N	Mean	Std. Deviation
Discrepancy (D)	516	2.7726	1.05
Appropriateness of the Change Process (ACP)	516	2.6024	.95
Efficacy (EF)	506	2.7647	.96
Principal Support (PS)	510	2.5003	.97
Valence (V)	507	2.6594	.99
Valid N (listwise)	493		

As per the data given in table 2, all of the five dimensions on dimensions of change were rated high with discrepancy (2.77) the highest, followed by efficacy (2.76), valence (2.66), appropriateness of the change process (2.6), and finally principal support of the leadership in the implementation of change which was rated nearly 2.5. On the other hand, all the mean ratings were above average, indicating better institutional readiness for change in public universities.

#### The link between leadership styles and employees' perception of change

Table 3
Discrepancy Leadership Regression

Multiple		$R^2 = .038$			
		ANC	OVA Table		
	Sum of	df	Mean	$oldsymbol{F}$	
	Squares	·	Square		Sig.
Regression	21.747	3	7.249	6.753	.000
Residual	548.531	511	1.073		
Total	570.277	514			

			Std.				
Variable	r	$\boldsymbol{B}$	Error	Beta	t	Sig.	
Constant		2.245	.147		15.240	.000	
Transformatio nal	.112	043	.083	031	514	.608	
Transactional	.191	.273	.094	.193	2.894	.004	
Laissez-faire	.126	.045	.059	.038	.765	.445	

a. Dependent Variable: Discrepancy (D)



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Data in the discrepancy-leadership regression in table 3, F (3,511) = 6.753, p< 0.05 shows that the multiple regression significantly models the relationship. This means the discrepancy perception of change was significantly determined by all three leadership styles. In a similar vein, the t-values in the table show the contribution of each of the variables. The table also shows that the  $R^2$  value of .038 depicts the amount of variance on discrepancy-leadership accounted for by combining the three independent variables. This further indicates that the three leadership styles explained 3.8 % of the discrepancy perception of change. But, only transactional leadership style was found to significantly affect the discrepancy perception of change (p<0.05), while the remaining transformational and laissez-faire leadership styles were not (p>0.05).

Data in table 3 further illustrated the strength of the relationship between each of the styles and discrepancy perception of change. Consequently, the strength of the relationship between transformational leadership style and discrepancy perception of change was weak where r=.112 but not significant (p>.05). According to some findings, for example, Bass (1985), some of the transformational leadership behaviors, such as intellectual stimulation, help leaders encourage creativity and change in their followers during the time of change. On the other hand, others argue that leaders must establish a sense of urgency before a change can occur. For Kotter, the first step in creating a sense of urgency is to express the need for change in clear and dramatic terms. Top leadership's failure to do so leads employees confused about what needs to be changed and in what order. Based on these facts, it is clear to expect strong and positive links between university transformational leadership behaviors and academic staff's perception of a discrepancy. The above finding in public universities, however, was not consistent with current literature.

Similarly, the strength of the relationship between transactional leadership style and discrepancy perception of change was weak where r=.191 but significant (p<0.05), indicating a statistically significant relationship between them. According to Bass (1985), transactional leaders clarify the role and task requirements for their subordinates as well as the performance criteria and the rewards that the latter can expect if s/he reaches the desired outcomes. According to the author, the transactional leader focuses on day-to-day operations preserving the status quo. This implies that transactional leaders want to maintain the existing practices rather than embarking on transformation. Seen from this lens, the finding from this study was inconsistent with the existing literature.

Besides, the strength of the relationship between laissez-faire leadership style and discrepancy perception was weak where r= .126 and not significant (p>0.05). In connection to this, Bass (1985) describes the laissez-faire model as a non-leadership model. In this approach, the leader provides no real direction and does not provide negative feedback (Bass & Avolio, 1993). Avolio and Bass (1991), on their part, assert that laissez-faire leaders avoid taking stands on issues, don't emphasize results, refrain from intervening, and often fail to follow up. Therefore, the finding from this study was consistent with the existing theory or literature.



