

**MODERATING EFFECT OF TRANSFORMATIONAL LEADERSHIP ON THE
RELATIONSHIP BETWEEN ORGANIZATIONAL JUSTICE AND EMPLOYEE
COMMITMENT IN NATIONAL HOSPITAL INSURANCE FUND, NAIROBI
COUNTY, KENYA**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
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UNIVERSITY**

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DECLARATION

This research project is my original work and has not been submitted to any other examination body. No part of this work should be reproduced without my consent or that of Moi University.

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DEDICATION

This research project is dedicated to my entire family for their continued support and encouragement both financially and spiritually. Specifically, I dedicate this project to my parents Mr. and Mrs. Gathumbi, my husband Joseph and to my sons, James and Jason.

ABSTRACT

Public and private sector organizations face ongoing pressure to streamline activities, foster employee commitment, improve efficiency and achieve demanding organizational objectives. In this context, the ability of senior managers to understand organizational justice and organizational commitment in the dynamics of organizations and to deliver strong leadership could be the difference between organizational failure and success. Senior leaders in state government and public sector agencies must manage employee commitment to ensure quality services to the citizens they serve. Limited academic research exists on exploring the role of transformational leadership in managing organizational justice and organizational commitment. This study therefore seeks to address the gaps in the existing literature to understand the moderating role of transformational leadership towards organizational commitment. The general objective of this study is to investigate the moderating role of transformational leadership on the relationship between organizational justice and employee commitment in (NHIF), Kenya. The theories supporting the study are the Social exchange theory, Equity theory and Meyer and Allen multidimensional model. The study adopted census method of data collection which collects complete information from all participants in the study. The target population consisted of all the 397 employees and heads of departments under the Directorate of Operations and Quality Assurance based at NHIF headquarters, Industrial area and Westlands branches within Nairobi County. The researcher collected primary data which was done by use of self-administered questionnaires. On the other hand, pilot test was conducted to ensure validity of the research instruments. In this study, reliability of the research instrument was tested by measuring the internal consistency of the responses using Cronbach-alpha test. Descriptive data was analyzed and presented through percentages, frequencies, mean and standard deviation. Specifically, data was analyzed using multi-regression tests generated from SPSS version 20. The study found that employee commitment had a perfect correlation coefficient of 3.283 which implies a perfect relationship with organizational justice. The study recommends that management promote employee commitment by designing employment terms that are internally correspond with employee's efforts and organizations to have work place policies which promote fairness in order to enhance employee commitment and resulting performance. There is a need to undertake further studies in order to widen the generalizability of the findings and also establish the roles of leaders in organizations. Future scholars may also investigate other leadership styles and their effect on employee commitment.

TABLE OF CONTENTS

DECLARATION.....	ii
DEDICATION.....	iii
ABSTRACT.....	iv
TABLE OF CONTENTS	v
LIST OF TABLES	x
LIST OF FIGURES	xii
ACKNOWLEDGEMENTS	xiii
OPERATIONAL DEFINITION OF TERMS.....	xi
ABBREVIATIONS AND ACRONYMS.....	xiii
CHAPTER ONE	1
INTRODUCTION.....	1
1.1 Background of the study	1
1.1.1 Context of NHIF	7
1.2 Statement of the Problem.....	8
1.3 Objectives of the Study.....	10
1.3.1 Specific Objectives of the Study.....	10
1.4 Research Hypothesis.....	11
1.5 Significance of the Study	12
1.6 Scope of the study.....	13
1.7 Limitations of the Study.....	14

CHAPTER TWO	16
LITERATURE REVIEW	16
2.1 Introduction.....	16
2.2 Theoretical Framework.....	20
2.2.1 Social Exchange Theory	20
2.3.2 Equity Theory	21
2.2.3 Meyer & Allen Multi-Dimension Model.....	23
2.3 Review of Empirical Literature	23
2.3.1 Employee Commitment and Organizational Justice.....	23
2.3.2 Employee Commitment and Distributive Justice	25
2.3.3 Employee Commitment and Procedural Justice	25
2.3.4 Employee Commitment and Interactional Justice.....	26
2.3.5 Employee Commitment and Transformational Leadership.....	28
2.3.6 Organizational Justice and Transformational Leadership.....	29
2.4 Summary of Research Gaps.....	32
2.5 Conceptual Framework.....	33
CHAPTER THREE	35
RESEARCH METHODOLOGY	35
3.0 Introduction.....	35
3.1 Research Design.....	35
3.2 Area of Study	36

3.3 Target Population.....	36
3.4 Sampling design.....	37
3.5 Data Collection	38
3.5.1 Data Collection Instruments	38
3.5.2 Data Collection Procedures.....	38
3.6 Validity and Reliability of Research Instruments	39
3.7 Measurement of Variables	40
3.8 Data Analysis and Presentation	41
3.8.1 Assumptions Testing.....	42
3.9 Ethical considerations.	44
CHAPTER FOUR.....	46
DATA ANALYSIS, PRESENTATION AND INTERPRETATION	46
4.1 Introduction.....	46
4.2 Response Rate.....	46
4.2.1 Reliability of the Instrument	47
4.3 Analysis of Demographic Information	48
4.4 Descriptive statistics of Study variables	49
4.4.1 Affective committment	49
4.4.2 Continuance commitment	51
4.4.3 Normative commitment	52

4.4.4 Distributive Justice.....	53
4.4.5 Procedural Justice	55
4.4.6 Interactional Justice	56
4.4.7 Individualized Consideration	57
4.4.8 Intellectual Stimulation.....	58
4.4.9 Inspiration Motivation	59
4.4.10 Idealized Influence.....	60
4.5 Test for Regression Assumptions	61
4.5.1 Tests of Normality	62
4.5.2 Test for Multi-collinearity.....	63
4.5.3 Test of Linearity.....	64
4.6 Multiple Regression Analysis of Dependent and Independent Variables	66
4.7 Results of Hypothesis testing.....	68
4.8 Multiple Regression Analysis of the Moderating Effect	69
4.9 Discussion of findings.....	73
CHAPTER FIVE	76
SUMMARY OF FINDINGS, DISCUSSION, CONCLUSION AND	
RECOMMENDATIONS.....	76
5.1 Introduction.....	76
5.2 Summary of Major Findings.....	76

5.2.1 Employee Commitment	76
5.2.2 Organizational Justice (Fairness) Perception.....	77
5.2.3 Transformational Leadership	77
5.3 Conclusions.....	78
5.4 Recommendations.....	79
5.5 Suggestions for Further Research	80
REFERENCES.....	82
APPENDICES.....	93
Appendix I: Questionnaire	93
Appendix II: Letter of Authorization to Conduct Survey	99
Appendix III: Nacosti Research Permit	100

LIST OF TABLES

Table 3.1: Target Population-NHIF Operations and Quality Assurance Directorate	37
Table 4.1: Response Rate.....	47
Table 4.2: Cronbach's Alpha Values.....	47
Table 4.3: Demographic distribution	48
Table 4.4: Descriptive statistics of Affective commitment.....	49
Table 4.5: Descriptive statistics of Continuance commitment	51
Table 4.6: Descriptive statistics of normative commitment	52
Table 4.7: Descriptive statistics of Distributive justice	54
Table 4.8: Descriptive statistics of Procedural justice	55
Table 4.9: Descriptive statistics of Interactional justice	56
Table 4.10: Descriptive statistics of Individualized consideration	58
Table 4.11: Descriptive statistics of Intellectual stimulation.....	59
Table 4.12: Descriptive statistics of Inspiration motivation	60
Table 4.13: Descriptive statistics of Idealized influence	61
4.5.1 Tests of Normality	62
Table 4.14: Shapiro-Wilk Test of Normality	63
4.5.2 Test for Multi-collinearity.....	63
Table 4.15: coefficients ^a	64
4.5.3 Test of Linearity.....	64
Table 4.16: Pearson correlation coefficient	65
Table 4.17: Regression coefficients of variables on organizational commitment	67

Table 4.18: Regression results of independent variables on employee commitment	68
Table 4.19: Transformational leadership on the Organizational justice	70
Table 4.20 : Regression Test Organizational justice and Transformational leadership ..	71
Table 4.21: Regression Results Depicting the Influence of transformational leadership.	72
Table 4.22: Table summary of Hypothesis Testing.....	75

LIST OF FIGURES

Figure 2.1 : Conceptual Framework 34

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OPERATIONAL DEFINITION OF TERMS

Employee commitment: Employee commitment is an attitude that reflects individual's identification and attachment to the organization itself (Meyer and Allen, 1997).

Transformational Leadership: In this study, Transformational leadership is a leadership style in which leaders encourage, inspire and motivate employees to innovate and create change (Cohen-Charash & Spector, 2001).

Organizational Justice: In this study, Organizational justice refers to employee perceptions of fairness in the workplace (Baldwin, 2006).

Distributive Justice: In this study, distributive Justice refers to the perceived fairness of the outcomes that employees receive from their organizations (Folger & Cropanzano, 1998).

Procedural Justice : Refers to the perceived fairness of the policies and procedures used to make decisions in the organization (Greenberg, 1990).

Interactional Justice: Refers to concerns about the fairness of interpersonal communication (Colquitt, 2001).

Affective Commitment: Refers to the employee's emotional attachment to, identification with, and involvement in the organization (Allen & Meyer, 1990).

Continuance Commitment: Relates to how much employees feel the need to stay at their organization (Meyer and Allen, 1997).

- Normative Commitment:** Normative commitment relates to how much employees feel they should stay at their organization (Liou, 2008).
- Individualized Consideration:** The degree to which the leader attends to each followers needs, acts as a mentor and listens to the followers concerns (Avolio & Bass, 2004).
- Intellectual stimulation:** The followers are encouraged to be inovative and creative. Employees are inspired to think about their conventional methods critically and share new ideas (Avolio & Bass, 2004).
- Inspirational motivation:** Leaders with an inspiring vision challenge followers to leave their comfort zones, communicate optimism about future goals and provide meaning for he task at hand (Cohen-Charash & Spector, 2001).
- Idealized Influence:** Leaders act as role model for their followers. They guide the followeres by providing them with a sense of meaning and challenge (Jones & Skarlicki, 2013)

ABBREVIATIONS AND ACRONYMS

NHIF	:	National Hospital Insurance Fund
HRM	:	Human Resource Management
HISP	:	Health Insurance Subsidy Program
NACOSTI	:	National Council for Science, Technology and Innovation
OJ	:	Organizational Justice
OC	:	Organizational Commitment
UHC	:	Universal Health Care
TL	:	Transformational Leaders

CHAPTER ONE

INTRODUCTION

This chapter gives a background of the study, highlights the problem statement and discusses the objectives of the study as well as hypothesis to be tested. It also explains the significance of the study and gives the scope of the study.

1.1 Background of the study

The environment in which public organizations are managed is becoming ever more demanding, including more calls for innovation and performance despite static or declining resource base. To be effective in this changed environment, leaders are asked to overcome many of the structural and environmental constraints characteristic of the public sector (Moynihan & Pandey 2005; Pandey 2010; Rainey and Steinbauer 1999). As public sector government agencies strive to provide services to citizens, senior leaders responsible for achieving and improving performance and employee commitment must successfully manage complex administrations. Although these leaders attempt to implement change in these risk-averse public environments, they often struggle to deploy the most effective leadership strategies. Leaders spend time and energy focusing on practices that do not lead to the intended outcomes, adversely impacting the citizens to whom they are accountable to provide services (Fernandez & Pitts, 2011; Green & Roberts, 2012; Kim, 2015).

Employees are one of the key elements in the operation of a successful organization. Human resources are said to be the greatest assets for any organization, then committed human resources is therefore regarded as an organizations competitive advantage (Davidson, 2003; Karatepe *et al.*, 2009). The success of any organization depends not only

on how the organization makes use of human competences, but also how it stimulates their commitment to goals and objectives (Whiteman & Mattord, 2003). Although originally conceptualized as an employee's attachment to, or similarity with, the values of the organization, commitment researchers have since identified other emphases or referents of commitment, such as organizational subunits, supervisors, or specific initiatives, such as organizational justice programs (Becker, 1992; Brockner, Tyler, & Cooper-Schneider, 1992; Fedor *et al.* 2006; Ford, Weissbein, & Plamondon, 2003; Herscovitch & Meyer, 2002).

In the context of justice, organizational commitment goes beyond just positive attitudes toward justice to include the intention to support it as well as a willingness to work on behalf of its successful implementation. Study on commitment has advanced in many different directions. A variety of disciplines have adopted the topic as a theme in their research and these have offered fresh and significant insights (Brown, McHardy, McNabb, & Taylor, 2011). According to Jaw and Liu, (2004) Commitment is not only a human relation concept but involves generating human energy and activating the human mind. Without one having commitment, the implementation of new ideas and initiatives will be compromised, commitment has also been defined as a psychological state that binds the individual to the organization (John, Meyer & Elyse, 2010).

Organizational commitment has gained popularity because it is related to important outcomes like job performance and employee turnover. According to Jaramillo, Mulki and Marshall (2005) and Vijayashree & Jagdishchandra (2011), organizational commitment directly affects employees' performance and is therefore treated as an issue of great importance. Organizational commitment is important to researchers and organizations

because of the desire to retain a strong workforce. Allen and Meyer developed a three-component model that described the forms of organizational commitment. This model outlines three distinct themes of commitment: an affective emotional attachment towards an organization (Affective Commitment); the recognition of costs associated with leaving an organization (Continuance Commitment); and a moral obligation to remain with an organization (Normative Commitment).

