

Leadership Style and Its Influence on Organisational Commitment: Special reference to the construction industry of UAE

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Abstract

This study was conducted to examine the Leadership Style of Supervisors and how it influenced on organisational commitment; special reference to the construction workers in the United Arab Emirates (UAE). UAE is a promising country in the region for infrastructure development and other industries of tourism, and real estate. Studies on Leadership styles showed that different kinds of leadership styles of the supervisors were having influence on job dissatisfaction, employee retention issues, reduced productivity, less commitment, and ultimately failure of the company. Therefore, study was focused on different theories on Leadership styles and organisational commitment using pre-tested questionnaires distributed manually and electronically among 205 employees in the construction sector and out of which 150 samples were analyzed by random sampling method. Pearson correlation analysis showed that Consultative ($r = 0.191$), Team Management ($r = 0.174$) and Impoverished Management ($r = -0.161$) leadership styles were significantly correlated ($p < 0.05$). Also, the prevailing leadership styles of the supervisors of the company were strongly influenced on the organisational commitment of the employees of the industry. The Supervisors were being able to keep busy all the time ($r = 0.242$), the chance to do different things from time to time ($r = 0.266$) and the way my boss handle his/her workers ($r = 0.235$) were the factors significantly correlated ($p < 0.01$). Therefore, it can be concluded that leadership style has a strong influence on employees' organisational commitment.

Key words: Organisational commitment, Construction, Infrastructure development, Leadership

1. Introduction

Industries are having so many managers and some of them are good managers too. The construction industry all over the world looks for better managers with better leadership skills than more technically qualified people. Better leadership paves the way for better organisational commitment of the employees. United Arab Emirates (UAE), as everyone knows a promising

country or region for infrastructure development and other industries of tourism, and real estate.

This industry is a booming industry in the Middle East region especially in the United Arab Emirates (UAE) to promote all the diversifying industries of the country as: tourism, manufacturing, logistics, banking and finance (Kasim Randeree and Abdul Ghaffar.C, 2007). It is valued

at \$221 billion - the highest in the region of Arabia (Ministry of Planning UAE, 2005). According to the economic activities, the construction sector is divided into three main parts as: commercial construction, infrastructure construction and residential construction (Akhila Nidadhavolu, 2018). In UAE, the construction industry in value term is expected to record a Compound Annual Growth Rate (CAGR) of 4.9% by 2022. CAGR of 8.4% of value terms increased in the commercial building construction, CAGR of 4.2% of value terms increased in the infrastructure construction and CAGR of 7.4% of value terms increased in the residential construction (Research and Markets, 2018).

Organisational commitment has received substantial attention in various researches in the past due to its significant impact on work attitudes such as job satisfaction, performance, absenteeism and turnover intentions. Porter *et al.* (1974) and Al-Meer, (1989) elaborated organisational commitment as the relative strength of the identification of the individual and his involvement with his particular organisation. According to the definition, organisational commitment has three basic components: a strong belief in and acceptance of the organization's goals and values - identification; willingness to exert a considerable effort on behalf of the organisation - involvement; and a strong intent or desire to remain with the organisation - loyalty. Similarly, Allen and Meyer (1990) conceptualized three components of organisational commitment: Affective commitment - essentially concerns the person's emotional attachment to his or her organisation, Continuance commitment - a person's perception of the costs and risks associated with leaving his or her current organisation, Normative commitment - a moral dimension, based on a person's felt

obligation and responsibility to his or her employing organisation.

Schappe and Doran (1997) illustrate organisational commitment as employees with strong affective commitment remain with the organisation because they want to, those with strong continuance commitment because they need to, and those with strong normative commitment because they feel they ought to. In another definition, Meyer and Allen (1997) summarized that Organisational commitment is a psychological state that characterizes the employee's relationship with the organisation. This has implications in terms of continuing his or her membership in the organisation. A committed employee is one who stays with the organisation under any favorable or unfavorable circumstances affecting the organisation. In any industry, Organizations deal with issues related to management, planning, human resources, and leadership. As Skipper (2004) states, the role of leadership style is a crucial factor for the advancement and prosperity of Organisational growth. A central and vital aspect of improving the performance of the construction industry is the need for the development of leadership skills in the higher-management in the companies (Skipper, 2004).

