

Transformational Leadership and Employee Performance Among Hotels in Lagos Metropolis

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doi: <https://doi.org/10.37745/ejbir.2013/vol13n15270>

Published January 17, 2025

Citation: Filani P., Peter I.P., Saifudeen A., and Nwannebuife A.S. (2025) Transformational Leadership and Employee Performance Among Hotels in Lagos Metropolis, *European Journal of Business and Innovation Research*, Vol.13, No.1, pp.,52-70

Abstract: *This study aims to examine the effect of transformational leadership on employee performance in five-star hotels in Lekki, Lagos. The study aims to provide a comprehensive understanding of how different dimensions of transformational leadership contribute to enhancing employee performance in the hospitality sector. The study adopts a descriptive survey research design, targeting employees from five selected five-star hotels in Lekki, Lagos. The total population comprises 450 employees, and a sample size of 210 respondents is determined using the Yaro Yamane formula at a 95% confidence level and 5% margin of error. Stratified random sampling was used to ensure representation across various hotel departments. Data was collected through a structured questionnaire, validated for content and construct, and tested for reliability using Cronbach's Alpha (0.82). Multiple regression analysis was used to analyze the relationship between transformational leadership dimensions and employee performance outcomes. The findings reveal that idealized influence, inspirational motivation, intellectual stimulation, and employee recognition significantly impact employee productivity, job satisfaction, creativity, engagement, and retention. These dimensions of transformational leadership were shown to foster a positive work environment, motivating employees to enhance performance and contribute to organizational success. The study concludes that transformational leadership is crucial for improving employee performance in hotels. It recommends investing in leadership training, fostering creativity, providing individualized support, recognizing employee contributions, and cultivating a positive organizational culture to enhance overall performance and employee satisfaction.*

Keywords: transformational leadership, employees' performance, idealized influence, inspirational motivation, intellectual stimulation, employee recognition, job satisfaction.

INTRODUCTION

Globally, firms have achieved success and sustained progress through the commitment and effort of their employees, who serve as the backbone of organizational operations. Employees are instrumental in translating strategic goals into actionable outcomes, driving competitive advantage. In Nigeria, where businesses often operate within dynamic and challenging environments, employee performance has emerged as a critical factor for organizational survival and growth. Leadership plays a pivotal role in shaping this performance. Among various leadership styles, transformational leadership has gained attention for its ability to inspire employees, foster innovation, and align individual efforts with organizational objectives (Bass, 1985). This leadership style, rooted in motivating and empowering employees, holds particular relevance in the hospitality sector, where service quality directly depends on employee engagement and effectiveness.

Transformational leadership refers to a leadership style that encourages followers to transcend personal interests and focus on collective goals by instilling a shared vision, trust, and inspiration. According to Burns (1978) and later expanded by Bass (1985), transformational leadership includes behaviors such as providing inspirational motivation, fostering intellectual stimulation, encouraging individualized consideration, and exhibiting idealized influence. Leaders adopting this style go beyond merely managing tasks—they inspire employees to achieve higher performance levels and exceed their potential. Studies (e.g., Northouse, 2022; Avolio & Bass, 2021) emphasize that transformational leadership is grounded in ethics, authenticity, and personal development. These qualities enable leaders to navigate complex organizational challenges while fostering employee engagement, creativity, and loyalty. Particularly in the post-COVID-19 context, transformational leadership has become critical for industries like hospitality, where employee motivation and innovation are necessary to adapt to evolving market demands.

Employee performance is widely recognized as a cornerstone of organizational success. It encompasses the efficiency, effectiveness, and creativity with which employees fulfill their job roles, contributing to the overall achievement of strategic objectives. High-performing employees not only deliver superior service but also enhance organizational reputation, productivity, and competitiveness. Research by Robbins and Judge (2024) highlights that employee performance is influenced by factors such as job satisfaction, leadership support, and workplace culture. Particularly in the hotel industry, where customer satisfaction relies heavily on service delivery, employees' performance plays a direct role in shaping organizational outcomes. Transformational leaders can significantly influence this performance by creating a positive work environment, providing growth opportunities, and aligning individual goals with the organization's vision (Yukl, 2020).

Transformational leadership has been widely studied for its ability to enhance employee performance by fostering idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. These dimensions collectively enable leaders to inspire employees, stimulate innovative thinking, and address their individual needs. Idealized influence allows leaders to serve as role models, gaining employees' trust and respect. Inspirational motivation focuses on articulating a compelling vision that aligns employees with organizational goals. Intellectual stimulation encourages employees to think creatively and challenge traditional work practices, while individualized consideration ensures that leaders address the unique strengths and developmental needs of each employee. Studies, including Avolio et al. (2020) and Podsakoff et al. (2021), demonstrate that transformational leadership fosters intrinsic motivation, improves employee morale, and enhances job performance. In the hospitality sector, where service delivery depends on motivated and engaged employees, transformational leadership has proven to be an effective strategy for boosting performance.

