

# The Effect of Transformational Leadership on Employee Job Performance through Mediating Role of Organizational Commitment in Logistic Sector of Pakistan

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**Abstract**— The purpose of this paper is to examine the effect of transformational leadership on the employee job performance through organizational commitment in logistic sector of Pakistan. Data were collected from the employees of logistic sectors head quarter, Islamabad through self-administered questionnaire using purposive sampling technique. 280 self-administered questionnaires were distributed among the employees of logistics sector of Pakistan but 210 questionnaires were returned observing response rate as 75 %. Data were analyzed using structural equation modeling (SEM). Results of the study indicate that transformational leadership has both direct significant effect on employee job performance and also indirect significant effect on employee job performance through organizational commitment. In the light of the findings of this research it is recommended for logistics sector of Pakistan management to adopt transformational leadership style to cope with today's fast changing environment.

**Keywords**— Transformational leadership, employee job performance, organizational commitment, logistic sector Pakistan

## 1 Introduction

In today's dynamic world organizations both of public and private in nature are using new practices and procedures for both successful competition and utilization of their resources efficiently and effectively [1, 2]. Human resource is considered as one of the important resource of an organization who plays a

vital role in the success of both public and private sector organizations [2]. Sustainable competitive advantage is the need of globalization [3] which requires both product and system management to be innovative. Human resource is considered as an important and valuable asset of an organization which is hard to imitate and create sustainable competitive advantage using innovative ideas [4]. For new innovations employees need to be motivated and for such motivations organizations need people who could lead or manage these human resources effectively and efficiently [5, 6]. Leaders' role is vital in such context [7]. Their leadership abilities and skills help maintain and retain the quality workforce in the organization [8]. Literature has revealed several leadership styles but transformational leadership is the most widely used style, which organizations adopt for managing change [9, 10]. Such leadership style has brought about positive and valuable changes among its followers by showing the characteristics of role model, that is, to provide them motivation and show distinct concern for each follower [11, 12]. Less authority is exercised by the leader in this style and leader act as a mentor, guide, coach, and stimulator in order to enhance the vision of the followers [13].

Transformational leaders also play a vital role in engendering commitment of their employees which lead towards achievement of organizational goals and objectives and enhancement of job performance [14, 15]. Transformational leaders perceive employees to be an important asset of an organization and their commitment towards

organization is important in order to improve their efficiency [16]. When employees identify themselves with the organization, share sense of belongingness with the organization and exhibit their affiliation with the organization in turn they work hard to achieve objectives of the organization [16, 17]. Similarly, committed employees are willing to work hard for an organization. Such organizational commitment among employees helps improve performance of employees and raise overall competitiveness of organization. Transformational leaders have the ability to make their followers satisfied and committed which consequently enhance the organizational outcomes. Transformational leaders desire both high organizational commitment and job performance from their followers [18].

Research corroborates that committed workforce is essential and equally important for both employees and organization. Organizational commitment is considered a major factor in determination of both individual and organizational performance and effectiveness [14]. Previous research reveals that transformational leaders affect attitude, behavior and performance of employees in the organization [19, 20] which in turn enhance the commitment both at individual as well as organizational level.

Research on leadership has been conducting since the beginning of 20th century and has gained the attention of numerous scholars and academicians [21-23]. Leadership styles in organizations have been particularly focused. A number of empirical studies have pointed out the classification of two leadership styles, i.e. transformational and transactional [23-29]. Some of the studies have tried to explore whether there is any relationship found between leadership and employee job performance but these studies have mostly been carried out in western context [30-32]. The level that whether transformational leadership would be successful globally has to establish yet [31]. Hence an intense need was felt to investigate such relationship in developing countries specifically Pakistan where studies on leadership have not been carried out relating job outcomes i.e. performance [30, 33]. Fewer studies have been carried out on such relationship in logistic sector of Pakistan, which is the

emerging sector as witnessed in the last decade [23, 30].

The literature suggests that both transformational leadership and organizational commitment are the important antecedent which predicts the employees' job performance. To the best of researcher knowledge, there is no such study which integrates all the three variables, that is, transformational leadership, organizational commitment and employee job performance into one model and tests its veracity in logistic sector of Pakistan. So, the purpose of this study is to investigate the mediating effect of organizational commitment on the relationship of transformational leadership and employee job performance in logistic sector of Pakistan.