Developing countries like India have a significant demand for the leadership in the construction industry, for reasons such as project planning, project performance, project management, job satisfaction, Organisational commitment, and efficient communication (Akhila Nidadhavolu, 2018). The existing Leadership styles have strong influence on employees' job satisfaction in the construction industry (M.F. Hibathul Careem and M.I. Siraj Hasan, 2019). With the statement of "a satisfied employee is a productive employee", is appealing, the results of this statement are

inconclusive with respect to many hypotheses that say that the two are correlated” (Herzberg 1968). Because of this doubt, the relationship between satisfaction and job performance towards Organisational commitment continues to stimulate research and has led to re-examined previous attempts.

Majority of the Organizations follow performance appraisal process to evaluate employee performance, and results of performance appraisals are used for a number of purposes such as administrative uses, rewarding, and identifying training needs (S.T Ahamed *et. al.*, 2018). Employee satisfaction in organizations is about the commitment of the work force to a greater performance through greater Organisational commitment in the company and this will increase productivity in the company.

Also, there is a need to identify the relationship between supervisor’s leadership and organizational commitment is mandatory to have a good decision making in a industry, Therefore, this study was planned to examine the influence

of Leadership style of the supervisors on the organisational commitment of the construction employees in the construction industry of UAE.

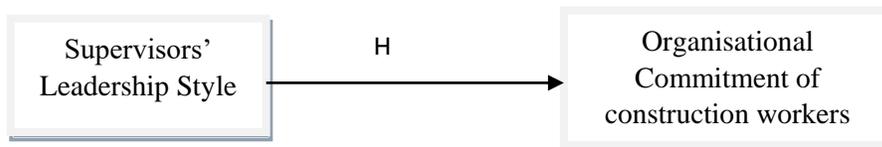
Objectives

- To identify the relationship between Supervisors’ leadership style and its influences on employees’ Organisational commitment.
- The check the strength of the relationship between Supervisors’ leadership style and Organizational commitment.

Materials and Methodology

Conceptual framework

This study aimed to inquire the prevailing leadership style of supervisors in the organisation, and its impact on respondent’s organisational commitment. It was necessary to see the relationship of the different leadership styles and the influence on organisational commitment and determine influence of different factors on the Organisational commitment.



Data Collection

The data collection was done by a standard pre-tested questionnaire by having a systematic sampling method, pick and drop method and e-collection. Thus, 65 hard copies of the questionnaires were distributed among the employees of the selected companies and 140 electronic

distribution of questionnaire by using Survey monkey (www.surveymonkey.com). Two weeks time was given for the respondents to respond to the questionnaire and the completed questionnaires were collected by visiting the companies at the end. Online collection through Survey monkey at the end of the survey period was also

collected accordingly. The data were analyzed longitudinally using SPSS as that is the way questionnaire was designed and requested the responses of the employees.

Focus Group of the questionnaire

The questionnaire was prepared targeting the office workers in the construction industry of United Arab Emirates, as they are the most vulnerable employees who are affected by the top management’s leadership style through a trickledown effect. The bottom line workers at the site have least contact with the top management and as a result they are least affected by the influence of different leadership styles of the managers. The questionnaire divided into three sections as personal information, prevailing leadership styles, and factors affecting organisational commitment.

3. Results and Discussion

The findings of the study were grouped under the following characteristics of the survey: prevailing leadership style and factors influencing Organisational commitment before proceeding with a cross-dimensional analysis of the data including contexts such as nationality, gender, age group, and education.

