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Effect of Strategic Leadership Styles on Organizational Performance: A Survey of Chartered Universities in Kenya

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Abstract:

Universities play an important role in the economic development of countries. It is widely agreed to a larger extent that university management and leadership style form an important pillar in the performance of the institutions of higher learning. Leadership is a concept that has undergone much adaptation to suit the unique needs of each organization due to the changes in demographics, globalization, and technology and work practices. As a result of this evolution, strategic leadership approach has been adopted by institutions of higher learning globally. In Kenya, universities practice strategic leadership as they have adopted different strategies at various levels of management. However, there are varying levels of performance in Universities as indicated in their rankings despite all of them adopting strategic leadership. This is a gap that prompted a study on establishing the link between strategic leadership and organizational performance in Kenyan chartered universities. The study used a descriptive cross-sectional research design. The study sample consisted of Vice Chancellors and Deputy Vice Chancellors from 27 public universities and 16 private universities. Data analysis was done using Independent samples t-test, ANOVA, multiple regression and Pearson correlation analysis. The research found that VCs were more likely to use transformational leadership style than DVCs. Organisational performance was also found to be higher among newly appointed VCs and DVCs but it declined as one stayed longer in their management position. The age of the office bearer was found not to influence their choice of leadership style. The results of correlation and multiple regression analysis showed that transformational leadership style had a significant positive effect on performance while transactional leadership had a negative effect on performance. Further regression analysis showed that transformational leadership (intellectual stimulation) was the only significant positive predictor of organisational performance ($\beta=0.532$, $p=0.000$). This implies that transformational leadership is more effective in the university management than transactional leadership. Thus, university management should aim at improving on their ability to deploy this kind of style to achieve better results.

Keywords: Strategic leadership, transactional leadership, transformational leadership, organizational performance

1. Introduction

Arguably, universities are the engines of economic growth and play a crucial role in the education system (Militaru, 20102). Universities are research centers, the academic members generate new knowledge and use it in research activities and disseminate it through teaching activities. Universities are integral to creating a skilled workforce, encouraging innovation, and ultimately increasing prospects for growth in most economies (Navarro et al., 2017). The university community also participates in many service activities. Thus, the missions of universities in general are in teaching, research and service. Quality of education service is linked to research and scholarship (Militaru, 20102). Globally, Universities face a constantly changing education market characterized by unpredictability and strong competition. They must identify the best solutions to improve their performance. In addition to market challenges, African universities continue to suffer insufficient funding which means that higher education institutions of Africa are currently not capable of responding to the immediate skill needs or supporting sustained productivity-led growth in the medium term (Chuks, 2017). Similarly, universities in Kenya are operating in highly competitive environment locally and globally and this calls for management styles that enhance institutional performance (Ng'ethe, 2012). Despite the tough market conditions that universities are operating in, the right top leadership style might improve the performance of universities to a large extent (Yang, 2014, Raimonda and Modesta, 2016). Strategic leadership which is a modern type of leadership produces higher organizational performance in organizations and indicated that strategic leadership has been adopted in the leadership of institutions of higher learning in the world over. Mathooko and Ogutu (2014) established that universities in Kenya practice strategic leadership as they have adopted different strategies at the various levels of management. But unfortunately, no past study in Kenya links strategic leadership with performance of well-established

universities with a charter. This study therefore sought to provide an empirical evidence of the efficacy of strategic leadership at large as well as to identify the most important aspect of strategic leadership that is performance elevating.

1.1. Statement of the Problem

Strategic leadership if well instituted by the top leadership can potentially enable organizations to successfully build a strategic competitiveness and above average returns (Ng'ang'a, 2018). The top management of an institution are charged with spearheading the interest by implementing programs and processes for towards the achievement of the objectives of the organization. (Masungu et al., 2015). Serfointe in (2010), holds the view that good leadership motivates people; the people are also guided by good leadership and even held accountable by good leadership. Mathooko and Ogutu (2014) established that universities in Kenya practice strategic leadership as they have adopted different strategies at the various levels of management. But unfortunately, this study and many others which have attempted to venture in this area of research in Kenya fail to link strategic leadership with performance of well-established universities with a charter. This study therefore sought to provide an empirical evidence of the efficacy of strategic leadership at large as well as to identify the most important aspect of strategic leadership that is performance elevating.