## 2 Literature review

### 2.1 Transformational leadership

Leadership is considered as a vital component of the organizational life and it has attracted great level of attention of scholars in the current studies [23, 25, 31]. Scholars have defined Leadership as the ability of a person to motivate, inspire and strengthen the followers to achieve the shared goals and objectives. Leaders shape the value of the organization, protect the value of the organization, promote the value of organization and exemplify the values of the organization [34, 35]. Reference [36] described a leader as the person who injects and instills aim and purposes to the followers. Burns stated that both leaders and followers in the organization strive for one another rise to high level of motivation and morality. CEO Bob Eaton says leader is a person who can take their followers to a place where the members don't think they can go. Leader should be visionary and innovative. Leader should provide opportunity to his followers; encourage his followers to learn more and to develop in the organization.

For the last few decades, transformational leadership as a leadership style has received more attention, popularity and dominance in the literature conducted on the leadership and appeared as prominent style of leadership [31, 37, 38]. Burns in his book leadership [36], for the first time introduced the concept of transformational leadership during his

study of political leadership [39], but now organizational psychology also widely used this term. Transformational leadership is a process which changes and transforms an individual using influence which makes them able to accomplish more than what is expected from him. Transformational leadership relates with the emotions, ethics, values, standards and long-term goals of the organizations [34].

Ref. [36] defined transformational leadership as a relationship that motivate followers to achieve common or joint aims and objectives that show the motivations of both leaders and followers. According to Dubrine in his book leadership [40], the focus of transformational leadership is on its achievements not on personal characteristic of the leader. [40] is of the view that, transformational leader possess four qualities 1. Transformational leader is charismatic 2. Transformational leader exercises inspirational leadership 3. Transformational leader provide intellectual stimulation 4. Transformational leader demonstrate individual consideration [41]. Transformational leadership focuses on individual development, organization progress self-confidence and strategic thinking. According to [42] transformational leaders focus on the change process, clearly define goals and objectives. They achieve organizational goals by creating an environment of mutual trust in the organizations.

## 2.2 Employee job performance

Performance of an employee is of concern and value for every organization. Ultimate success or failure of organizations depends upon mainly on the performance of employees [30]. When employees perform better it leads the organization ahead and makes it successful and effective [43]. Better performance of employees ultimately leads towards better organizational performance as well [30]. Several studies have demonstrated a strong positive relationship of transformational leadership with employees' job performance [19, 30]. This study aims to further validate such relationship in the context of developing country like Pakistan.

## 2.3 Relationship between transformational leadership and employee job performance

Employees' job performance level can be increased through various ways. Leadership style is one of the important elements that can enhance workforce performance [44]. To achieve an organization goals and objectives the role of a leader is a key factor to influence followers to achieve that goals by motivating them and change their attitudes towards organizations [45]. The available literature supports the positive relationship of transformational leadership with employee job performance in the organizations [30]. Some Meta analyses also report that transformational leadership is positively related to employee job performance [46-48]. Similarly, another study conducted in the banking sector revealed that there is a positive relationship between transformational leadership and employee job performance [49]. Likewise, another study also demonstrated that transformational leadership positively affects the employee job performance. It is further reported in this study that transformational leadership enhances job performance of employees by improving their innovative abilities and knowledge [50]. Another recent study conducted on Brazilian employees' also demonstrated a positive relationship of transformational leadership with employees' job performance [19]. Based on the findings of the above mentioned studies it is hypothesized that there is positive relationship between transformational leadership and employees' job performance.

## 2.4 Organizational commitment

According to [51] organizational commitment is a kind of belief which establishes a link between goals and objectives of both an individual and organization. It is a belief of an individual which makes him/her loyal and devoted with an organization [52]. In the words of [53], organizational commitment is "the relative strength of an individual's identification with and involvement in a particular organization". Employees with high organizational commitment are willing to work hard and perform better to achieve the goals of an organization [16]. Nowadays, [54] also corroborated that employees with high organizational commitment perform better as compared to employees who are less committed with their organizations.

Reference [55] further classified organizational commitment into three main components, that is, a desire (affective commitment), an obligation (normative commitment) and a need (continuance commitment) to maintain membership in the organization. These components of organizational commitment are useful to investigate the effects of various behavioral and attitudinal outcomes in the organizations [56]. Thus organizational commitment is helpful to change the attitude and behavior of employees in the organization which in turn affect their performance.