Organizational justice is an important motivator for working employees; it is dedicated to study people's perceptions of fairness in their organizations (Folger & Cropanzano, 2007). Organizational justice involves a consideration of the perceived fairness of social or economic exchanges involving individuals in their relations with supervisors and the organization as a social system (Konovsky, 2000), in other words, the term organizational justice refers to the extent to which employees are treated fairly at their workplace (Liou, 2008). The three dimensions of Organizational justice are distributive, procedural and interactional. Distributive Justice refers to "the perceived fairness of the outcomes that employees receive from their organizations" Liou (2008). Procedural Justice refers to "the perceived fairness of the policies and procedures used to make decisions in the organization" (Cropanzano, Bowen and Gilliland, 2007). Interactional Justice refers to concerns about the fairness of interpersonal communication (Bayer, 2009).

Organizations need transformational leadership to improve their performance in changing real-life business environments. Management style of transformational leadership, through organizational learning and innovation, simultaneously influences organizational performance (García-Morales, Jiménez-Barrionuevo, & Jiménez Barrionuevo, 2012). Transformational leadership aids to add value and positive variations among the supporters

by exhibiting the role model features, offer intellectual motivation, and show individual concern for the groups (Shibru & Darshan, 2011). According to Bushra, Usman, and Naveed, (2011) the philosophical approach to the transformational leadership style involves empowering employees and increasing their organizational commitment, thus the transformational leaders articulate a vision that empowers employees and engages them to contribute to the organization, and also motivating them to transcend their own self-interests for the sake of the larger organization.

Transformational leadership style is composed of four components namely: idealized influence, inspirational motivation, intellectual stimulation and individualized consideration (Bass & Avolio, 1994). Idealized influence occurs when leaders choose to do what is ethical and are guided by moral commitment to their followers and they go beyond self-interest in the interests of the organization (Kelloway, Turner, Barling, & Loughlin, 2012). The inspirational motivation behaviour of a leader encourages employees to achieve more than what was once thought possible through developing and articulating a shared vision and high expectations that are motivating, inspiring, and challenging (Wang, Oh, Courtright, & Colbert, 2011). Leaders who manifest intellectual stimulation help employees to question their own commonly held assumptions, reframe problems, and approach matters in innovative ways (Kelloway *et al.*, 2012).

Individual consideration occurs when leaders pay special attention to the employees' need for achievement and development; they provide needed empathy, compassion, support, and guidance that influence employees' well-being (Kelloway *et al.*, 2012). Thus, transformational leadership behaviours motivate followers to achieve higher levels of performance (Bass, 1985). According to Harter (2013) employee commitment is the

individual's participation as well as fulfillment with eagerness for work. Seijts and Crim (2016) define employee commitment as being totally involved in and enthusiastic about one's work and caring about the future of the business. A supportive organizational climate and culture can be upheld and adopted by employee commitment, which can lead to employees becoming more faithful, resourceful and engaged at work.

Some benefits of employee commitment are being more gainful, more customer-focused, more useful and less likely to leave the organizations. Schaufeli (2003) established that work commitment is a joint process. In some parts of the organization, personnel may be more involved than those in the other part, hence, commitment also refers to groups of employees that may be poles apart in their levels of commitment as well. According to Bezuijen (2010) in today's speedily fluctuating workplace, employee commitment is becoming gradually essential for employee achievement and organizational efficiency. Many organizations have adopted the commitment approach to employees' management. The commitment approach focuses the mutual benefit between the company and the workforce.

Pollar and Gonzalez (2014) give emphasis to the value of mutual benefit by emphasizing that the workforce tends to view an organization implementing the commitment approach as the reinforce of alternative that consequently makes employees devote to the organization. That is, an organization articulates its commitment to the work by way of employment surety, and employees will respond with their loyalty to the business. Meyer and Allen (2013) came up with a three types of organization commitment. The three types consists of affective commitment which is referred to as emotional connection to business and continuance commitment which is the connection based on the accrued valued side

benefits such as retirement fund, talent transferability, transfer and self-investment. There is also normative commitment which is the affection that is created on inspiration to fit in to social standards concerning attachment.

Concerning the structure of the commitment management approach, academias have settled that it involves initiatives such as widespread recruiting, commitment-contingent payment, impartial commitment appraisal, and the distribution of information. Diversity management is defined as a reflection of commitment viewpoint because it essentially implies a corporation's dedication to the altered composition of the personnel as well as their varied needs. Diversity management enhances employee commitment in an organization. Organizations are realizing that employees are the most important asset and organization's future depends on more involvement of employees in generating new ideas. The involvement of employees can help in many ways to the organizations looking for creativity, changes in behaviors at work and in workplace decision making (Bhatti, 2011). Participation of employees in the decision-making process and involving them in organizational plans and goals setting has a positive impact on the employees' commitment towards the organization (Kirmizi & Deniz, 2012). Therefore, the study empirically seeks to identify the moderating role of transformational leadership in the relationship between organizational justice and employee commitment in in the public sector, and specifically at the National Hospital Insurance Fund, as an attempt to improve our understanding of transformational leadership in the public sector and to reduce the above-mentioned research gap in this field.

1.1.1 Context of NHIF

The National Hospital Insurance Fund (NHIF); a Parastatal under the Ministry of Health was established in 1966 to provide mandatory health insurance to formal sector employees, and its mandate later expanded to cover informal sector workers in 1998. Membership in to the NHIF is mandatory for formal sector workers, who pay an income rated monthly contribution through statutory deductions, whereas it is voluntary for informal sector workers, who pay a flat rate contribution directly to the Fund. The NHIF is the main health insurer in Kenya, covering 16% of Kenyans, whereas the 32 private health insurers collectively cover a mere 1% of the Kenyan population (NHIF, 2014).

The NHIF operates three schemes (CSS, the national scheme, and HISP), each offering different benefit packages, each of these packages includes inpatient and outpatient care depending on the contract signed between NHIF and the Health providers (NHIF, 2016).

The Civil Servants Scheme (CSS), the Kenyan government remits the medical allowances, previously paid directly to civil servants, to the NHIF as premium contributions. Funds for the CSS are managed separately from other NHIF funds, and beneficiaries enjoy wider benefit package. The national scheme envisages universal coverage in which both in patient and out-patient services for members are catered for. As such, three categories of membership have been identified as Formal, Informal and Indigents/Sponsored with monthly contributions rates (family cover) have also been varied with the formal sector being on a graduated scale ranging from Ksh.150 to Ksh.1700. Informal sector contributions have been pegged at Ksh.500, while the voluntary/sponsored category has been set at Ksh.300 per month.

In terms of membership, members are required to register with the scheme and declare their preferred facility of choice including their declared dependents for capitation purposes. In April 2014, the Kenyan government launched the health insurance subsidy for the poor (HISP) a pilot program comprehensive, fully subsidized for selected poor orphans and vulnerable children benefiting from the government's cash transfer program. The HISP pilot targeted 23, 000 households across the country for two years, with plans to progressively scale up coverage to the poorest 10% of the population. HISP beneficiaries receive comprehensive services from contracted public and private providers. This has contributed towards increase in the membership and health coverage (NHIF, 2015). To execute its mandate, the corporation has branch offices in all the 47 counties in the country.

1.2 Statement of the Problem

Organizations in today's competitive world cannot perform at expected levels unless each employee is committed to organizations set objectives. Employees want to be part of a successful organization which provides adequate compensation and opportunity for growth and development (Mullins, 2009). Organizations on the other hand are faced with ever increasing competition and new challenges posed by changing times and emerging trends. One of the key components of their survival is maintaining and upgrading their ability to use human resources effectively and efficiently. Organization commitment may fluctuate over an employee's lifetime; this is because employee's expectations during their working life change as circumstances in their life's change over time (Bhatti, 2011).

The demand for quick, efficient and secure service delivery to clients as well as other stakeholder expectations requires reforms in the management and governance style of these institutions. These challenges have forced managers of public institutions and the

Government to adopt new ways of conducting business (Nyaigotti-Chacha, 2015). Therefore, the quest for institutional survival and growth means that NHIF cannot escape the need to change in response to external pressures and funding opportunities. These circumstances underscore the crucial role of leadership and management in maintaining morale, enhancing productivity and helping staff at all institutional levels to cope with the challenges. How NHIF copes with these challenges depends on a number of key factors: the quality of leadership in the institution, the vision and strategic direction of the institution, the existence of appropriate systems and culture to ensure efficiency and effectiveness of service delivery, and the extent to which the public sector environment is enabling among many other factors.

Leadership has a great influence on organizational change and successful change management practices are crucial to organizational survival in the present highly competitive and continuously evolving business environments (Rune, 2015). Transformational leaders are known to reduce the effects of uncertainty and change and positively affect a wide range of individual and organizational outcomes in a variety of contexts, including private sector, business and the public sector (Mokgolo *et al*, 2012). Studies on employee commitment and organizational justice, Wong, (2010) studied transformational leadership, employee engagement and performance among 270 employees and managers of telecom companies in Pakistan. Mensah & Mireku, (2016) studied the effect of organizational justice (OJ) delivery on organizational commitment (OC), on commercial banks in Koforidua, Ghana.

Lo *et al*, (2010) studied the relationship between transformational leadership and three components of commitment (affective, normative and continuance commitment). Iro,

(2010) did a case study on the components of organizational commitment and its influence on employee turnover at Teachers Service Commission of Kenya, Njoroge, (2015) examined the effect of integrative leadership style on organizational commitment in technical institutions in Kenya. These findings show that there has been limited research undertaken in exploring the role of transformational leadership in managing organizational justice and organizational commitment. This study therefore seeks to address the gaps in the existing literature to understand the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in public corporations in Kenya, specifically at the National Hospital Insurance Fund.

1.3 Objectives of the Study

The purpose of the study was to show the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.

1.3.1 Specific Objectives of the Study

- i. To examine the effect of distributive justice on employee commitment in National Hospital Insurance Fund, Kenya.
- ii. To determine the effect of procedural justice on employee commitment in National Hospital Insurance Fund, Kenya.
- iii. To analyze the effect of interactional justice on employee commitment in National Hospital Insurance Fund, Kenya.

- iv. To assess the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.
 - a) Moderating effect of individualized consideration on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.
 - b) Moderating effect of intellectual stimulation on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.
 - c) Moderating effect of inspirational motivation on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.
 - d) Moderating effect of idealized influence on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.

1.4 Research Hypothesis

H₀₁: Distributive justice has no statistically significant effect on employee commitment in National Hospital Insurance Fund, Kenya.

H₀₂: Procedural justice has no statistically significant effect on employee commitment in National Hospital Insurance Fund, Kenya.

H₀₃: Interactional justice has no statistically significant effect on employee commitment in National Hospital Insurance Fund, Kenya.

H₀₄: Transformational leadership has no statistically significant moderating effect on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.

- a. Individualized consideration has no statistically significant moderating effect on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.
- b. Intellectual stimulation has no statistically significant moderating effect on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.
- c. Inspirational motivation has no statistically significant moderating effect on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.
- d. Idealized influence has no statistically significant moderating effect on organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.

1.5 Significance of the Study

The study may have value to the government in terms of coming up with policies to manage their human resources and ensure employee commitment in public organizations. The management has employed strategies including staff education, communication, and enacting fair employment practices with the organization in a bid to ensure quality services to the public. However these have achieved minimal results hence calling for new measures. Committed employees are performing employees therefore measures should be put in place to ensure employee commitment. The results from this study may inform the management on such measures that can be taken to bring reforms in the public sector.

Organizations strive to ensure employees satisfaction and performance. This study on the effect of transformational leadership on employee commitment and organizational justice may be an area of interest for public organizations in ensuring employee performance since creativity, involvement and innovation are key leadership practices which contribute directly towards building a committed workforce. This information may be used by the management of public organizations in identifying how to manage and motivate its human resource for efficiency and effectiveness on service delivery to the public.

The study may shed light on human resource practitioners on some of the important issues that may affect the human asset whether negatively or positively. The management of public organizations might also significantly benefit from the findings in that it may help them appreciate the role of justice and its influence on commitment of employees. This enhanced understanding should lead to the development and application of appropriate human resource management practices in the organizations.

1.6 Scope of the study

The study was done at the NHIF headquarters and its three branches within Nairobi County namely; Nairobi branch, Industrial area branch and Westlands branch which the researcher randomly selected to act as a representative of other offices within the region, the study examined the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment at the National Hospital Insurance Fund (NHIF). The research was conducted for two months between April and June 2019.

1.7 Limitations of the Study

A limitation is a restriction in a study that may decrease the credibility and generalization of the research findings. The study is limited in several ways. First, the fact that the study population was limited to employees of only one of the organizations under the public sector restricts the generalizability of the findings. However, this does not weaken the significance of the findings of the study which support the findings of other studies in this area and also brings into the limelight that transformational leaders are more able to inspire commitment in employees.

Secondly, some employees were reluctant to participate in the study. This was resolved by assuring the respondents of the academic purpose and intention of the study and assuring them of confidentiality. Respondents were assured of confidentiality through a cover letter from NACOSTI accompanying the questionnaires. Confidentiality was also maintained throughout the data processing, analysis and presentation.

The study used census method which collects complete information from all participants in the study; it was not the best sampling method since the leaders were not identified in each department and were core in the research study. Respondents provided information regarding their demographic profile which included age, education level, working experience and their marital status, those with masters and PhD were inconsistent coming from only one organization showing some respondents might not have been keen in answering their questions and did it just to get rid of the questionnaires.

However, this constraint did not diminish the value of the results because individual's level of education has little influence on how they perceive their work place and the organization in general. In addition, since most of the respondents to this study had worked for the

employer organization for at least five years, it would be likely that they had an understanding of the dominant issue under study.

