AN EMPIRICAL STUDY ON THE EFFECT OF LEADERSHIP STYLES ON EMPLOYEE WELLBEING AND ORGANIZATIONAL OUTCOMES WITHIN AN AUSTRALIAN REGIONAL UNIVERSITY

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ABSTRACT

Leadership has increasingly become a major research focus in the corporate sector as well as in the higher education sector (HES). Previous studies have shown that different leadership styles play a significant role in promoting both employee wellbeing and organizational outcomes. However, there is a lack of clear understanding of how leadership, employee wellbeing and organizational outcome such as job satisfaction, organizational commitment and turnover intention interact together in the HES context, particularly within Australian regional university settings.

The HES has two distinct staff cohorts, academic and professional, who have a stake in tertiary education leadership and management that further add to the complexities of leadership within the sector. Moreover, research into HES leadership uses many different leadership theories with results primarily focused on academic leadership. More expansive and pluralist approaches are necessary if we are to better understand the contextual complexities of leadership in the current HES. A review of leadership studies literature also suggests that researchers have either focused on the relationship between a specific leadership style and wellbeing; leadership styles and organizational outcomes’ or the relationship between wellbeing and organizational outcomes, but rarely do empirical studies examine all three concurrently.

For a complex organization such as a university, an effective way of examining leadership may be by applying leadership theories that examine a diverse range of leadership styles concurrently. The Full Range of Leadership Theory (FLRT) examines transformational, transactional and laissez-faire leadership styles within a single continuum that may provide a way to concurrently examine how these differing leadership styles may impact on leadership effectiveness in the HES context.

The proposed PhD research project that this paper draws upon aims to examine the lived experiences of leadership amongst both academic and professional staff working in an Australian regional university by exploring the relationships between leadership style, employee wellbeing and organizational outcomes. The proposed project takes a mixed method approach using both qualitative and quantitative methods and analysis. Given the timing of the project, the focus of the paper and presentation for the Australasian Conference on Business and Social Sciences 2015 will be a position paper exploring the literature review and research design for this project.

Key Words: leadership, wellbeing, organizational outcomes, transformational leadership, transactional leadership, laissez-faire leadership, higher education sector (HES).

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INTRODUCTION

In today’s dynamic global working environment there is growing evidence to suggest that organizations are now recognising the impact leadership styles has on both employee wellbeing and organizational outcomes (Avolio, Walumbwa & Weber, 2009; McCarthy, Almeida & Ahrens, 2011; Muchiri, 2011, Muchiri, Cooksey, Di Milia & Walumbwa, 2011). However, to date, leadership research has focused on specific relationships between leadership style and staff wellbeing (van Dierendock, Haynes, Borrill & Stride, 2004); leadership style and organizational outcomes (Michel, Lyons & Cho 2011) and the separate relationship between employee wellbeing and organizational outcomes (Nielsen & Munir, 2009; Van De Voorde, Paauwe & Van Veldhoven, 2012).

In addition, there has been considerable empirical (e.g., Basham 2012; Bolden, Gosling, O’Brien, Peters, Ryan & Haslam 2012; Herbst, & Conradie 2011; López-Domínguez, Enache, Sallan & Simo 2014; Sani & Maharani 2012; Vinger 2009) and non-empirical (e.g., Brown, 2006; Bryman, 2009; Fullan & Scott, 2009; Holt et al. 2013; Kezar 2012; Kouze & Posner, 2002; Raz, Hojati, Najafian, & Namdari, 2012.) research on leadership in the higher education sector (HES). However, these studies have varied widely in terms of context, purpose and methodology. Moreover, there is a gap in the current research literature examining the inter-relationships between leadership, employee wellbeing and organizational outcomes in HES in general, and in particular, within the Australian HES. Furthermore, previous research has separately applied different types of leadership theories such as distributed leadership, servant leadership, authentic leadership and transformational leadership theories that have a lot of similarity to examine the variables in interest. There is thus a need for empirical research that concurrently examines the effect of differing leadership styles upon employee wellbeing and organizational outcomes in the Australian HES. Therefore, the aim of the present research is to examine how different leadership styles affect both employee wellbeing and organizational outcomes in an Australian regional university. The proposed research will examine leadership using the Full Range of Leadership Theory (FLRT) to determine what type of leadership style leads to the greatest levels of employee wellbeing and organizational outcomes in the HES by applying the model shown in Figure 1 below.

