Employees’ Personality Preferences and Their Impact on the Relationship between Leadership Styles and Organisational Commitment

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ABSTRACT
This research investigates whether personality traits influence employees’ preferences for different styles of leadership and whether the congruence between the leadership style that employees prefer and the leadership style that they actually perceive can moderate the effects of a leader’s leadership style on organisational commitment. Personality traits were measured using the NEO Five-Factor Inventory (Costa & McCrae, 1992), organisational commitment with a scale developed by Meyer and Allen (1997), and leadership styles using the Leadership Assessment Inventory (Burke, 1994). This cross-sectional study involved 312 employees from an automotive company in Tehran, Iran. The results indicate that individuals with extraversion and openness to experience personality traits tend to prefer the transformational leadership style, while those with conscientiousness and neuroticism personality traits prefer the transactional leadership style although no association was found for agreeableness. Moreover, it is found that the congruence between the leadership style which employees prefer and the leadership style they actually perceive moderates the effects of the leadership style on affective commitment.

Keywords: Organisational commitment, personality traits, transactional leadership style, transformational leadership style

INTRODUCTION
In a world where organisations are dealing with an increased turnover intention among new generations of employees, much of the discussion has been devoted to employee commitment and how employees may be retained in the workplace (Saridakis & Cooper, 2016). A serious disloyalty
challenge has been presented among business leaders globally by a Deloitte
survey (2016), which found that 66% of 7,700 millennials from 29 countries reported
a desire to quit their current organisations by 2020. Comparatively, the US Bureau
of Labor (2016) also showed a decreased median for tenure to 2.8 years from 3 years
in 2014 or 3.2 years in 2012 for employees aged between 25 and 34 years old.

In Iran, the “Business Watch”
website (2014) revealed a moderate level
of organisational commitment for non-
managerial-level employees working in
auto-part companies. Sabui (2015) argued
that employees’ loyalty had become one
of the serious challenges in the automotive
industry, resulting in an increased
turnover rate and lost intangible assets
and intellectual resources, while today’s
uncertain economic environment requires
organisations to retain their competent
and qualified workforce as a source of
competitive advantages.

One of the most significant factors
affecting an employee’s commitment is the
behaviour of the leader defined as leadership
style. Some leaders inspire employees to
stay motivated and strive enthusiastically for
the achievement of organisational goals,
whereas others set goals, exert control
over situations and promise rewards to
courage employees towards goals. The
former have been conceptualised as the
transformational leadership style and
the latter as the transactional leadership
style (Bass, 1985). There have been many
studies supporting the relationship between
leadership styles and organisational
commitment, of which a very large number
has specifically focussed on only the
transformational leadership style (Patiar
& Wang, 2016) and ignored the influential
effects of the transactional leadership style
on employees’ commitment. However,
researchers who examined the effects of
both transformational and transactional
leadership styles on organisational
commitment reported inconsistent results.
For instance, some empirical research shows
that transformational leadership has a higher
impact on organisational commitment than
transactional leadership (Khan, Umber,
Ahmad, & Shan, 2016), while there is
evidence to show that both leadership
styles have a positive significant effect
on organisational commitment (Chirchir
& Ngeno, 2014; Makhathini & Van Dyk,
2018). Surprisingly, it has been revealed
that the transformational leadership style
does not lead to organisational commitment
in all contexts (Mesu et al., 2015) and it
may have a significant negative relationship
with organisational commitment (Asiri et
al., 2016).

Organisational commitment has
been well developed by Allen and Meyer
(1990), who proposed three dimensions
of commitment: affective commitment,
normative commitment and continuous
commitment. They believed that work
experience was the strongest antecedent of
commitment, especially the experience that
satisfied people’s psychological needs and
reinforced the growth of commitment among
employees. Morris and Sherman (1981)
posited that the quality of the relationship between leaders and followers was a source of positive experience that provided opportunities for growth of attachment, and in this process, the leader’s behaviour exerted a powerful influence although it was not the only determining factor. On the followers’ side, it is argued that a leader’s behaviour is not impressive unless it is accepted by the followers who are open to the idea of the leader (Ehrhart & Klein, 2001).