### 2.5 Transformational leadership, organizational commitment and job performance

The role of leadership is important in engendering commitment in employees towards organization. Leadership style is considered crucial in the sense that it can lead employees not only to achieve goals of an organization but also to develop organizational commitment in employees. Leadership style is perceived as an important determinant of organizational commitment in employees. Employees with such organizational commitment become motivated and loyal with the organization thereby increasing both individual and organizational performance. Several studies have revealed that those leaders who are considerate, motivate, concern with the problems of employees and give them rewards on their contribution, in return such behavior of these leaders affect the attitude and behavior of employees by making them emotionally attached with the organization and performing them better [13, 16, 18]. According to a study of [18], transformational leadership is associated with organizational commitment and organizational commitment is associated with employee job performance. Thus, this study concludes that organizational commitment mediates the relationship between transformational leadership and employee job performance. Similarly, several other studies reveal that organizational commitment mediates the relationship between transformational leadership and employee job performance [16, 57]. This study aims to examine the mediating effect of organizational commitment on the relationship of transformational leadership and employee job performance in logistic sector of

Pakistan on which, to the best of researcher knowledge, empirical study is equal to naught.

On the basis of above mentioned literature this study formulates the following hypotheses:

**Hypothesis 1:** Transformational leadership is significantly and positively related with employee job performance.

**Hypothesis 2:** Transformational leadership is significantly and positively related with organizational commitment.

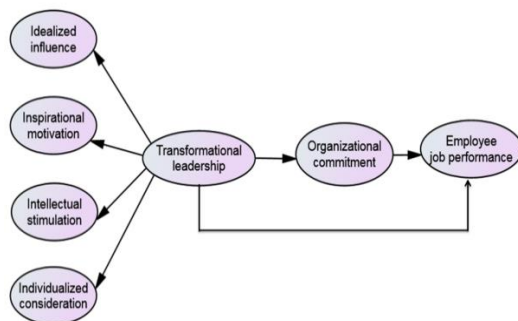
**Hypothesis 3:** Organizational commitment is significantly and positively related with employee job performance.

**Hypothesis 4:** Organizational commitment is significantly mediated the relationship of transformational leadership with employee job performance.

### 2.6 Theoretical Foundation

The theoretical model of this study suggests relationships of transformational leadership; organizational commitment and employee job performance (refer Figure 1). The theoretical model of this study is based on the findings of the several studies [13, 16, 18]. The findings of these studies reveal that transformation leadership has an effect on employee job performance through organizational commitment. The rationale for the model of this study is based on social exchange theory [58]. Social exchange theory is the premise to establish relationship between the leader and the follower [59]. According to the notion of social exchange theory, when one individual gets something valuable from another individual, it becomes obligation for the receiver to respond in the same manner [58] and such reciprocity results in beneficial consequences for both the leader and organizations. It is more likely that followers exchange such benefits with the leaders and their organizations by exhibiting more commitment and performing efficiently and effectively for the organizations [60]. According to this theory it is an obligation of the leader to create such an environment which is reciprocal, fair and fulfills the needs and expectations of both individual and organization. A balance relationship should exist between leader and

member and fair treatment with every individual should be an organizational strategy. Fair social exchange in relationship helps increase organizational commitment and also positively affects employee job performance. Organizations which have good transformational leaders provide such an environment for the employees where they identify themselves with the organizations, increase their emotional attachment and obligation with the organization which in turn enhance both their individual and organizational performance. Several studies reveal that when employees are pleased with the leaders (managers) of their organizations, they feel more emotionally attached with their organization and put forth more efforts to achieve organizational goals thereby enhancing both individual and organizational performance [16, 18]. Based on these findings, this study proposes that transformational leadership is significantly positively associated with employee job performance through organizational commitment. This study also tests whether empirical data from Pakistan validates the stated theory. Proposed theoretical association among different constructs of this study is depicted in Figure 1.



**Figure 1:** Proposed research model of the study

### 3 Materials and methods

The data were collected from management and lower level employees of logistics sector headquarter Islamabad. Purposive sampling technique was used as sampling frame in the study. 280 self-administered questionnaires in total were distributed among employees of the logistics sector, out of which 210 filled questionnaires were returned back observing the response rate as 75 %. Five-point Likert scale was utilized to record responses of the respondents in the questionnaire. Statistical Package of the Social

Sciences (SPSS) and Analysis of Moment Structure (AMOS) version 23 were used to analyze data of the study.

