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“Impact of Leadership Style (Transformational & Transactional Leadership) On Employee Performance & Mediating Role of Job Satisfaction” Study of Private School (Educator) In Pakistan

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Abstract - The purpose of this research is to determine that does leadership styles that is Transformational leadership style and transactional leadership style has an impact on employee performance. Also we wish to see that if job satisfaction has a mediating effect or not. For this purpose data was collected from 6 schools working in Rawalpindi and Islamabad. Result shows that transactional and transformational both are significantly positive associated with Employee performance however transactional leadership was more significant then transformational. Another important discovery made was there is no mediating role of Job satisfaction between transactional leadership. But it mediates with transformation leadership and employee performance.

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I. INTRODUCTION

In today's competitive environment, organizations expand globally and face a lot of challenges to meet their objectives and chased to be more successful from others. Leaders play essential role in accomplishment of these goals and boost employee's performance by satisfying them with their jobs therefore, it grasps the attention of researchers from many years, yet we are unable to focus on one definition. Many researchers have studied different aspects of leadership. According to Mintzberg (2010) Leadership is the key of trust that comes from the respect of others. Jamaludin (2011) conducted their research on the leadership and their styles and suggested that effective

leaders are those who use their powers for betterment of the followers and organization as well. Leaders are one of the major key drivers in enhancing the production and innovations (Lievens et al, 1997). According to Raelin (2011) Leadership is directly connected to the practices to which people are dedicated. The most substantial of leaders is their influential personality that has positive relation with the follower's job satisfaction and the performance (Lian et al, 2011).

Although different theoretical approaches being study leadership but most renowned frame-work is transformational and transactional leadership. (Hambley et al, 2007). Transactional leadership is used when organizations give appraisals by recognition, pay increases and career advancement for well performers and punishment for poor performers (Bass, 1998). Transactional leadership exchange agreements rewards effort, promises of rewards for better performance and recognizes the achievements, in contrary, transformational leadership gives vision and sense of mission, instills pride and gain, respect and trust (Bass, 1990). Mulla & Krishnan (2011) proposed that transformational leadership is associated with subordinate's moral values.

Most of the researchers emphasized on transformational leadership but some also gave importance to transactional leadership. Egan, Sarros & Santore (1995) articulate, transformational style is more effective then transactional style, regardless of organizational type, method adopted by the leaders is based on his personal ability, preferences and experiences. But organization's output is negatively affected by the transactional leadership, (Bass, 1999). When the situation is unapparent, a leader must follow the transformational style to identify the key factors of the situation and choose the right style to situation appropriately (Somech & Wenderow, 2006). The positive effect of transformational leadership is that it enhances self knowledge, increasing the performance expectation value to the financial performance of the teams (Avolio, Waldman & Einstein, 1988). Afolabi, Obude, Okediji, &

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Ezeh (2008) did analysis and give evidence in the favor of transactional leadership, they observed that transactional leadership is more effective when organization desire to achieve their aims and objectives. Supervisors play a vital role in job satisfaction of the and gives a new direction of thinking, but on other side transformer leaders can some time exploit workers by using their power to achieve personal goals (Franke & Felfe, 2011). Transformational leadership also adds employees. Moyes (2007) carry out research on determinants of job satisfaction and resulted that loyalty to one's employer and job longevity are more important as compared to compensation, benefits and supervisors for Mexican-American and vice versa for the Non-Hispanic. There is a strongest correlation between the leadership style and the job satisfaction (Lok, 1999). But the result demonstrated that transformational leadership has a higher correlation with job satisfaction. (Charles et al, 2007). Employees' perception about their job occupation is considered to be imperative element in measuring job satisfaction, their perception refers to occupational prestige, career development and employees self esteem, transformational leadership focuses on all dimensions (Bogler, 2001).