2. Literature Review

Although there is little consensus on a single definition, leadership can be defined as a process designed to influence a group of individuals to work together to achieve a common goal. It therefore, focuses on leaders and followers (Northouse, 2007). Research on leadership since the late 1980s shifted in its focus and direction from traditional to contemporary leadership styles in the early to middle part of the 20th century, Wong et al. (2003). Strategic leadership is a practice in which executives develop a vision for their organization that enables it to adapt to or remain competitive in a changing economic and technological climate. This is in respect of the development of the strategy, both in its formulation and in its implementation and realization in everyday life. Strategic leaders are able to use this vision to motivate employees and departments, fostering among them a sense of unity and direction, in order to implement change within their organization or streamline its processes. Strategic leadership typically manages, motivates and persuades staff to share that same vision, and can be an important tool for implementing change or creating organizational structure within a business. It therefore, focuses on strategies and the organization's future (Abdow and Abdikarim (2015). Spreitzer et al. (2008) evaluated the five dimensions of strategic leadership identified by (Nayab, 2011) namely; servant, transactional, charismatic, transformational and visionary and found out that strategic leadership is developed through what leaders did and environmental perception. This study adopted transformational and transactional leadership as they are considered as the two most effective strategic leadership dimensions with an influence on organizational performance among different organizations (Dutschke, 2005).

2.1. Transformational Leadership

Transformational leadership is typically defined as a power and influence theory where the leader acts in ways that influence and appeal to followers' higher order needs, inspiring and motivating them to move towards a particular purpose (Bensimon et al., 1989). The dimensions of this leadership style include: Transformational leadership was investigated in Malaysian universities (Asmawi et al., 2013), Christian colleges in North America (Webb, 2009), educational institutions in Pakistan (Abbas et al., 2012) as well Van Ameijde et al. (2009) and jointly concurred that the nature and uniqueness of institutions of higher learning require transformational leadership which relies on distributed leadership project teams. Transformational leadership is viewed as particularly important for issues that challenge the status quo such as access, diversity, technology and quality (Kezar et al., 2006). Power and influence theories have yielded a range of insights that are of practical use in higher education (Kezar et al., 2006). There are four dimensions of transformational leadership:

The first dimension is inspirational motivation. It is the degree to which the leader articulates a vision that is appealing and inspiring to followers. According to Bass (1998), charismatic leaders use inspirational appeals and emotional talks to arouse follower motivation for the good of the organization. The second dimension is intellectual stimulation, which is concerned with the role of leaders in stimulating innovation and creativity in the followers by questioning assumptions and approaching old situations in new ways, (Voon et al., 2011). The leader's vision provides the framework for followers to see how they connect to the leader, the organization, each other, and the goal. Once they have this big picture view, they can creatively overcome any obstacles in the way of the mission (Yukl, 1999; Bass, 1998). The third dimension is individualized consideration which refers to leaders paying special attention to each individual follower's need for achievement and growth by acting as a coach or mentor (Voon et al., 2011). This also encompasses the need to respect and celebrate the individual contribution that each follower can make to the team (it is the diversity of the team that gives it its true strength) (Bryman, 2007). This approach not only educates the next generation of leaders, but also fulfils the individuals need for self-actualization, self-fulfilment, and self-worth (Bass, 1998). The fourth dimension is charismatic or idealized influence. It concerns the formulation and articulation of the vision, challenging goals and motivating followers to work beyond their self-interest in order to achieve common goals (Weber, 1968). This is about the leader having a clear set of values and demonstrating them in every action, providing a role model for their followers. Genuine trust grows between leaders and followers.

Although transformational leadership is widely lauded, it is not without critics. In reform efforts, many transformational leaders fall victim to seeking their own desires and interests (Keeley, 1998). Additionally, Gronn (1995) contends that many transformational leaders fail to produce their intended outcomes due to the inability of most leaders to sustain the motivation. In the university realm, transformational leadership was investigated in Malaysian universities

(Asmawi et al., 2013), Christian colleges in North America (Webb, 2009), educational institutions in Pakistan (Abbas et al., 2012) as well Van Ameijde et al. (2009) and jointly concurred that the nature and uniqueness of institutions of higher learning require transformational leadership which relies on distributed leadership project teams. Transformational leadership is viewed as particularly important for issues that challenge the status quo such as access, diversity, technology and quality (Kezar et al., 2006). Power and influence theories have yielded a range of insights that are of practical use in higher education (Kezar et al., 2006).