![Figure 1: Proposed model for the research](image-url)

Leadership Styles:
- Transformational leadership
- Transactional leadership
- Laissez-faire leadership

Organizational Outcomes
- Job satisfaction
- Organizational commitment
- Turnover intention

From the methodological point of view, this research aims to take a pragmatic approach by applying a triangulations method where findings of quantitative data will be compared and contrasted with qualitative data. Research findings from the proposed research will contribute to the knowledge by exploring similarities among different types of leadership theories and application of the leadership theory that may best facilitate understanding leadership in the HES. The FLRT is one of such leadership theory that encompasses three different types of leadership styles (transformational, transactional and laissez-faire) that have both positive and/or negative effect on employees. The research project aims to also make an original contribution to the knowledge is to attain a better understanding of which leadership styles within the FLRT is more effective in enhancing both employee wellbeing and organizational outcomes within a regional university within the Australian HES. Examining the contribution of a mediating variable such as wellbeing between the leadership and organizational outcome may also be a significant contribution to knowledge as there is no know empirical research of this nature in the existing HES research literature.
LITERATURE REVIEW

Since the early 20th century, leadership has constantly been redefined with a number of leadership theories having been proposed based on different theoretical perspectives (e.g. top-down, bottom-up, trait, behaviour) and grouped accordingly (Antonakis, Cianciolo & Sternberg 2004; Avolio et al. 2009; Lowe & Gardner, 2001; Richmon & Allison, 2003). Hemphill (2014, p.383) argued that “it is becoming more evident that leaders in the twenty-first century are required to navigate an increasingly complex landscape, one described by Johnsen (2007, 20090 as volatile, uncertain, complex and ambiguous (VUCA)”. Effective leadership is widely accepted as important in setting strategic goals, policy development, and practices in the HES (Bennette, Crawford, & Cartwright, 2003, Brown, 2006). However, there is disagreement as to whether top-down transformational leadership style or the relatively new dispersed or shared leadership style best describes the leadership landscapes within the HES globally (Asmawi, Zakaria & Wei 2013; Avolio & Bass, 2004; Bolden, Petrov & Gosling, 2008; Brown, 2006; Bryman, 2009; Gilmore 2011; Kezar 2012; Lumbry, 2012; Webb 2009). A review of literature suggests that, despite the evolution of relatively new leadership approaches, there are common characteristics among these contemporary leadership theories such as distributed leadership, authentic, servant and spiritual leadership theory and leadership theory such as the FLRT. These theories will therefore be discussed below.

The Full Range of Leadership Theory (FLRT)

The FLRT comprises three typologies of leadership behaviour: transformational, transactional and non-transactional laissez-faire leadership (Antonakis, Avolio, , Sivasubramaniam, 2003). This leadership theory is a well established leadership theory with the three different leadership styles (transformational, transactional and nontransactional laissez-faire) measured by applying a valid measurement tool such as the Multifactor Leader Ship Questionnaire (MLQ, 5X; Avolio & Bass, 2004).

Transformational leadership style is a leadership approach defined as “leader behaviors that transform and inspire followers to perform beyond expectations while transcending self-interest for the good of the organization” (Avolio et al., 2009, p. 423). Transformational leaders are suggested to promote intellectual development, confidence, team-spirit and enthusiasm among the followers, thereby encouraging followers to be more focused on collective wellbeing and achieving organizational goals (Aydin, Sarier, & Uysal, 2013; Cho & Dansereau, 2010). By going beyond the normal exchange of relationships and fostering shared values, ideas and visions, transformational leaders help to build moral relationships within organizations (Bass, 1985; Bass & Riggio, 2006).

Transactional leadership is based on the exchange of rewards contingent on performance (Avolio et al., 2009). Using a ‘carrot or a stick’ approach, transactional leadership is usually characterized as instrumental in followers’ goal attainment (Bass, 1997). There is an element of power and influence within the transactional leadership style suggesting that this leadership style is more applicable in management. Hence, transactional leadership in its extreme form may be considered as an autocratic leadership style when a leader has a lot of power over their followers with regards to making staff inputting to management decisions (Lyons & Schneider 2009).

The third leadership style embedded within the FLRT is the laissez-faire leadership style, sometimes considered as no leadership (Aydin et al., 2013; Bass, 1990; Lam & O’Higgins, 2011) or destructive leadership (Skogstad, Einarsen, Torsheim, Aasland, & Hetland 2007). Simply stated, with laissez-faire leadership there is no interface between the leaders and followers. Such leaders avoid responsibilities, do not provide feedback, and delay decision-making (Bass & Riggio, 2006).

The complexity leadership theory

In today’s complex and volatile global environment another leadership theory being discussed in contemporary leadership literature is the complexity leadership theory (Uhl-Bien et al., 2007). This theory focuses on the leader’s accumulation of social assets to overcome the challenges of the knowledge era. Considering the reality of the present day organizational climate, complexity leadership theory recognises three types of leadership styles - the traditional bureaucratic leadership style that promotes hierarchy and control, the ‘complex adaptive system’ (CAS) (Uhl-Bien et al., 2007) of leadership that addresses creative problem solving, and ‘generative
dynamic’ (Uhl-Bien et al., 2007) leadership which triggers engagement in change activities. Uhl-Bien et al. (2007) argue that leadership is a process where each of these three elements has a place. A previous review of the traditional leadership theories also suggests that transformational leadership theory has also identified leadership as a process (Northouse, 2011). Uhl-Bien et al. (2007) promoted a distributed network rather than the top-down approach within an organization. The FLRT covers top-down approach of leadership. Despite the changes in an organizational environment, it may be argued that the traditional top-down culture that emphasizes the role of control and authority in achieving organizational strategic goals has not diminished.