Most of the researcher follows the transformational leadership, but in the context of Pakistan, very narrow research has been done on the leadership style adopted in the education sector. The purpose of our research is to identify effective leadership style in Education sector of Pakistan, as Pakistani culture is based on the power distance and gives priority to the autocratic decision making style. In Pakistani culture there is high power distance but low individualism (Routamaa & Hautala, 2008). Jeger (1986) manifested that transactional leadership is more successful in variety of countries outside North America including India, Nigeria, Japan and Pakistan. Pakistan is bureaucratic state where command and control rules (Ahmed, 1996). Therefore transactional leadership can be more effective in this specified culture, yet the main objective of our research is to identify the true leadership styles in education sector that will leads towards increasing job satisfaction and ultimately resulted in higher employee performance.

II. LITERATURE REVIEW

a) *Transactional leadership*

To promise the success of organization it is important to adopt the appropriate leadership style. Examining, praising and assessing a leader do not truly assure the followers' honesty in this case transformational leadership becomes inapplicable (Parry & Thomson, 2002). Leaders can than practice transactional style of leadership. Transaction literally means "exchange" therefore, transactional leadership deals with the exchange between leader and his

followers. Kuhnert & Lewis, (1987) Stated that transactional leadership is an exchange between followers and leaders desired outcomes by fulfilling the leader's interest and followers' expectations, which involves promises or commitments embedded by respect and trust. Jung, (2000–2001) also defines transactional leadership as leader aptitude towards identification of followers needs and aspirations and clearly demonstrate the ways to fulfill these needs in exchange for performance of followers. Bass (2000) reported that effective leaders accommodate the interests of their subordinates by giving contingent incentives, honor and promises for those who auspiciously succeeded in fulfilling the commitments of the leaders or the organization

Transactional leadership is in focus of researcher from many years and premeditated in numerous ways with different variables. (Howell & Merenda, 1999) conducted his research on association between leader-member exchange, transactional and transformational leadership in forecasting employees performance and concluded that transactional leadership style is a positive predictor of follower's performance. (Bass, Avolio, Jung, & Berson, 2003) carry out their research for military platoon which was an organization, working in an unstable environment and it proves that transactional leadership increases performance among the soldiers. Transactional leadership style is relatively weakly associated with performance and is optimistically related to perception of organizational politics (Gadot, 2007). Rejas, Ponce, Almonte, & Ponce, (2006) Indicated that there is a dominance of the transactional leadership style over transformational and laissez faire styles. Personality factors, agreeableness and conscientiousness are positively related to transactional leadership which is moderated by perceived dynamic working atmosphere (Hoogh, Hartog, & Koopman, 2005). While investigating the effect of leadership on organizational performance in Russian companies, (Elenkov, 2002) observed that in Russia managers who adopt transactional leadership behavior positively correlates with organizational performance and innovation.

From last few decades there has been an explosion of speculative and empirical work conducted on leadership styles. Transactional leadership is also measured in terms of job satisfaction and employee performance. (Bass, 1998) defines that transactional leadership occurs when the leader's incentive and control are depending on the adequacy of follower's performance. Research conducted by (Burke, Stagl, Klein, Goodwin, Salas, & Halpin, 2006) on leadership behaviors and team performance outcomes revealed that transactional leadership behavior is significantly related to team performance. The relationship of transactional leadership and performance was also

investigated by (Rowold & Schlotz, 2009) in their study they explain that transactional leadership is the trade of explicit transactions, in result of these transactions leaders' rewards amplifies the performance of their followers. Transactional leadership is based on tentative support and subordinates are motivated through recognition or else corrected through punishment due to this exchange relationship, the expected performance achievement leads towards follower's promotion (Munaf, 2011). In other words, transactional leadership encourages followers to perform according to the leader's expectation and get rewards and promotion. Ample support is available in the leadership literature according to (Avolio, Bass, & Jung, 1999), to make transactional leadership more effective, appropriate usage of contingent reward is an important feedback to assemble expectations with followers in term of their performance. Facilitating the followers to be familiar with job obligations and recognized objectives to achieve estimated degree of performance is an important aspect of transactional leadership style (Lo, Ramayah, & Min, 2009). (Janssen & Yperen, 2004) acknowledged that transactional leadership assists the efficiency by enhancing innovative job performance and job satisfaction. Hence, the study shows that transactional leadership has significant impact on employee performance and job satisfaction.