2.2. Transactional Leadership

Transactional leadership describes leadership as a transaction between a leader and a follower based on the clarification of expectations and the rewards for one's performance (Avolio, 2004). Transactional leadership is assumed to have an effect on performance beyond a leader's expectations (Judge and Piccolo, 2004). In practice, transactional leadership is seen as a useful strategic dimension centred on leader-follower exchanges which affect organizational performance (Riaz, and Haider, 2010). An example of this type of leadership can be given in relation to teacher-student relationship behaviour. Transactional leadership has three dimensions. Contingent reward is the first dimension which refers to leaders clarifying the work that must be achieved and using reward in exchange for good performance (Bass and Avolio 1994). According to Howell and Avolio (1993), the leader clarifies expectations and establishes the rewards for meeting organizational goals. The second dimension is active management by exception. It refers to leaders actively monitoring the work of followers and making sure that standards are met (Avolio et al, 1997). The author further identified that the leader watches and searches actively for deviations from rules and standards in order to avoid divergent behaviour. Passive management by exception which is the third dimension refers to leaders intervening only when problems arise. It describes a leader who waits until behaviour has created problems before taking action (Bass, 1990). Avolio (1999) affirms that leaders intervene only when standards are not met or when the performance is not as per the expectation. Punishment is used as a response to unacceptable behaviour/performance.

2.3. Strategic Leadership in Higher Education Systems in Kenya

Education in Kenya is historically among the most important sectors of the government. Educational system in Kenya, after independence, was structured after the British 7-4-2-3 model, with seven years of primary schooling, four years of secondary education and two years of advanced secondary education to be eligible for the 3-year university undergraduate degree program (Wanjohi, 2011). There has been a shift to the American 8-4-4 model with eight years of primary schooling followed by four years of secondary education and a four-year undergraduate degree program since the 1980s to date (Amutabi, 2003). In Kenya, Universities were created under the Act of parliament to carry out education and research using their variety of qualified staff in different disciplines. The privatization of Universities and liberalization of the Kenyan economy in the 1990s changed the competitive environment in which the service industries operated. This contributed to the universities repositioning themselves for the challenge and developing of strategic performance objectives (GoK, 2005). All universities in Kenya have now come under the law that has empowered the Commission for University Education (CUE) to regulate the sector. The Universities Act, 2012 provides for the development of university education, the establishment, accreditation and governance of universities. Kenyan universities are now required by law to make necessary adjustments in their leadership to fit into the provisions of the new law in this current legal regime. Effective leadership is central to an organization's success. Several studies have shown the positive effects of leadership development on a variety of organizational variables such as followers' satisfaction, commitment, and performance (Dvir, Eden, Avolio and Shamir, 2002). As Arsenault (2007) suggests, "Universities are definitively not immune to this need for effective leadership as they face similar challenges as any other organization". However, leadership development in higher education is still an under-investigated field of research and application (Bryman, 2007; Castle and Schutz, 2002). Voon, et al (2009), noted that institutions of higher learning have been geared to achieve world standards of excellence putting a lot of demands on leadership styles. They further noted that, leadership in an academic learning environment is not just focused on the organization's needs but is inclusive of the mission of the nation.

2.4. Demographic Characteristics

Demographic characteristics are important variables in psychology (Alenazi, Muenjohn & McMurray, 2017). Jones & Bekhet (2015) observed that although a lot of studies have been carried out on the relationship between leadership and gender, limited studies have explored the relationship between leadership styles and demographic variables. According to Korac-Kakabadse, Korac-Kakabadse & Myers (1998) demographic attributes such as age, tenure, occupation, gender, and level of experience were important characteristics that influenced interpersonal and group dynamics. Alenazi et al. (2017) in a study on the effect of demographic characteristics on leadership behaviour, found that demographic characteristics namely, age, marital status, educational level, tenure and occupational categories had significant effect on dimensions of transformational and transactional leadership. Jonesa & Bekhet (2015) in a study on the relationship between leadership styles and personal demographics of 85 business leaders in Egyptian Junior Business Association (EJB) in Egypt, found that demographic characteristics, namely, age, tenure and education had no significant relationship with transformational and transactional leadership styles. In this study, it is expected that age, tenure in the current position, position in management and university sector will have a significant relationship with strategic leadership styles and organisational performance.