**Distributed leadership theory**

Another contemporary leadership approach that has gained momentum in the current HES leadership literature is distributed, dispersed or hybrid leadership theory (Bolden et al., 2009; Gronn, 2000; Gronn 2011; Kayworth & Leidner, 2000; Yukl, 2002). Gronn (2000, p.324) argued, “leadership is probably best conceived as a group quality, as a set of functions which must be carried out by the group”. However, there are few clear definitions of the distributed leadership theory (Nigel et al., 2003) and this emerging leadership theory is currently in the development and testing stage and yet to be empirically established. Besides, there appear some conceptual contradictions in describing distributed leadership. For example, Harries, Leithwood, Day, Sammons, & Hopkins (2007) (2007) initially suggested that distributed leadership has been placed in opposition to hierarchical leadership styles. But more recently, based on the work of Harris (2009), Holt et al. (2013, p.388) argued that “distributed leadership essentially involves both the vertical and lateral dimensions of leadership practice”. They identified both vertical and horizontal alignment among faculty formal leaders and senior executive leaders, academic and professional support leadership within a HES setting.

There appears a relationship between the distributed leadership and transformational leadership styles in that both leadership styles involve mobilizing followers towards achieving organizational goals. Indeed, distributed leadership is a shared process where followers have increased participation in achieving a collective goal. Transformational leadership theory also considers leadership as a process (Northouse, 2011) and there is also a strong emphasis on togetherness, ethical behavior and achievement of a collective goal (Northouse, 2011). In fact, in their analyses of transformational leadership, Leithwood and Jantzi (1999) and Timperley (2005) have identified distributed leadership as one of the key components of transformational leadership.

**Servant leadership theory**

Another leadership approach that is labelled as an emerging leadership theory (Northouse, 2011) is servant leadership theory. The servant leadership theory was originally promoted by Greenleaf (1977a, 1977b) who argued that, to be a leader one has to serve first. This theory is a follower-centric leadership theory that promotes the concept of “followers first, organizations second” (Sendjaya, Sarros & Santora 2008, p. 403). Servant leadership is based on concepts taken from major religions such as Hinduism, Judaism, Buddhism, Christianity and Islam with most of the contemporary publications on this type of leadership based on the Christian faith (Sendjaya et al., 2008). Brown (2006) has suggested that value-based servant leadership and transformational leadership styles are appropriate for academic institutions within the HES.

Perhaps the key difference between the transformational leadership and servant leadership is based on the focus of the two kinds of leadership. It is argued that transformational leaders focus on organization and organizational goals, whereas the servant leaders focus on followers (Greenleaf, 1977a, 1977b & Graham, 1991). Greenleaf (1977a, p. 21) suggested that a servant leader “needs to have a sense for the unknowable and be able to foresee the unforeseeable” as a quality. Parallels with this aspect of servant leadership can be drawn within transformational leadership theory, since transformational leaders are considered as visionary leaders who challenge old ideas and take their followers beyond the expected goal by fostering vision and new ideas (Cho & Dansereau, 2010; Kim, Magnusen, Andrew, & Stoll, 2012; Lam & Higgins, 2012). Transformational leadership is also congruent with servant leadership with regards to fostering higher levels of motivation among the followers (Graham, 1991; Farling, 1999). Furthermore, both servant leadership and transformational leadership are value-laden leadership theories (Sendjaya et al., 2008).
Spiritual leadership theory

Spiritual leadership theory is also an emerging leadership theory. Fry, Hannah, Noel & Walumbwa, (2005, p.836) termed spiritual leadership theory as a ‘causal leadership theory’ and argued that “spiritual leadership comprises the values, attitudes, and behaviors that one must adopt in intrinsically motivating one’s self and others so that both have a sense of spiritual survival through calling and membership”. Spiritual leadership focuses less on leader-centric approaches and focuses on “engaging all group members to meet spiritual needs and enhance organizational commitment and performance” (Fry et al., 2011, p. 261). Besides the spiritual aspect, engaging all group members to enhance performance or achieving desired goals are key features of this type of leadership, a feature in common with both the transformational leadership theory and servant leadership theory.

Authentic leadership theory

Authentic leadership is another emerging and ethical leader behavior that promotes openness in decision-making and encourages followers’ participation in decision-making. Luthans & Avolio (2003, p. 243) have promoted authentic leadership for the academic community within the HES and defined authentic leadership as “a process that draws from both positive psychological capacities and a highly developed organizational context, which results in both greater self-awareness and self-regulated positive behaviors on the part of leaders and associates, fostering positive self development”. There is some overlap between authentic leadership and transformational leadership theory given that “authentic leadership as a root construct that can incorporate transformational and ethical leadership” (Avolio, Gardner, Walumbwa, Luthans & May, 2004, pp. 805-806). Authentic leaders can be participative, directive or authoritative as in the case of the Full Range of Leadership Theory (FLRT) theory that allows for different leadership approaches depending on the situation the leader finds themselves in.