Culture is an imperative distinguished characteristic of every country. Researchers studied the current phenomenon in different cultures which changes the impact of one variable on another due to variation in cultural ethics. The significance of culture on leadership is reported by (Bass, Avolio, & Suny, 1993) as culture influences the leadership as much as leadership influences the culture. The concept of culture is commonly used in literature in field of global management, human resource development, and organization behavior to gauge the effects that can differentiate between countries and work-related or ethnic groups (Kuchinke, 1999). He compared leadership style of German and US telecommunication employees and proposed that the rank of US respondents on two dimension of transformational leadership(charisma and inspirational motivation) are higher than of German managers. (Ardichvili & Kuchinke, 2002) in his comparison of leadership styles and cultural values among leaders and followers in four different countries, has found that, with reference to four dimensions of transformational leadership style, there is a higher level in Republic of Georgia than other countries and also found higher level of transactional leaderships styles in four states of former USSR. Cultural differences between the countries are commonly determined by Geert Hofstede cultural dimension comprises of power distance, individualism, masculinity Uncertainty avoidance and long-term orientation. In Pakistan there is a high power distance and strong

uncertainty avoidance high power distance and followed those practice that produces centralization, fraud, discrimination and gender differences in administrative position (Islam,2004) shows that culture is based on autocratic style and the person hold the power is always right and more respectful with having privileges and more centralization whereas strong uncertainty avoidance reflects the High stress, Aggression, obedience of rules and regulation and leads towards fear and threat of unambiguous situations (Hofstede, 1991). While conducting research on different style of leadership in an organization, a researcher must keep in mind the cultural variations in different countries.

H1: transactional leadership is associated with employee's performance

b) Transformational leadership

Leadership has two main dimensions i.e. transactional and transformational leadership (Adnan & Mubarak, 2010). Leadership that creates valuable and positive change in the followers is Transformational Leadership. Such a leader focuses on "transforming" others to help each other, to look out for each other, to encourage and be harmonious, and to pay attention towards organization as a whole. Lievens, Geit & Coetsier (1997) and Berson, Shamir, Avolio & Popper (2001) articulate that transformational leadership is helpful for innovation implemented by the organization in the era of competition. Transformational Leader can smooth the progress of these changes by placing value on the enlargement of a vision and by encouraging subordinates to pursue that vision. It notifies four leadership scales, namely charisma, inspiration, individual consideration, and intellectual stimulation.

Employees can easily share their knowledge among them when organization used transformational leadership style (Behery, 2008). Zafra, Retamero & Landa (2008) wrap up that transformational leader have high emotional intelligence and they emerge as leader during group cohesiveness, it also uplifts the morale, motivation, and morals of their followers (Bass, 1999). It also focuses on more sensitive side of organizational interactions like vision, culture, values, development, teamwork, and service (Fairholm, 2001). By emphasizing the symbolic and expressive aspects of task goal efforts and the important values involved, the transformational leader makes the difference (Bass, 1998). Transformational leadership has been chosen due to its innovative as well as productive and supportive nature (Fatima & Ahmad & Usman, 2011). One can observe the combination of three mechanisms in Transformational Leadership: Leaders give values to their subordinates, motivate their subordinates and persuade in mounting or varying followers' needs (William, Richards, Steers & James, 1995).