2.5. Organizational Performance

Organizational performance has been defined as a set of financial and nonfinancial indicators which offer information on the degree of achievement of objectives and results (Griffins, 2006). Organizational performance in this study will imply the input, process, output and outcome measures in a university (Ruben, 1999). Ruben (1999) used the input-process-output-outcome model to conceptualize the indicators of performance in institutions of higher learning as follows in Figure 1:

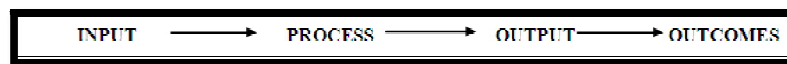


Figure 1: The Input-Process-Output-Outcome Model

The arrows indicate the general direction of equation from input, process, and output until outcomes. The four aspects are what performance measures in universities entail. Tendency toward performance measurement reflects increasing call for accountability in higher education (Ruben, 1999). Consequently, Kipchumba (2015) categorized the measures into three categories namely student enrolment, development index and student graduation rates which this study adopted. The illustration of the input-output model is further summarized in Table 1 below.

Input	Number of enrolment of students, Number of degree programmes, Number of Professors, Expenditure on staff development, Annual amount of investment in infrastructure
Process	Number of student retention, Number of students drop outs, Study efficiency
Output	Number of publications in refereed journals, Number of doctorate degrees conferred
Outcomes	Number of students graduating, Employment rate of the graduates in graduate job

Table 1: Performance Indicators in Institutions of Higher Learning
Source: Performance Indicators by Ruben (1999)

2.6. Strategic Leadership and Organizational Performance

Strategic leadership results in successful organizational performance in institutions of higher learning (Hitt et al., 2001). Judge and Piccolo (2004) suggested that effective leadership behaviors can help improve performance when organizations are faced with challenges. It is also important to understand the effects of leadership on performance because researchers such as Zhu et al. (2005) have considered leadership to be a key driving force behind the management performance of any organization. Obiwuru (2011) considered the relationship between strategic dimensions of leadership (transformational and transactional) and established a weak but significant effect between strategic leadership and organizational performance. Webb (2009) conducted a study on the adoption of strategic leadership in institutions of higher learning in Iran. Institutions of higher learning would require individuals who can inspire and transform the team and its members to achieve its extraordinary outcomes. This study therefore established the links between transformational leadership and organizational performance in Kenyan chartered universities. From the above reviewed literature, the following hypotheses are proposed:

2.7. Research Hypotheses

From the above reviewed literature, the following hypotheses are proposed:

- H₀₁: There are no differences in strategic leadership styles and organisational performance based on tenure (years worked in the current position) age, position in management and university sector.
- H₀₂: There is no significant relationship between strategic leadership styles and organisational performance in public and private universities in Kenya.
- H₀₃: The combined effect of strategic leadership style does not have a significant effect on organisational performance in public and private universities in Kenya.

3. Method

This study adopted descriptive cross-sectional research design. The target population of the study was all the 48 chartered universities in Kenya of which 30 are public and 18 are private chartered universities. The study focused on 43 chartered Kenyan universities composed of 27 public and 16 private universities, respectively derived using formulae by Yamane (1967). Proportionate to size sampling technique was used to obtain the respective sample sizes in public and private universities. Random sampling was used to obtain the respective universities to participate in the study. From the 43 universities, a total of 146 respondents consisting of 43 Vice Chancellors and 103 deputy vice chancellors were targeted. Questionnaires were distributed to the respondents through a 'drop and pick' method. A total of 124 questionnaires were successfully filled giving a response rate of 84.9%. The description of the respondents is presented in Table 2 below.

Variables	Frequency	Percent (%)
University sector		
Public	80	64.5
Private	44	35.5
Gender		
Male	91	73.4
Female	33	26.6
Age		
40 - 49 years	15	12.1
50 - 59 year	49	39.5
60 years and above	60	48.4
Years in current position		
Below 1 years	23	18.5
1 – 5 years	77	62.1
6 years and above	24	19.4
Management position		
Vice Chancellor	32	25.8
Deputy Vice Chancellor	92	74.2