#### 3.1. Measures of instruments

This study used three different scales to measure the construct of transformational leadership, organizational commitment and employee job performance.

##### 3.1.1 Transformational leadership scale

Transformational leadership scale has 20 items which are adapted from study [61]. The variable of transformational leadership was measured using four dimensions, i.e. idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. The scale is found valid and reliable having Cronbach's alpha of 0.90. Five-point Likert scale ranges from (1) "strongly disagree" to (5) "strongly agree" was used to word items of the scale.

##### 3.1.2 Job Performance scale

Job performance scale has 5 items which are adapted from study of [62]. This scale was measured through task and contextual performance. The scale is found valid and reliable having Cronbach's alpha of 0.89. Five-point Likert scale ranges from (1) "strongly disagree" to (5) "strongly agree" was used to word items of the scale.

##### 3.1.3 Organizational Commitment scale

Organizational commitment scale is measured using 6 items adapted from study of [63]. The scale is found valid and reliable having Cronbach's alpha of 0.82. Five-point Likert scale ranges from (1) "strongly disagree" to (5) "strongly agree" was used to word items of the scale.

### 4 Data Analysis

The data of this study were analyzed using statistical tools such as SPSS and AMOS version 23. Confirmatory Factor Analysis (CFA) was conducted to measure reliability and validity for all constructs of the study. The composite reliability, factor loadings and average variance extracted (AVE) for the all the

constructs included in the study is given in Table 1. The estimation of composite reliability (CR) for all the constructs ranges from 0.72 to 0.90 which is in the recommended range suggested by [64] and [65] establishing adequate reliability. The construct validity of the measurement model was determined

using both convergent and discriminant validity. The convergent validity for the measurement model was established using AVE values of the constructs. The estimation of AVE values for all the constructs is above 0.50 thereby establishing sufficient convergent validity for the model (refer Table 1).

**Table 1:** Factor loadings, composite reliability and average variance extracted

Constructs	Items	Factor loadings	R <sup>2</sup>	CR (Above 0.6)	AVE (Above 0.5)
<b>Transformational leadership</b>	Idealized influence	0.85	0.64	0.90	0.797
	Inspirational motivation	0.92	0.82		
	Intellectual stimulation	0.94	0.70		
	Individualized consideration	0.86	0.76		
<b>Idealized influence</b>	II-1	0.81	0.36	0.72	0.686
	II-2	0.85	0.40		
	II-3	0.88	0.52		
	II-4	0.78	0.34		
	II-5	0.82	0.53		
<b>Inspirational motivation</b>	IM-1	0.77	0.50	0.84	0.600
	IM-2	0.75	0.64		
	IM-3	0.72	0.45		
	IM-4	0.79	0.48		
	IM-5	0.84	0.47		
<b>Intellectual stimulation</b>	IS-1	0.86	0.56	0.82	0.650
	IS-2	0.80	0.58		
	IS-3	0.82	0.61		
	IS-4	0.76	0.37		
	IS-5	0.79	0.55		
<b>Individualized consideration</b>	IC-1	0.72	0.46	0.81	0.633
	IC-2	0.74	0.56		
	IC-3	0.84	0.63		
	IC-4	0.86	0.61		
	IC-5	0.81	0.67		
<b>Organizational commitment</b>	OC-1	0.84	0.53	0.82	0.646
	OC-2	0.88	0.46		
	OC-3	0.76	0.55		
	OC-4	0.83	0.53		
	OC-5	0.70	0.39		
	OC-6	0.75	0.42		
<b>Employee job performance</b>	EJP- 1	0.80	0.41	0.89	0.699
	EJP- 2	0.84	0.35		
	EJP- 3	0.85	0.46		
	EJP- 4	0.87	0.51		
	EJP- 5	0.82	0.36		

The discriminant validity of the model was determined using squared inter construct correlations

(SIC) and AVE values of the constructs. As the square root of AVE values for every construct at the diagonal

is greater than the SIC values of each construct suggesting adequate discriminant validity for the measurement model [64-67]. Over all satisfactory