Majority of the researchers had associated transformational leadership with employee's

performance and job satisfaction and argued that transformational leadership can be the best predictor of employee performance (Raja & Palanichamy, 2011). Transformational culture boosts both the organization and the employee's performance (Bass & avolio 1993) without enforcing extra burden (Schlotz, 2009). The transformational leadership condition was connected with high task performance, higher collective support acuity, greater efficacy beliefs, lower harmful effect, and lower threat assessment compared to the transactional conditions. (Lyons & Schneider, 2009) and also provide guidance to their followers towards organizational objectives (Metcalf & Metcalf, 2005). Prior researcher has demonstrated that followers who work under transformational leaders are motivated and committed which facilitates their satisfaction with jobs (Givens, 2008). Khan, Ramzan, Ahmed and Nawaz have made their research on Transformational, Transactional, and Laissez-Faire Styles of teaching faculty as predictors of satisfaction, which direct towards extra effort among the students and summarized that teacher faculty, must have to adopt transformational style because it brings higher satisfaction among their students, but the transformational leadership does not keep the check and balance of democratic dissertation and deals with emotions instead of facts. So the transformational leaders are going against the principles of organizational development (Bass & Steidlmeier, 2006). Transformational leadership is proved to be more useful in variety of businesses, military, engineering, hospital, and educational conditions than transactional leadership (Bass 1998). Masi & cook (2000) also have the same thoughts and believed that transformational leadership style is only the factor of increasing employee productivity but transactional leadership is now useless.

Culture plays an important role in describing leadership style adopted in every country as the cultures distinguishes the members of one group from another. We can say that culture and leadership style interrelate to each other. Dickson, Hartog & Mitchelson (2003) and Byrne, Bradley (2007) have described the importance of culture and suggested that only the societal cultures point out the best leadership style. Hofstede (1980) have made their research on Pakistani culture and notify that there is high power distance and uncertainty avoidance. Power distance is a level where less powerful members of the society with in a nation agree to its unequal distribution. Whereas uncertainty avoidance can be explained, the extent to which the members of the culture always feel insecure by any unknown situation (Hofstede, 1997). Lok (2003) suggested; where power distance and bureaucratic culture exists, firms provide strong autocratic style of leadership. Bass, avolio (1993) clearly indicated that culture gives the direction to organization whether transactional or transformational leadership is effective.

H2: transformational leadership is associated with employee's performance

c) *Job Satisfaction*

From decades, researchers take considerable attention on job satisfaction. Researchers discussed different aspects and determinants of job satisfaction in their own ways. Job satisfaction was first presented by Hoppock (1935) in his book as theoretical construct (Young & Tsu, 2010). McNamara (1999) defines job satisfaction as: "one's feelings or state of mind regarding the nature of their work. Job satisfaction can be influenced by a variety of factors, e.g. the quality of one's relationship with their supervisor, the quality of the physical environment in which they work, degree of the fulfillment of their work, etc". Employee explores the things by job satisfaction that is important to him (Commander and Dinesh, 2011) and feels a level of satisfaction (Bekele & G.M, 2011). Good relations with co- workers increase the job satisfaction (Nazir, 1988). For an organization to compete international market, one of the key factors is that its employees are satisfied with their jobs and leaders have amusing relationship with their subordinates and as result employees are pioneer and innovative that helps to grow up the business (Fatima, Bushra & Usman, 2011). An increasing aid provided by peers cause decrease in role ambiguity and role conflict which increases job satisfaction (Goldstein, Rockart, 1984).

Job satisfaction is a very important aspect for modern organization and much research work has been performed to increase job satisfaction. (Hungra, Chuni, Aslam, Azam and Rehman, 2005) conclude that there is a positive relationship between autonomy, leadership behavior, team work environment and job satisfaction. Voon, Ngui and Ayob (2011) show the stronger relationship between transformational leadership and job satisfaction. If the organization has to enhance job satisfaction among their workers and to increases commitment, researcher viewed that they must follow transformational leaders (Koh, Steers & Terborc, 1995). Krishnan (2005) express transformational leadership as a key factor of high job satisfaction and thus increased employee performance. Schaubroeck, Lam (2007) is of view that there is positive relationship between transformational leadership and employee performance and it creates a positive impact on team performance. Transformational leadership is effective in two ways, 1st it builds enthusiasm, secondly, instills sense of vision that lead to higher job satisfaction, due to this, employers performance takes a positive slope (Kennedy, Anderson, 2002).