Table 2: Summary of Demographic Characteristics of the Respondents

3.1. Measurement of Variables

Following extensive review of the literature, the questionnaire to collect data for the study was developed. Questionnaire items on Strategic Leadership was measured on a 5 point Likert Scale where 1 = Not At All; 2 = To A Small Extent; 3 = Moderate Extent; 4 = Great Extent; and 5= Very Great Extent while questionnaire items on Organizational Performance was measured on a 5 point Likert Scale where 1 = Very Much Decreased; 2 = Decreased; 3 = Constant; 4 = Increased; and 5= Very Much Increased. Cronbach reliability coefficients were computed using Social Package for Social Sciences (SPSS) software for each variable and the results showed acceptable reliability for all measures as follows: transformational leadership ($\alpha=0.922$); transformational leadership ($\alpha =0.752$) and organisational performance ($\alpha = 0.908$). The demographic characteristics are tenure in current position, age, position in management and university sector.

4. Results

The testing of hypotheses was subjected to statistical analysis as shown below. Independent samples t-tests was carried out to test Hypothesis One. Hypothesis Two was tested using Pearson Correlation analysis while multiple regression analyses were carried out to test Hypothesis Three.

4.1. Results of Independent Samples T-Tests and One-Way Analysis of Variance (ANOVA)

- H_{01} : There are no differences in strategic leadership styles and organisational performance based on position in management, years in the current position and university sector.

4.1.1. Age

	Age of Respondents	N	Mean	Std. Deviation	F (ANOVA)	Sig.
Transformational Leadership	40 - 49 years	15	97.60	7.95	.478	.621
	50 - 59 years	49	97.31	9.00		
	60 years and above	59	95.80	9.24		
Transactional Leadership	40 - 49 years	14	54.79	10.00	.092	.912
	50 - 59 years	48	54.40	8.04		
	60 years and above	60	53.88	8.05		
Organisational Performance	40 - 49 years	15	76.13	13.59	.948	.390
	50 - 59 years	49	79.65	10.18		
	60 years and above	60	79.85	7.79		

Table 3: Results of ANOVA Exploring Differences in Strategic Leadership Styles and Organisational Performance Based on Age of the of the Respondent

The results in Table 3 show that there were no statistically significant differences in the mean scores of strategic leadership styles and organisational performance among respondents across the different age groups ($p > 0.05$). This means that age did not influence choice of leadership style.

4.1.2. Position in Management

Position in Management		N	Mean	Std. Deviation	T	Sig.
Transformational Leadership	Vice Chancellor	31	99.39	9.98	2.013	.046
	Deputy Vice Chancellor	92	95.68	8.45		
Transactional Leadership	Vice Chancellor	32	52.28	4.50	-1.537	.127
	Deputy Vice Chancellor	90	54.87	9.11		
Organisational Performance	Vice Chancellor	32	81.18	9.16	1.280	.203
	Deputy Vice Chancellor	92	78.67	9.70		

Table 4: Results of Independent Samples T-Test Exploring Differences in Strategic Leadership Styles and Organisational Performance Based on Position in Management

The results in Table 4 show that there were no statistically significant differences in the mean scores of transactional leadership and organisational performance among Vice Chancellors and their Deputy Vice Chancellors ($p > 0.05$). However, the results have shown significant differences in the mean scores of transformational leaderships ($t = 2.013$, $p = 0.046$) with Vice Chancellors having considerably higher mean scores ($M = 99.39$) than Deputy Vice Chancellors ($M = 95.68$). This shows that Vice Chancellors practice transformational leadership unlike Deputy Vice Chancellors.

4.1.3. Years Worked in Current Position

		N	Mean	Std. Deviation	F (ANOVA)	Sig.
Transformational Leadership	Below 1 year	23	97.17	7.81	.617	.541
	1 - 5 years	76	97.03	9.12		
	6 years and above	24	94.79	9.61		
Transactional Leadership	Below 1 year	23	53.35	7.57	1.959	.145
	1 - 5 years	76	53.53	8.86		
	6 years and above	23	57.22	5.91		
Organisational Performance	Below 1 year	23	83.83	10.17	4.120	.019
	1 - 5 years	77	78.97	9.26		
	6 years and above	24	76.13	8.84		

Table 5: Results of Anova Exploring Differences in Strategic Leadership Styles and Organisational Performance Based on Years Worked in the Current Position

The results in Table 5 show that there were no statistically significant differences in the mean scores of transformational and transactional leaderships styles based on years worked in the current position ($p > 0.05$). However, the results showed that the mean scores of organisational performance differed significantly based on years worked in the current position ($F = 4.120$, $p = 0.019$) with respondents who have been in the current position below 1 year ($M = 83.83$) having significantly higher mean scores than those who have been in the same position for 6 years and above. This suggests that newly appointed Vice Chancellors and Deputy Vice Chancellors achieved higher organisational performance than those who have held the position for a longer period of time.