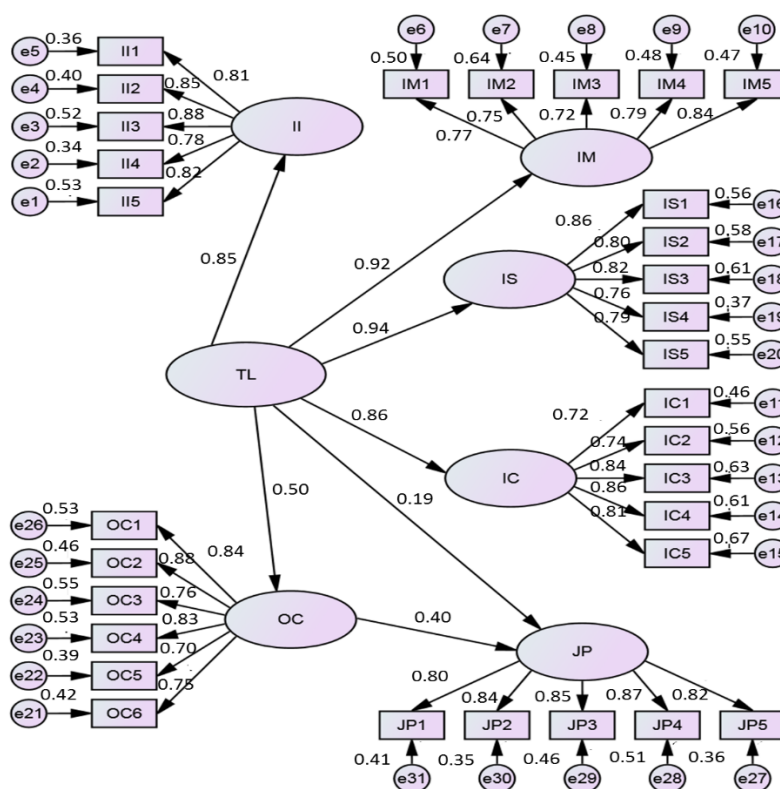
convergent and discriminant validity is established for the measurement model of the study (refer Table 2).

**Table 2:** Squared inter construct correlations (SIC) and discriminant validity

	II	IM	IS	IC	OC	EJP
<b>Idealized influence</b>	<b>0.828</b>					
<b>Inspirational motivation</b>	.623	<b>0.774</b>				
<b>Intellectual stimulation</b>	.588	.512	<b>0.806</b>			
<b>Individualized consideration</b>	.361	.387	.362	<b>0.795</b>		
<b>Organizational commitment</b>	.351	.435	.382	.374	<b>0.803</b>	
<b>Employee job performance</b>	.382	.522	.463	.534	.425	<b>0.836</b>

SEM is meant to simultaneously test the regression pathways and develop empirical model appropriate for the study. The detailed results of the structural

equation model is given in Table 3 and depicted in Figure 2.



**Figure 2:** Structural model with results

Due to lack of consensus on the number of measures used for assessment of overall model fit, a number of

measures are used by researchers in their studies for assessment of model fit. This study used four measures

of absolute fit index to assess the goodness of model fit. These measures are ratio of chi-square to degree of freedom ( $\chi^2/df$ ), goodness of fit index (GFI), root mean square error of approximation (RMSEA) and root mean square residual (RMR). This study also used three measures of incremental fit index to assess the goodness of model fit. These measures are normed fit index (NFI), comparative fit index (CFI) and Tucker

Lewis index (TLI). The values of these indicators are  $\chi^2/df = 1.577$ , GFI= 0.902, RMSEA =0.046, RMR=0.050, NFI=0.912, CFI=0.956 and TLI=0.945 respectively. The values of both absolute fit indices and incremental fit indices are within the recommended threshold level thereby concluding that the proposed model of the study fitted well to the data. For detailed results refer Table 3.

**Table 3:** Model fit statistics

Chi -square (CMIN)	914.670
Degree of freedom (DF)	580
CMIN/DF	1.577
Goodness of fit index (GFI)	.902
Root mean square error of approximation (RMSEA)	.046
Root mean square residual (RMR)	.050
Normed fit index (NFI)	.912
Comparative fit index (CFI)	.956
Tucker Lewis index (TLI)	.945

Overall the model showed satisfactory explanatory power of variance based on the squared multiple correlations ( $r^2$ ) of each construct in the model.