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Table 4

Appropriateness - Leadership Regression

Multiple R	?= . 375				$R^2$ :	= . <i>140</i>	
			ANOVA T	able			
	Sum of		df	Mean	$oldsymbol{F}$		
	Square	5		Square		Sig.	
Regression	6	5.973	3	21.991	27.818	.000	
Residual	403	3.955	511	.791			
Total	469	9.928	514				
			Variables in the	Equation			
			Std.				
Variable	r	$\boldsymbol{B}$	Error	Beta	t	Sig.	
Constant		1.579	.126		12.508	.000	
Transformational	.360	.332	.072	.264	4.638	.000	
Transactional	.323	.166	.081	.129	2.052	.041	
Laissez-faire	.160	.025	.051	.023	.478	.633	

a. Dependent Variable: Appropriateness of the Change Process (ACP)

As clearly exemplified in appropriateness-leadership regression in table 4, F (3,511) = 27.818, p< 0.05 signposts that the multiple regression was significant. This shows that employees' appropriateness perception of change was significantly determined by all three leadership styles. Similarly, the t-values in the table display that both transformational and transactional leadership styles were found to significantly affect the appropriateness perception of change (p<0.05) while laissez-faire leadership style was not (p>0.05). The data further indicated the R<sup>2</sup> value was .140 depicting that 14% of the appropriateness perception of change was explained by the three leadership styles.

The strength of the relationship between each of the styles and employees' appropriateness perception indicated that transformational leadership style and employees' appropriateness perception of change was moderate where r=.36 and significant (p<0.05). Bass (1990a), explains that some of the transformational leadership behaviors such as inspirational motivation involve the ability to communicate high expectations to followers and inspire them through motivation to commit to accomplishing the organizational vision or change Thus, in introducing a change initiative, top leadership must not only demonstrate that the change is necessary, but also that the proposed solution is the appropriate one. Hence, the presence of a positive and significant relationship between transformational leadership behavior and the appropriateness perception of the change in public universities was supported by the literature.

The strength of the relationship between transactional leadership style and appropriateness perception of change was weak where r=.323 and significant (p<0.05). The relevant literature, such as Burns (1978) explains that transactional leaders use rewards and coercion to motivate followers to comply with the leader's demands. The leader's response to the



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subordinates' immediate self-interests is exemplified mainly by contingent reward behavior according to which leaders assign a secure agreement on what needs to be done and what rewards followers can expect if they fulfill the agreement. This sense of direction the leader provides to the subordinates can be seen as a source of motivation for them to do their job well and be committed to their work (Bass, 1985). Although it is uncommon to find transactional leaders who are satisfied with the routine activities than embarking on change, sometimes their contingent reward behavior when perceived as positive by their followers during the time of change could result in employees' positive perception about the appropriateness of the ongoing change in their organization. As a result, it would be possible to come up with a significant relationship between transactional leadership style and appropriateness perception in public universities as revealed in this study.

Besides, the strength of the relationship between laissez-faire leadership style and appropriateness perception of change by academic staff was weak where r=.16 and not significant (p>0.05). Yes, as discussed by Avolio and Bass (1991), these leaders delay and appear indifferent to what is happening with their followers. They avoid taking stands on issues, don't emphasize results, refrain from intervening, and often fail to follow-up. Hence, it is difficult to expect these leaders to show the appropriateness of transformation taking place in public universities. Thus, the existence of a weak and non-significant relationship between laissez-faire leadership style and appropriateness perception of the change process in the study was expected.

Table 5

Efficacy Leadership Regression

Multiple R= .329			$R^2 = .108$					
•		ANOVA Table						
	Sum of Squares		df	Mean Square	F	Sig.		
Regression	5	0.828	3	16.943	20.310	.000		
Residual	41	7.933	501	.834				
Total	46	8.761	504					
			Variables in t	he Equation				
			Std.					
Variable	r	$\boldsymbol{B}$	Error	Beta	t	Sig.		
Constant		1.815	.131		13.817	.000		
Transformational	.285	.193	.074	.151	2.595	.010		
Transactional	.307	.216	.084	.167	2.580	.010		
Laissez-faire	.199	.077	.054	.071	1.433	.153		

a. Dependent Variable: Efficacy (EF)

Data on the efficacy-leadership regression in table 5, F (3,501) = 20.310, p< 0.05 shows that the multiple regression was a significant model. This indicates that employees' efficacy perception of change was significantly determined by all three leadership styles. Similarly, the t-



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values in the table show that both transformational and transactional leadership styles were found to significantly affect employees' efficacy perception of change (p<0.05) while laissez-faire leadership style was not (p>0.05). The data further indicates the  $R^2$  value was .108 which depicts that 10.8 % of the efficacy perception of change was explained by the three leadership styles.