4.1.4. University Sector

University Sector	University Sector	N	Mean	Std. Deviation	F (ANOVA)	Sig.
Transformational Leadership	Public university	79	95.65	9.01	-1.622	.107
	Private university	44	98.36	8.72		
Transactional Leadership	Public university	79	54.16	7.81	-.043	.965
	Private university	43	54.23	9.02		
Organisational Performance	Public university	80	79.06	9.57	-.406	.686
	Private university	44	79.80	9.72		

Table 6: Results of Independent Samples T-Test Exploring Differences in Strategic Leadership Styles and Organisational Performance Based on Years Worked in the Current Position

The results in Table 6 show that there were no statistically significant differences in the mean scores of strategic leadership styles and organisational performance in public and private universities ($p > 0.05$). This means that university sector did not influence the leadership styles of Vice Chancellors and Deputy Vice Chancellors.

4.2. Results of Pearson Correlation Analysis

Pearson's Correlation analysis was used to test Hypothesis Two which sought to determine the relationships between strategic leadership styles and organisational performance of top management in public and private universities in Kenya.

		Transformational Leadership	Transactional Leadership	Organisational Performance
Transformational Leadership	Pearson Correlation	1	.099	.333**
	Sig. (2-tailed)		.278	.000
	N	123	121	123
Transactional Leadership	Pearson Correlation	.099	1	-.177
	Sig. (2-tailed)	.278		.051
	N	121	122	122
Organisational Performance	Pearson Correlation	.333**	-.177	1
	Sig. (2-tailed)	.000	.050	
	N	123	122	124

Table 7: Pearson's Correlation Analysis Exploring the Relationship Between Strategic Leadership Styles and Organisational Performance
 **. Correlation Is Significant at the 0.01 Level (2-Tailed)

The results of the correlation analysis showed that transformational leadership style and organisational performance had a significant positive correlation ($r = 0.333$, $p = 0.000$). This suggests that organisational performance improved when university leaders used transformational leadership style. On the other hand, the correlation analysis showed that transactional leadership was negatively correlated with organisational performance ($r = -0.177$, $p = 0.05$). This suggests that performance declines when top university managers used transactional leadership style.

4.3. Results of Multiple Regression Analysis

Testing of Hypotheses Three was carried out using multiple regression analyses. Prior to regression analyses, presence of multicollinearity was ruled out using Variance Inflation Factor (VIF) value which was below the threshold of 10 (Hair et al., 1998; Pallant, 2005).

- H_{03} : The combined effect of strategic leadership style does not have a significant effect on organisational performance in public and private universities in Kenya.

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	56.324	9.875		5.704	.000		
Transformational Leadership	.379	.091	.355	4.171	.000	.990	1.010
Transactional Leadership	-.249	.100	-.213	-2.504	.014	.990	1.010

Table 8: Results of Multiple Regression Analysis Establishing the Combined Effect of the Strategic Leadership on Organizational Performance
 a. Dependent Variable: Organisational Performance

Model Summary					
Model	R	R Square	Adjusted R Square	F (ANOVA)	Sig.
1	.395 ^a	.156	.142	10.904	0.000

Table 9

a. Predictors: (Constant), Transactional Leadership, Transformational Leadership

The model summary of the regression results presented in Table 8 indicate that strategic leadership styles (transformational and transactional) explain 15.6% of the variance in organizational performance ($F=10.904$, $P=0.000$) and ($R\text{ squared}=0.156$). This shows that 84.4% of the variance in organisational performance was explained by factors not in the study. The standardised beta coefficients showed that transformational leadership style was a significant positive predictor of organisational performance ($\beta=0.355$, $p=0.000$). This implies that organisational performance increased when university leaders used transformational leadership style. On the other hand, the standardised beta coefficients

transactional leadership was a significant, negative predictor of organisational performance ($\beta = -0.213$, $p = 0.014$). This implies that performance in universities declined when university managers used transactional leadership style. The study findings therefore show that transformational leaders are likely to achieve higher performance as compared to transactional leaders.