Despite these limitations, the study provides important implications from theoretical and practical perspectives. The study contributes to ongoing discussions and reports regarding the moderating effect of leadership on organizational justice related variables (distributive justice, procedural justice, interactional justice) and employee commitment related dimensions of affective, continuance and normative commitment.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the related literature on the subject under study presented by various researchers, scholars' analysts, and authors. It provides concept definitions, concept perspectives, current practices, past studies/findings, critical review, summary and gaps to be filled by the study and conceptual framework. The aim of this research study is to display the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in public organizations in Kenya. Employee commitment has been determined as the dependent variable, Independent variables have been identified as distributive justice, procedural justice and interactional justice and Transformational leadership as the moderating variable.

Employee commitment is an attitude that reflects individuals identification and attachment to the organization itself, a person with high level of commitment is likely to see themselves as a true member of the organization. (referring to the organization in personal terms like we make quality products), in contrast a person with less organizational commitment is more likely to see themselves as an outsider -referring to the organization in personl terms as they dont pay their employees well (Mullins, 2009). Research suggests that commitment strengthens with an individuals age, years with the organization, sense of job security, and participation in decision making.

Employees who feel committed to an organization have highly reliable habits, plan a long tenure with the organization, and muster more effort in performance. Although there are

few definitive aspects that organizations can do to create or promote commitment, there are a specific guidelines present. Whereas, if the organization treats its employees fairly and provides reasonable rewards and job security, those employees will more likely be satisfied and committed. Allowing employees to have a say in how things are done can also promote their commitment (Mullins, 2009). Affective commitment is linked to a favorable working environment and relationships (Bayer, 2009).

Backgrounds of affective commitment include job characteristics such as task significance, autonomy, identity, skills variety and feedback concerning employee job performance, perceived organizational support or dependence (the feeling that the organization considers what is in the best interest of employees when making decisions that affect employment conditions and work environment), and the degree to which employees are involved in the goal-setting and decision-making processes (Cohen-Charash & Spector, 2001). Meyer and Allen (1997) correlates affective commitment with work experiences where employees experience psychologically comfortable feelings, (such as approachable managers) and increasing their sense of competence (such as feedback). According to Meyer and Allen (1997) the development of affective commitment involves recognizing the organization's worth and internalizing its principles and standards.

Continuance commitment is said to occur when an employee remains with an organization largely out of need, whether due to lack of alternatives or costs associated with leaving, such as lost income, seniority or retirement benefits (Cohen-Charash & Spector, 2001). Lack of alternatives or inability to transfer skills and education to another organization is the primary qualifications of continuance commitment (Meyer, Stanley & Herscovitch,

2002). In a study conducted to examine the relationship between distributive justice, procedural justice and organizational commitment in the public sector in Pakistan. Raza, Adnan, Nosheen and Rana (2013), found that justice perceptions positively relate with organizational commitment and the fairness process used in the allocation of rewards also makes the employees more committed to the organization. Normative commitment is induced by a feeling of obligation to remain with an organization (Jaros, 1997).

Normative pressure therefore makes organizational commitment a moral obligation because the individual feels he or she ought to do so (Wasti, 2002). According to Akanbi and Ofoegbu (2013), organizational justice as measured by procedural justice and distributive justice can have a significant impact on employee organizational commitment. The study established that there was a significant relationship between perceived distributive justice and organizational commitment. Organizational justice describes the individual's perception of the fairness of treatment received from an organization and their behavioral reaction to such perception.

In other words, the term organizational justice refers to the extent to which employees are treated fairly at their workplace (Liou, 2008). The principles of justice have long been recognized by social scientists as crucial for the functioning of organizations and personal satisfaction of individuals employed, as organizational injustice may lead to undesired organizational outcomes such as lower job satisfaction, retaliation, turnover, misbehavior, low productivity, and lower work commitment. However, perceived fairness of rewards, decision-making procedures, and interpersonal treatment in an organization contributes to the development of high-quality work relationships.

The concept of organizational justice has been identified and explained by Greenberg (1990) as a factor that describes implementations and regulations about justice for employees' at working environment, Inter organizational implementations, dissemination of prize and penalty, organizational rules and interpersonal interactions. Organizational justice in other words, can be described as a result of impacts of employees' perceptions on organizational implementations and decision process. Prize mechanism, delegation of authority and responsibility, involvement of employees in decision-making process might be specified as examples to organizational decision-making process and implementations (Colquitt, *et al.*, 2001). Organizational justice is classified into three categories; distributive justice, procedural justice and Interactional justice.

Transformational leadership is described as an ability to network and remain functionally separate from execution-focused elements of the organization, for example, business units, divisions and departments (Deiser, 2012). Transformational leaders take personal and collective ownership for visioning the future state of the organization and championing transformational change throughout the organization (Deiser, 2012). Transformational leaders motivate subordinates to accomplish more by focusing on their values and provide guidelines for aligning their values with the values of the organization (Givens, 2008). He further, elaborates that transformational leaders demand much from their employers, such as freedom to create, make mistakes, learn, a concern to drive transformation, and access to diverse talent. They further expect clarity about the opportunity and potential for their contribution within the organization, the opportunity to leave a positive and sustainable footprint, significant learning and development opportunities, as well as stimulation and challenge both intellectually and emotionally.

2.2 Theoretical Framework

A theory is an interconnected set of constructs or variables formed into suggestions, or projects that specify the relationship between variables, it explains how and why the variables are related, thereby acting as a connection between the variable (Creswell, 2007). This section discusses the theories that guide the research study of the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment.

2.2.1 Social Exchange Theory

The study is based on the social exchange theory (SET) Coyle-Shapiro *et al.*, (2004) defines the SET as a theory of social interaction and interpersonal relations. One of the basic tenets of SET is that relationship evolves over time into trust, loyalty and mutual commitments. In order to do so, parties must abide by certain rules of exchange, rules of exchange form a “normative definition of the situation that forms among or is adopted by the participants in an exchange relationship” (Emerson 1976). In this way, rules and norms of exchange are the “guidelines” of the exchange process (Cropanzano & Mitchell, 2005). Simple social exchange models assume that rewards and costs drive relationship decisions. Both parties in a social exchange take responsibility for one another and depend on each other. Social exchange theory attempts to explain the non-economic aspect of social behavior (Emerson 1976). According to Coyle-Shapiro and Morrow (2006), one of the theory’s objectives is to overcome the problems arising from the purely rational models of decision-making by arguing that an exchange process will induce social behavior. The social-exchange perspective argues that people calculate the overall worth of a particular relationship by subtracting its costs from the rewards it provides.

According to this theory, developed by sociologist George Homans, people weigh the potential benefits and risks of social relationships. When the risks outweigh the rewards, people will terminate or abandon that relationship. One way for individuals to repay their organization is through their level of engagement and commitment. The more engaged and committed the employee are to their work, the greater amounts of cognitive, emotional, and physical resources they will devote to perform their job duties. When the organization fails to provide economic or emotional resources, the employees are more likely to withdraw and disengage themselves from their roles. Social exchange theory proposes that social behavior is the result of an exchange process (Cropanzano *et al*, 2007).

Various shortcomings linked with social exchange theory: A number of people might view the theory's scientific model as relentless, summed up strategy for interpreting human collaboration. One of the theory's' presumptions is that people are naturally self-centered, prepared to end connections where the expenses exceed the advantages. The exchange approach is useful in this study as it explains that employee commitment is as a result of a perceived favorable exchange between the employee and the organization in moderation with transformational leadership. According to this theory an employee's work role and the rewards they receive from an organization may result in job satisfaction and consequently the employee's overall commitment.

2.3.2 Equity Theory

Adams Equity theory contends that employees are motivated to seek social equity in the rewards they receive for their performance. The theory focuses on reactions to pay inequity as an important distributive justice predictor. Equity is an individual's belief that the treatment one is receiving is fair relative to the treatment received by others. It states that

individuals compare the ratio of their output (rewards) and inputs (contributions) to a similar ratio of their counterparts. If their ratio is higher (which means that they are getting more rewards) it may lead to a favorable justice perception. However, employees who feel to be in inequitable position try to reduce inequity by distorting inputs (reducing their contributions) or outcomes in their own minds. Equity theory has focused on what motivates employees and describes that employees input something and expect something back in return (Adams, 1963).

Equity Theory proposes that a person's motivation is based on what he or she considers to be fair when compared to others (Redmond, 2010). This theory provides anger retaliation method against social targets such as other individuals or the organization as a whole; this is a negative attitude against other individuals and organizations. Equity theory considers only the final distribution of rewards. The procedures, which generate that distribution, are not examined (Adams 1963). The relevance of Equity theory to the research study is on the concept where managers need to be sure that they are providing fair rewards and incentives to deserving employees in the organization.

In addition to establishing fair distribution and procedures in an organization, employers should always treat their employees with respect (Malhotra *et al.*, 2007). This can help maintain or increase motivation and prevent problems that stem from perceptions of under reward. For example, Skarlicki and Folger (1997) found that employees that are treated with respect are more likely to tolerate unfair pay. Whether the pay or compensation is actually unfair might be irrelevant.

2.2.3 Meyer & Allen Multi-Dimension Model

A prominent theory in organizational commitment is the 3-component model (or TCM). The model argues that organizational commitment has three distinctive components encompassing affective, normative, and continuance commitment (Meyer & Allen, 1990). The three forms of organizational commitment are characterized by three different mindsets – desire, obligation, and cost. According to the model, employees with a strong affective commitment stay because they want to, those with strong normative commitment stay because they feel they ought to, and those with strong continuance commitment stay because they have to do so (Jaros, 1997). The three-component conceptualization of organizational commitment is currently regarded as the dominant model in organizational commitment research studies (Solinger, 2008). The model has criticism in terms of measurement of commitment, Choppin (1991) explains that it is not easy to assess the effective commitment of a company to any particular idea. A company is a collection of individual people, each with their own sense of commitment.

2.3 Review of Empirical Literature

2.3.1 Employee Commitment and Organizational Justice

In a research study to examine indirect influence of organizational justice on police officers' commitment to their organization Crow *et al.* (2012) employed a survey of 418 police officers in South Korea. The findings showed that, officers' perception of organizational justice was positively related with their level of organizational commitment. In addition, perception of procedural and interactional justice had an indirect impact on the officers' organizational commitment through distributive justice. Lastly, perception of organizational justice showed an indirect influence on organizational commitment through

job satisfaction. Oran and Ana (2012) studied the relationship between fairness perception and organizational commitment from 32 Croatian organizations and found that perceived fairness significantly contributed to organizational commitment.

Yunhong, (2016) studied the relationship between organizational justice and job satisfaction focusing on the corporations in China. Findings of the study showed that, in state owned enterprise the employees' perception about procedural justice was higher than distributive justice. While in private enterprises, the procedural justice and interactional justice were tested to have similar coefficients. The relationship between organizational justice and job satisfaction differed between full-time employees and part-time employees. Further research on employee commitment and organizational justice. Mensah and Mireku, (2016) studied the effect of organizational justice (OJ) delivery on organizational commitment in Commercial banks in Koforidua, Ghana.

The findings of the study established that a statistically significant effect is made by organizational justice delivery on organizational commitment. Thus, the relationship between OJ and OC is not confounded by how long the employee has served on the job or by the highest educational level of employees. The findings also formed the basis of decision-making on strategies and policies to improve organizational justice and ultimately the employee commitment (Mensah & Mireku, 2016). In a study by Mensah *et al*, (2016) on employee commitment and organizational justice, where the study aimed to examine the effect of organizational justice (OJ) delivery on organizational commitment (OC) was conducted, data from 463 randomly sampled employees of 13 commercial banks in Koforidua, Ghana. The study established that a statistically significant effect is made by organizational justice delivery on organizational commitment. Thus, the relationship

between OJ and OC is not confounded by how long the employee has served on the job or by the highest educational level of employees. The findings also formed the basis of decision-making on strategies and policies to improve organizational justice and ultimately the employee commitment (Mensah *et al*, 2016).

2.3.2 Employee Commitment and Distributive Justice

According to Mohd, Nasurdin and Khuan, (2011) on their study on organizational justice, age, and performance in the telecommunications industry in Malaysia, found that distributive justice had a significant and positive relationship with task performance. In a similar vein, procedural justice was found to be significantly and positively related to contextual performance. Age, however, did not moderate the justice-performance relationships (Mohd *et al*, 2011). In another study by Ohana and Meyer (2016) a quantitative analysis of 198 French nonprofit employees in health and social services was conducted to study pay referents that may have an effect on employee organizational affective commitment. It explored existing connections between distributive justice stemming from individual, external, and internal referents and organizational affective commitment. Findings of the study Results show that only individual distributive justice relates to organizational affective commitment and that this relationship is mediated by person-organization fit (Ohana, *et al.*, 2016).

2.3.3 Employee Commitment and Procedural Justice

George and Wallio, (2017) investigated the relationship between distributive justice, procedural justice, and turnover at regional certified public accountant organization. Findings showed that procedural justice was found to have a stronger relationship with turnover intentions than distributive justice for public accountants. The findings suggested

that the fairness of organizational processes could impact turnover intentions more than the fairness of organizational rewards. Employers could use this information to manage levels of procedural justice, which could reduce turnover intentions, actual turnover, and other byproducts of the staffing shortage (George & Wallio, 2017). An empirical survey conducted by Luo, Marnburg, and Law, (2017) in China, to investigate the mediating role of collective identity in the relations among transformational leadership, procedural justice and employee organizational commitment.

Results showed that transformational leadership and procedural justice are good predictors of employee collective identity and organizational commitment. Findings of this study offer managerial insights for hotel supervisors to exercise transformational leadership and procedural justice to improve employee collective identity, which drives organizational commitment (Luo, *et al.* 2017). Procedural justice may foster commitment because people infer that it is an antecedent of fair outcomes. Study indicates that procedural justice has a significant impact on organizational attitudes and behaviors (Jones & Skarlicki, 2013).