#### 4.1 Hypotheses testing

The researcher formulated four main hypotheses to test the relationships among the variables included in the study. The first hypothesis was formulated on the direct relationship of transformation leadership and employee job performance. The result showed that standardized path coefficient ( $\beta=0.54$ ,  $P<0.001$ ) from transformational leadership to employee job performance was found positive and statistically significant thereby supporting and validating the first hypothesis of the study. The second hypothesis was formulated on the direct relationship of transformational leadership and organizational

commitment. The result showed that standardized path coefficient ( $\beta=0.50$ ,  $P<0.001$ ) from transformational leadership to organizational commitment was found positive and statistically significant thereby supporting and validating the second hypothesis of the study. The third hypothesis was formulated on the direct relationship of organizational commitment and employee job performance. The result showed that standardized path coefficient ( $\beta=0.62$ ,  $P<0.001$ ) from organizational commitment to employee job performance was found positive and statistically significant thereby supporting and validating the third hypothesis of the study. The fourth hypothesis was formulated on mediating effect of organizational commitment on the relationship of transformational leadership and employee job performance. For detailed results of hypotheses testing refer Table 6.



**Table 4:** Results of hypotheses testing

Hypotheses statement of path analysis	Path Co-efficient	P-value	Results on Hypothesis
<b>H1:</b> Transformational leadership is significantly and positively related to employee job performance.	0.54	0.001	Supported
<b>H2:</b> Transformational leadership is significantly and positively related to organizational commitment.	0.50	0.001	Supported
<b>H3:</b> Organizational commitment is significantly and positively related with employee job performance.	0.62	0.002	Supported
<b>H4:</b> Organizational commitment is significantly mediated the relationship between transformational leadership and employee job performance.	0.19	0.001	Supported

#### 4.2 Mediating effect of organizational commitment

This study also proposed that organizational commitment mediate the relationship between transformational leadership and employee job performance. Prior testing the mediating effect of

organizational commitment, the direct relationship of transformational leadership with employee job performance was examined. The standardized path coefficient ( $\beta=0.54$ ,  $P<0.001$ ) of transformational leadership to employee job performance was found statistically significant (refer Table 4).

**Table 5:** The direct effect of transformational leadership on employee job performance

Variable	Path	Variable	Standardized Estimate	P-Value	Result
EJP	←	TL	0.54	0.000	Significant

Note. TL = Transformational leadership and EJP= Employee job performance

Now the mediator i.e. organizational commitment is entered into the model. The direct effect of transformational leadership on employee job performance was examined (refer Table 5). The direct effect of transformational leadership on employee job performance ( $\beta=0.54$ ,  $P<0.001$ ) was found statistically significant but the magnitude of standardized path coefficient was reduced from 0.54 to 0.19 (refer Table 5). Transformational leadership was also significantly and directly related to organizational commitment, that is, standardized path coefficient of transformational leadership to organizational commitment was ( $\beta=0.50$ ,  $P<0.001$ ) (refer Table 5).

Organizational commitment was also found directly and significantly related to employee job performance, that is, standardized path coefficient of organizational commitment to employee job performance was ( $\beta=0.40$ ,  $P<0.001$ ) (refer Table 5).

**Table 6:** Output of organizational commitment as a mediator

Variable	Path	Variable	Standardized Estimate	P-Value	Result
EJP	←	TL	0.19	0.000	Significant
OC	←	TL	0.50	0.000	Significant
EJP	←	OC	0.40	0.000	Significant

Note. TL = Transformational leadership, OC= Organizational commitment EJP= Employee job performance

The mediation observed in the study is partial mediation as the direct effect of transformational leadership on employee job performance was still significant after the introduction of organizational commitment as a mediator. Thus, transformational leadership has both significant direct effect on employee job performance and also significant indirect effect on employee job performance through organizational commitment as a mediator. Hence, this study supported and validated the fourth hypothesis of the study i.e. organizational commitment mediates the relationship between transformation leadership and employee job performance.

## 5 Results and discussion

The study was aimed to investigate whether transformational leadership has any effect on employees' job performance through organizational commitment in the logistic sector of Pakistan. The current study empirically evaluated the relationship of transformational leadership with employee job performance through mediating effect of organizational commitment. All the measurement scales used in the study were found valid and reliable based on composite reliability and construct validity, i.e. convergent and discriminant validity. After establishing the predicted relation among different constructs, the proposed model was analyzed through SEM to observe the model fitness on the basis of collected data. The proposed hypotheses which were projected to identify the structural association among the variables were analyzed. The proposed model was tested based on the goodness of fit statistics and was found fitted well to the data.