Summary of leadership theories

The above review of leadership theories has highlighted the complexity of defining leadership and showed how different leadership theories overlap. Over the past hundred years, leadership theories have been developed and tested in many different contexts. However, new leadership theories are still being developed in view of changing organizational and global environments. The above review has also highlighted how various leadership theories such as complexity leadership, servant leadership, spiritual leadership, authentic leadership and transformational leadership theory have common elements within them. Importantly, to date there is a lack of established and valid measurement tools for measuring these emerging leadership theories such as complexity leadership, distributed leadership, servant leadership and spiritual leadership. In contrast, the FLRT encompasses three different leadership styles (transformational, transactional and laissez-faire leadership styles), is a well established within the leadership literature (Northouse, 2011), and has a valid measurement tool to examine different leadership styles.

LEADERSHIP AND THE HIGHER EDUCATION SECTOR (HES)

Leadership plays a pivotal role in ensuring an effective environment for both the provision of scholarly services and the attainment of strategic goals within any educational institution (Bennette et. al., 2003; Brown, 2006; Kouze & Posner, 2003; Raz et.al., 2012; Rowley, 1997). In today’s volatile and complex global environment, the implications of effective leadership in the HES has become an important issue with leadership becoming increasingly discussed and examined among leadership scholars in the HES (Bolden et al., 2012; Brown, 2006; Fullan & Scott, 2009; Kouze & Posner, 2002; Raz et.al., 2012; Winefield, Gillespie, Stough, Dua, Hapuarachchi & Boyd, 2003). However, in the current knowledge-based global economy, universities are no longer a value-driven institution for academic excellence. They are now also a place for attaining strategic commercial gain through gaining a competitive edge with a view to acquiring research funding, income through increased student participation, improved quality of teaching and research performance for better international ranking. Moreover, leadership roles in the HES have become even more challenging in the past decade due to the range of technological, political, social and economic changes presented above (Cranston, et al., 2012; May, Strachan, & Peetz,2013; Odhiambo, 2014; Sharrock, 2012).
While describing the present climate within the Australian HES, Sharrok (2012) suggested “it is often claimed that scholarly communities are subject to ‘command and control’ leadership styles and institutional processes, geared increasingly to ‘corporate and commercial’ profit-seeking purpose” (p. 324). Similar to large corporate organizations, universities and their leadership must now develop their strategic goals, visions and mission and ensure all individual and organizational efforts are aligned with those strategic educational and economic goals (Sharrock, 2012). In view of the competitive and complex work environment within the HES, the need for appropriate leadership in achieving universities’ strategic goals has become a key concern of the HES (Brown, 2006).

Understanding leadership within a university setting is an important but complex issue because of the many factors that may affect the organization. These factors include the demographic characteristics of the employees, the organizational structure of the institution, the leadership culture of the university, and the distinction between leadership, management and administration within the organization (Bolden et al., 2012; Brown, 2006, Bryman, 2009; Odhiambo, 2014; Raz et.al., 2012).

The common demographic characteristics of the HES are that it has two major cohorts of employees - academic staff and support/professional staff. To ensure the efficient operation and facilitating of its traditional academic role of teaching, research and other scholarly services, universities do need to have a large support workforce - the professional staffs that, alongside academic staff, may also play a significant role in achieving the university’s strategic goals. For example, although in most cases professional staffs do have a separate chain of command, often they work under academic leaders (e.g. Vice Chancellor, Deans, Heads of School) who often simultaneously discharge leadership, management or administrative roles at the same time within a university.

The structure of the HES has also made it difficult to determine the most effective type of leadership that may promote academic and professional staff wellbeing and organizational outcomes in the HES. This diversity of structure has lead to a wide range of opinions as to what type of leadership is more suitable for the HES (Avolio & Bass, 2011; Bolden et al., 2012; Bryman, 2009; Brown, 2006; Lumby, 2012). Although many of the work units in modern universities function in a dispersed fashion, a chain of command still prevail among both academic and professional staffs (Harris 2009, Holt et al., 2013).

Furthermore, the leadership culture in any university is not limited to the University’s Vice Chancellor. Rather, it is reflective of the leadership culture that encompasses leadership styles practiced by leaders at all levels within that organization. For example, in their research on the application of distributed leadership for online learning environments in five Australian universities, Holt et.al. (2013) strongly suggests that leaders at different levels within a university may not necessarily adopt the same leadership styles as the university leadership itself. This diversity of leadership styles may therefore impact on the leadership culture of the organization.

Academics may define themselves in multiple ways in the HES because of the multi-faceted nature of their work. All academics do not perform leadership roles. Instead, some may perform managerial or administrative roles and do not have the flexibility to lead or implement their own vision. Many academics also have to perform multiple roles such as research, teaching, supervising postgraduate students and projects, managing staffs, and doing routine administrative activities as well as performing leadership roles (Bolden et al., 2012). These multiple roles lead to multiple identities such as academic leaders and academic managers. Moreover, these roles “are not mutually exclusive, can occur simultaneously, and may be experienced as complimentary or conflicting” (Bolden et al. 2012, p.5).