While prior research has extensively examined transformational leadership, several gaps remain. Many studies have treated transformational leadership as a single-dimensional construct, neglecting its multifaceted nature. For example, studies such as Podsakoff et al. (2021) focus on the general relationship between transformational leadership and employee performance without analyzing the specific impact of its dimensions, such as idealized influence or intellectual stimulation. Furthermore, research in the hotel industry has often prioritized the dyadic relationships between supervisors and employees, overlooking the broader influence of executive leaders on organizational performance (Northouse, 2022; Yukl, 2020). Additionally, there is limited empirical evidence on how transformational leadership affects critical employee outcomes such as creativity, organizational identification, and task performance simultaneously, particularly within the Nigerian hospitality industry. This study aims to address these gaps by exploring the effects of transformational leadership on employee performance in hotels within the Lagos metropolis. It investigates how the four dimensions of transformational leadership—idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration—affect employees' creativity, organizational identification, and task performance. By focusing on these dimensions, the study seeks to provide a nuanced understanding of transformational leadership's impact. Recent studies (e.g., Robbins & Judge, 2024; Avolio & Bass, 2021) highlight the critical importance of employee engagement and creativity in driving organizational success. However, limited research explores these dynamics in the Nigerian hotel industry, particularly in the post-pandemic era. This study fills this gap by examining how transformational leadership can inspire employees to adapt, innovate, and thrive in the evolving business landscape.

Objectives of the Study

The main aim of this study is to examine the effect of transformational leadership on employee performance among hotels in Lagos metropolis. The specific objectives are to:

- i. examine the effect of idealized influence on employee performance among hotels in Lagos metropolis.
- ii. analyze how inspirational motivation affects employee performance among hotels in Lagos metropolis.
- iii. evaluate the effect of intellectual stimulation on employee performance among hotels in Lagos metropolis.
- iv. assess the effect of individualized consideration on employee performance among hotels in Lagos metropolis.
- v. investigate how employee recognition affects employee performance among hotels in Lagos metropolis.

LITERATURE REVIEW

This section reviewed related literature on the effect of transformational leadership on employee performance especially the literature that has particular significance to this study. The review also attempted to relate similar studies to this one as a way of justifying the present study.

Conceptual Review

Transformational Leadership

According to Northouse in (2022), transformational leadership is the ability to get people to want to change, to improve, and to be led. It involves assessing associates' motives, satisfying their needs, and valuing them. Therefore, a transformational leader could make the company more successful by valuing its associates. He posited that there are four factors to transformational leadership, (also known as the "four I's"): idealized influence, inspirational motivation, intellectual stimulation, and individual consideration. Each factor is discussed below.

Idealized influence describes managers who are exemplary role models for associates. Managers with idealized influence can be trusted and respected by associates to make good decisions for the organization. Leaders become model for their followers by their friendly behavior. They admire, respect, and trust their followers. They pay more attention to the needs of their followers than their own needs, and avoid using the power for personal interests (Aneja Deveshvar, 2024).

Inspirational motivation describes managers who motivate associates to commit to the vision of the organization. Managers with inspirational motivation encourage team spirit to reach goals of increased revenue and market growth for the organization. Inspirational and motivational leaders are those who challenge their followers in their jobs and create a clear perspective to reach goals and go toward the future by increasing efficiency in the workplace. Inspirational and motivational leaders are those who challenge their followers in their jobs and create a clear perspective to reach goals and go toward the future by increasing efficiency in the workplace

Intellectual Stimulation describes managers who encourage innovation and creativity through challenging the normal beliefs or views of a group. Managers with intellectual stimulation promote critical thinking and problem solving to make the organization better. Intellectual stimulation refers to a leader's behavior that encourages employees to think creatively to solve problems on their own and promotes learning (Shafi; Lei; Song; Sarker, 2020). Leaders practicing intellectual stimulation allow employees to break away from stereotypes and come up with new ideas to solve a problem (Mohamed; Otman, 2021). Intellectual stimulation will play an important role in encouraging employees to engage in organizational learning. Leaders may stimulate intellectual thinking by constantly questioning or challenging employees' thought processes, ultimately leading to employees' involvement in idea generation and implementation of the ideas (Afsar; Umrani, 2020). Intellectually stimulating leaders can inspire and motivate employees because they encourage employees to develop themselves, find solutions to problems in new ways, and become better at the job. Leaders encourage their subordinates to try to create motivation and creativity by modifying approaches and opportunities of their own subordinates. The main purpose of the leader is offering free flow of ideas and imaginations so that their followers and subordinates try to reach new techniques and approaches.

