

## Evaluation Of Effects Of Transformational Leadership and Employee Performance a Survey of Nandi County Government

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**Abstract:** The purpose of the study was to assess the influence of transformational leadership on employee performance: This study was conducted in Nandi County government. The study was guided by the following research objectives to: establish the effect of idealized influence on employee performance; establish effects of inspirational motivation on employee performance; establish the effect of intellectual stimulation on employee performance; evaluate the effect of individualized consideration on employee performance. The study adopted a descriptive research design where six sub counties in Nandi County were studied. The sample population under the study was 197 which included the 61 administrators, head of departments and 136 permanent employees of the six sub counties. This study employed stratified random sampling method as a technique of probability method, which was done according to the six sub counties and the County government structure. Purposive sampling technique was used to select administrators and heads of department while simple random sampling technique was used to select permanent county employees. The questionnaire was tested for reliability by using Cranach's alpha to determine the internal consistency of the items. The Study used expert judgment method to determine content validity. Questionnaires were used as the main instruments of data collection for this survey. The data obtained from the research instruments was analysed using Statistical Package for Social Science (SPSS) version 20. Descriptive and inferential statistics were used in analysing the data. Descriptively frequencies and percentages were used to analyses data, while inferential statistics used was linear correlation. The study concluded that in order to achieve employee performance idealized influence should be adopted. There was a positive relationship between idealized influence and employee performance implying that enhancement of idealized influence leads to better performance. Superiors design the performance rules.

**Keywords:** Idealized Influence, Inspirational motivation, Intellectual Stimulation, Individualized Consideration and Employee Performance

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### I. Introduction

From the previous few years it has been witnessed that transformational and charismatic leadership are vital aspects of leadership that are extremely related to individual moreover as organization performance. Effectiveness of leadership measures the flexibility of leaders to electrify the followers towards the collective goals. Scalars who have explored transformational and charismatic leadership; they have to embrace motivational effects in their study (Shamir, House, & Arthur, 1993). Really Study's have represented transformational leadership by taking motivational effects relating to the followers. Literature of transformational and charismatic leadership is totally different from transactional and alternative kinds of leadership like monitoring. Transactional and monitoring relies on exchange compensation of cooperativeness however on the opposite hand transformational and charismatic supported influence like transmuting the values and primacies of the subordinates of achieving over their expectations.

For several decades, the study of leadership in dynamic environments has remained the realm of academics and management intellectuals who de-emphasize the difference between public and private organizations and analyzed leadership chiefly in for-profit agencies. Therefore, most leadership theories and concepts are generic, and do not apply to the environment within a public organization. This lack of research on leadership in public organizations necessitated utilizing resources in the federal government, which contributed to leadership-development information, but did not address the issues of performance management and improvement (Fernandez, 2008).

Previous research shows that although there have been studies on job satisfaction, organizational commitment, motivation, efficiency, and effectiveness; few have analyzed differences in leadership behaviors and effectiveness in public organizations. These differences may be marked in terms of market powers and disclosures to legislation, legislatures, and civil service rules. They also might impinge on leaders' discretion in these sectors, which in turn affects leadership performance. To examine these differences, Hooijberg and Choi (2001) researched private and public sector employees to observe whether the basic theories of leadership in the

existing literature might illustrate differences. They associated leadership roles with different behaviors of challenging value frameworks to observe which would have a larger impact on perceived effectiveness in different sectors. Their study points out that monitoring and facilitating role have much more of an impact on perceived performance of leadership effectiveness in the public sector. All human institutions are subject to change and because society and organizations are living organisms, change is inevitable. Leaders must realize the reasons why human systems occasionally fail and how the procedures of change may be dynamically established. Rationales for changes in leadership behavior may be to renovate and redefine values, to re-energize systems that are ineffective due to old practices and rigid concepts, to restore abandoned ambitions and create new aims that fit new conditions, to attain new perspectives on solutions to problems, or to promote innovative human dynamics and continuous growth. At this point, it can be said that while transactional leaders accept and work within the confines of existing systems, transformational leaders prefer change and reinvention (Gardner, 1990)

Globally, leaders have high level of moral conduct and do something for the team. Individual thought includes attention, encouragement and support of leader to followers. Intellectual Stimulation conclude that leader change the followers for inquisitor the issues during a new approach that's straight forward and inventive. Early analysis of transformational leadership was regarding the options of leaders and their relationship with followers. Further analysis on the behaviours of transformational leaders proposes that transformational leadership is intervened by the leader's activities the power to create a typical vision, to coherent clear and communicative goals, to allow staff, and dependable behaviour.