2.3.4 Employee Commitment and Interactional Justice

Research studies by Fuchs, (2011) on the impact of manager and top management identification on the relationship between perceived organizational justice and change-oriented behavior. The findings indicated that all types of justice predict pro-change behavior and that, in addition, interactional justice perceptions are negatively related to employees' anti-change behavior. The findings contribute to a better understanding of how organizations and change agents can foster pro-change behavior and what role a psychological bond of employees with managers and an organization's top management can play during change interventions. Specifically, organizational leaders should seek both

some professional and personal credentials in order to tap into the positive self-concept element of identification and also adopt a leadership style during change which is associated with charismatic leadership behaviors (Fuchs, 2011).

Park, Song, & Lim, (2016), examined the effect of organizational justice on work engagement and the mediating effect of employees' self-leadership on this relationship in Korea. The result findings revealed the direct significant effect of organizational justice on both self-leadership and work engagement. Also, self-leadership was found to have a significant effect on work engagement as well as a partial mediating effect on the relationship between organizational justice and employees' work engagement. These results could also be used for designing an organizational system and structure based on the interactive relations between social structure and behaviors to improve organizational performance and employee commitment (Park, *et al.* 2016).

Elanain, (2010) examined the direct and indirect effects of different dimensions of organizational justice on organizational citizenship behaviors, and turnover intention in the context of the United Arab Emirates (UAE) healthcare sector. The results revealed that perceptions of the three organizational justice dimensions (interactional justice, procedural justice, and distributive justice) have a direct influence on employees' organizational citizenship behaviors and turnover intention. In addition, the results showed that interactional justice has an indirect effect on both organizational citizenship behaviors and turnover intention through procedural and distributive justice.

2.3.5 Employee Commitment and Transformational Leadership

Transformational leadership style has been proven to be the most effective style of leadership (Obasan & Hassan, 2014); Aghashahi *et al.* (2013) examined the statistical relationship between leadership styles and organizational commitment components. Results supported a positive direct relationship of transformational leadership style with affective and normative commitment in the context of service industry. The results of the analysis provided that transformational leadership had the strongest and most positive correlations with affective commitment.

The results also indicated that transformational leadership has a positive effect on the employee moral obligations underlying in normative commitment to stay in the organization. This suggests that transformational leadership in which the leader creates, communicate and model a shared vision for the subordinates will positively affect the belief of employees to remain in the organization because that's the right and moral thing to do. The outcome of this study is consistent with the result of Lo, Ramayah and Min (2009) who concluded that transformational leaders are more able to inspire commitment in employees than transactional leaders in Malaysian manufacturing industry. Several studies on organizational commitment using Malaysian samples have reported the relationship between transformational leadership and commitment.

Lo *et al.* (2010) studied manufacturing companies in Malaysia and found a positive direct relationship between transformational leadership and three components of commitment (affective, normative and continuance commitment). Shim, Jo, and Hoover (2015) studied transformational leadership and organizational commitment in South Korean. The findings showed that linkage between transformational leadership and commitment appears to be

fully mediated by group culture; the results indicated Leadership style plays an important role to reach organizational goals defined by managers. Employees emerge as the key factor to the success of the organization. In this context, employees are of vital importance for successful sustainability of the organization Shim *et al.* (2015).

Further empirical studies indicate leadership and employee commitment are positively interrelated. Wong, (2010) studied transformational leadership, employee engagement and performance in Pakistan. His findings indicated significant relationship between transformational leadership, employee commitment practices and employee performance. Mekpor and Dartey-Baah, (2017) studied leadership styles and employees voluntary work behaviors in the Ghanaian banking sector, the findings of the study revealed that though both the transformational and transactional leadership styles positively predicted the organizational citizenship behavior of employees, transformational leadership is more significant. Also, transformational leadership was found to have a significant negative relationship with the counterproductive workplace behavior of employees (Mekpor, *et al*, 2017).

2.3.6 Organizational Justice and Transformational Leadership

Leaders are important sources of outcomes to followers as they make decisions regarding promotions, tenure, development opportunities, job assignments and resources. The perceived fairness of the leader in approaching all these decisions can be a salient consideration for followers and can have an influence on leadership effectiveness. According to leadership research, leader fairness positively contributes to leadership effectiveness (Knippenberg, & De Cremer 2007), (Knippenberg, 2011). It is expected of followers to be concerned about leader fairness since a core function of leaders is to carry

the responsibility for decisions that directly and indirectly concern and affect followers such as promotion decisions, pay increases, and allocation of duties. In addition, fairness research has long recognized that the fairness of treatment received from authorities is an important influence on people's attitudes and behavior (Knippenberg *et al.*, 2007).

It could hence be assumed that leaders who promote fair employee treatment that is; organizational justice in the organization will be perceived as effective leaders. Besides overall ethical leadership, the specific dimensions of fairness and role clarification contribute to perceptions of leader effectiveness (Kalshoven & Hartog 2009). Therefore, based on the following assumptions and findings, Organizational justice has a positive influence on the perceived effectiveness of the leader. Relevant studies have documented that leadership is related to organizational commitment (Ramchandran & Krishnan, 2009; Shirbagi, 2007). Leaders play an essential role in ensuring that the workforce and resources are integrated in order to achieve organizational goals. Every organization rises and falls on its leadership, Leaders are in the business of change and have the authority and power to make things happen through others (Fortin, 2008).

According to Ngambi (2011), leadership is a process of influencing others' commitment towards realizing their full potential in achieving a value-added, shared vision with passion and integrity. Past research demonstrates that there is a strong relationship between leadership styles and employee commitment (Colquitt, Conlon, Wesson and porter, 2001). Transformational leaders foster psychological availability by increasing follower levels of personal resources, which are aspects of the self that are generally associated with resiliency (Cohen-Charash & Spector, 2001). Transformational Leadership is based on the idea of inspiration and stimulation. A leader who is following this style is more motivating,

involving, encouraging and helpful. A transformational leader takes the employees together in order to achieve the collective goals and motivates the employees with appreciation, team coordination and individual attention (Cohen-Charash & Spector, 2001).

However, these studies were generally conducted in private business organizations, as evidenced by Wong, (2010) in a study about transformational leadership, employee engagement and commitment among 270 employees and managers of telecom companies in Pakistan. His findings indicated significant relationship between transformational leadership, employee engagement and employee commitment. Akanbi *et al.*, (2013) examined the role of organizational justice on employee commitment in a multinational organization in Nigeria. The study results indicated that organizational justice as measured by procedural justice and distributive justice can have a significant impact on the organizational commitment of employees.

Luo, *et al.* (2017) investigated the mediating role of collective identity in the relations among transformational leadership, procedural justice and employee organizational commitment in China. The findings of the results showed that transformational leadership and procedural justice are good predictors of employee collective identity and organizational commitment. The study findings offer managerial insights for hotel supervisors to exercise transformational leadership and procedural justice to improve employee collective identity, which drives organizational commitment (Luo, *et al.* 2017).

Katou, (2015) investigated the serially mediating mechanisms of organizational justice, organizational trust, and employee reactions in the relationship between transformational leadership and organizational performance in Greece. The findings of the study suggested

that responsive and supportive transformational leadership behavior have a positive impact on organizational growth. Additionally, this impact is mediated by organizational procedural justice, organizational trust integrity and dependability, and organizational commitment. The major message of the study to decision makers and practitioners is that leaders should work at fostering organizational commitment by improving perceptions of fairness and trust, consistent with the context where the organization is activated (Katou, 2015).

2.4 Summary of Research Gaps

Review of literature on empirical research established that studies that have focused on the relationship between organizational justice and employee commitment moderated by transformational leadership remain inconclusive. Globally, Suliman, *et al.*, (2012) examined the potential links between organizational justice, organizational commitment and job performance in a developing country the case of UAE. It also focused on the experiences and perceptions of fairness and justice in the workplace, and how such perceptions predict organizational commitment and job performance. The study showed that organizational justice (procedural, interactional) is positively and significantly correlated with affective and continuance commitment as well as with job performance. Wong, (2010) studied transformational leadership, employee engagement and performance in Pakistan. His findings indicated significant relationship between transformational leadership, employee commitment practices and employee performance.

Regionally, Mensah, (2016) examined the effect of Organizational Justice (OJ) delivery on organizational commitment (OC) at commercial banks in Koforidua, Ghana. The study established that statistically significant effect is made by organizational justice delivery on

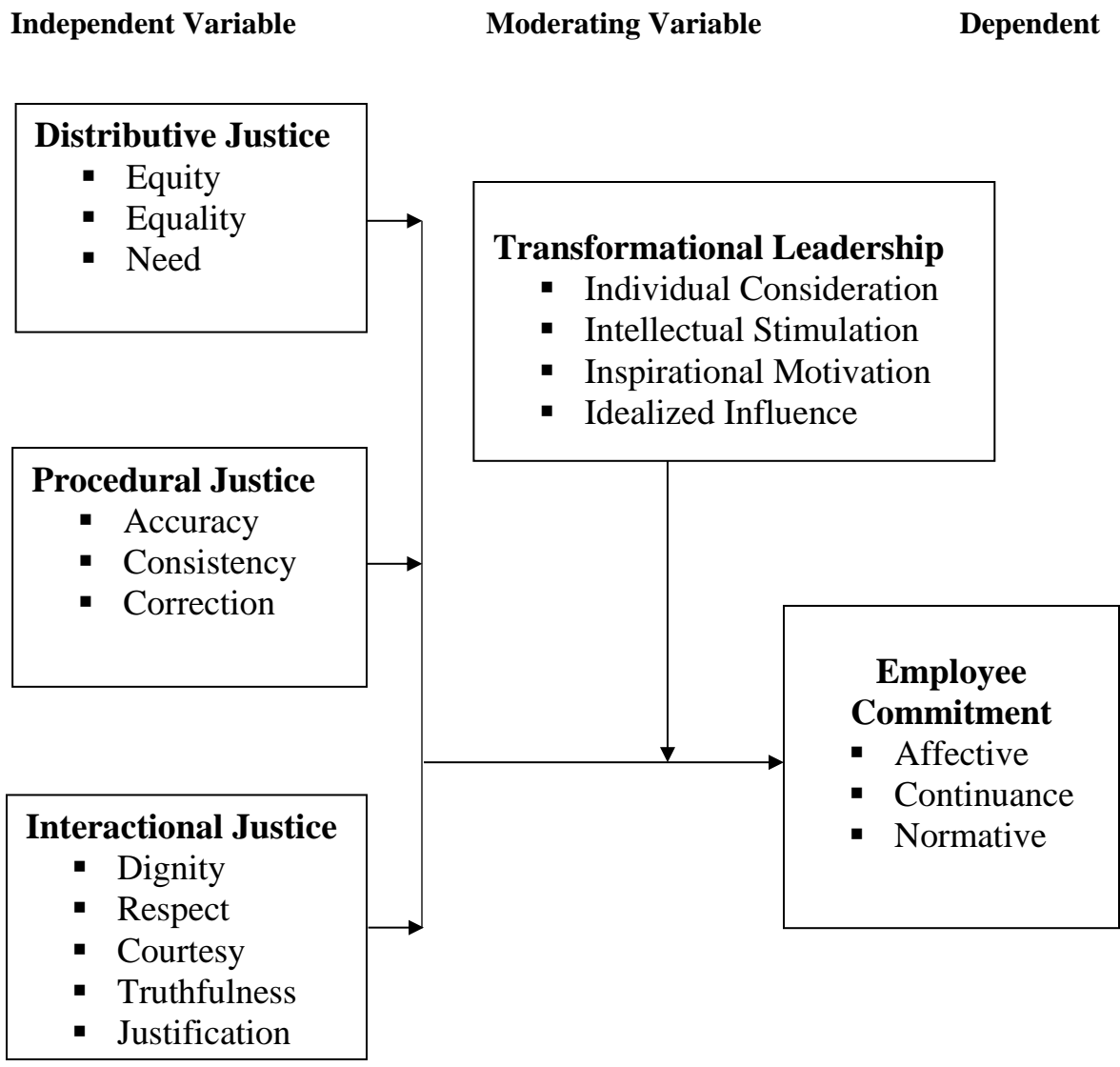
organizational commitment. Locally, Kiarie, *et al.*, (2017) investigated leader personality traits and employee job satisfaction in the media sector in Kenya and concluded that transformational leadership and procedural justice are good predictors of employee collective identity and organizational commitment.

Njoroge (2015) examined the effect of integrative leadership style on organizational commitment in technical institutions in Kenya and found that transformational leadership style has a significant effect on organizational commitment and its three dimensions. Based on the reviewed literature, there has been limited research which sought to establish the moderating effect of transformational leadership in public organizations in Kenya. The research study therefore seeks to bridge this knowledge gap by investigating the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in a public sector organization specifically at the National Hospital Insurance Fund.

2.5 Conceptual Framework

According to Swart, (2006), a conceptual framework is a research tool intended to assist a researcher to develop awareness and understanding of the situation under study. The independent variable of the study is organizational justice as illustrated by Colquitt (2001). The dependent variable is employee commitment as interpreted by Meyer and Allen (1990). Transformational Leadership is the moderating variable.

Figure 2.1 : Conceptual Framework



(Source : Researcher,2018)

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlined the methodology used in carrying out the study. It included research design, target population, sampling techniques, data collection instruments and procedure, data analysis techniques, data presentation and research ethics.

3.1 Research Design

The study adopted descriptive and explanatory research design. A descriptive research approach attempts to systematically describe attitudes towards an issue (Orodho, 2005). On the other hand, explanatory research design is aimed at explaining the causal relationship of the variables. According to Silverman (2013), the explanatory research design is suitable when the researcher wants to get a better understanding of an issue and to come up with new ideas on what should be done to improve the current situation. (Creswell, 2002). A descriptive research design is based on the premise that if a statistically significant relationship exist between two variables, then it is possible to predict one variable using the information available on another variable (Kothari, 2008). According to Creswell (2002), a descriptive survey research design is appropriate when data are collected to describe feelings and organizations.