Under the current volatile, uncertain, complex and competitive knowledge era environment in which the Australian HES needs to operate, it is very difficult to conclude what type of leadership can lead to the best organizational outcomes and leadership culture in a university. From the current evidence, it is suggested that universities need charismatic and visionary leaders who can not only align the organization to meet the strategic goals, but lead them with a pragmatic vision within a volatile and complex future. Moreover, there is also a need to apply a leadership theory that has the ability to explore both positive and negative implications of different leadership styles.
Currently, there are mixed opinions as to what type of leadership theory is more applicable in the context of the current HES (Avolio & Bass, 2011; Bryman, 2009; Brown, 2006; Gronn, 2000; Lumby, 2012). For example, some previous research in the HES has promoted parallel or distributed leadership beside top-down leadership styles such as transformational leadership (Bolden et al., 2008, Brown, 2006; Gronn, 2000). More recently it has been identified that the Australian HES has both vertical and horizontal alignment of leadership (Holet et al, 2013) suggesting a new approach to leadership in the Australian HES. Moreover, while researchers such as SendJaya et al. (2008) and Jones, Harvey, Lefoe, & Ryland, (2011) promote contemporary leadership theories such as servant and distributed leadership in the Australian higher education context, other global research also suggests that FLRT that encompasses the transformational leadership style may be the most applicable leadership framework for HES institutions given that it is congruent with other value-based leadership theories such as servant and distributed leadership (Asmawi, Zakaria & Wei 2013; Brown, 2006; Bryman, 2009; Gilmore 2011; Odhiambo, 2014). Indeed, Avolio & Bass (2004) also argues that transformational leadership is applicable in a broad spectrum of organizations including the HES.

In earlier research, Kouzes & Posner (2003) conducted a large survey to identify the kind of leadership most effective in the HES, and identified five factors of importance. These included modelling the way, inspiring a shared vision, challenging the process, enabling others to act, and encouraging the heart. These factors are identical to the elements of transformational leadership. Moreover, ‘idealised influence’, a component of transformational leadership, was associated with three out of five measurements of effective leadership in a study conducted in the USA HES by Brown and Moshavi (2002).

Despite these positive findings in favour of the suitability of transformational leadership in the HES, some scholars such as Bryman (2009, p.51) argued that “it is striking that by no means all writers on higher education leadership support the notion that transformational leadership necessarily provides the best model for understanding and developing general principles for leaders in the higher education sector”. The Bryman (2009) study also argued that if transformation is too deep it might damage the prevailing cultural pattern of the institution and that, for setting strategic vision, transformational leaders should work closely with other senior managers in the HES.

In contrast to supporting the transformational theory of leadership within the HES, Bryman (2009) concluded that most of the leadership in the HES is transactional, at least in the UK (Bryman 2009). However, the Bryman (2009) UK study was limited to a particular level of academic leadership (Head of Department) and did not include professional staffs who are major stakeholders in university administration. It might therefore be argued that the Bryman (2009) findings may not be an accurate reflection of the overall leadership culture within the HES, particularly within Australia. Bryman (2009, p.4) also highlighted that “little research directly investigates leadership in universities”. Similar to the lack of research on leadership within the HES overseas, there has been limited research on leadership in HES in Australia (Brown, 2006; Holt et al., 2013, Jones et al., 2011; Sharrock, 2012). Moreover, the focus and methodology for this limited research in Australia was different to that conducted overseas. For example, Brown (2006) examined various aspects of leadership to ascertain a shared understanding the leadership and behaviour among both academics and professional staffs. Jones et al. (2011) explored the possibility of supporting distributed leadership process within Australian HES for building leadership capacity. More recently, the aim of Holt et al. (2013) research was to develop “a framework that uses a distributed leadership for the quality management of online learning environments (p. 387)”. However, none of these earlier Australian studies examined the relationship between leadership styles, employee wellbeing and organizational outcomes as proposed in the current research project.

Leadership is a also key concern for Australian regional universities such as Central Queensland University. The Voice Survey (a survey examining the staff ‘climate’) conducted at Central Queensland University in 2012 found that while commenting on leadership, approximately 45% of the respondents felt that senior management listen to other staff and another 44% said senior management stick to their promises. 57% of the CQU staffs responded that they feel emotionally well at work, 77% are committed to their job, 69% of the staffs intend to stay at their job, and 81% of the staff reported that they are satisfied with their job. While encouraging, these statistics do not show how these variables of interest in the proposed project are associated with each other, nor is there any evidence of how different leadership styles within Central Queensland University, or indeed any university, may affect each of these variables.
Understanding the complexity of leadership and its impact on both employee wellbeing and organizational outcomes is of prime importance for any university. More research is thus needed to explore leadership culture in the Australian HES that identifies optimum leadership styles that maximise both staff wellbeing and organizational outcomes for both academic and professional staffs.