Transformational leadership may be concept that's ready to answer this challenge. Supported this idea, the duty of a leader is to encourage his/her subordinates to perform the work on the far side of their expectations and former estimation. Transformational leaders try to boost subordinates' awareness by encouraging idealism and better ethical values, such as, freedom, justice, peace, balance, and humanity that don't seem to be supported emotional feeling admire worry, greed, jealousy and hate (Burns in Yukl, 2009). As masses, subordinates even have to meet their desires. Fulfilling the requirements of subordinates are useful to each the subordinates and also the organization. Organization demands the temperament of its subordinates to succeed the objectives of the organization; in the meantime, the subordinates would like a pleasing job, a chance to participate, adequate wages, a chance to be promoted, and an honest relationship between superiors and subordinates. Steers and Porter (Purwanto&Adisubroto, 2001) argued once the agreement between each parties may be performed fairly, it eventually fosters a high commitment of the subordinates towards the organization that stimulates the subordinates to figure well and to be ready to contend in tight and competitive conditions. Organization commitment may be taken because the relative strength of a person's identification and involvement during an explicit organization (Mowday, 1979 in Yukl, 2009).

In continent of Africa the existence of staff with high commitment to the organization can lead the organization to a good condition. Such staff can contend with each other to assist the organization by operating additional effectively in traditional state of affairs and can actively maintain the organization once unfavourable condition exists (Dessler, 2006). Staff with high commitment is possible to act in accordance with the values and norms existing within the organization, hence, deviation and disobedience may be prevented. Besides, such organizations with high committed staff can acquire higher potency and cannot need plenty of supervising. On the opposite hand, such organizations having staff with low commitment can scale back the effectiveness of the organization (Gibson, 1978 in Purwanto& Adisubroto,2001).

In Kenya worker commitment to the organization is critical since high commitment is correlated with low employee's flip over having touched to a different job, absence level, and also the slowness of labour may be reduced. In fact, it will increase job satisfaction and better awareness of the staff towards the existence and success of the organization. Organization desires staff willing to try to something exceptional their duties and work, even sacrificing themselves for the success and property of the organization (Borman&MotowildoinMuchiri, 2002) In addition, the commitment of an organization arises in an environment providing chance for the staff to participate, and it may be created by the hands of the leaders. Pfefer (1996 in Khan, 2004) states the trap will solely be created and maintained through participation. Once folks are concerned in their human's aspect, the need to participate is increasing, or in alternative word, participation will increase engagement and engagement forms a commitment. Transformational leadership provides support, encouragement, and developing experiences to its followers (Yukl, 2009). It means that they supply broad opportunities to its followers so as to use and develop their potentials. Each worker collaborating and involving actively with the corporate can try to make and manifest his/her skills so as to be in line with the objectives of the organization. Hence, the Transformational leadership is taken into account capable of forming the commitment of the worker. The export-based SME sector is taken into account because the business having competitive spirit of that its product serves the international market performed by people or traders/mediator (RI-PIKM, 2002-2004). Problems on leadership vogue, the authorization of the worker, organization commitment and also the performance of the worker are fascinating problems to debate. The

export-based SME sectors have many characteristics; among others, sufficient aggressiveness, domestic resource primarily based, labour intensive, providing opportunities to figure and huge market opportunities. For the SME of cooper carving crafts in Boyolali regency, the event on human resources covers rising style, capability building in export-import and negotiation techniques and rising experience in product quality. Creativeness and innovation are thought of because the crucial issue of their product. The objectives of the study is to seek out the result of transformational leadership on worker authorization, organization commitment, worker performance more over on confirm the mediating variables on the result of transformational leadership on worker performance and also the result of worker authorization on worker performance in small-medium enterprise of cooper carving centre.

### **1.2 Statement of the Problem**

Any extraordinary action or success accomplished by a leaders occurred with the active involvement and support of others. Leadership isn't a one person act; it's a team effort by the leader and his followers. Collaboration between the two parties is therefore essential ability for achieving and sustaining high performance (Kouzes& Posner, 2002). Leaders have to be compelled to take a pro-active role in making a positive context and organization for cooperation and collaboration. A leader has to assign tasks to each team member in order that he contributes to a singular task for the ultimate outcome to succeed. Mid last century, the link between leader and follower to fulfil self-interests was characterized as transactional leadership. Changes within the business atmosphere and manpower have resulted within would like for leaders to become additional transformational and fewer transactional (Bass, 1999). Transformational leadership implies that followers exceed agreements and expectations within which the leader-follower relation goes any than with the transactional leadership wherever the economic exchange so as to meet self-interests is within the foreground. This review focuses on the employee's performance and his motivation, determined by transformational leadership vogue. However, there has been no try as of nevertheless to check linkages considering the idea of motivation as negotiator between transformational leadership and individual performance.