The strength of each of the styles with employees' efficacy perception of change was also presented in table 5. Consequently, the strength of the relationship between transformational leadership style and employees' efficacy perception was low where r=.285 and t=.2.595 but was significant (p<0.05). According to Bass (1985), transformational leaders through personalized consideration encourage the self-engagement of their followers. They emphasize intrinsic rewards, such as self-expression and self-efficacy, encourage followers to think creatively about their jobs, and seek new ways in approaching problems as well as their duties. Similarly, organizational change can be successfully implemented when employees of an organization are sure that they have the requisite knowledge and degree of skills required to make the efforts prosperous but if they lack the required competencies then they will pose resistance against such interventions and are not encouraged to have active participation in the whole process (Madsen, 2008). Thus, it is expected to have links between competent professional university's staff perception of their confidence to implement the change process and transformational leadership behaviors in public universities which this study also proves.

The strength of the relationship between transactional leadership style and efficacy perception of change was weak where r=.307 but significant (p<0.05). Bass (1985) further explains that transactional leaders through their contingent reward behavior provide direction to their followers and can be seen as a source of motivation for them to do their job well and be committed to their work organization. This might have contributed to a weak relationship between transactional leadership style and academic staff's efficacy perception of change in public universities.

Finally, the strength of the relationship between laissez-faire leadership style and efficacy perception of change was weak where r= .199 at t=1.433 and was not significant (p>0.05). To be precise, there was no statistically significant relationship between laissez-faire leadership style and efficacy perception of change. Top leadership is expected to make employees aware of the respective change so that they feel more confident to handle or manage the change situation effectively which the laissez-faire leaders lack (Jimmieson et al, 2004). It is obvious, therefore, to come up with a weak and non-significant relationship between laissez-faire leadership and employees' efficacy perception of change, which this study reveals.



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Table 6
Principal Support Leadership Regression

Multiple R = .414  $R^2 = .171$ 

ANOVA Table

		m of uares	df	Mean Square	F	Sig.
Regression		81.852	3	27.284	34.843	.000
Residual	39	95.443	505	.783		
Total	47	77.295	508			
			Variables in th	e Equation		
			Std.			
Variable	r	$\boldsymbol{B}$	Error	Beta	t	Sig.
Constant		1.374	.126		10.865	000
Transformatio nal	.395	.355	.072	.278	4.969	000
Transactional	.361	.222	.081	.171	2.749	006
Laissez-faire	163	- 002	051	- 002	- 045	964

a. Dependent Variable: Principal Support (PS)

Data that demonstrate principal support-leadership regression presented in table 6 portrays, F(3, 505) = 34.843, p < 0.05 indicates that the multiple regression was significant. This shows that employees' principal support perception of change was significantly determined by all three leadership styles. Similarly, the t-values in the table depict that both transformational and transactional leadership styles were found to significantly affect the principal support perception of change (p < 0.05) while the laissez-faire leadership style was not (p > 0.05). The  $R^2$  value of .171 further shows that 17.1 % of the principal support perception of change was explained by the three leadership styles.

The above data further indicated the strength of the relationship between transformational leadership style and employees' principal support perception of change was moderate where r=.395 and significant (p<0.05). The data indicated that transformational leadership style had a moderate, positive, and significant relationship with employees' principal support perception of change. Principal support perception refers to the employee's belief that the program, change, or transformation has the long-term support of top leadership (Armenakis and Harris, 2002). Bass (1990a) on his part states that some leaders characterized by transformational leadership styles have individualized consideration to create a supportive environment in which they meet the needs of each of the followers through active listening and appropriate coaching. In this sense, it is obvious to expect a significant relationship between transformational leaders and academic



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staff's perception of principal support. The finding from this study is, therefore, consistent with the existing literature.

One can also see that the strength of the relationship between transactional leadership style and principal support perception of change was moderate where r=.361and significant (p<0.05). The transactional leader indeed clarifies the role and task requirements for subordinates as well as the performance criteria with the expected rewards based on bargains between them (Bass, 1985). In such conditions, it is hard to expect the links between transactional leadership style and principal support perception of academic staff in public universities, which this finding also reveals.