Descriptive studies describe characteristics of the population of interest, estimate proportions in the population, make specific predictions and test associated relationships (Orodho, 2005). The descriptive method was appropriate for this study since the study aimed at analyzing and describing the relationship between organizational justice and

employee commitment. Orodho (2005) affirms that surveys are useful in describing opinions, beliefs and knowledge of certain phenomenon in society. Based on the arguments from the scholars, the study also adopted the explanatory research design that will help determine the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Kenya.

3.2 Area of Study

The area of study was done at NHIF headquarters and its three branches within Nairobi County namely; Nairobi branch, Industrial area and Westlands branch. This area was randomly selected to represent the entire NHIF staff as an organization. The region was identified for the study due to the availability of the data based on the human resource records from the organization the region had most of their employees based in the region, therefore the researcher chose to focus on the area.

3.3 Target Population

A population is the entire set of individuals or other entities to which study findings are to be generalized (Saunders, Lewis, & Thornhill, 2009). A study population consists of individuals, households, or organizations with similar characteristics about which a researcher wants to make inferences (Cooper & Schindler, 2008). This study population consists of all 397 employees and their heads of departments under the Operations and Quality Assurance Directorate. Namely; Registration and Compliance, Benefits and Claims and Quality Assurance based in NHIF headquarters, Industrial area and Westlands branches in Nairobi County (NHIF HRM Records, 2018). Offices in Nairobi County were

selected as representatives for the rest of employees within the organization. Also since most supervisors are based at the Headquarters. The target population is distributed as shown in the table below.

Table 3.1: Target Population-NHIF Operations and Quality Assurance Directorate

Registration & Compliance	Benefits & Claims	Quality Assurance	Total	
Departments				
Employees	217	114	66	397

Source: NHIF HRM Management Records (2018)

3.4 Sampling design

The researcher used census method which collects complete information from all participants in the study (Cooper & Schindler, 2013). Census sampling method was appropriate as it gives everyone an opportunity to participate, accuracy concerns are reduced and it's easier to administer especially when the population under study is small. A sampling frame is a list, directory or index of cases from which a sample can be selected (Mugenda & Mugenda, 2003).

The sampling frame of the study was the list of the entire targeted respondent which included all the staff at the Operations and Quality Assurance Directorate in headquarters, industrial area and Westland branches. The census technique enabled capture variability of responses; In addition, it facilitated comparative analysis as well as adequate representation, accuracy and reliability (Kothari, 2008). The three departments under study consisted of Registration and Compliance, Benefits and Claims and Quality Assurance.

3.5 Data Collection

3.5.1 Data Collection Instruments

A questionnaire is essentially a structured technique for collecting primary data. It is generally a series of written questions for which the respondents have to provide the answers (Greener, 2008). This study made use of primary data, which was collected through structured questionnaires administered to the participants who are the employees in Registration and Compliance, Benefits and Claims and Quality Assurance departments under the Operations and Quality assurance Directorate at NHIF headquarters, industrial area and westland branches.

They were preferred in this study because they are very economical in terms of time, energy and finances (Greener, 2008). Additionally, they are free from bias of the interviewer as the answers are in respondents' own words. The researcher collected quantitative data that is, collecting data in the form of numbers (Creswell, 2007), as well as qualitative data collected from interviews with the managers.

3.5.2 Data Collection Procedures

Primary data was collected using self-administered questionnaires. Questionnaires are the most commonly used method of data collection in field research (Creswell, 2002). The questionnaires were distributed through a drop and pick latter method with the help of the secretary in charge of each department. This technique is an effective means to reduce potential non-response bias through increased response rate. A letter from National Commission of Science Technology and Innovation (NACOSTI) requesting for

authorization to carry out research was distributed prior to visiting the respective departments for data collection.

3.6 Validity and Reliability of Research Instruments

Validity measures the degree to which a study succeeds in measuring intended values and extent to which differences found reflects true differences among the respondents (Cooper& Schindler, 2008). Types of validity evaluated include content validity that looks at the extent of the instrument to provide sufficient cover of the investigative questions that guide the research.

Content validity was determined by the expert judgment of the supervisors. The research instrument was pilot tested in the Finance and Accounts department at the NHIF headquarters to establish if the targeted respondents answered questions without difficult. This was done before collection of the actual data to validate the questions, remove errors of omission and commission, rectify mistakes and check the general structure of the questionnaire. Pre-testing the research instrument helped in pointing out ambiguous questions and the feedback obtained was used to clear the ambiguities.

The degree to which data collection procedures and analysis yield consistent results is what is referred to as reliability (Mugenda, 2009). It aims at establishing if the methods used would give similar results on different occasions or if different researchers would reach at the same conclusions using the same raw data. The internal of the data measurement instrument is reliability and this study used Cronbach's coefficient Alpha to determine internal consistency. Hair, Black, Anderson and Tatham, (2006) consider a test as reliable when its scale or question consistently measures a concept. Alpha values lie between zero

and one with zero being no internal inconsistency and one being complete internal consistency. Thus, the higher the coefficient, the more reliable is the measure, with a value of 0.70 being sufficient (Hair *et al.*, 2006).

3.7 Measurement of Variables

The study measured employee perceptions using a five-point multiple choice ordinal Likert rating scale measurement as propounded by (Cooper & Schindler, 2008). The reliability and validity of Likert attitude scales has been confirmed in past studies in various fields (Warachan, 2012). Research has shown that the variance and the reliability of rating is normally highest and rater bias is minimized when 5 rating points or above are used as cited in (Warachan, 2012). According to Boone and Boone, (2012) Likert-type items fall into the ordinal measurement scale.

The independent variable, organizational justice, was measured using a scale adapted from Colquitts' 2001 version of the organizational justice scale. The scale has three dimensions: Distributive Justice with 5 statements, Procedural Justice with 4 statements and Interactional Justice with 6 statements. The moderating variable of transformational leadership was measured using multifactor leadership Questionnaire (MLQ) developed and validated by Avolio & Bass with the goal to assess a full range of leadership styles (Avolio & Bass, 2004). The scale is based on four items: Individualized consideration (3 statements), Intellectual stimulation (2 statements), and Inspirational motivation (2 statements) and Idealized influence (3 statements). The type of scale ranges from 1 to 5, with 1 being strongly disagree and 5 being strongly agree.

The dependent variable is employee commitment which is represented by affective, continuance and normative commitment (Meyer & Allen, 1991). Employee commitment

was measured using Meyer and Allen's' (1990) employee organizational commitment scale. The scale has three dimensions: Affective commitment with 6 statements, continuance commitment with 5 statements and normative commitment with 5 statements.

3.8 Data Analysis and Presentation

Data analysis is the process where collected data is reduced to a more controllable and convenient size, and where the researcher can start to identify trends or patterns, apply statistical techniques and summarize the data (Creswell, 2007). Quantitative data was analyzed by use of both descriptive statistics and inferential statistics and with the aid of statistical software known as Statistical Package for Social Sciences (SPSS) version 20. Descriptive statistics was used to paint a summary picture of the sample or population in terms of the variables of interest (Creswell, 2007). Descriptive analysis was presented in percentages, frequencies, mean and standard deviation. Descriptive variables analyzed included; age, education and period of working for the organization. Regression is a statistical technique to determine the linear relationship between two or more variables. Regression is primarily used for prediction and causal inference (Hair *et al.*, 2006). It is the determination of a statistical relationship between two or more variables (Brooks, 2012).

Regression statistics was used to determine the significance of the relationship between variables. Multiple regression analysis models was used to determine the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in NHIF, Kenya. When there are more than two independent variables, the analysis concerning relationship is known as multiple correlations and the equation describing such relationship as the multiple regression equation (Hair *et al.*,

2006).Creswell (2007) observes that data can be presented using statistical techniques, graphical techniques or a combination of both in order to generate comprehensive conclusions. Findings on quantitative data were presented using statistical techniques such as tables. Qualitative data was presented descriptively.

3.8.1 Assumptions Testing

i. Normality

Multiple regression assume that variables have normal distributions Hair *et al.*, (2006), meaning that errors are normally distributed, the assumptions are based on the shape of normal distribution and gives researcher knowledge about what values to expect. Once the sampling distribution of the mean is known it is possible to make predictions for a new sample (Creswell, 2007. Non-normally distributed variables can distort relationships and significance tests. The researcher can test this assumption through several pieces of information; several inspections of data plots, skew and kurtosis. Skewness and Kurtosis can be checked in the static tables, and values that are close to zero indicate normal distribution. Gujarati and Sangeetha, (2013) propose that regression analysis assumes that data is normally distributed.

ii. Linearity

Linearity of data means that the values of the outcome variable for each increment of a predictor variable lie along a straight line. Linearity is an important association between the dependent and the independent variables. Multiple linear regressions can only accurately estimate the relationship between dependent and independent variables if the relationships are linear in nature (Gujarati & Sangeetha, 2013). Absence of a linear

relationship between independent variables and the dependent variable leads to the results of the regression linear analysis to under-estimate the true relationship. Linearity was tested using Pearson correlation coefficient.

iii. Multicollinearity

Multicollinearity generally occurs when there are high correlations between two or more predictor variables (Hair et al., 2006). In other words, one predictor variable can be used to predict the other. An easy way to detect multicollinearity is to calculate correlation coefficients for all pairs of predictor variables. To determine a possible multicollinearity problem, a correlation matrix among the independent attributes was used to detect the presence of high correlation among the attributes (Gujarati & Sangeetha, 2013).

Statistical model

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon \dots\dots\dots$ Optimal model

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 * X + \varepsilon \dots\dots\dots$ Moderation testing model

Where:

Y = Employee commitment (Affective, Continuance, Normative Commitment)

X_1 = Distributive Justice

X_2 = Procedural Justice

X_3 = Interactional Justice

$X_4 * X$ = Moderating effect of transformational leadership and organizational justice

β_0 = is constant

β_1 , β_2 and, β_3 , are regression coefficients and they describe the directions and strengths of the relationship between the dependent and the independent variables.

ε = error term

To decide the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, moderation was tested using Baron and Kenny's (1986) test and was done as follows:

Step 1 - regress employee commitment on productivity level to confirm that organizational justice was a significant independent variable $Y = \beta_0 + \beta_1 X_1 + \varepsilon$

Step 2 - regress leadership style (X_2) on organizational justice to confirm that transformational leadership was a significant moderating variable, that is $X_2 = \beta_0 + \beta_1 X_1 + \varepsilon$ and determine if β_1 was significant.

Step 3 – regress employee commitment on organizational justice and transformational leadership to confirm that organizational justice was a significant predictor of employee commitment that is $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$, where β_2 was regression coefficient.

3.9 Ethical considerations.

Ethical issues in the study involved the assurance of confidentiality, right of privacy informed consent and anonymity of the respondents. Protection of the dignity of participants was guaranteed. The research was conducted in a fair, transparent and in an honest way. The researcher affirmed to present the findings and interpretation in an objective and an honest manner. A written consent was obtained from NACOSTI to facilitate the researcher in administering questionnaires to the participants. The Director

Operations and Quality assurance at NHIF and managers of the respective departments where research was conducted was requested to give permission for data collection exercise to be undertaken.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter discusses the response rate, background information, descriptive statistics, correlation results, test for regression assumption and hypothesis testing. It further presents descriptive statistics of the study variables and results from multi-regression. The findings are presented in form of narratives and tables.

4.2 Response Rate

Data collection was conducted through the use of questionnaires to understand the Moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Nairobi County. The study targeted selected branches of NHIF, namely NHIF Headquarters, Industrial area branch and Westlands branch. The study used census design and targeted all 397 staff in the selected offices. From the total survey of 397 respondents, 262 respondents returned copies of the questionnaire, representing a response rate of 66% which is a satisfactory return rate as shown in table 4.1.

Kothari (2004) recommended a response rate of 60% which is lower than the actual return rate (Greener, 2008). Determining the response rate from this assertion, the study's response rate of 66% was therefore considered adequate for analysis and conclusion about moderating role of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund. Although the data collection was done through drop and pick latter method the low response rate was realized

because some questionnaires were not duly filled and we only considered the questionnaires which were duly filled.

Table 4.1: Response Rate

Items	Number	Percentage
Used questionnaires	262	66%
Unreturned questionnaires	135	34%
Total survey	397	100%

Source: Field data (2019)

4.2.1 Reliability of the Instrument

The reliability of the instrument was estimated using Cronbach's Alpha Coefficient which is a measure of internal consistency. A reliability of at least 0.70 at $\alpha=0.05$ significance level of confidence is acceptable (Gable and Wolf, 2003). Based on the study findings in Table 4.2 above, the average alpha Cronbach's alpha values is 0.786 which is greater than the minimum threshold of 0.70 which implies that the instruments were reliable.

Table 4.2: Cronbach's Alpha Values

Variable	Cronbach's alpha
Distributive justice	0.769
Procedural justice	0.848
Interactional justice	0.797
Transformational leadership	0.824
Employee commitment	0.693
Average	0.786

Source: Field data (2019)

4.3 Analysis of Demographic Information

The study sought to know the demographic information about their age, education level, working experience and their marital status as is presented in table 4.3 below.