## **II. Literature Review**

### **2.1 Effect of idealized influence on Employee performance**

Idealized influence refers to the behaviours of a transformational leader that evokes his or her followers' trust, admiration, respect, and their desires to emulate the leader. Those behaviours embody considering the wants of their followers higher than the leader's own interests or gains, and demonstrating consistency and smart ethics in their conduct (Bass & Avolio, 1994). Similarly, Northouse (2009) expressed that such leaders demonstrate high standards of ethical and ethics. By therefore doing, followers would be impressed to emulate the leader, therefore raising the bar in terms of the standard of their performance at work. Previous studies have confirmed that perfect influence features a direct impact on individual performance (Bass, 1990; Bass & Avolio, 1994; Densten, 2002, as cited in Dionne et al., 2004). Burns (1978) referred perfect influence as attractiveness. Transformational leadership vogue concentrates on the event of followers likewise as their wishes. Managers with transformational leadership vogue target the enlargement and development necessary system of staff, their sacred level and moralities with the preamble of their skills. per Bass, the aim of transformational leadership would be to remodel people and organizations among a literal sense to vary them among the mind and heart enlarge vision, insight and understanding clarify reasons produce behaviour congruent with values, concepts and brings concerning changes that unit permanent, self-perpetuating and momentum building (Dodd, 2014). Per Gaver, (2011), transformational leadership happens once leader become wider and uphold the interests of the staff, once they generate awareness and acceptance for the aim and assignment of the cluster, thus once they combine staff to appear on the so much facet their own self-interest for the good of the cluster. Perfect influence encompasses behaviours that instil pride in followers for being related to the leader typically connoted or synonymous to attractiveness. It indicates that leaders can transcend their individual self-interest for the bigger smart of the cluster and build personal sacrifices for others' profit. A transformational leader with perfect attributes displays a way of power and confidence and is in a position to reassure others that they'll overcome obstacles. They have a tendency to speak regarding their most vital values and beliefs and therefore the importance of trusting each other. They emphasize a collective mission and note the importance of getting a robust sense of purpose. The members or team of the organization typically emulates leaders who possess perfect influence, viewing the leader as an attractive personification of the values and mission of that organization. Leadership can be a social influence methodology throughout that the leader seeks the voluntary participation of subordinates in a very trial to achieve organization goals. A winner is going to be made public as somebody agency delegates or influencing others to act thus on performs nominal objectives. Since the late 1980s, transformational leadership theory has gained popularity in the leadership field. Contrary to earlier theories, transformational leadership theory put an emphasis on emotions and values to demonstrate how a leader can acquire the ability to affect and motivate followers to succeed beyond expectations. The

symbolic behaviour and role of the leader were also emphasized to make results more meaningful and effective for followers (Yukl, 1999). Although Burns (1978) formed the transformational leadership paradigm as a new understanding of leadership, Bass and his colleagues (Bass, 1985 and Bass, 1996) have further researched it. They explain transformational leadership mainly as the leader's effect on followers, and the behaviour applied to achieve this effect. Leaders help followers to feel trust, admiration, loyalty, and respect, which motivate them to do more than they initially expected to do. Leaders also encourage followers to be aware of task outcomes and to supersede their own self-interest for the benefit of the organization. Yammering and Bass (1990) describe the transformational leader as one who has a vision of the future that excites and motivates followers, and considers each individual in elaborating differences among them.

The transformational leadership paradigm concentrates more on what the leader achieves, rather than his or her personal characteristics. In chaotic environments, transformational leaders are likely to be more effective because they look for new ways of working, for opportunities in the face of risk, for effective answers to questions, and are less likely to maintain the status quo. For that reason, they may respond positively to changes in the external environment (Lowe, Kroeck&Sivasubramaniam, 1996). Conger (1989) renders behaviours undertaken by effective leaders as actions of perceiving opportunity and generating vision, allowing others to accomplish the vision (Intellectual stimulation), communicating a vision that arouses (charisma), endorsing commitment in followers (individualized consideration), and constructing trust through individual commitment (inspirational motivation). According to Bass (1996), transformational leaders work in ways to accomplish superior outcomes by using one or more of the Four I's:

**Individualized consideration:** Diagnoses and promotes the needs of each follower.

**Idealized influence:** Becomes a source of esteem by followers, often functioning as role models, increases follower pride, devotion and confidence

**Intellectual stimulation:** Stimulates followers to look at the world from new viewpoints, and questions old assumptions, beliefs, and paradigms

**Inspirational motivation:** Simply articulates an attractive vision and provides meaning and a sense of purpose to what needs to be performed.