In search for the reason behind an individual’s tendency to accept a particular type of leadership, the majority of research focussed on personality congruence of the leaders and the followers (Yang et al., 2017) based on the logic that people are more likely to continue working with leaders who are similar to them in personality and characteristics. Personality similarity might be one solution to increasing loyalty; however, in cases where leaders differ from their followers in personality, how followers are supposed to be attracted and to commit to the leaders remains a question. Little is known about the different leadership styles preferred by different types of personality and how the followers’ preferences moderate the effects of leadership style on organisational commitment. Scholars have recommended uncovering variables that explain the relationship between leadership style and organisational commitment (Dale & Fox, 2008) and investigating the interaction effects of personality traits on organisational outcome in general (Monzani et al., 2015) and organisational commitment in particular (Choi et al., 2015).

Based on the Path-Goal Theory (House, 1971), this research has focussed on, first, the relationship between personality traits and leadership style preferences, and secondly, on how the congruence between the preferred leadership style by employees and the leadership style they actually perceive can moderate the effects of leadership style on organisational commitment. The Path-Goal Theory postulates that leaders’ behaviour, in the clarification of subordinates’ path to a goal, is likely to be either effective or ineffective, depending on situational factors such as followers’ characteristics. According to this theory, whether a particular leadership style is motivational and effective depends on the level of subordinates’ preferences for that style of leadership. Followers’ individual differences require leaders to choose a leadership style that seems appropriate for a certain type of follower (House, 1996). It implies that the influence of transactional and transformational leadership styles on organisational commitment would depend on the level of congruence between subordinates’ perceived and preferred leadership styles.

Personality Traits, Leadership Styles and Organisational Commitment

According to the Five-Factor Model of Personality Traits, individuals are classified and labelled under openness to experience, extraversion, conscientiousness, agreeableness and neuroticism. Openness to experience refers to the degree to which
an individual has a wide range of interests, creativity, divergent thinking, curiosity and open-mindedness (McCrae & John, 1992). Raja and Johns (2010) in the examination of the personality impact on creativity showed that out of the Big Five dimensions, only openness to experience had a significant main effect on creativity. Intuitive abilities have been also explored to be significantly predicted by openness to experience personality facets (Sobkow et al., 2018). Ehrhart and Klein (2001) asserted that followers who were looking for opportunities to implement their creative suggestions in the workplace considered charisma as being the favourable style of leadership and described it as innovative, energised and open-minded. Çekmecelioğlu and Özbağ (2016) indicated that dimensions of transformational leadership style including intellectual stimulation, inspirational motivation and idealized influence facilitate individuals’ creativity. Based on this, the following hypothesis was formulated:

**H1a:** There is a significant influence of openness to experience personality traits on preference for the transformational leadership style.

According to Bass (1985), transformational leaders create a strong relationship with subordinates, set ambitious and collective goals, encourage teamwork and give personal attention to each follower. They do not directly influence the team outcome; rather, through stimulation of communication among members, which forms a basis for teammates’ trustworthiness (Boies et al., 2015), they might meet the need of those individuals displaying the trait of extraversion. Extraverts have a great tendency to be talkative, assertive, sociable, ambitious and energetic (McCrae & John, 1992) and they seek social contact, attention and fun (McCrae & Costa, 2003). They exhibit more adaptive performance when social competency is intensified (Wihler et al., 2017). Research has supported the finding that these qualities help extraverts to build individually-driven networks (Shipilov et al., 2014) and develop energising relationships with teammates that are a better way of working together and positively related to proactive performance (Cullen-Lester et al., 2016). Thus, it is possible to assume that:

**H1b:** There is a significant influence of the extraversion personality trait on preference for the transformational leadership style.

Agreeableness mirrors some features such as being compliant, straightforward, cooperative and tender-minded. Agreeable people tend to care about others’ feelings and avoid conflicts and fights (Costa et al., 1991). They become increasingly distressed when interpersonal conflict escalates compared with their less agreeable counterparts (Suls et al., 1998). Researchers such as Guo et al. (2017) have even shown that agreeableness has a significant negative relationship with creativity; it might be because creativity involves producing ideas that are often regarded as challenging and may disrupt interpersonal relationships...
and cause tension (Lim & Choi, 2009). Agreeableness was negatively significantly related to stimulation (exciting and varied life) in a study conducted by Hietalahti et al. (2018). Therefore, agreeable people might have an aversion to transformational leadership and prefer transactional leaders who follow standards and rules, are resistant to change and do not expect employees to be creative or suggest solutions for problems (Bojeun, 2013). Therefore, it is argued that:

**H1c:** There is a significant influence of the personality trait of agreeableness on preference for transactional leadership style.