As there may be a variation of leadership styles among academic and professional staff leaders in the HES, an examination of different leadership styles using the Full Range of Leadership Theory will facilitate analysis of both positive and negative aspects of leadership within the Australian HES. This proposition of examining both positive and negative influence of leadership is consistent with Hunter, Bedell-Avers & Mumford (2007) who argued “most leadership studies have explored only positive relationship s and outcomes of leader actions, ignoring those behaviors that may be harmful to subordinates and organizations” (p. 437-438). Furthermore, Australia is an Anglo-Saxon culture (Hofstede 2001; House et al. 2002) where transformational leadership is acknowledged to be most effective leadership style (Bartram & Casimir, 2007; Casimir, Waldman, Bartram & Yang, 2006; Parry, 1996; Parry & Sarros, 1996; Sarros, Cooper & Santora, 2008).

LEADERSHIP, EMPLOYEE WELLBEING AND ORGANIZATIONAL OUTCOMES

Despite the commonalities and differences among leadership theories, there is consensus that leadership strongly influences both employee wellbeing (Nyberg et al., 2011; Tafvelin, et al., 2011) and organizational outcomes such as job satisfaction (Aydin et al., 2013; Ertureten, et al., 2013, Podsakoff et al.,1996), organizational commitment (Felfe & Schyns, 2004; Muchiri, Cooksey & Walumbwa 2012) and turnover intention (Ertureten, et al., 2013; Tse, Huang & Lam 2013). (Avolio et al. 2004; Aydin et al., 2013; Cerne, Dimovski, Marie, Penger & Skerlavaj, 2013; Fry et al., 2011) However, to date, previous research has either focused on how separate leadership style(s) affect either employee wellbeing (Nyberg et al., 2011) or organizational outcomes (Avolio et al. 2004; Aydin et al., 2013; Cerne et al., 2013; Ertureten, Cemalcilar & Aycan, 2013; Fry et al., 2011; Tse et al., 2013). No known empirical research has explored how leadership, employee wellbeing and organizational outcomes interact within an organizational setting. Furthermore, there is no known research on the interaction between leadership style, employee wellbeing and organizational outcomes in the context the HES, and in particular within a regional Australian university.

Effect of leadership on employee wellbeing

In the context of organizational practice and employee performance, the terms leadership and wellbeing are closely linked. Similar to the diverse conceptualization and definition of leadership, employee wellbeing has also been widely studied and produced multiple conceptualizations, definitions and measurements of wellbeing (Burnetto, Teo, Shacklock & Farr-Wharton, 2012). Although a common perception of wellbeing in Australia is associated with physical wellbeing, the broader concept of wellbeing also encompasses emotional, intellectual, social and spiritual wellbeing (Brunetto et al., 2012; McCarthy et al. 2011).

There is a large body of literature that has examined how leadership affects employee wellbeing (Kim et al., 2012; Nielsen & Munir, 2009; Nyberg et al., 2011; Tafvelin et al., 2011). For example, in a 12-month longitudinal study of 2700 social service employees of a Swedish municipality, Tafvelin et al. (2011) found that transformational leadership was positively and significantly related to employee wellbeing. However, there is little known research in the Australian higher education context on staff wellbeing Winefield et al. (2003) Indeed in their study Winefield et al. (2003) wellbeing was conceptualised in terms of job satisfaction and psychological strain; whereas in more recent studies of staff wellbeing, job satisfaction is considered as an outcome variable (De Cuyper, Van der Heijden & Witte 2011; McCarthy et al., 2011; Rodwell & Munroe 2013).

Based on above research findings on the effect on leadership on employee wellbeing, the following research hypotheses will be examined during the proposed research project:

- **Hypothesis 1a**: Transformational leadership style will positively affect employee wellbeing within an Australian regional university setting.

- **Hypothesis 1b**: Transactional leadership style will positively affect employee wellbeing within an Australian regional university setting.
different styles of leadership on relationships.

Satisfaction, organizational commitment, turnover intention (Tse et al., 2009) and dissertations (Abuorabl, 2012; Debra, 2008; Li, 2010) considered as a key issue for dissatisfaction among academics.

Transformational leadership negatively influenced turnover intention by triggering transformational leadership was positively related to employee satisfaction. In another study among employees (1996) conducted a study among 1539 employees and 1200 managers in the USA and found that transformational leadership positively affects teachers' job satisfaction. In earlier research, Podsakoff et al., 1996; Tse, et al., 2013) conduct a study among 1539 employees and 1200 managers in the USA and found that transformational leadership was positively related to employee satisfaction. In another study among employees of a call centre within a large telecommunication company in China, Tse, et al. (2013) found that transformational leadership negatively influenced turnover intention by triggering organization-based social exchange and supervisor-based social exchange. Within the limited research examining the effect of leadership on organisational commitment, Altbach (1996) found that leadership provided by top-level administrators are considered as a key issue for dissatisfaction among academics.