Even if Bass (1996) includes individualized consideration as one of the dimensions of transformational leadership, Trottier, Van Wart, and Wang (2008) state that it should be placed with transactional cluster as it increases satisfaction and performance in day-to-day settings and reduces turnover. As a result, individualized consideration was not included in the transformational leadership dimensions in this study. Today's organizations wish effective leaders. UN agency perceives the complexities of the pace dynamical world atmosphere. If the task is very organization and conjointly the leader has sensible relationship with the staff, effectiveness is high on the part of the staff. Measured the leadership effectiveness and leadership role and its influence on performance, leadership behaviours, and attitudes. They found that high leadership indexes don't appear to be related to past performance records but associated every to higher potentiality of magnified performance and to higher name of organizations, inform among the direction of a pregnant influence of behavioural quality and dynamics on the leadership perceived level (Dawson, 2014). A mechanism of leadership styles moving team innovation among the personal analysis centres investigated the link between fully totally different leadership styles and team innovation with the mediating effects of data sharing and team communication. Exploring the link between organization Culture and class of Leadership we'll use the factors like organization Culture, Transformational Leadership, Transactional Leadership and capitalistic Leadership. The influence of leadership styles on employees' job satisfaction publically sector organizations in country. Leadership vogue can have an impact on organization commitment and work satisfaction fully and work satisfaction intern can have an impact on organization commitment and work performance fully (Fiol, 2011). As Kirega (2015) asserts, the necessity for a couple of sort of company approach is needed to have efficiency and proper employee management which can end in improved performance.

**HO 1: There is no statistical association between idealized influences on Employee performance**

## **2.2 Effects of inspirational motivation on Employee performance**

Inspirational motivation and perfect influence are typically combined to make charismatic-inspirational leadership (Bass & Riggio, 2006). Sacred motivation refers to transformational leaders sharing a compelling vision or goal with their followers and perpetually motivating them to achieve for the goal whereas boosting their confidence and consoling them that barriers faced is overcome (Bass & Avolio, 1994). Higher levels of motivation are coupled with higher levels of performance (Shamir, House & Arthur, 1993). Inspirational motivation represents the utilization of vision by transformational leaders (Bass & Avolio, 1990). Conger (1991) mentions that effective leaders are the ingenious craftsmen of their organization's mission. They communicate their missions in ways that create great fundamental demand. Vision is a key leadership behavior for increasing workforce support in organizational augmentation and development. Inspirational motivation measures vision by tracing the rate at which leaders utilize symbols, metaphors, and basic emotional demands to raise awareness

and understanding of commonly desired goals (Conger, 1991; Densten, 2002). Motivation and inspiration are two common values of transformational leaders. Transformational leaders provide significant and challenging work, clearly explain their vision, and communicate the importance of the organization's mission and objectives to their followers. They speak positively and passionately about the future and express confidence that organizational goals will be achieved. Transformational leaders also stimulate team spirit, generating hope and passion among followers (Bass, 1985; Bass & Avolio, 1994, 2004).

Leaders display inspirational motivation when they encourage employees to do their best and achieve beyond expectations. For that reason, utilization of inspirational motivation helps to increase employees' feelings of self-reliance, enabling them to optimally carry out their jobs (Snyder & Lopez, 2002). Per Avolio et al. (1991), even within the absence of the leader, sacred motivation typically produces individual effort and performance on the far side traditional expectations, therefore making followers who are freelance in handling challenges on their own. The degree to that the leader articulates a vision that's appealing and provoking to followers. Leaders with sacred motivation challenge followers with high standards communicate optimism regarding future goals, and supply which means for the task at hand. Followers have to be compelled to have a robust sense of purpose if they're to be motivated to act. Purpose and which means give the energy that drives a gaggle forward. The visionary aspects of leadership are supported by communication skills that build the vision perceivable, precise, powerful and interesting. The followers are willing to take a positional lot of effort in their tasks; they're inspired and optimistic regarding the long run and believe their talents. The sacred Motivation dimension is created through behaviours that facilitate a sense of optimism and a commitment to organization goals and vision. Further, sacred motivation provides intending to the work of followers. A leader's attractiveness, "a method wherever leaders arouse followers by being visionary, psychological feature and powerful, assured and charming to followers" is that the total of sacred motivation and perfect influence. Leaders Who show attractive leadership arable to use communicative language that's showing emotion appealing and communicate a transparent vision that's concerning the requirement and values of the followers" (Kelloway et al., 2003).