**Conscientiousness** represents characteristics such as being cautious and thoughtful. It is a propensity for keeping the environment in order and well-organised, following the standards strictly, striving for achievement and continuing with a defined task despite boredom (Costa et al., 1991). Chamorro-Premuzic (2006) argued that although this characteristic is a strong predictor of performance and accomplishment, it is mainly relevant to those tasks that have been well-defined, where divergent thinking is not required. It seems *conscientiousness* is opposed to cognitive abilities (Rammstedt et al., 2016) and risk-taking behaviour as well (Merritt & Tharp, 2013). By inference, these individuals are receptive to transactional leadership, which is known to focus on performance, apply standards and regulation to get work done, recognise accomplishments, take corrective actions and give a promise of rewards or punishments. This is the reason why the current study aimed to test whether:

**H1d:** There is a significant influence of the personality trait of conscientiousness on preference for the transactional leadership style.

Neuroticism is described as a negative emotion and an inclination towards negative affects such as anxiety, anger, depression and vulnerability (McCrae & John, 1992). It is associated with psychological distress in dealing with short-term and long-term changes in life (Ormel & Wohlfarth, 1991). Neurotic individuals tend to be afraid of novel situations (Wiggins, 1996) and to be rigid (Perera et al., 2018). They are emotionally unstable and sensitive, leading to volatile relationships and interrelationships at work as they have a more difficult time coping with stress and they are easily affected by their surrounding environment (Grznar, 2013). Neuroticism has been found to have a significant negative association with preference for a fast pace and high demand of tasks (Sterns et al., 1983), efficiency (Yeh et al., 2016), team performance (Amir et al., 2014), innovation (Da Costa et al., 2015) and motivation to change (Patterson & Zibarras, 2017). In addition, neurotic individuals might not trust transformational leaders as such leaders focus on positive events, support new ideas, empower followers by emphasising teamwork and set high goals and instil confidence in followers to reach goals through extra effort (Shamir et al.,...
1993). In contrast, transactional leaders, with their emphasis on definition of tasks and standards, provide a less challenging context that neurotic individuals may prefer. Thus, it is assumed that:

H1e: There is a significant influence of the personality trait of neuroticism on preference for the transactional leadership style.

According to Jung (1971), personality acts as an intrinsically preferred motivational force towards pursuing goals in the unconscious and is found to be an effective factor on work-related outcomes. Findings have revealed that employees’ preferences for a certain type of leadership to another contribute to the enjoyment and high performance of the employees (Ehrhart & Klein, 2001) and can affect organisational commitment (Felce & Schyns, 2010). Sadler and Hofstede (1976) suggested that the difference between leadership styles preferred by followers and that exerted by managers had an impact on the level of satisfaction and much mismatch between the two causes employees’ short-term retention. Moreover, Monzani et al. (2015) observed individual differences between leadership styles and task performance. Therefore, it is argued that:

H2: The relationship between leadership style and organisational commitment will be moderated by the congruence between individuals’ preferred and perceived leadership styles.

MATERIALS AND METHODS
The approach of this study was quantitative, with a descriptive cross-sectional survey design using a self-administered questionnaire that was initially conducted in a pilot test involving workers from an automotive manufacturing company located in Tehran, Iran. It was the only automotive manufacturing company, among those that were contacted, that agreed to participate in this survey.

Sample-size determination was based on Krejcie and Morgan’s formula (1970), which is a commonly used method; it approximately gives a maximum sample size of any defined population with unknown variance. According to Krejcie and Morgan (1970), a sample size of 381 employees is sufficient to represent the population. But considering the response rate, 500 questionnaires were distributed by the researcher among employees, who were randomly selected from a complete sampling frame that covered all full-time employees in all departments and in various job classifications within the company, except for CEO and board of directors. The number of samples drawn from the different departments was determined based on the ratio of the number of workers in each department to the whole population. All subjects received a questionnaire with a cover letter that provided them with the necessary information about the study. Out of the distributed questionnaires, 320 were returned, 312 of which had valuable responses that could be statistically analysed. The gender composition of the
sample was 67% male (N=209) and 33% female (N=103).

Personality was assessed using the NEO Five-Factor Inventory developed by Costa and McCrae (1992), which consisted of 60 items measuring the extent of extraversion (e.g. “I always like to have many people around me”), agreeableness (e.g. “I try to be polite and well-behaved”), conscientiousness (e.g. “I can plan well so that things are done on time”), neuroticism (e.g. “I often get angry with the way people treat me”), and openness to experience (e.g. “I often try new and unfamiliar foods”). The Cronbach’s alpha for the scale was α=0.72.