Janssen, Yperen (2004) says that transactional leadership entertains employee performance by increasing the follower's job satisfaction. Participative leadership style or directive both can become the element of increasing employee's participation, and in

turn enlarged performance (Kahai, Sosik & Avolio, 2004). Liang, Chan, Lin and Huang (2011) take job satisfaction as mediator between transactional and transformational leadership style and articulate that these styles create strong correlation between employee's performance. Nemanich and Keller (2007) also have made a linkage between leadership style, job satisfaction and employee performance. Though researchers have conducted research on different aspects of leadership styles, their impact on job satisfaction and employee performance, however momentous thrust in context to the Pakistani culture yet to imparted (Adnan & Mubarak, 2010).

H3a: job satisfaction is mediator between transformational leadership style and employee performance.

H3b: job satisfaction is mediator between transactional leadership style and employee performance.

d) Employee Performance

From the initiation of globalization, the foremost confront for manager is to expertise different strategies to boost firm's performance (Habib, Khurram & Idress, 2010). For the strength of an organization job satisfaction plays a vital role which has significant effect on employee performance. And the word performance we used to pass on the individual aptitude to be inspired, stirring, pioneering and to determinant to achieving the goals on an organization (Walumbwa & Hartnell, 2011). Previous study has examined that a positive relation is found between satisfied employees and organization, as the performance of the satisfied employees are more productive for the organization then less satisfied employees (Ostroff, 1992). Leadership is associated with employee performance (Ogbonna & Harris 2000). The relationship between Leadership and performance is established considerable attention (Gadot, 2006). The main theme of the every organization is to enhance employee performance. Howell, Merenda (1999) suggested that transformational leadership will play an imperative role in increasing job satisfaction as well as role play to achieve organization's goal and employees acts (Goodwin, 2001). Walumbwa, Avolio & Zhu (2008) expressed, transformational leadership correlated with subordinate skills with work worth to asses employees performance. They trained their workers, arranged meeting with their subordinates and take feedback from their subordinates and in end result employee productivity added. Firm mostly increase employee's performance by giving empowerment to their team members (Ozaralli, 2002). Researchers have also studied the employee performance with extraverted leadership and gave very interested results, employee performance are increased under the extraverted leadership when employees are passive. And if employees are proactive, result will be opposite (Grant, Gino & Hofmann, 2011).

Researchers have studied employee's performance with variety of variables. One of the researcher observed that, satisfied employees not only be the cause of increasing employee performance but also they don't think to leave organization (Opren, 1986). Firms also arranging training secession for their employees, in order to enhance job satisfaction, because firms know, satisfied employees will give more performance (Jones, Jones, Latreille & Sloane, 2004). Su, Baird and Blair (2009) feels, major involvement to give up any organization by satisfied employees, how much they are satisfied the level of productivity will be high as much. Karatepe and Kilic (2009) indicate that work-family conflict and work-family facilitation affect employee's performance and find out that work-family facilitation enhances job satisfaction. According to Biswas (2009), organizational communication act in way to fastening workforce by transmitting cultural norms from an organizational framework to an individual's way of life in the organization and by supporting style of manager also plays incredible role for increasing employee's performance.

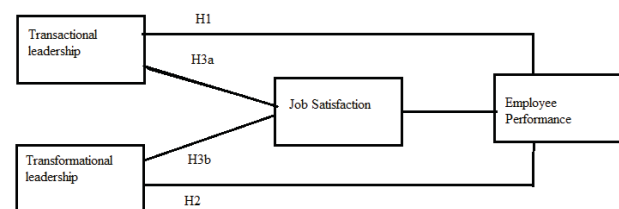
III. RESEARCH METHODOLOGY

Measures : Data was collected For leadership style by using a multifactor leadership questionnaire, adopted from (Avolio & Bass 2004) for transformational leader ship style having three question and two question from LMX-7 (Graen and Uhl-Bien,1995). Transactional leadership style was also measured by using multifactor leadership questionnaire, developed by (Avolio & Bass 2004), having 2 items. While Job satisfaction questions were adopted from (Brayfield and Rothe,1951) and employee performance questions.