The factors determined after reviewing the available literature and the standard questions from the Minnesota Satisfactory Questionnaire (MSQ) were used in the questionnaire to analyze the effect on employees’ Organisational commitment. The factors that were influenced more (mean value) on the organisational commitment of the employees shown in the Table 1.

Table 1. Factors influencing on Employees’ organisational commitment

Code No	Factors influencing Organisational Commitment	Mean ±SD
C01	Being able to keep busy all the time	2.75 ± 0.707
C02	The chance to work alone on the job	3.02 ± 0.607
C03	The chance to do different things from time to time	3.04 ± 0.674
C04	The way my boss handle his/her workers	2.89 ± 0.677
C05	The competence of my supervisor in making decisions	2.94 ± 0.605
C06	The way my job provide for steady employment	2.84 ± 0.592
C07	The chance to tell people what to do	2.95 ± 0.632
C08	The chance to do something that makes use of my abilities	2.96 ± 0.674
C09	The way company policies are put in to practice	2.83 ± 0.749
C10	My pay and the amount of work I do	2.87 ± 0.753
C11	The chances for advancement on this job	2.91 ± 0.794
C12	The freedom to use my own judgment	2.87 ± 0.774
C13	The chance to try my own methods of doing the job	3.00 ± 0.666
C14	The working conditions	3.05 ± 0.679
C15	The way my co-workers get along with each other	3.04 ± 0.654
C16	The feeling of accomplishment I get from the job	3.09 ± 0.669

There are so many studies and researches carried out to determine the relationship between the leadership style, and organisational commitment. That leadership style has a strong positive relationship between job satisfaction and organisational commitment. Recently, Yousef (2000) studied the relationship between Organisational commitment, job satisfaction and performance in the UAE and found significant results. The questionnaire with the scale of 1 to 5, where 1 represents very little influence where as 5 represent very strong influence, which revealed the supervisor’s leadership style strongly influences the employees’ organisational commitment in the construction industry.

From the research findings, it was observed that the leadership style of supervisors strongly influences on the organisational commitment of the construction workers. It was evident that more than 52.66% of the employees in the opinion that the leadership style strongly influence on the organisational commitment and 28.66% of the employees feel that the leadership style moderately influence on organisational commitment while 18% of the employees feel that leadership style has less influence.

Gender

There were 78% of the male employees and 22% of the female employees have responded out of the 205 questionnaires distributed. Out of the total respondents, 24.66% of male respondents feel a moderate influence while 38.66% of them feel strong influence of the leadership style on their organisational commitment. Female respondents concern, out of the total female respondents 63.63% of them feels a strong influence of leadership style on their organisational commitment shown in Table 2.

The respondents’ gender although the ratio of female respondents in respect to male is very low, which is expected in the construction industry, the results of the mean analysis shows that male employees feel that team management leadership style (3.32) is prevailing more in their respective Organizations, whereas, female employees feel that consultative leadership style (3.64) is the most prevailing.

Table 2: Gender vs. Influence of leadership style on organisational commitment

Gender	Nos.	Very Little	Little	Moderate	Strong	Very strong
Male	117	7.00	15.00	37.00	46.00	12.00
Percentage		5.98%	12.82%	31.62%	39.32%	10.26%
Female	33	0.00	6.00	6.00	10.00	11.00
Percentage		0.00	18.18%	18.18%	30.30%	33.33%
Total	150	7.00	21.00	43.00	56.00	23.00
Percentage		4.67%	14.00%	28.67%	37.33%	15.33%

Nationality

Different nationalities are working in the construction industry in the UAE in different profession and in different levels. The analysis shows that 4.7% of the respondents were UAE nationals, while majority of the employees, 59.3% were from the Asian countries. A considerable percentage of other Arab nationals (22%) and European/Americans (14%) are also employed in the sector in UAE. Among the UAE nationals around 42.85% of the respondents feel that leadership styles are moderately present, among the Asians 44.94% of the employees too believe that the leadership styles are moderately present. But around 46.06% of the Asians which is 27.33% of the total respondents, feel that a strong leadership styles prevails in the industry. In general, 42% of the employees feel that there is a strong leadership styles influence on the organisational commitment.