Table 4.3: Demographic distribution

Variable		Frequency	Percentage
Age	Below 25 years	33	13
	25 – 35 years	55	21
	36 – 45 years	76	29
	46 – 55 years	58	22
	55 years and above	40	15
	Total	262	100
Education level	Certificate	58	22
	Diploma	65	25
	Bachelor’s Degree	78	30
	Master’s Degree	48	18
	PhD	13	5
	Total	262	100
Working experience	0-5 years	3212	
	6 – 10 years	4417	
	11 – 20 years	6826	
	21 – 30 years	8834	
	31 Years and above	3011	
	Total	262	100
Marital status	Married	89	34
	Single	72	27
	Widowed	33	13
	Separated	42	16
	Divorced	26	10
	Total	262	100

Source: Field data (2019)

Respondents provided information regarding their demographic profile which included age, education level, working experience and their marital status. This information was deemed relevant in determining influence of organizational justice on employee commitment. From the results presented in table 4.7, persons between 36-45 years of age were the highest with 29%, 30% were the majority with a Bachelor's degree, 34% had worked for over 21 years and 34% were married representing the highest percentage. This implies majority of the respondents are well trained had worked for the organization longer, thus they had rich information and knowledge on questions raised regarding moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Kenya and therefore there was a higher chance that they would offer reliable information.

4.4 Descriptive statistics of Study variables

4.4.1 Affective commitment

The research sought to find out whether affective commitment had significant effect on organizational justice. The findings are shown on table 4.4 below.

Table 4.4: Descriptive statistics of Affective commitment

	N	Mi	Max	Mean	SD	Skewn	Kurtosi
	n					ess	s
I feel a strong sense of belonging to this Organization	262	1	4	3.416	1.216	-0.157	-1.073
I feel personally attached to this Organization	262	1	5	3.637	1.073	-0.436	-0.519

I feel proud to tell the others that I work at this Organization	262	2	4	3.271	1.174	-0.455	-0.819
Working at this organization has a great deal of personal meaning to me	262	1	4	3.004	1.255	-0.218	-0.978
I feel that problems faced by this Organization are also my problems	262	1	3	2.733	1.186	0.211	-0.942
I am prepared to contribute ideas to help the Organization improve	262	2	4	2.676	1.117	0.301	-0.559
Average				3.123	1.170		

Source: Field data (2019)

The study found that respondents agreed with the statements they felt a strong sense of belonging to this Organization. The study found that NHIF staffs have high affective commitment which was shown by a mean of (3.416). Further it was indicated that staff felt personally attached to the Organization as shown by a mean of (3.637). Whether working at the organization has a great deal of personal meaning to respondents, the study agreed with a strong mean of (3.42). The study found from the respondents that problems faced by the Organization are also their problems by mean of (2.732) and that respondents were prepared to contribute ideas to help the organization improve with negative mean of 2.675. Feeling a sense of belonging is an indicator of employee affective commitment. Affective commitment is therefore high among the staff at NHIF. According to Wasti (2005), organizations are more likely to achieve the desired level of worker performance when affective commitment is high.

4.4.2 Continuance commitment

The findings are shown on table 4.5.

Table 4.5: Descriptive statistics of Continuance commitment

	N	Mi n	Max	Mean	SD	Skewnes s	Kurtosi s
I feel that I have too few options to consider leaving my job in this Organization	262	2	4	3.12	1.36	-0.058	-1.23
Too much in my life would be disrupted if I wanted to leave my Organization now	262	1	4	3.02	1.46	0.65	1.889
Right now, staying with my Organization is a matter of necessity	262	3	4	3.78	0.96	-0.285	-0.897
One of the few negative consequences of leaving this Organization would be the scarcity of available alternatives	262	2	4	3.55	0.97	-0.538	0.733
It would be very hard for me to leave my Organization right now, even if I wanted to	262	2	3	2.81	1.5	0.289	-1.373
Average				3.256	1.25		

Source: Field data (2019)

The analysis sought to understand the effects of continuance commitment on organizational justice in National Hospital Insurance Fund, Nairobi county. The study found that majority of the respondents felt that they have too few options to consider leaving their current job. This was identified with a mean of 3.12, the other group indicated that, too much in their life would be disrupted if they left the Organization now as

identified by mean of 3.02. The analysis further found from a mean of 3.78 that staying with their Organization was a matter of necessity. The analysis further found that from mean of 3.55, One of the few negative consequences of leaving their Organization would be the scarcity of available alternatives. Finally it was found from a mean of 2.81 that, It would be hard for them to leave the Organization even if they wanted. The findings agree with Meyer *et al*, (2002) that lack of alternatives or inability to transfer skills to another organization is the primary qualifications of continuance commitment (Meyer, Stanley & Herscovitch, 2002).

4.4.3 Normative commitment

The findings are shown on table 4.6

Table 4.6: Descriptive statistics of normative commitment

	N	Mi	Ma	Mea	SD	Skewnes	Kurtosi
		n	x	n		s	s
I would feel guilty if I left my Organization right now	262	2	4	3.13	1.48	-0.16	-1.391
I would not leave working for my Organization right now because I have a sense of obligation to the people	262	1	4	3.38	1.21	0.143	-1.548
Even if it were to my advantage, I do not feel it would be right to leave working in my Organization right now	262	1	3	2.08	0.97	0.405	-0.917
I believe that this Organization deserves my loyalty	262	2	3	2.91	1.34	0.188	-1.163

I do not feel any obligation to remain with my current employer	262	1	3	2.89	1.26	0.246	-0.961
Average				2.88	1.25		

Source: Field data (2019)

The analysis sought to understand the normative effects of the employees. The analysis found that respondents with a mean of 3.13 would feel guilty if they left the Organization right now. It further found that majority of the respondents indicated that they would not leave working for the organization because they have a sense of obligation to the people in it as indicated by a mean of 3.38. A mean of 2.08 indicated that even if it were to their advantage, they do not feel it would be right to leave working for the Organization right now. A mean of 2.91 indicated that most staff believe that the Organization deserves their loyalty. Finally it was found from a mean of 2.89 that many staff do not feel any obligation to remain with their current employer. This shows that majority agreed that their employer deserved their loyalty. Strong normative commitment involves being tied to the organization by feelings of obligation and duty to the employer. Meyer and Allen (1991) argue that, generally, such feelings would motivate individuals to behave appropriately and do what is right for the organization.

4.4.4 Distributive Justice

The findings are shown on table 4.7

Table 4.7: Descriptive statistics of Distributive justice

	N	Mi	Max	Mea	SD	Skewness	Kurtosi
		n		n			s
I think that my pay is fair	262	1	5	3.70	4.26	9.826	107.625
I consider my workload to be quite fair	262	1	3	2.67	1.21	0.465	-0.806
My work schedule is fair	262	2	4	3.48	1.20	-0.252	-0.978
Overall the rewards I receive are quite fair	262	1	5	3.71	1.03	-0.428	-0.517
I feel my job responsibilities are quite fair	262	1	4	3.22	1.17	-0.41	-0.891
Average				3.36	1.77		

Source: Field data (2019)

The analysis sought to understand the effects of Organizational Justice (Fairness) Perception on employee commitment in National Hospital Insurance Fund, Nairobi county. The responses from various inter related questions found that staff are happy with their work place and the work they do at NHIF. From the study, a mean of 3.70, indicated that they felt that their pay is fair, a mean of 2.67 indicated that they consider their workload to be quite fair while they agree that their work schedule is fair. This was as represented by a mean of 3.48. The analysis further found a mean of 3.71 overall the rewards they receive are quite fair. Finally the study found that the respondents agree and feel that their job responsibilities are quite fair. The study agrees with (Liou,2008) that distributive Justice refers to the perceived fairness of the outcomes that employees receive from their organizations. The concept of distributive justice applies to the allocation of organizational

resources and determines whether the resources have been fairly distributed (Colquitt, 2001).

4.4.5 Procedural Justice

The findings are shown on table 4.8

Table 4.8: Descriptive statistics of Procedural justice

	N	Mi n	Max	Mean	SD	Skewnes s	Kurtosi s
My supervisor makes sure that all employees concerns are heard before job decisions are made	262	1	3	2.92	1.32	-0.153	-1.169
Job decisions are made by my supervisor in a biased manner	262	2	3	2.76	1.18	0.285	-0.807
To make job decisions, my supervisor collects accurate and complete information	262	2	3	2.65	1.14	0.268	-0.735
All job decisions are applied consistently to all affected employees	262	1	4	3.10	1.36	-0.042	-1.257
Average				2.86	1.25		

Source: Field data (2019)

The analysis in this study tried to determine if the procedural justice affects employee commitment in NHIF. The analysis found that respondents strongly agreed that their supervisor makes sure that all employees concerns are heard before job decisions are made as indicated by a mean of 2.92, a mean of 2.76 found that Job decisions are made by their supervisor in a biased manner. Further, it indicated that to make job decisions, their supervisor collects accurate and complete information from a mean of 2.65. Finally it was

found that all job decisions are applied consistently to all affected employees as provided by a mean of 3.10. The findings in this study agree with Mensah, (2016) that procedural justice affects how decisions are made and policies are established.

4.4.6 Interactional Justice

The findings are shown on table 4.9

Table 4.9: Descriptive statistics of Interactional justice

	N	Mi	Max	Mea	SD	Skewnes	Kurtosi
	n			n		s	s
When decisions are made about my job the manager treats me with kindness and consideration	26	1	4	3.03	1.45	0.664	1.957
When decisions are made about my job the manager treats me with respect and dignity	26	2	4	3.84	0.89	-0.189	-0.868
My manager is sensitive to my personal needs	26	4	5	4.13	0.99	-0.522	0.549
My manager deals with me in a truthful manner	26	3	5	4.24	1.52	0.254	-1.434
Concerning decisions, made about my job the, the manager discusses with me the implications of the decisions.	26	1	3	2.24	1.45	-0.215	-1.346
My manager explains very clearly any decisions made about my job	26	4	5	4.41	1.20	0.095	-1.537
Average				3.65	1.25		

Source: Field data (2019)

The study sought to understand interactional justice and its influence on organizational employee commitment among the respondents. The analysis found from a mean of 3.03 that when decisions are made about their job the manager treats staff with kindness and consideration. The analysis further found from a mean of 3.84 that when decisions are made about employees job the manager treats them with respect and dignity. Further to the above, it was discovered that most of the respondents strongly agreed that their manager is sensitive to their personal needs as provided by a mean of 4.13.

The respondents strongly agreed that their manager deals with them in a truthful manner. This was provided by a mean of 4.24. The analysis further found that respondents disagreed with the fact that concerning decisions made about their job the manager discusses with them the implications of the decisions as shown with mean of 2.24. However, respondents strongly agreed that their manager explains very clearly any decisions made about their job as implied by a mean of 4.41.

This finding supports Konovsky (2000) who identified that the treatment by a supervisor directly influences the variables of loyalty; work satisfaction and commitment of an individual employee .Individuals working in organizations expect supervisors to extend equal treatment to all members. They seek fair interaction with the organization. Supervisors or allocators, who treat some with respect and others with disrespect, are not perceived as fair (Baldwin, 2006).

4.4.7 Individualized Consideration

The findings are shown on table 4.10

Table 4.10: Descriptive statistics of Individualized consideration

	N	Mini	Max	Mea n	SD	Skewnes s	Kurtosi s
My manager considers my personal feelings	262	2	5	4.06	1.04	0.654	-0.338
My manager communicates freely	262	1	3	2.91	1.36	0.231	-1.184
My manager is aware and pays attention to my needs and concerns	262	1	5	4.01	1.33	0.244	-1.115
Average				3.66	1.24		

Source: Field data (2019)

The study sought to clearly understand the effects of individual consideration. The analysis found that respondents strongly agreed that their manager considers their personal feelings as implied by a mean of 4.06 while others were neutral by indicating that their managers communicate freely, this was implied by a mean of 2.91. The other respondents strongly agreed that their manager is aware and pays attention to their needs and concerns as provided by a mean of 4.01. The findings in this study agreed with Colquitt (2001), that individualized consideration is the degree to which the leader attends to each follower's needs, acts as a mentor or coach to the follower, and listens to the follower's concerns.

4.4.8 Intellectual Stimulation

The findings are shown on table 4.11

Table 4.11: Descriptive statistics of Intellectual stimulation

	N	Mi	Ma	Mean	SD	Skewnes	Kurtosi
	n	x				s	s
My manager considers my personal feelings	262	1	5	4.06	1.04	0.654	-0.338
My manager is aware and pays attention to my needs and concerns	262	1	4	3.91	1.36	0.244	-1.115
Average				3.99	1.20		

Source: Field data (2019)

The analysis sought to understand the influence of intellectual stimulation. The respondents agreed that their manager considers their personal feelings which was implied by a mean of 4.06, further to this the respondents strongly agreed with a mean of 3.91 that their managers are aware and pays attention to their needs and concerns. These findings concur with Krishnan,(1998) that Intellectual stimulation is raising and upgrading employees to make them more aware, innovative and creative. Further, they involve others in the discussion and stimulate new ways of thinking. According to Northouse (2001), This is leadership that stimulates followers to be creative and innovative, and to challenge their own beliefs and values as well as those of the leader and the organization.

4.4.9 Inspiration Motivation

The findings are shown on table 4.12

Table 4.12: Descriptive statistics of Inspiration motivation

	N	Min	Max	Mean	SD	Skewness	Kurtosis
My manager has stimulated me to look at things in new ways	262	2	4	3.97	3.40	12.599	187.511
My manager thinks about old problems in new ways	262	1	4	3.71	1.21	0.384	-0.839
Average				3.84	2.31		

Source: Field data (2019)

The analysis under the principles of transformational leadership sought to understand the influence of inspirational motivation. The analysis found that most of the respondents strongly agreed that manager encourages employees to become good team players as implied by a mean of 3.97, while 33% agreed that their manager has clear understanding and articulates a clear vision for the future, this is provided by a mean of 3.71. The findings agreed with Knippenberg, (2011) that leaders are important sources of outcomes to followers as they make decisions regarding promotions, tenure, development opportunities, job assignments and resources. According to leadership research, leader fairness positively contributes to leadership effectiveness. It is expected of followers to be concerned about leader fairness since a core function of leaders is to carry the responsibility for decisions that directly and indirectly concern and affect followers such as promotion decisions, pay increases, and allocation of duties (Knippenberg, & De Cremer 2017).