Although there have been some peer-reviewed research (Sani & Maharani, 2012; Tafvelin, et al., 2011; Webb, 2009) and dissertations (Abruaborl, 2012; Debra, 2008; Li, 2010) that have examined the relationship between leadership and organizational outcomes such as job satisfaction (Aydin et al., 2013; Asmawi, et al., 2013; Tafvelin, et al., 2011; Webb, 2009), organizational commitment (Aydin et al., 2013; Muchiri, et al., 2012; Sani & Maharani, 2012) or turnover intention (Tse, et al., 2013; Ertureten, et al., 2013), there is no known research in the Australian HES that has examined the effect of different leadership styles, their implication for employee job satisfaction, organizational commitment, turnover intention and the mediating effect of wellbeing in these relationships.

In view of the above research findings following hypotheses may be tested to understand the effect of different styles of leadership on organizational outcomes:

- **Hypothesis 1c**: Laissez-faire leadership style will negatively affect employee wellbeing within an Australian regional university setting.

**Effect of leadership on organizational outcomes**

Leadership influences organizational outcomes such as job satisfaction, organizational commitment, and turnover intention and these variables are related to each other (Aydin et al., 2013; Ertureten et al., 2013; Podsakoff, et al., 1996; Tse, et al., 2013). Within the workplace, employee job satisfaction means, “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience” (Locke, 1976, p.1300). "Organizational commitment represents a psychological link between employees and their employers that influences whether they will remain or leave the organization” (Allen & Meyer, 1996, p.305). Turnover intention is defined as a deliberate and conscious motivation to leave the organization (Tett & Meyer, 1993).

How leadership affects these three organizational outcomes within organisations outside of the HES has been well documented. For example, Aydin et al., 2013 recently carried out a meta analysis of leadership style of Turkish school principals and the effect of leadership style had on both employee job satisfaction and organizational commitment. They found that the transformational leadership behavior of the school principals was positively and significantly related to the teachers’ organizational commitment. The same study also found that transformational leadership positively affects teachers’ job satisfaction. In earlier research, Podsakoff et al., 1996 conducted a study among 1539 employees and 1200 managers in the USA and found that transformational leadership was positively related to employee satisfaction. In another study among employees of a call centre within a large telecommunication company in China, Tse, et al. (2013) found that transformational leadership negatively influenced turnover intention by triggering organization-based social exchange and supervisor-based social exchange. Within the limited research examining the effect of leadership on organisational commitment, Altbach (1996) found that leadership provided by top-level administrators are considered as a key issue for dissatisfaction among academics.

In view of the above research findings following hypotheses may be tested to understand the effect of different styles of leadership on organizational outcomes:

- **Hypothesis 2a**: Transformational leadership style will positively affect employee job satisfaction within an Australian regional university.
- **Hypothesis 2b**: Transformational leadership style will positively affect employee organizational commitment within an Australian regional university.
- **Hypothesis 2c**: Transformational leadership style will negatively affect employee turnover intention within an Australian regional university.
- **Hypothesis 3a**: Transactional leadership style will positively affect employee job satisfaction within an Australian regional university.
- **Hypothesis 3b**: Transactional leadership style will positively affect employee organizational commitment within an Australian regional university.
- **Hypothesis 3c**: Transactional leadership style will negatively affect employee turnover intention within an Australian regional university.
- **Hypothesis 4a**: Laissez-faire leadership style will negatively affect employee job satisfaction at an Australian regional university.
Hypothesis 4b: Laissez-fare leadership style will negatively affect employee organizational commitment at an Australian regional university.

Hypothesis 4c: Laissez-fare leadership style will positively affect employee turnover intention at an Australian regional university.

Effects of wellbeing on organizational outcomes

Despite a lack of on how employee wellbeing affects human resource management and organizational performance (Van De Voorde, et al. 2012), there is research evidence from organizations outside of the HES that employee wellbeing affects organizational outcomes such as job satisfaction, organizational commitment and turnover intention (Brunetto et al., 2012; McCarthy et al., 2011; Van De Voorde, et al. 2012). For example, Brunetto, et al. (2012) conducted a study among 193 police officers within Australia over a four month period and found a statistically significant positive relationship between employee wellbeing and job satisfaction, employee wellbeing and affective commitment, as well as a significant negative relationship between employee wellbeing and turnover intention. Give another example too Ata then tell reader that there is NO research on this area within the HES, particularly within the Australian HES. The above discussion support following hypotheses:

Hypothesis 5a: Employee wellbeing will positively affect employee job satisfaction of an Australian regional university.

Hypothesis 5b: Employee wellbeing will positively affect employee organizational commitment within an Australian regional university.

Hypothesis 5c: Employee wellbeing will negatively affect employee turnover intention within an Australian regional university.