Organisational type

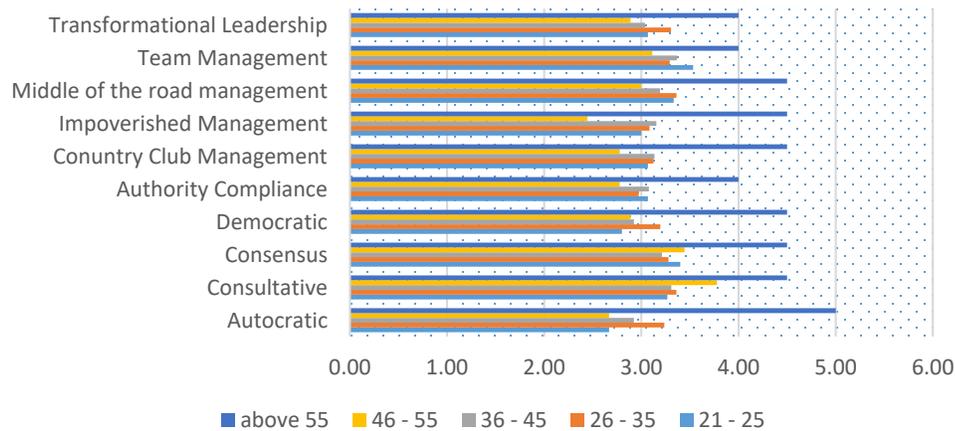
The type of organizations concern, it is observed that 11.3% respondents from the Client organisation, 26% respondents from the Consultant organisation while 62.7% of the respondents represents from the Construction organisation. Out of the total respondents from the client organisation, 29.41% of the employees feel a moderate influence while 47.05% of them feel strong influence, consultant organizations concern, 33.3% of the employees feel moderate influence while 43.58% of them feel strong influence of the leadership styles on the organisational commitment. The construction organizations concern, 26.59% of the employees in an opinion that a moderate

influence present and 57.44% of them feel a strong influence of leadership style on their organisational commitment.

Even though many types of leadership styles prevails in an organisation, the mean analysis of the organizations of the respondents concern, the employees in the client organizations feel that middle of the road management leadership style is prevailing more in their respective organizations, whereas, employees in the consultant organizations feel that team management leadership style is the most prevailing whereas, construction sector is surprisingly alike with the overall leadership style of the industry is falling under consultative style.

Age group and commitments

There employees were grouped in to five different age groups such as 21 – 25 years (f= 10%), 26 – 35 years (48%), 36 – 45 years (34.7%), 46 – 55 years (6%) and above 55 years (1.3%). The mean analysis of the responses received for the organisational commitment shows that employees in the age group of 26 – 35, 36 – 45 and 46 – 55 are mostly influenced by the factors such as “the working conditions”, “the chance to do different things from time to time” and “the way my boss handles his/her workers respectively”. However, the younger employees of 21-25 age group and the older employers of the above 55-age group mostly influenced by “the chances for advancement on this job” and “the way my co-workers get along with each other” shown in graph -01.



Graph 01 – Age group Vs Organizational Commitments

4. Conclusion

This research examined the leadership styles of the supervisors and its influence on the organisational commitment. Also studies the factors affecting organisational commitment of employees under the light of different work groups and its suggests that employees’ organisational commitment is strongly influenced by the factors that, being able to keep busy all the time, chance to do different things from time to time, and the way one’s boss handle his/her workers. It was also found that leadership style strongly affects the organisational commitment of the employees in the industry irrespective of nationality, gender, age, and career level. Therefore, leadership has a strong influence on employees’ organisational commitment.

It is recommended that, since the education level of the site employees are the main limiting factor to restrict the study to the office employees, studying the influence of leadership on construction site workers too will reveal the real impact of the leadership on entire construction industry.

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