4.4.10 Idealized Influence

The findings are shown on table 4.13

Table 4.13: Descriptive statistics of Idealized influence

	N	Min	Max	Mean	SD	Skewness	Kurtosis
My manager leads by example	262	1	5	4.22	1.17	-0.417	-0.892
My manager encourages others to align their individual goals to the organizational goals in order to achieve positive results	262	1	5	4.01	1.31	-0.197	-1.121
My manager is a facilitator	262	2	3	2.68	1.16	0.301	-0.778
Average				3.64	1.21		

Source: Field data (2019)

The study investigated the effects of idealized influence. The respondents strongly agreed that their manager leads by example as implied by a mean of 4.22. The also strongly agreed that their manager encourages others to align their individual goals to the organizational goals in order to achieve positive results as provided by a mean of 4.01. However, the respondents disagreed that their manager is a facilitator as provided by a mean of 2.68. The study findings supported reviewed literature by Bass, (2006) that transformational leaders with idealized influence often serve as role models because such leaders are admired, trusted, and respected (Bass & Riggio, 2006). However, the findings contradicted Datche, (2015) who found that idealized influence negatively affected employee engagement, commitment and performance.

4.5 Test for Regression Assumptions

To determine which among the facets of organizational justice (distributive, procedural and interactional) determine employee commitment, multiple regression analysis was used.

Assumptions of regression analysis were first tested. Before any regression analysis is done, the assumptions on the original data must be observed. Ignoring the assumptions may lead to invalidity estimates (Darlington, 1968). The regression assumptions tested includes normality test, linearity test, and multicollinearity.

4.5.1 Tests of Normality

The study tested the normality of the regression model to determine whether the assumption of normality of distribution was attained. Hair, et al., (2013) suggested Kolmogorov-Smirnova and Shapiro-Wilk significance level of less than 0.05 might indicate possible problem in the data with regard to normality. Normality was then tested by use of Kolmogorov-Smirnov Test and the Shapiro-Wilk Test. The method is much more reliable especially when making a determination on kurtosis and skewness of the data. When the result is below 0.05, then it is slowly deviating from the distribution of the data that is normal (Hair *et al*, 2010). In accordance to the results, the Kolmogorov-Smirnov values were 0.288 for distributive justice, 0.364 for procedural justice 0.309 for interactional justice and 0.329 for transformational leadership. Shapiro-Walk tested significant values were at 0.401 for distributive justice, procedural justice, interactional justice and transformational leadership each. This brings an implication that the p-value is far much greater than level 0.05 then the prediction that the data was normally distributed cannot be denied. The tested results are therefore of the population emanating from the normal distribution.

Table 4.14: Shapiro-Wilk Test of Normality

Variables	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Distributive justice	.288	262	.331	.747	262	.401
Procedural justice	.364	262	.331	.656	262	.401
Interactional justice	.309	262	.331	.742	262	.401
Transformational leadership	.329	262	.331	.703	262	.401

Source: Field data (2019)

4.5.2 Test for Multi-collinearity

Multicollinearity inflates the standard errors and gives spurious results hence it is necessary to test for presence of multi-collinearity before running an ordinary least square regression model. This study used a variance inflation factors (VIF) method to test for multi-collinearity of the study variables. Variance inflation factor (VIF) measures the impact of co-linearity or whether the variables are multi-collinear, for instance VIF greater than 5 or 10 is generally considered evidence of multicollinearity. VIF above 5 or 10 implies that the associated regression coefficients are poorly estimated because of multi-collinearity (Montgomery, 2001). The results as shown in Table 4.15 revealed that there was no presence of multicollinearity since all the values of VIF were below 5. As stated by Gujarati (2004) and Brook (2008), multicollinearity exists when there is a high degree of association between independent variables.

Table 4.15: coefficients ^a

	Collinearity Statistics	VIF
	Tolerance	
Distributive justice	.500	2.000
Procedural justice	.608	1.646
Interactional justice	.633	1.580
Transformational leadership	.493	2.027

Source: Field data (2019)

4.5.3 Test of Linearity

The normal probability plot of residual is approximately linear that support the condition that is linear. The relationship between the expected and the observed is approximately linear. Linearity is an important association between the dependent and the independent variables. Absence of a linear relationship between independent variables and the dependent variable leads to the results of the regression linear analysis to under-estimate the true relationship (Gujarati & Sangeetha, 2013). Linearity was tested using Pearson correlation coefficient.

The correlation summary shown in Table 4.16 indicates that the associations between the independent variables were significant at the 95% confidence level and a strong comparison to their associations with the dependent variable. This means that the intervariable correlations between the independent variables were strong enough to affect the relationship with the dependent variable. Results of the Pearson's correlation coefficient depicts that there is a significant negative relationship between employee commitment and distributive justice ($\rho = -0.773$, $p\text{-value} < 0.05$). Therefore, it can be

implied that an increase in distributive justice is associated with decreased employee commitment.

Secondly, it showed that there is a weak significant negative relationship between employee commitment and procedural Justice ($\rho=-0.463$, $p\text{-value} < 0.05$). Thirdly, the findings showed that there is a strong positive significant relationship between Interactional Justice and Employee commitment ($\rho=0.618$, $p\text{-value} < 0.05$). Finally, there was a significant positive relationship between Transformational leadership and Employee commitment ($\rho=0.652$, $p\text{-value} < 0.05$).

Table 4.16: Pearson correlation coefficient

	Employee commitment	Distributive Justice	Procedural Justice	Interactional Justice	Transformational leadership
Employee commitment	1				
Distributive Justice	-0.773	1			
Procedural Justice	-0.463	0.316	1		
Interactional Justice	0.618	0.163	0.216	1	
Transformational leadership	0.652	0.161	0.233	0.462	1

Source: Field data (2019)

4.6 Multiple Regression Analysis of Dependent and Independent Variables

According to Hair et al, (2013) multiple regressions is an extension of simple linear regression. It is used when we want to predict the value of a variable based on the value of two or more other variables. The variable we want to predict is called the dependent variable (or sometimes, the outcome, target or criterion variable). Multiple Linear Regression analysis (i.e. MLR) is the appropriate method to be used if the set of independent variables is more than one variable paired with one continuous dependent variable. In order to analyze the relationship between the independent variables, the moderator variable and the dependent variable, multiple regressions was employed. Multiple regressions was conducted to test the effect of organizational justice on employee commitment.

The general model that was used was:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon \dots\dots\dots$$

Where:

Y = Employee commitment

X₁ = Distributive Justice

X₂ = Procedural Justice

X₃ = Interactional Justice

β₀ = is constant

ε = error term

The study finding also indicate that $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$ now becomes;

$$Y = 3.283 - .583X_1 - .098X_2 + .504X_3$$

The findings depict that the coefficient of distributive justice was -0.519. This indicates that a unit increase in distributive justice would result in 51.9% decrease in employee commitment value. The t-statistic and corresponding p-value was 14.387 and 0.000 respectively.

The coefficient of procedural justice was -0.094. This indicates that a unit increase in procedural justice would result in 9.4% decrease in employee commitment value. The t-statistic and corresponding p-value was 3.131 and 0.002 respectively.

With regard to interactional justice, the coefficient was 0.471. This indicates that a unit increase in interactional justice would result in 47.1% increase in employee commitment value. The t-statistic and corresponding p-value was 13.127 and 0.0000 respectively.

Table 4.17: Regression coefficients of independent variables on organizational commitment

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Err	Beta			Tolerance	VI F
(Constant)	3.283	0.215		15.297	0.000		
Distributive justice	-0.583	0.041	-0.519	14.387	0.000	0.657	1.52
Procedural justice	-0.098	0.031	-0.094	3.131	0.002	0.953	1.04
Interactional justice	0.504	0.038	0.471	13.127	0.000	0.665	1.50

a. Dependent Variable

Source: Field data (2019)

4.7 Results of Hypothesis testing

From the table 4.19 below, the significance of F (.000) is below .05 which indicates that the model is within the 95% significance level. The value of R squared at .780 indicates that 88.3% of the variations in establishing employee commitment are related to the predictors (Organizational Justice (Fairness) Perception). Only 11.7% of variations in relationship between organizational justice and employee commitment are not accounted for by change in the independent variables in the model. The whole model has a coefficient of correlation (R) as 0.780 which is a strong positive correlation between predictor variables and the dependent variables. This indicated that changes in the predictor variable would be very closely associated with changes in dependent variable. This implies that organizational justice perceptions have statistical influence on employee commitment.

Table 4.18: Regression results of independent variables on employee commitment

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					F	df1	df2	Sig.	F Change
1	.883 ^a	.780	.777	.59257	.780	304.15	3	258	.000

Source: Field data (2019)

- Predictors: (Constant), Distributive justice, Procedural justice , Interactional justice
- Dependent variable : Employee commitment

4.8 Multiple Regression Analysis of the Moderating Effect

To test the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment the Baron and Kenny (1986) four-step method was used. Linear regression was used in each step. In step one transformational leadership was regressed on the organizational justice. If R^2 and beta coefficients are statistically significant, the process would move to step two. If they are not significant, the process terminates and would be concluded that transformational leadership does not moderate the relationship between organizational justice and employee commitment in the NHIF.

The second step involved regressing of the organizational justice on transformational leadership. If the results are significant, the process moves to step 3 because the necessary condition for mediation exists. In step three the influence of transformational leadership on employee commitment in the NHIF is tested using a simple linear regression model. A statistically significant effect of transformational leadership and employee commitment in NHIF is a necessary condition in testing for moderation. The analysis then moves to step 4. Finally, Step four tested the influence of organizational justice and employee commitment in NHIF while controlling the effect of transformational leadership. These tests were done using simple linear regression analysis. The influence of organizational justice and employee commitment in NHIF should not be statistically significant when transformational leadership is controlled. This is a necessary condition in testing for moderation. The results of the regression analysis are presented in Table 4.19

Table 4.19: Transformational leadership on the Organizational justice

Model Summary										
Model	R	Adjusted R Square	Std. Error of the Estimate	Change in R Square	F Change	df1	df2	Sig.	F Change	
1	.091 ^a	.008	.28800	.050	1.192	1	90	.000		

The results in Table 4.19 show that transformational leadership had a moderate positive relationship with organizational justice ($R=.091$). The model explained 9.1 percent of the variation in organizational justice in NHIF which was significant ($R^2=0.008$, $F=1.192$, $P<0.05$) leaving 90.9 percent unexplained. The results thus confirmed the first step of testing for the moderation of transformational leadership on organizational justice in NHIF. The test for the influence of organizational justice on transformational leadership involved carrying out testing of the influence of the organizational justice, on transformational leadership, and employee commitment in the NHIF. The results of the tests are presented in Table 4.20

Table 4.20 : Regression Test of the Effect of Organizational justice on Transformational leadership

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.247	.061	.054	0.45695

Predictors: (Constant), organizational justice

The results presented in Table 4.20 indicate that organizational justice had a positive and significant effect on transformational leadership ($R=.247$ $P < 0.05$). The model explained 6.1 percent ($R^2=0.061$ $F=9.271$, $p < 0.05$) of the variation in transformational leadership, leaving 93.1 percent unexplained. The results, therefore suggest that the second step of testing confirms intervention of transformational leadership in the relationship between organizational justice and employee commitment in the NHIF and thus permits analysis to move to step 3.

The third step of the test for the mediating effect of transformational leadership on the relationship between the organizational justice and employee commitment in the NHIF. This step involved testing the influence of transformational leadership and employee commitment in the NHIF. The results for step 3 are presented in Table 4.21.

Table 4.21: Regression Results Depicting the Influence of transformational leadership

Model Summary			
Model	R	R Square	Adjusted R Square
	.091	.008	-.006
			Std. Error of the Estimate
			.28900

The results in Table 4.21 indicate that transformational leadership had a weak positive relationship with employee commitment in NHIF ($R=.091$). The model explained 0.8 (0.008) percent of the variation. The results were not statistically significant at $P=>0.05$. The results, therefore, did not satisfy the condition in the third step in testing for the moderating effect of transformational leadership in the relationship between organizational justice and employee commitment in NHIF.

The statistical results at step three are not significant and thus did not provide the necessary conditions to progress to step 4 in testing for the moderating effect and did not support the interceding impact of initiative style on the connection between organizational justice and employee commitment in NHIF. Thus, the process terminated in step 3. The results were indicative of the fact that organizational justice interacts with transformational leadership and the interaction affects their influence on employee commitment in NHIF though the indirect effect was not clear from the results in this study. The study accepts the hypothesis that the strength of the relationship between organizational justice and employee commitment in NHIF depends on the transformational leadership.

4.9 Discussion of findings

Ho1: Distributive justice has no statistically significant effect on employee commitment

The study sought to establish whether distributive justice had no significant effect on employee commitment. The calculated t-value (14.387, $p > 0.000$) was more than p-value (0.05). This confirmed that distributive justice had a significant effect on employee commitment thus null hypothesis rejected. Mohd, *et al*, (2011) studied organizational justice, age, and performance in the telecommunications industry in Malaysia. The results demonstrated that distributive justice had a significant and positive relationship with task performance.

Ho2: Procedural justice has no statistically significant effect on employee commitment

The study sought to establish whether procedural justice had no significant effect on employee commitment. The calculated t-value (3.131, $p > 0.002$) was more than p-value (0.05). This confirmed that procedural justice had a significant effect on employee commitment thus null hypothesis rejected. Procedural justice may foster commitment because people infer that it is an antecedent of fair outcomes. Study indicates that procedural justice has a significant impact on organizational attitudes and behaviors (Jones & Skarlicki, 2013).