HO 2: There is no statistical association between inspirational motivations on Employee performance

### **2.3 Effects of Intellectual stimulation on Employee Performance**

Intellectual stimulation primarily means that new, artistic and innovative ways in which of doing the traditional. it's outlined because the degree to that you encourage others to be artistic in gazing recent issues in new ways in which, produce Associate in Nursing setting that's tolerant 1 per another definition intellectual stimulation is questioning recent assumptions and therefore the establishment. Gigantic work has been done upon intellectual stimulation and leadership at international level (Avolio, 2004). Role of intellectual stimulation in effective management has conjointly been studied in alternative areas like education, leadership, temperament development and business besides health. Intellectual stimulation conjointly effects leadership vogue. Leaders alone cannot solve all issues. In today's advanced world issues require experience of multiple resource help. In today's dynamic international world of competition, organizations should vie successfully. In any huge organization various factors influence the generation of creative thinking at the individual and organization level. At the individual level, intensive body of analysis suggests that individual creative thinking needs experience, power skills and intrinsic task motivation. Experience refers to information, proficiencies and skills of workers to form a contribution to their fields. Power skills embody psychological feature skills and met Head of Departments further as temperament variables that influence that application of those power skills. Task motivation is crucial in turning artistic potential into actual artistic concepts. Studies ensure that higher the amount of every of those 3 parts, higher the creative thinking. At the organization level, Study have conjointly enclosed individual characteristics as a part of the broader frame work explaining creative thinking within the work place analysis in psychology suggests that accessory behaviour on the a part of the co- staff and supervisors within the work place enhances employee's creative thinking. Leadership vogue conjointly influences the generation of creative thinking at individual and organization level. Transformation leadership vogue creates work setting causative to creative thinking by that specialize in specific techniques, like involving workers in decision making process and downside solving; empowering and supporting them to develop bigger autonomy, work and teaching them to figure at recent issues in new ways in which. Creative thinking and innovation are major variables of intellectual stimulation, typically interchangeable. While not these explicit dimensions of intellectual stimulation it's terribly troublesome to manoeuvre ahead and provides quality output in today's dynamic world. Quality matters all told walks of life and provision of quality normal services to the community in health sector is said to transformation leadership. One among the necessary issues in health sector is lack of Total Quality Management (TQM), leading to discontentment of the shoppers. In a very study focus was on the utilization of transformational leadership as a method to manoeuvre health care organizations on the far side ancient values and approaches by building upon the core values of TQM.

Transformational leaders encourage followers' ideas and assess their efforts to be more creative in solving problems by questioning assumptions, redescribing problems, and redefining old situations in new ways. This stimulation occurs mainly through empowering followers to take the initiative (Riggio & Orr, 2004). Transformational leaders also challenge followers to generate new ideas which are not completely different from the strategies and ideas of the leaders' own. They hearten their followers to confront old values, traditions, and beliefs that may be obsolete for today's problems, articulate threats that the organization may encounter, and offer opportunities for improvement. These leaders posit challenging expectations and support new ideas so followers will accomplish higher performance levels, and simultaneously show compassion in regard to past mistakes. Finally, leaders who intellectually stimulate their followers do not condemn them for having diverse ideas and support them in taking necessary risks (Avolio, 2004).

Bass and Avolio (1999) also state that these types of leaders may shift perspectives or unearth hidden assumptions to expose alternative causes that alter the agency's direction. Redmond et al. (1993) specifies that when leader behavior increases follower self-efficacy, it results in a higher level of follower creativity in problem-solving situations. Therefore, leader-follower cooperation gains in importance as followers' desires increase to find mutual solutions to problems. Once this takes place, followers will have increased trust in and attachment to both their leaders and their organization. Transformational values and competencies have a crucial role in achieving a health system that fosters community well-being and basic look after all. Newer ideas argue that consumer satisfaction cannot be achieved while not adoption of transformational leadership behaviour and employment of intellectual stimulation. Use of those tools ends up in new ways in which of rising true and enhancing the productivity of health skilled by virtue of its professional competence, innovation, creativity, information and skills that successively ends up in consumer satisfaction. Specific downside that has been determined is lack of true transformational leadership in health sector in developing countries; within the type of employment of intellectually stirred up behaviour on a part of the health managers. This successively affects the standard of services. Asian country as a developing country has been taken as case study for this analysis. Focus of this text was to assess the perception of health managers concerning the key variables of intellectual stimulation, with special stress upon the information, opinion and knowledge. Gift study can open avenues for any researches in this area.