Three components of organisational commitment (affective, continuous and normative) were measured by the Revised Commitment Scale of Meyer and Allen (1997), which contained 18 items (six items to measure each component). Responses were rated on a 5-point Likert scale (1 = “strongly disagree”, 2 = “disagree”, 3 = “neither agree nor disagree”, 4 = “agree”, 5 = “strongly agree”). Sample items are, “I’ll be very happy to spend the rest of my life in this organisation” (affective commitment); “Currently, due to the lack of a good job in other organisations, it is not possible for me to leave here” (continuous commitment); and “I would feel guilty if I left my organisation” (normative commitment). The reliability of the scale was α=0.71.

Transactional and transformational styles of leadership were assessed by the Leadership Assessment Inventory scale (Burke, 1994). Each item on the scale consisted of a pair of options measuring the actual perceived leadership style. An example item for this scale is: “A: My manager tries to maintain stability, B: My manager tries to create changes.” Respondents were also asked to choose from another pair of options measuring the employees’ preferred leadership style. An example item is: “A: I prefer those managers who try to maintain stability, B: I prefer those managers who create changes.” The difference in the scores for the perceived and the preferred leadership style were computed to form an indication of congruence. The Cronbach’s alpha coefficient for this scale was α=0.69.

RESULTS AND DISCUSSION
Overall, linear regression was performed to determine the association between the Big Five personality traits and leadership styles, and it was observed that the transformational leadership style was strongly preferred by individuals with openness to experience and extraversion personality traits. In contrast, conscientiousness and neuroticism were significantly associated with a tendency towards the transactional leadership style (Table 1). Furthermore, moderator analyses were conducted using hierarchical regression, which showed the interaction between leadership style and the congruence between perceived and preferred leadership style that affects an individual’s level of affective commitment (Table 2); those employees who perceived higher congruence experienced a higher level of affective commitment (Figure 1).
H1a investigated the association between openness to experience and preferences for transformational leadership style. The statistical evidence supported this link and revealed that the transformational leadership style was more likely to be preferred by individuals with this type of personality (β=0.60, p<0.01). Likewise, extraversion was associated with the transformational leadership style (β=0.35, p<0.01) and provided support for H1b. H1d, conscientiousness trait (β=0.65, p<0.01) and H1e, neuroticism trait (β=0.12, p<0.05), showed a tendency towards the transactional leadership style. H1c was not supported since there was no significant association between agreeableness and transactional leadership style.

Table 1
Personality traits and leadership style preferences

<table>
<thead>
<tr>
<th>Variables</th>
<th>Transformational Leadership Style</th>
<th>Transactional Leadership Style</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B (β)</td>
<td>t</td>
</tr>
<tr>
<td>Openness to Experience</td>
<td>0.68</td>
<td>12.59**</td>
</tr>
<tr>
<td>Extraversion</td>
<td>0.38</td>
<td>7.77**</td>
</tr>
<tr>
<td>Agreeableness</td>
<td>0.014</td>
<td>0.33</td>
</tr>
<tr>
<td>Conscientiousness</td>
<td>-0.015</td>
<td>-0.41</td>
</tr>
<tr>
<td>Neuroticism</td>
<td>0.019</td>
<td>0.46</td>
</tr>
</tbody>
</table>

* p<0.05, ** p<0.01

Hierarchical regression indicated that the effect of the transformational leadership style on affective commitment was statistically significant (β=0.90, p<0.01), but the impact of perceived and preferred leadership style congruence was not statistically significant (β=0.03, p>0.05). The main effect of perceived and
preferred leadership style congruence on affective commitment was statistically significant when it was combined with transformational leadership style (β=0.05, p<0.05), which explained 87% of the variance in affective commitment (R²=0.87, p<0.01). Transactional leadership style showed a significant positive effect on affective commitment (β=0.31, p<0.01), which was found to be moderated by the perceived and preferred leadership style congruence (β=0.52, p<0.01) and accounted for 65% of total variance in affective commitment (R²=0.65, p<0.01). However, the results did not demonstrate a significant moderating effect for the congruence between perceived and preferred leadership style on the relationship between the leadership styles and the two other components of organisational commitment, neither normative nor continuous.