A five point likert scale was used with 1 representing strongly agree and 5 representing strongly disagree. The questionnaires were personally distributed to respondents working in private schools.

Participants: A total of 250 questionnaires were distributed from the employees of private Educator school, out of which 124 were received back making response rate of 49.6%.

a) Research model



Sample: Respondents included employees working in private schools located in Rawalpindi, Islamabad. The following table describes the sample composition.

Description	Frequency	Percentage
Gender		
Male	97	79
Female	25	21
Age		
18 – 25	27	22
25 – 30	34	28
30 – 35	39	32
35- 40	13	11
40 above	9	7
Tenure		
1	24	20
2 -3	36	30
3 – 6	42	34
6 – 9	14	11
9 – 12	6	5
Qualification		
Matric	8	7
Fsc	21	17
Bachelor	53	43
Master	40	33

IV. RESULTS

Table 1: Correlation coefficient matrix

Correlations				
	LDTR	LDTs	JS	EP
LDTR	1	.200*	.103	.274**
LDTs	.200*	1	.738**	.184*
JS	.103	.738**	1	.139
EP	.274**	.184*	.139	1

*. Correlation is significant at the 0.05 level (2-tailed).
 **. Correlation is significant at the 0.01 level (2-tailed).
 ** Correlation is significant at the 0.01 level (2-tailed). n=122

The correlation matrix indicates that employee performance is strongly correlated with the transactional leadership style that is .274** similarly the transformational leadership is also positively correlated with team performance that is .184*

Table 2 : Regression analysis

model	t	Sig
LDTR	3.121	.001
LDTs	2.039	.044

Dependent Variable: Employee performance
 R2
 Transformational Leadership 34%
 Transactional leadership 55%

Regression analysis indicates that the value of R square is .88% which indicates that it is significant,

which means that 88% creates an impact on dependent variable is used in this study. While only 12% variation remained UN explained due to some unknown variables.

Result of the mediating regression approach for JS

Model	Beta	In t	Sig.
1	LDTR .264 ^a	2.990	.003
	LDTs .161 ^a	1.202	.232

Dependent variable EP

a) Analysis

H1: transactional leadership is associated with employee performance

The result clearly indicates that transactional leadership is highly correlated with employee performance as above table of correlation analysis shows that transactional leadership is positively connected with employee performance and in regression analysis value of t is also greater than 2 (i.e. 3.121) it is lump sum that

Transactional leadership is positively associated with employee performance (H1- Accepted)

H2: transformational leadership is associated with employee performance

The result clearly indicates that transformational leadership is correlated with employee performance but less than transactional leadership

Above table of correlation analysis shows that transformational leadership is weakly connected with employee performance but in regression analysis value of t is greater than 2 (i.e. 2.039) it is lump sum that

Transformational leadership is positively but weakly associated with employee performance (H2- Accepted)

H3a: Job satisfaction is mediating between transactional leadership and employee performance.

The result shows that Job satisfaction is not creating a role of mediating variable between transactional leadership and employee performance because by controlling job satisfaction value of t become greater than 2 which indicates that job satisfaction is not a cause of employee performance if transformational leadership is adopted. (H3a-Rejected)

H3b: Job satisfaction is mediating between transformational leadership and employee performance.

The result shows that Job satisfaction is playing a role of mediating variable between transformational leadership and employee performance because by controlling job satisfaction value of t become less than 2 and job satisfaction is mediator between transformational leadership and employee performance. (H4-Accepted)