HO3: There is no statistical association between Intellectual stimulation on Employee Performance

#### **2.4 Effects of Individualized consideration on Employee Performance**

Bass (1999) delineate sacred motivation as providing followers with challenges and which means for partaking in shared goals. Bass and Steidlmeier (1999) took it any distinctive seceded motivation because the leader's ability to speak his or her vision in a very method that evokes followers to require action in an endeavour to satisfy the vision. Sacred motivation allows leaders to stay targeted on the vision of the cluster despite any obstacles which will arise (Kent, Crotts, & Azziz, 2001). Yukl (2006) delineate sacred motivation behaviours as human activity Associate in Nursing appealing vision, victimization symbols to focus subordinate effort, and modelling applicable behaviours. Some Studies have connected sacred motivation to ideas of ethics, claiming that once leaders show concern for organization vision and follower motivation, there are a lot of inclined to form moral selections (Banjeri & Krishnan, 2000; Kent et al.)

The relevancy of transformational leader behaviours in an internet schoolroom has however to be examined. However, outcomes of transformational leadership in virtual organization settings are the main target of the many studies. Virtual environments, each schoolroom and organization, give distinctive opportunities for leaders in terms of achieving goals, facilitating collaboration, and establishing strategic relationships, additionally to overcoming ancient barriers like price, location, time, and area (Eom, 2009). Eom found that transformational leader behaviours in virtual organizations LED to employees' magnified trust within the leader and better overall performance. Purvanova and Bono (2009) examined worker outcomes in terms of performance and satisfaction in virtual organizations compared to face-to-face organizations with leaders thought of to show transformational behaviours of perfect influence, sacred motivation, intellectual stimulation, and individualized thought. Results indicated that then a lot of transformational leadership behaviours that are displayed by leaders, the a lot of glad workers are in addition, Ruggieri (2009) examined the concept of transformational and transactional leadership in regard to follower outcomes in interactive virtual contexts. They found that transformational leaders are delineated by followers as oriented a lot of toward the long run and development of followers than are transactional leaders (Ruggieri). These findings are in line with Hoyt and Blascovich's (2003) study that determined higher levels of follower satisfaction with leaders displaying transformational leadership behaviours than those displaying transactional leadership behaviours in virtual interactive contexts. Once led by a transformational leader, followers reported higher levels of satisfaction, motivation, authorization, and cohesion (Hoyt & Blascovich; Ruggieri, 2003). The topic of performance is not a straightforward one (Corvellec, 1995). The correct interpretation of the word performance is important and must never be misread in the context of its use. In other words performance is the competency of individuals to

transform the resources within the firm in an efficient and effective manner to achieve organizational goals (Daft, 1997). Individual's performance refers to ability of an individual to achieve such objectives as high profit, quality product, large market share, good financial results, and survival at pre-determined time using relevant strategy for action (Koontz and Donnell, 1993). Organizational goals vary depending on the purpose for which they are established. Business organizations have profit, growth, stability and survival as the main goals. A high performance individual is characterized largely by the following: high outputs or productivity, sustained and increasing market share, greater profitability or shareholder value, innovation, and differentiation of service from that of its competitors in its sector in one way or another (Stevens, 2000). The popular ratios that measure individuals performance in terms of financial performance can be summarized as profitability and growth: return on asset (ROA), return on investment (ROI), return on equity (ROE), return on sale (ROS), revenue growth, market shares, stock price, sales growth, liquidity and operational efficiency (Drury, 2008).

Venkatraman and Ramanujam (1986) in their study presented the organizational performance measurement methods such as the financial performance, business performance and organizational effectiveness, which were adopted as the dimensions of the organizational performance (Wang, at al., 2010) This study will emphasize organizational performance as a dependent variable measured by financial performance in terms of profitability by using measurements such as ROI, ROA, ROE, ROS and in terms of turnover measurements including stock turnover, creditor turnover, debtor turnover, fixed asset turnover and total assets turnover. Also, non financial performance will be also considered in measuring the organizational performance in this study. Non-financial performances which will be considered include employee morale and satisfaction, conducive working environment, organizational reputation, organizational attraction to professionals, corporate social responsibility and customer satisfaction

HO4: There is no statistical association between Individualized consideration on Employee Performance

### III. Materials and Methods

The study employed a descriptive survey research design. The study targeted 409 respondents with a sample size of 197 respondents. The study used 5-point likert questionnaires as the method data collection instruments. The Cronbach's coefficient alpha was applied on the results obtained to determine how items correlate among them in the same instrument. Cronbach's coefficient Alpha of more than 0.7 was taken as the cut off value for being acceptable which enhanced the identification of the dispensable variables and deleted variables.