The strength of the relationship between laissez-faire leadership style and principal support perception of change was weak where r=.163 and is not significant (p>0.05). It is expected to come up with a weak and non-significant relationship between the two since it would be difficult to expect support in the absence of the leadership, which is a characteristic of the laissez-faire leadership style where findings from this study proved in the public universities and perceived by the academic staff.

Table 7

Valence Leadership Regression

	ltiple I OVA T	R= .332 Table						$R^2 = .110$
		Sum o Squar	•	df		Mean Square	F	Sig.
Regressio n	55.5	47		3		18.516	20.734	.000
Residual	448.	296		502		.893		
Total	503.	843		505				
Vai	riables	in the Eq	uation					
					Std.			
Variable		r		$\boldsymbol{B}$	<b>Error</b>	Beta	t	Sig.
Constant			1.696	.136			12.508	.000
Transformat	ional	.302	.230	.077		.174	2.982	.003
Transactiona	al	.307	.230	.087		.172	2.660	.008
Laissez-faire	e	.165	.032	.055		.029	.584	.559

a. Dependent Variable: Valence (V)

Data related to valence-leadership regression was also presented in table 7 for analysis. It shows that, F(3, 502) = 20.734, p < 0.05 meaning the multiple regression was significant. On top of this, both transformational and transactional leadership styles were found to significantly affect the valence perception of change (p < 0.05) while the remaining laissez-faire leadership style was not (p > 0.05). Data in the table shows that the  $R^2$  value was .11 demonstrating that 11 % of the valence perception of change was explained by the three leadership styles.



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Data in table 7 further delivers the strength of the relationship between each of the leadership styles and employees' valence perception of change where transformational leadership style and employees' valence perception of change was weak at r=.302 but significant (p<0.05). The transformational leader transforms organizations by instilling ideological values, moral purpose, and generating strong commitment, in comparison to threatening punishment, offering material incentives, or changing the physical work environment (Bass, 1996). Thus, it is obvious to expect a significant relationship between transformational leadership and academic staff's perception of valence in public universities although it was weak.

The strength of the relationship between transactional leadership style and valence perception of change was weak where r=.307 but significant (p<0.05). Transactional leaders, on the other hand, use rewards such as praise and recognition, money, promotions, or some honor in exchange for effort (McGuire & Kennerly, 2006). The finding in this study too came up with weak and significant links between the two in public universities, which supports the existing literature.

Finally, the strength of the relationship between laissez-faire leadership style and valence perception of change was weak where r= .165 and not significant (p>0.05). In a situation where there is no leadership, employees expect nothing from the leadership. Therefore, a lack of significant relationship between laissez-faire leadership and valence perception of change was expected likewise, this finding reveals the same.

#### **Implications**

The findings from this study indicated that the leadership style of the top university leadership is closer to the laissez-faire style than the other two styles. Although this style is recommended in leading higher education institutions, including universities, a lack of transformational and transactional leadership styles would affect the envisioned implementation of the changes in these universities. However, employees' perception of their readiness for change was rated above average, as indicated from the study's findings which may help the universities achieve their change objectives.

Leadership plays a key role in goal achievements in any organization, including complex organizations such as universities. The role played by top leadership during the time of change is critical to determine the fate of these changes in developing their vision, communicating it, implement and finally institutionalizing it. This further requires not all leadership behaviors but those styles that encourage the implementation of the change process. The domination of the laissez-faire leadership style used by top university leadership over the other two styles which the findings of the study revealed is critical as it indicates an absence of leadership at top levels in to-days public universities embarked on transformation in Ethiopia that could hinder its effective implementation and success. The leadership literature has often argued that transformational leadership is generally effective in organizational change. It is relevant



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leadership behavior in any change situation, which, in turn, will lead to successful change implementation.

In general, top-level leaders are expected to create institutional readiness for change. As the results of this study suggested, however, the links between the three leadership styles and academic staff's perception of institutional readiness for change were very low. This indicates the role played by university leadership in creating institutional readiness for change was minimal. However, academic staff's perception of the need for change was very high as showed with the mean ratings. This is the missing link in the transformation of public universities in Ethiopia. Therefore, it is concluded that with the presence of high institutional readiness for change; it would be easy to implement the envisioned change and transformation in the public universities of Ethiopia. However, compared with the dominant laissez-faire leadership style of top university leadership perceived by the academic staff, it could be difficult to achieve the envisaged changes or transformation in these universities.

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