The following graph (Figure 1) shows differences in the relationship between leadership style and affective commitment with respect to the levels of congruence that the participants perceived. It was shown that the correlation between transformational leadership style and affective commitment would be higher (r=0.94) for those who perceived a higher level of congruence compared to moderate (r=0.79) or low (r=0.68) congruence. The correlation between transactional leadership style and affective commitment was stronger (r=0.50) for respondents with a high congruence level than other levels, moderate (r=0.41) or low (r=0.31).

According to the results, openness to experience was associated with the transformational leadership style; this aligns with the proposition that transformational leaders make arrangement for creativity.

Figure 1. The effect of leadership styles (transformational and transactional) on affective commitment with respect to the level of congruence between perceived and preferred leadership styles
and novelty (Bass, 1985), a trait that might be sought by individuals who are open-minded (McCrae & John, 1992), intuitive (Sobkow et al., 2018) and creative (Raja & Johns, 2010). Similarly, extraverts who are typically energetic and sociable (McCrae & John, 1992) tend to prefer the transformational leadership style, which provides opportunities for teamwork and communication among people (Boies et al., 2015).

In contrast, people with conscientiousness and neuroticism traits showed a tendency towards the transactional leadership style. This finding is consistent with the argument that the conscientiousness trait is not related to cognitive ability (Rammstedt et al., 2016) or risk-taking behaviour (Merritt & Tharp, 2013). The current results confirmed that the neuroticism trait is likely to be positively associated with rigidity (Perera et al., 2018) and negatively associated with creativity (Da Costa et al., 2015) and motivation to change (Patterson & Zibarras, 2017).

Agreeableness demonstrated a relationship with neither transactional nor transformational leadership style. This personality type might be inclined towards the laissez-faire leadership style since leaders who choose this type of leadership are disconnected from their followers and are less likely to incite conflict (Bass, 1985). Future research, therefore, could include the three types of leadership styles to observe the tendency of agreeable individuals and find a proper leadership style for those who hold this personality trait.

The results of this study were consistent with the findings of researchers who reported a relative relationship between both transactional and transformational leadership styles and organisational commitment (Chirchir & Ngeno, 2014; Makhathini & Van Dyk, 2018). This study identified the moderating effect of congruence between perceived and preferred leadership styles on affective commitment, which extends the value of this study beyond that of previous research. The findings suggested that both leadership styles, transactional and transformational, can foster affective commitment among employees depending on the degree to which they are congruent with the followers’ preferences. This result is consistent with the idea that personality is a powerful predictor of preferences for leadership style, and leadership is not effective unless followers accept their leaders (Ehrhart & Klein, 2001; House, 1996). Therefore, in order to enhance the level of affective commitment in an organisational context, it is important to have an initial assessment of the personality traits of subordinates as this will provide valuable insight into their preferences and acceptance of the style that the leaders apply, and then to adopt a flexible leadership style that is congruent with the preferences of each personality type of the followers who come under the jurisdiction of the leader.

Gaining insight into the dynamic interaction of leadership, organisational commitment and personality trait is necessary to clear up the boundary conditions...
of the related theories on leadership and to improve the effectiveness of leadership practices in organisations in order to enhance affective commitment and lower the rate of turnover that eventually contributes to the development, growth and survival of an organisation in today’s business environment. The major limitation of this research is related to the generalisation of the findings to other industries and public organisations or to other countries since the sample was limited to the automotive industry in Iran. Therefore, it is recommended that future research examine the relationship between variables in another population. Moreover, gender and cohort differences might confound the nature of the relationship between leadership style and personality; as people grow older, they tend to be less open, extraverted and neurotic (Costa et al., 1986), or women who experience more emotional sensitivity are more likely to be agreeable than men (Costa et al., 2001). This serves as a basis for future research to test the relationship between personality and leadership style with respect to age and gender differences, which in turn, influences followers’ preferences.

CONCLUSION
The results of this study suggest that the Big Five personality traits can be an informative framework in explaining employees’ tendencies towards a certain type of leadership. As shown, the traits of openness to experience and extraversion were significantly linked to the transformational leadership style and conscientiousness and neuroticism were significantly related to the transactional leadership style, while agreeableness was linked to neither leadership style. Moreover, this study identified the moderating effect of congruence between perceived and preferred leadership styles on affective commitment, suggesting that the more employees perceive high levels of congruence between leadership style which they prefer and the one which they actually perceive, the more they will experience a higher level of affective commitment; this in turn, may result in lower turnover intention.

REFERENCES


Personality Preferences and Organizational Commitment