#### 3.1 Data Analysis

The study conducted initial data analysis using simple descriptive statistical measures such as, mean and standard deviation to give glimpse of the general trend. However, correlation analysis was used to determine the nature of the relationship between variables at a generally accepted conventional significant level of  $P=0.05$  (Sekaran, 2003). In addition, multiple regression analysis was employed to test the hypotheses. Multiple regression analysis is applied to analyze the relationship between a single dependent variable and several independent variables (Hair *et al.*, 2010). The beta ( $\beta$ ) coefficients for each independent variable generated from the model, was subjected to a  $t$ -test, in order to test each of the hypotheses under study. The regression model used to test is shown below:

$$Y = \beta + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where:-

Y = Employee Performance

$\beta$  = Constant.

$\beta_1, \beta_2, \& \beta_3$  = Regression Coefficients

$\epsilon$  = Unexplained Variation i.e. error term, it represents all the factors that affect the dependent variable but are not included in the model either because they are not known or difficult to measure.

$X_1$  is Idealized Influence

$X_2$  is Inspirational motivation

$X_3$  is Intellectual Stimulation

$X_4$  is Individualized Consideration

All the above statistical tests were analyzed using the Statistical Package for Social Sciences (SPSS), version 20. All tests were two-tailed. Significant levels were measured at 95% confidence level with significant differences recorded at  $p < 0.0$

IV. Results and Discussion

4.1 Correlation results

Pearson’s measures the strength and direction of the linear relationship between variables. Pearson Correlations results in, From table 1.0 The variables were at 99% level of confidence, since 1 percent change in Idealized Influence leads to 85.5% change in the employee performance. 1% change in **Inspirational motivation** leads to 85.6% change in the growth of employee performance, 1% change in **Intellectual Stimulation** leads to 85.4% change in the growth of employee performance and 1% change in **Individualized Consideration** led to 90.3 % change in the growth of employee performance.

Table 4.1: Correlation of Independent Variables

		<b>Idealized Influence</b>	<b>Inspirational motivation</b>	<b>Intellectual Stimulation</b>	<b>Individualized Consideration</b>	<b>Employee motivation</b>
<b>Idealized Influence</b>	Pearson Correlation	1	**			**
	Sig. (2-tailed)		.			
	N	154				
Inspirational motivation	Pearson Correlation	.878**	1	**	*	**
	Sig. (2-tailed)	.000		.		
	N	154	154			
Intellectual Stimulation	Pearson Correlation	.883**	.892**	1		**
	Sig. (2-tailed)	.000	.000			
	N	154	154	154		
Individualized Consideration	Pearson Correlation	.860**	.878**	.847**	1	**
	Sig. (2-tailed)	.000	.000	.000		.
	N	154	154	154	154	
Employee performance	Pearson Correlation	.857**	.876**	.859**	.865**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	154	154	154	154	154

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

Table 4.2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.909 <sup>a</sup>	.826	.822	.315
Predictors: (Constant), Individualized Consideration, Intellectual Stimulation, Financial reporting, Inspirational motivation				
Dependent Variable: employee performance				

R-Squared is a commonly used statistic to evaluate the goodness of fit of a model. In regression, the R square coefficient of determination is a statistical measure of how well the regression line approximates the real data. It measures the proportion of the variation in dependent variable explained by independent variables. R<sup>2</sup> accounts for 82.6% of the variability of outcome factors. Thus the study indicated that 82.6% of the variation in employee performance is explained by the financial reporting, Inspirational motivation, Intellectual Stimulation and Individualized Consideration.