Further, multiple regression analysis was carried out to determine the effect of the dimensions of Transformational and Transactional leadership styles on organisational performance, as shown Table 9 as shown below.

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	58.643	10.253		5.720	.000		
Transformational Leadership (Idealised Influence - Attitudes)	.377	.408	.112	.924	.357	.438	2.284
Transformational Leadership (Idealised Influence - Behaviour)	-.405	.586	-.077	-.691	.491	.514	1.946
Transformational Leadership (Inspirational Motivation)	-.499	.608	-.100	-.821	.413	.432	2.315
Transformational Leadership (Intellectual Stimulation)	2.493	.557	.532	4.477	.000	.453	2.207
Transactional Leadership (Contingent Reward)	-.449	.499	-.106	-.899	.370	.457	2.187
Transactional Leadership (Management By Exception - Active))	-.195	.214	-.081	-.911	.364	.802	1.246
Transactional Leadership (Management By Exception - Passive)	-.342	.196	-.158	-1.747	.083	.786	1.272

Table 10: Results of Multiple Regression Analysis Establishing the Effect of Strategic Leadership on Organizational Performance

a. Dependent Variable: Organisational Performance

Model Summary					
Model	R	R Square	Adjusted R Square	F (ANOVA)	Sig.
1	.526 ^a	.277	.232	6.189	0.000

Table 11

a. Predictors: (Constant), Transactional Leadership (Management By Exception - Passive), Transactional Leadership (Contingent Reward), Transactional Leadership (Management by Exception - Active)), Transformational Leadership (Idealised Influence - Attitudes), Transformational Leadership (Idealised Influence - Behaviour), Transformational Leadership (Intellectual Stimulation), Transformational Leadership (Inspirational Motivation)

The model summary of the regression results presented in Table 9 indicate that the dimensions of strategic leadership styles (transformational and transactional) explained 27.7% of the variance in organizational performance ($F=6.189$, $P=0.000$) and ($R\text{ squared}=0.277$). This shows that 72.3% of the variance in organisational performance was explained by factors not in the study. The standardised beta coefficients showed that transformational leadership (intellectual stimulation) was the only significant positive predictor of organisational performance ($\beta=0.532$, $p=0.000$). This shows that leaders who use transformational leadership style with particular attention to intellectual stimulation enhanced performance in their universities.

5. Discussion

The main objective of the study was to determine the effect of strategic leadership styles on organisational performance among top management of Chartered universities in Kenya. Studies have found that demographic characteristics are important in determining leadership behaviours in organisations (Mohammed, Othman & D'Silva, 2012; Jones & Bekhet, 2015) as discussed below:

5.1. Age

The results showed that the age of VCs and DVCs did not influence their leadership styles and performance. Consistent with this findings, Jones & Berkhet (2015) found that age did not influence business leaders' adoption of either

transactional or transformational leadership style. On the other hand, Rehan, Khan & Khan (2016) found that managers aged 25-35 years were more likely to practice transformational leadership style than managers aged 36 years and above. Similarly, Alenazi, Muenjohn and McMurray, (2017) found a significant relationship between age and the elements of strategic leadership styles (transactional and transformational).

5.2. Position in Management

The results showed that VCs were more likely to practice transformational leadership unlike the DVCs. As the CEOs of universities, it is likely that VCs may prefer to use transformational leadership during the process of development and communication in their universities visions which requires them to inspire and motivate their followers. On their hand, the DVCs are implementers of university visions and strategies which may necessitate them to be more autocratic and transactional in order to achieve the expected results and targets. This is consistent with the results of Al Rawashdeh, Ali-Agha and Altememi (2017), in a study on defence and Security industry in the Hashemite Kingdom of Jordan, who found that Board members were more motivational and engaged in developing follower's mass potential into leaders and toward a shared vision and thus were more transformational leaders unlike their CEOs who engaged mainly in supervisory (monitoring and controlling) roles and thus were more of transactional leaders.