METHODOLOGY

Proposed methods and procedures

Using a pragmatist approach, the proposed research will apply a mixed methods research methodology (Creswell, 2009; Plano-Clark & Creswell, 2008). Because of scope of the research, time and practical constraints, data will be collected using a concurrent nested design (Plano-Clark & Creswell, 2008). Both quantitative and qualitative data will be collected through online survey of both ‘followers’ and ‘leaders’. Online questionnaires for leaders will be administered among leaders/managers/supervisors who supervise at least 3 (three) ‘followers’. The surveys will have both quantitative survey items and qualitative open-ended questions to examine the interrelationships between leadership styles, staff wellbeing and organizational outcomes. Another set of questions will be developed based on the findings of the survey and used to conduct focus group/individual structured interviews with volunteer participants from both the leaders/managers/supervisors cohort and the ‘followers’ cohort. This focus group/individual interview is planned to explore any issues that could not be established through the survey and to confirm the findings of the survey. To examine the relationship between the predictor variable (leadership) and the criterion variables (satisfaction, organizational commitment and turnover intention), the relationship between the predictor variable and mediator variable (wellbeing) and relationship between mediator variable and criterion variable will also be examined. Wellbeing is included as a mediating variable in this research as the literature strongly suggests that leadership influences employee wellbeing (Kim et al., 2012; Nielsen & Mumir, 2009; Nyberg et al., 2011; Tafvelin et al., 2011). Moreover, wellbeing has also been shown in previous research to influence organizational outcomes such as job satisfaction, organizational commitment and turnover intention (Brunetto et al., 2012; McCarthy et al., 2011; Van De Voorde, et al. 2012).
Proposed Sample

The research will be conducted among both academics (n=1662) and professional staff (n=906) across all campuses of the Central Queensland University, Australia (CQU). For ethical reasons, only group feedback will be considered when assessing the leadership style from followers’ perspective.

Data Collection

A number of well established, valid, and reliable survey tools will be drawn together to measure the variables of leadership style, staff wellbeing and organizational outcomes. Using the FLRT, leadership style (transformational, transactional and laissez-faire) will be examined with 36 items from the through Multifactor Leadership Questionnaire (MLQ 5X short, Avolio & Bass, 2004). Staff wellbeing will be measured with 12 items from the General Health Questionnaire (GHQ, Goldberg and Williams, 1988), job satisfaction with five items (Judge, Locke, Durham, & Kluger, 1998), organizational commitment (affective commitment) with six items (Meyer, Allen & Smith, 1993), and turnover intention with four items from Stiglbauer, Selenko, Batinic, Jodlbauer, & Johannes (2012). All items will be included in the respective online survey.

Data Analysis

Both quantitative and qualitative analysis of data obtained through the survey will be analysed and triangulated. Descriptive statistics will be determined for all variables of interest. Survey items will be analysed by applying Structural Equation Modelling (SEM) to examine relationships between the variables of interest. SPSS (version 22) will be used for this analysis. Open-ended responses from the online surveys will be analysed along with qualitative data from the focus group and structured interviews using the analysis tools of Nvivo. Regression analysis will be carried to determine the relationship between variables of interest. If necessary, Huber-White estimator in Mplus will be applied to address any errors caused by nested samples. Findings from the research will also be compared and contrasted with objective data (e.g. actual turnover rate) obtained from CQU’s People and Culture Directorate and with findings of the Voice Survey carried out by the university on a regular basis.

Study Limitations

There are a number of limitations to the proposed PhD research. Firstly, the research is cross sectional in design and data is collected from a single Australian regional university. For more robust findings and generalisation of the research outcomes, there is a need for both longitudinal research and data from a larger number of universities within the Australian HES. Secondly, leadership will be assessed through the eyes of the ‘followers’ or the work-unit members. The use of self-report data from the followers may lead to common method bias. A number of measures will be adopted to limit the effect of common method bias. These measures include considering group responses instead of individual perceptions, use of different styles of questions (e.g., Likert scale and open-ended questions), using different scales for predictor and criterion variables, using different sections for questionnaire on different variables, assurance of confidentiality, and the online method of surveying. Thirdly, due to the limitation of time and ethical issue of identifying the persons in in different work units, this research will be conducted among university employees only. However, a future longitudinal study based on the current research may apply the finding of this research in diverse organizational contexts such as corporate environments, the public service, or other areas within the education sector.

CONCLUSION

Despite considerable interest on the role of leadership in the HES across the globe, there is no known research that has examined how different leadership styles within the HES affect both employee wellbeing and organizational outcomes such as job satisfaction, organizational commitment and intention to stay, especially within a Australian regional university setting. Although a number of leadership theories have been applied to examine leadership in the HES, a review of the leadership literature, the organizational complexity of a university, and the strengths and weakness of the leadership theories examined above, has lead to the conclusion that Full Range of Leadership Theory (FLRT) will enable the concurrent assessment of positive and negative leadership styles to assess the interrelationship of variables leadership style, staff wellbeing and organizational outcomes. In addition to investigating the relationship between different types of leadership styles, staff
wellbeing and organisational outcomes, the proposed research will make an original contribution to knowledge by examining which leadership style is most conducive for improving employee wellbeing and organisational outcomes in the HES in a regional Australian university as well as exploring the mediating effect of wellbeing on leadership and organisational outcomes.

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