Table 4.3 ANOVA<sup>a</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	70.315	4	17.579	177.347	.000 <sup>b</sup>
	Residual	14.769	149	.099		
	Total	85.084	153			
a. Predictors: (Constant), Individualized Consideration, Intellectual Stimulation, Financial reporting, Inspirational motivation						
b. Dependent Variable: Employee performance						

As shown from the table, F=177.347, p=0.000. Analysis of Variance (ANOVA) was used to test the significance of the regression model shown in table 4.12 above, The F- test provides an overall test of significance of the fitted regression model whereby, if the p=0.000 value for the F –test of overall significance test is less than 0.05 then the model provides a better fit. Hence the model provides a better fit, and thus it is statistically significant in predicting how financial reporting, Individualized Consideration, Reconciliation and Inspirational motivation affect employee in Nandi County. **The F value of 177.347 indicates that all the variables in the equation are important hence the overall regression is significant.**



**Table 4.4:** Summary of Results for Hypotheses Testing

Hypotheses	Result (Accepted or Rejected)
HO <sub>1</sub> : There is no statistical significant associate between <b>Idealized Influence</b> and employee performance in Nandi county	Null hypothesis rejected (p =0.000).
HO <sub>2</sub> : There is no statistical significant association between Inspirational motivation and employee performance in Nandi county	Null hypothesis rejected (p= 0.000).
HO <sub>3</sub> : There is no statistical significant association between Intellectual Stimulation and employee performance in Nandi county	Null hypothesis rejected (p= 0.000).
HO <sub>4</sub> : There is no statistical significant association between Individualized Consideration and employee performance in Nandi county	Null hypothesis Rejected (p=0.000).

Further the summary of results for hypothesis testing was done with a significance level of 0.05, such that when the p-value is less than the conventional 0.05 the null hypothesis is rejected and when it is above the conventional value 0.05 the null hypothesis is accepted, as shown in table 4.5

Inspirational motivation, ,intellectual stimulation, individualized consideration on employee performance						
		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.432	.148		2.929	.004
	<b>Idealized Influence</b>	.178	.081	.186	2.210	.029
	Inspirational motivation	.258	.084	.280	3.079	.002
	Intellectual Stimulation	.204	.089	.198	2.307	.022
	Individualized Consideration	.267	.072	.292	3.732	.000

a. Dependent Variable: employee performance

**V. Conclusion**

The study concluded that in order to achieve employee performance idealized influence should be adopted. There was a positive relationship between idealized influence and employee performance implying that enhancement of idealized influence leads to better performance. Superiors design the performance rules. The heads of department assess the employees. Inspirational motivation has a positive impact on employee performance. Employees seemed not believe that supervisors are able to inspire confidence to employees but most of the administrators think supervisors are able to inspire confidence to employees. The study findings indicated that there is a significant effect of intellectual stimulation on employee performance. Employees disagree that intellectual stimulation enhances creativity and autonomy among the leaders while administrators argue that intellectual stimulation enhances creativity and autonomy among the leaders.

The study findings indicated that there is a significant effect of individualized consideration on employee performance. Individualized consideration of employees through awarding in monetary terms seems to work best in motivation of employees. Individualized consideration involves training and mentoring of employees. Employees encourage each other to perform their duties. This is a positive gesture when it comes to the quality service delivery. Another finding was that employees give each other the maximum support needed to do their duties. Most of the permanent employees do not think that employees in the organization embrace teamwork. Contingency Leadership theory concludes that there's no single method of leading which each leadership vogue ought to be supported bound things, this signifies that there are a unit bound those that perform at the most level in bound places; however at bottom performance once taken out of their component. Additional probably too precise their leadership once they feel that their followers are responsive. Fiedler's contingency theory stressed the leader's temperament, or psychological disposition, could be a main variable in her/his ability to guide, and aforesaid that however the cluster receives the leader, the task concerned, and whether or not the leader will really exert management over the cluster are the three principle factors that confirm however productive the leader-led arrangement are (Kerr, 2008).

**5.3 Recommendation of the Study**

Based on the findings of the study the following recommendations were made on policy and practice. The study also made suggestions for further studies.

**5.1.1 Recommendation on Policy and Practice**

The study recommends that organizations should adopt a continuous employee performance assessment. This should be done by designing performance requirements according to organization needs. It is also recommended that counties should adopt inspirational motivation in order to ensure continued optimism and enthusiasms within their employees.

Organizations should also build teamwork, providing employees with proper training, involving them in decision-making and rewarding them for excellent performance.

The counties should design comprehensive communication channels so that to improve on employee and leaders communication. This will also ensure clear conveyance of messages within the county.

Lastly it's recommended that county managers initiate mentorship programmes that will ensure the much experienced transfer skills to the less experienced to ensure performance cont

### 5.1.2 Recommendation for Further Research

The current study was out to determine the influence of transformational leadership on employee performance in Nandi County Government; the study recommends that a similar study should be done in other Counties to allow for generalization of finding on the effect of transformational leadership on employee performance.

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