V. DISCUSSION

This study was based to determine whether which leadership style i.e. Transactional or Transformational leadership style can increase the performance of Employees of private school (educators) working in Pakistan. The results indicate that hypothesis1 (H1) has strongly positive relationship with Employee performance with .27** The level of significance of transformational was positive but weak i.e. .18* then transactional leadership with respects to employee performance, in our Pakistani culture where power distance and uncertainty is high, transactional leadership is more suited in order to achieve targets, in a bureaucratic nation where one man show rules and autocratic leadership follows through out the whole history, Ahmed (1996) also indicated that Pakistan is bureaucratic state where command and control rules ,so employees are also habitual of transactional leadership style and they assume themselves that their leader will be strict and follows rules and regulation so most of the private organization prefers to motivate their employees by using Transactional rewards such as promotion, bonuses and punishments etc. Now with the passage of time, the trend is slowing changing and moving towards the transformational leadership style as above mentioned that .18* correlation exists between transformational leadership style and employees performance, but the performance level is low as compared to transactional leadership because employees are feel relaxed when they come to know that their leader will not be going to punish them.

However the third Hypothesis (H3a) is not accepted because their was no mediating role of Job satisfaction, this is due to organization's basic purpose is to achieve their targets without caring about the satisfaction of the employees. Results clearly indicating that employees are not satisfied with their jobs yet their productivity level is increased because of the fear that they will be punished if their tasks will not b completed. Or another reason is might be employees are hoping for promotions or bonuses

The hypothesis (H3b) indicates that job satisfaction is mediating between transformational leadership and employees performance as 0.73** is showing relationship between transformational leadership and job satisfaction. And if we excluded job satisfaction between them, value of t becomes decline to 2, that is the sign of importance of job satisfaction between transformational and employee performance. If we explained this results, it shows that employees are satisfied with transformational leader but they did not give high performance, this results showing that when employees feels that their leader is supportive and always encouraged them, employees take them light and in result productivity level is low.

Another important observation deducted from the result was the of R square value of transactional

leadership is showing 55%, which indicates that education sector (educators) we have selected for our research emphasize heavily on transactional leadership while only 34% rely on transformational leadership and just 12% are the other factors that create an impact on employees performance. These results also informed that employee performance is heavily relying on leadership and it can play a vital role in determining the performance of employees, so organization must carefully analyze, what kind of leadership they should adopt if they to want to increase employee performance and the result suggests us organization must opt Transactional leadership style so that employee performance can be increased but some other practices should be introduced so that Job satisfaction also can be increased.

VI. IMPLICATIONS

This research is extremely important for mangers of private school owners or institutions while monitoring or supervising the employees or subordinates because it may help them to understand and to implement a right leadership style to increase the performance of the followers. It is suggested that organization should implement the mix of both transactional and transformational leadership style according to the certain situation and nature of task assigned to employees. After analyzing the data, it is recommended that for routine task organization should adopt transactional style of leadership and transformational leadership style should be used when there is complexity in job and interrelated tasks. But in context of Pakistani culture, it is suggested for new entrants or running educational sector to put their major focus on transactional leadership in order to take high level of performance level from their employees.

VII. LIMITATION AND FUTURE RESEARCH

Beyond the distinctive condemnations of survey measures, there are several important limitations to the current study which illustrates that this research is not fully conclusive. First, current research only covers and focuses on private institutions or organizations although there are many Government organizations currently operating in Pakistan which may demonstrate different results due to difference in their environment. The dissimilarity between private and government owned organization may effect differently on leadership style and there may be some important variables missing which have positive impact on employee performance. So, while conducting a future research these aspects should be kept in mind by doing so this can give more valuable results. Secondly, since all samples included were collected by employees of private organization through questionnaires, there was no control over the consistency in the method employed for survey administration. There may be some reasons of

inconsistent data i.e. non-serious attitude of respondents, busyness with work or fear of information leakage leads to biasness, while filling the questionnaires. The lack of consistency or biases in sampling may have increased measurement error in data analysis.

Nevertheless, considering these limitations, the current study endow with some guidance to carry out future research in different directions for assessing or studying different leadership styles which will increase employee performance in an organization. Our investigation covers only two types of leadership styles i.e. transactional and transformational, researchers can also study other leadership styles like laissez-faire style, servant style and can find appropriate leadership style which plays an essential role for enhancing employee performance.

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