This study hypothesized that transformational leadership is significantly and positively associated to employee job performance. The findings of the study supported and confirmed that if the leaders in the organization are visionary, inspirational, intellectual and considerate for their employees' as a result job performance of employees does increase and such leaders (managers) put forth their more efforts to achieve objectives of both the department and organization. So this study results are in congruence with the previous studies results [19, 30] showing positive relationship of transformational leadership with the employees' job performance.

It was also hypothesized in the study that organizational commitment mediates the relationship of transformational leadership with employee job performance. The results of the study supported and validated such prediction. Characteristics of transformational leadership in the form of idealized influence, inspirational motivation, intellectual stimulation and individual considerations help the leaders to create good relationships with the followers which in turn motivate them [13], psychologically attach them with the organization and in turn they perform better in the organizations. Moreover, transformational leaders help resolve problems of their employees whether related with individual or work and also show deep concern for each of their employee. Such treatment of the transformational leaders with their employees develop their positive relationship with the organization, make them emotionally attached with the organization and they are willing to perform work as preferred by these leaders [16, 18]. The results of this study are in line with the results of the previous studies of [16, 68] that

organizational commitment mediates the relationship between transformational leadership and employee job performance.

The relationship between the variables of the study is based on the social exchange theory. The findings of the study validate social exchange theory. The employees' of the logistic sector believe the leaders to be visionary, caring and motivating and help them in developing their skills. In return the employees' organizational commitment increases, they put all their effort, utilize their skills to the fullest to perform better and enhance the efficiency and effectiveness of the logistic sector.

## 6 Conclusion and recommendations

Transformational leadership enhances the employees' job performance by providing them opportunity to learn more and to develop themselves in the organizations. Transformational leaders achieve organizational goals by creating an environment of mutual trust in the organizations. Such leaders in the role of change agents transform attitudes, beliefs and motivations of their followers. They provide vision and help their followers to be emotionally developed and related with them. These leaders give them rewards which enhance their organizational commitment, induce them to work hard and increase both individual and organizational performance. From the findings of the research, it is concluded that majority of the logistic sector employees agree that transformational leadership style has significant positive impact on employees job performance. The employees are agreed that transformational leadership increase employees' job performance. Previous studies also support these results by revealing that transformational leadership both directly affects the employees' job performance [19, 30] and indirectly affects employee job performance through organizational commitment [16, 18].

Leaders (managers) in the logistic sector are required to give attention to the opinions and suggestions of the subordinates. They should engender enthusiasm and optimism among their subordinates. They should create the belief of self-doing in the employees. Such belief realizes them that they have the potential, confidence and inspiration for hard

work. Managers should also acknowledge their contributions using either verbal or written communication. Efficient and effective employees should be given awards, shields and certificates. Managers should create such culture where employees think out of the box in order to enhance organizational commitment and job performance. Managers in logistic sector should arrange workshops and seminars where employees learn new skills and knowledge and also learn how to grow and develop their career. The leaders should continuously interact with employees when they complete their task, that's how they evaluate the performance and attitude of employees.

The previous studies and general findings have given some results. In the light of these results and having analytical approach this study has some suggestions and proposals which are in the favor of both employees and organizations. In today's modern era of changing environment the importance of leader role is increased. The competitive edge for the organization is the effective and efficient use of human resources. Leadership styles are very closely related to both the organizational commitment employee job performance. In the light of the findings of this research, it is recommended for logistics sector of Pakistan management to adopt transformational leadership style to cope with today's fast changing environment. Leader should provide supportive and flexible environment to their employees in order to develop their talent. Leader should pay attention to need, desires and abilities of employees. Through this not only high performance standards set by organizations can be achieved but also commitment of employees towards organization can be enhanced. The type of personality and gender could affect this relationship differently. So, variables like personality styles and gender could be used as moderators in this relationship for future studies. In future, the longitudinal study could be carried out in order to get more precise results.

First, this study is limited to cross sectional data which were collected from management and lower level of management at particular point of time. Second, the study is limited to employees based at head quarter office Islamabad. Third, the data collected for the study is based on the judgments and perceptions of employees of logistic sector, there

could be an element of subjectivity in the data collected.

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