Ho3: Interactional justice has no statistically significant effect on employee commitment

The study sought to establish whether interactional justice had no significant effect on employee commitment. The calculated t-value (13.127, $p > 0.000$) was more than p-value (0.05). This confirmed that interactional justice had a significant effect on employee commitment thus null hypothesis rejected. The findings confer with Elanain, (2010) who examined the direct and indirect effects of different dimensions of organizational justice. The results revealed that perceptions of the three organizational justice dimensions (interactional justice, procedural justice, and distributive justice) have a direct influence on employees' organizational citizenship behaviors and turnover intention.

Ho4: Transformational leadership has no statistically significant moderating role on the relationship between organizational justice and employee commitment.

To test the hypotheses, the t-statistic and its significance level are used. The study revealed that organizational justice interacts with transformational leadership and the interaction affects their influence on employee commitment in the NHIF though the indirect effect was not clear from the results in this study. The study accepts the hypothesis that the strength of the relationship between organizational justice and employee commitment in the NHIF depends on the transformational leadership.

The findings are in agreement with Lo *et al*, (2010) who studied manufacturing companies in Malaysia and found a positive direct relationship between transformational leadership and three components of commitment (affective, normative and continuance commitment). Bass and Riggio (2006) observed that transformational leadership behaviors

show the strongest positive effects on followers' attitudes and their commitment to the leader and the organization.

Table 4.22: Table summary of Hypothesis Testing

Hypothesis	Beta, t-value	Result
Ho1: Distributive justice has no statistically significant effect on employee commitment	14.387, $p > 0.00$	Rejected
Ho2: Procedural justice has no statistically significant effect on employee commitment	3.131, $p > 0.002$	Rejected
Ho3: Interactional justice has no statistically significant effect on employee commitment	13.127, $p > 0.000$	Rejected
Ho4: Transformational leadership has no statistically significant moderating role on the relationship between organizational justice and employee commitment.	8.9688, $p > 0.001$	Rejected

Source: Field data (2019)

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the findings, discussions, conclusions and recommendations that reflect answers to the raised research questions and suggestions for further research. The purpose of the study was to analyze the Moderating role of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Nairobi County.

5.2 Summary of Major Findings

The study was focused on the assumption that the concept of transformational leadership is applicable in the public sector and relevant for assessment on the effects of organizational justice perceptions on employee commitment.

5.2.1 Employee Commitment

The study analysis investigated the impact of organizational commitment; the analysis found that organizational commitment is the bond employees experience with their organization. Broadly speaking, employees who are committed to their organization generally feel a connection with their organization, feel that they fit in and, feel they understand the goals of the organization. The study found that 72% of the respondents agreed with the statements they felt a strong sense of belonging to their Organization.

5.2.2 Organizational Justice (Fairness) Perception

The analysis sought to understand the effects of Organizational Justice (Fairness) Perception on employee commitment in National Hospital Insurance Fund, Nairobi county. Organizational justice refers to employee perceptions of fairness in the workplace. These perceptions can be classified into three categories: distributive, procedural, and interactional justice. The responses from various questions found that employees are happy with their work place and the work they do at the organization. One of the biggest reasons for issues with employee productivity or morale is when employees feel that their company lacks fairness. According to this study it was found that organizations can provide equal distributive justice by educating, communicating, and enacting fair employment practices with the organization.

5.2.3 Transformational Leadership

The study sought to determine the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund, Nairobi County in Kenya. The moderating analysis examined whether transformational leadership moderate the influence of organizational justice perceptions on employee commitment. The study findings showed that transformational leadership role have a significant moderating effect on the influence of organizational justice perceptions on employee commitment. Therefore, creativity, involvement and innovation are key leadership practices which contribute directly towards building a committed workforce.

5.3 Conclusions

The overall objective of the study was to show the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund in Kenya. The results of the study demonstrated that organizational justice had a significant effect on employee commitment. The findings confer with Elanain, (2010) who examined the direct and indirect effects of different dimensions of organizational justice. The results revealed that perceptions of the three organizational justice dimensions (interactional justice, procedural justice, and distributive justice) have a direct influence on employees' organizational citizenship behaviors and turnover intention. It was concluded that organizational justice should be seen as an important variable that plays major role in improving the performance of employees in an organization as it has a direct link with the performance of its employees. Transformational leadership has a significant role on the relationship between organizational justice and employee commitment. The findings are in agreement with Lo *et al*, (2010) who studied manufacturing companies in Malaysia and found a positive direct relationship between transformational leadership and three components of commitment (affective, normative and continuance commitment). The results of the study further, revealed that there are low chances to create an open culture that encourages change without leaders up for such a challenge. In other words, public administration needs transformational leaders. The study concludes that transformational leaders portray models to their followers, stimulate innovative thinking and motivate employees to achieve success and perform beyond their limits; this is a strong argument for encouraging this type of leadership in the public sector.

Overall, the study findings point to the need for organizations to take both pro-active and retroactive approach to employee commitment. Some of these strategies include: designing employment terms that are internally correspond with employee's efforts and externally competitive. These include establishing clear pay rules establishing the degree to which one is paid fairly relative to co-workers, and the degree to which pay raises and promotions are fairly administered. Enhancing organizational fairness, and particularly procedural justice, therefore, leaders and managers should first improve the procedural justice and hence increase overall levels of perceived justice by involving employees in decision making. Organizations to have work place policies which promote fairness in order to enhance employee commitment and resulting performance.

5.4 Recommendations

A committed workforce is needed for the realization of organizations' strategic objectives. Employees who perceive unfairness in the workplace may display variable degrees of negative behavior. It is therefore important for employers to provide employees with organizational justice in order to realize positive outcomes of committed employees.

The study recommends that management to promote employee commitment by designing employment terms that are internally correspond with employee's efforts and externally competitive. These include establishing clear pay rules establishing the degree to which one is paid fairly relative to co-workers, and the degree to which pay raises and promotions are fairly administered, pay levels signifying that salaries paid are fair compared to those paid in other organizations and fair pay administration where supervisors are perceived to be fair in administering rules for raises and promotions. When employees have favorable

distributive justice perceptions, they are likely to have positive sentiments and attitudes directed towards the organization providing the outcomes.

The study findings suggest that employees' commitment with an organization could be significantly increased by enhancing organizational fairness, particularly procedural justice. Therefore, Leaders and managers should first improve the procedural justice and hence increase overall levels of perceived justice by involving employees in the procedures used in making decisions and allocating resources. Interactional justice should also be promoted through treatment of employees with politeness, respect and dignity by their supervisors and other organizational leaders. This way, organizations will not only benefit from a committed workforce, but also improve employee relations and thus minimize the consequences of declining labor force and workplace nonconformity.

The study also recommends the organizations to have work place policies which promote fairness in order to enhance employee commitment and resulting performance. The management of public organizations will significantly benefit from the findings in that it helps them appreciate the role of justice and its influence on commitment of employees. This enhanced understanding should lead to the development and application of appropriate human resource management practices in the organizations. Organizations to use transformational leadership model for networking and championing for change to motivate employees attain their goals and objectives.

5.5 Suggestions for Further Research

The study did not exhaust the moderating effect of transformational leadership on the relationship between organizational justice and employee commitment in National Hospital Insurance Fund. There is a need to undertake further studies in order to widen the

generalizability of the findings and also establish the roles of leaders in organizations within the public sector in Kenya.

The future scholars may also investigate other leadership styles and their effect on employee commitment. The relationship between transformational leadership and other leadership styles will help in understanding how the leadership styles work with various organizations and staff from different backgrounds and whether there is any relevance of using one leadership style over others throughout the period of organizations growth.

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APPENDICES

Appendix I: Questionnaire

The purpose for this questionnaire is to collect data for a research project leading to a partial fulfillment of Master Degree of Business Management at Moi University. All information given will be treated in confidence. Thank you for your cooperation.

Part1: Employee Commitment

1.1 Please tick your feelings on the following statements concerning your emotional attachment to, identification with and involvement in this Organization (NHIF).

(1=strongly disagree, 2= disagree, 3=neutral, 4=agree, 5= strongly agree)

	Statement	1	2		3	4	5
	Affective commitment						
1	I feel a strong sense of belonging to this Organization						
2	I feel personally attached to this Organization						
3	I feel proud to tell the others that I work at this Organization						
4	Working at this Organization has a great deal of personal meaning to me						
5	I feel that problems faced by this Organization are also my problems						
6	I am prepared to contribute ideas to help the Organization improve						

	Continuance Commitment						
7	I feel that I have too few options to consider leaving my job in this Organization						
8	Too much in my life would be disrupted if I wanted to leave my Organization now						
9	Right now, staying with my Organization is a matter of necessity						
10	One of the few negative consequences of leaving this Organization would be the scarcity of available alternatives						
	Statement	1	2		3	4	5
11	It would be very hard for me to leave my Organization right now, even if I wanted to						
	Normative Commitment						
12	I would feel guilty if I left my Organization right now						
13	I would not leave working for my Organization right now because I have a sense of obligation to the people in it						
14	Even if it were to my advantage, I do not feel it would be right to leave working in my Organization right now						
15	I believe that this Organization deserves my loyalty						
16	I do not feel any obligation to remain with my current employer						

Part 2: Organizational Justice (Fairness) Perception

2.1 Indicate your level of agreement with the following statements by placing a *tick* in the column that best reflect your opinion concerning your perception of fairness in the organization

(1=strongly disagree, 2= disagree, 3=neutral, 4=agree, 5= strongly agree)

	Statement	1	2	3	4	5
	Distributive Justice					
1	I think that my pay is fair					
2	I consider my workload to be quite fair					
3	My work schedule is fair					
4	Overall the rewards I receive are quite fair					
5	I feel my job responsibilities are quite fair					
	Procedural Justice					
6	My supervisor makes sure that all employees concerns are heard before job decisions are made					
7	Job decisions are made by my supervisor in a biased manner					
8	To make job decisions, my supervisor collects accurate and complete information					
9	All job decisions are applied consistently to all affected employees					

	Statement	1	2	3	4	5
	Interactional Justice					
10	When decisions are made about my job the manager treats me with kindness and consideration					
11	When decisions are made about my job the manager treats me with respect and dignity					
12	My manager is sensitive to my personal needs					
13	My manager deals with me in a truthful manner					
14	Concerning decisions, made about my job the, the manager discusses with me the implications of the decisions.					
15	My manager explains very clearly any decisions made about my job					

Part 3: Transformational Leadership

3.1 Please indicate your level of agreement with the following statements concerning your view on leadership to this Organization by placing a *tick* in the column that best reflect your opinion.

(1=strongly disagree, 2= disagree, 3=neutral, 4=agree, 5= strongly agree)

	Statement	1	2	3	4	5
	Individualized Consideration					
1	My manager considers my personal feelings					
2	My manager communicates freely					
3	My manager is aware and pays attention to my needs and concerns					

	Intellectual Stimulation					
4	My manager has stimulated me to look at things in new ways					
5	My manager thinks about old problems in new ways					

	Statement	1	2	3	4	5
	Inspiration Motivation					
6	My manager encourages employees to become good team players					
7	My manager has clear understanding and articulates a clear vision for the future					
	Idealized Influence					
8	My manager leads by example					
9	My manager encourages others to align their individual goals to the organizational goals in order to achieve positive results					
10	My manager is a facilitator					

Part 4: Respondents Profile

1. Please indicate your Gender: Male Female

2. Age (please tick as appropriate)

(a) Below 25 (b) 25-35 (c) 36-45 d) 46-55

(e) Above 55

3. Highest education level (tick appropriately)

Certificate (), Diploma (), Bachelor's Degree (), Master's Degree (), PHD ()

4. How many years have you worked in this Organization?

(a) 0-5 (b) 6-10 (c) 11-20

(d) 21-30 (e) Over 31

5. Your marital status (tick appropriately)

Married (), Single (), Widowed (), Separated (), Divorced ().

The End

Appendix II: Letter of Authorization to Conduct Survey

The Manager

.....

Nairobi- Kenya

Dear Sir/Madam,

Re: Authority to Collect Survey Data from Employees

I am a student undertaking a Master's degree in Business Administration at Moi University, I am carrying out a research on moderating role of Transformational Leadership on organizational justice and employee commitment. I am conducting a research study amongst employees working in your organization as part of my Masters Study requirements.

The purpose of this communication therefore is to seek official permission/authorization to administer my survey questionnaire in your organization.

Attached please find a copy of an introduction letter from the university and the questionnaire to be administered. I intend to administer the questionnaire the month of April and May 2019.

I look forward to your support.

Yours faithfully

Charity Gathumbi

MBA, Student Moi University-Nairobi Campus.

Appendix III: Nacosti Research Permit



NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471,
2241349, 3310571, 2219420
Fax: +254-20-318245, 318249
Email: dg@nacosti.go.ke
Website: www.nacosti.go.ke
When replying please quote

NACOSTI, Upper Kabete
Off Waiyaki Way
P.O. Box 30623-00100
NAIROBI-KENYA

Ref. No. **NACOSTI/P/19/14823/29746**

Date: **29th May, 2019.**

Charity Wambui Gathumbi
Moi University
P.O Box 3900-30100
ELDORET.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on *“Moderating role of transformational leadership on the relationship between organizational justice and employee commitment.”* I am pleased to inform you that you have been authorized to undertake research in **Nairobi County** for the period ending **27th May, 2020.**

You are advised to report to **the County Commissioner and the County Director of Education, Nairobi County** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit a **copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.


BONIFACE WANYAMA
FOR: DIRECTOR-GENERAL/CEO

Copy to:
The County Commissioner
Nairobi County.

The County Director of Education
Nairobi County.



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