5.3. Years Worked In Current Position

The results also showed that VCs and DVCs who had been in their position for less than One (1) year achieved higher level of performance than those who had been in the position for more than One (1) year. It is likely that newly appointed VCs and DVCs have great enthusiasm and visions for their universities upon assuming office resulting in high performance. However, with time in office, they may begin to experience various challenges such as budgetary deficits, trade union challenges, students' unrests, high demands from the university regulator (Commission for University Education) and the Ministry of Education among other challenges, which may negatively affect their performance. Consistent with this result, Bandiera, Hansen, Prat and Sadun (2017) found that the performance of newly appointed CEOs varies ranging from a high performance initially and then start declining after three years. If this can be predicted, the company Board of Directors or University Councils members can plan to replace the existing CEOs after three years.

5.4. University Sector

The analysis has shown that there are no differences in strategic leadership styles and organisational performance among VCs and DVCs in public and private universities. This contrary to findings of An, Meier, Bøllingtoft, and Andersen, (2018) who noted that public organisations were more likely to use transformational leadership while private organisations were more inclined towards transactional leadership. Leaders in established private organisations have resources at their disposal unlike the public leaders whose financial resources are prebudget in lengthy bureaucratic processes may limit the use of rewards and winnings for better performance.

5.5. Transformational Leadership

The results of correlation and regression analysis showed that transformational leadership had a significant positive effect on organisational performance. This means that university performance improves when VCs and DVCs use transformational leadership style. This is consistent with the results of Wahab et al. (2016) who found a positive and significant relationship between Transformational leadership and Organizational performance among the academic leaders in Malaysian Public Universities. Similarly, Jiang et al. (2017) reported that transformational leaders played both coaching and advisory roles resulting in enhanced performance. The one-to-one relationship that they establish with their subordinates improves the commitment of team members to take on the tasks arranged by the leader. Further regression analysis showed that transformational leadership (Intellectual stimulation) had a significant positive influence on organisational performance. This implies that VCs and DVCs preferred to stimulate employees to think creatively and find solutions to difficult problems resulting in improved performance in Kenyan Universities. Consistent with this study, Anjali and Anand (2015) found that intellectual stimulation leads to the development of employee commitment to the organization. Similarly, Orabi (2017) while investigating the influence of the dimensions of transformational leadership to the performance of three major banks operating in Jordan, found that intellectual stimulation was significant and had the most influence on organizational performance. Therefore, leaders using transformational leadership style should pay more attention on intellectual stimulation to bolster organizational performance.

5.6. Transactional Leadership

The results showed that transactional leadership style had a significant negative effect on organisational performance. This means that university performance declined when VCs and DVCs used transactional leadership style. Consistent with this finding, Lee (2008) found a negative relationship between transactional leadership and the creativity of the subordinates. Brahim, Ridic, and Jukic (2015) observed that since transactional leadership is based on a system of rewards and penalties, it does not offer much in terms of inspiration, to motivate people to go beyond the basics to spur the performance of their organisation. Similarly, Wei, Yuan, and Di (2010) found that subordinates who were under the control of a transactional leader showed less creativity than the ones who were under the control of a transformational leaders.

6. Limitations of the Study

Firstly, the study used self-report questionnaires to collect data and the information collected in the study was based on the participants' honesty, perception and emotions at the time of filling the questionnaire. This was overcome by providing an explanation on the purpose of the study and an assurance of confidentiality. Secondly, the study was conducted using cross-sectional research design, which meant that the data was collected at one point in time. This means that the study was unable to establish the long-term effects of strategic leadership styles on university performance. The study therefore recommends that a similar study to be conducted using longitudinal research design to determine the long-term effect of strategic leadership styles on university performance.

7. Conclusions and Recommendations

This paper clearly shows that university Vice Chancellors are more transformational compared to their deputies. Newly appointed university management tend to perform marginally better but their performance keeps dwindling as they stay longer in their management positions. The study however did not find evidence on the relationship between university sector (private and public) and the age of members of the university management and the performance of the universities. The study found that transformational leadership improved the performance of the universities but transactional leadership lowered performance. Performance is enhanced when intellectual stimulation, an aspect of transformational leadership is used by university management. This implies that an integration of the intellectual stimulation if well applied could lead to higher organizational outcomes.

The study recommends that Kenyan universities consider transformational leadership style due to the evidence of its efficacy. University DVCs should focus on adopting elements of transformational leadership just like their senior managers and thus harness the benefits of transformational leadership which is enhanced performance. The university management should also consider shorter tenure periods to maximise the gains of new leadership teams. Otherwise performance will sharply decline especially when DVCs and VCs serve more than five years.

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