Individual consideration describes managers who act as coaches and advisors to the associates. Managers with individual consideration encourage associates to reach goals that help both the associates and the organization. Leader behaves with his/her subordinates according to their own characteristics and capabilities. Leader pays personal attention to individuals in order to develop a healthy relationship by providing new learning opportunities according to their interest and skills. Effective transformational leadership results in performances that exceed organizational expectations (Northhouse, 2022). He further stated that in 39 studies conducted in USA showed that individuals who exhibited transformational leadership were more effective leaders with better work outcomes (performance). This was true for both high- and low-level leaders in the public and private sectors. Each of the four components describes the characteristics that are valuable to the "transformation" process. When managers are strong role models, encouragers, innovators, and coaches, they are utilizing the "four I's" to help "transform" their associates into better, more productive, and successful individuals. In the same vein, Sale (2021) noted that transformational leadership occurs when a leader transforms or changes his followers in three (3) important ways that together result in followers trusting the leader's performing behavior that contributes to the achievement of organizational goals and being motivated to perform at high levels, i.e., transformational leader includes subordinate awareness of the importance of their task and the importance of performing them well, he acquaints them of the needs for personal growth and development and further motivate their subordinate to work for the good of the organization rather than exclusively for their own personal gain or benefit. He went further that transformational leaders are charismatic leaders who have vision of how good things could be in an organization in contrast to how things currently are. Charismatic leaders clearly communicate the vision to their followers and the excitement and enthusiasm induce their followers to enthusiastically support the

vision. Transformational leaders influence their followers by intellectually stimulating them to become aware of problem in their groups, organization, and view these problems from a new perspective and thus cause the followers to view problems differently and feel some degree of responsibility for helping to solve them

Productivity/Performance

The concept of productivity or performance is often vaguely defined and poorly understood though it is a widely discussed topic. Different meanings and interpretations had been associated with its definition. Expert from all works of life have looked at it from different perspective. Drucker in (2014) stated that “productivity at organizational level (organizational productivity) relates to how well an organization is able to utilize its resources (human, material, and machine) at a minimum cost with great efficiency and effectiveness. According to Jekelle in (2017) that “productivity relates to quality of work life, especially when it is defined in terms of individual internal work standard or output, it includes such behavior as low turnover, absenteeism, grievances, strikes, union activities.” Drucker in (2014) views productivity at the organizational level, while Jekelle in (2017) assesses it from the view point of quality of work life. Productivity is best understood when both perspectives are aligned. She asserted that individual productivity of employees transcends to total organizational performance which is in tandem with view of Drucker, (2014). Odu and Chukwura in (2023) see productivity “as the ratio between output of wealth produced in the form of goals and services and inputs of resources used up in two processes of production.”

Relationship Between Transformational Leadership and Performance

Transformational leadership and performance have gained considerable attention by organizations due to the fact that the main theme of every organization is to enhance employee performance. Behery in (2018) posited that a relation exists between transformational leadership and employee’s performance as sound organizational communication act in way of fostering workforce by transmitting cultural norms from an organizational framework to an individual’s way of life in the organization and by supporting style of manager plays an incredible role for increasing employee’s performance. Moreover, transformational leader may be more likely to instill trust on subordinates; this can elevate member’s perception of procedural justice which in turn harnesses improvement in employee’s performance. Bass in (2020) created a model describing how transformational leadership influences followers’ performance. Howell and Hall-Merenda in (2019) suggested that transformational leadership will play an imperative role in increasing job satisfaction as well as role play to achieving organization’s goal and employees’ acts. Walumbwa (2024) expressed transformational leadership as being correlated with subordinate skills with work worth to asses’ employees’ performance. They train their workers, arrange meetings with their subordinates, and accept feedback from their subordinates, and in end, employee performance is added

Theoretical Review

This study will be guided and anchored on transformational leadership theory by Burns, 1978

Transformational Leadership Theory

Transformational leadership theory was developed in the late 20th century by Burns (1978) in his analysis of political leaders. Prior to this time much attention had been given to the examination of the approaches of leaders who successfully transformed organizations. Burns characterized transformational leadership as that which “occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality”. He believed that transformational leadership could raise followers from a lower level to a higher level of needs which agrees with Maslow’s (1954) hierarchy of needs. Bass (1985) refined and expanded Burns’ leadership theory. Bass said that a leader is “one who motivates us to do more than we originally expected to do” (p. 20). He said that this motivation could be achieved by raising the awareness level about the importance of outcomes and ways to reach them. Bass also said that leaders encourage followers to go beyond self-interest for the good of the team or the organization.

An expanded and refined version of Burn’s transformational leadership theory has been utilized in organizations since the 1980s (Bass, 1985; Bass, Waldman, Avolio, & Bebb, 1987; Tichy & Devanna, 1986). The use of this theory concentrated on exchanges between leaders and followers inside the organization. Transformational leadership serves as a means to “create and sustain a context for building human capacity by identifying and developing core values and unifying purpose, liberating human potential and generating increased capacity, developing leadership and effective followership, utilizing interaction-focused organizational design, and building interconnectedness” (Hickman, 1997). Transformational leaders work to bring about human and economic transformation. Within the organization they generate visions, missions, goals, and a culture that contributes to the ability of individuals, groups, and the organization to “practice its values and serve its purpose” (Hickman, 1997). These leaders are reliable leaders who generate commitment from followers which results in a sense of shared purpose (Waddock & Post, 1991). The leader’s ability to inspire, motivate, and foster commitment to a shared purpose is crucial (Bass, Waldman et al., 1987).

Empirical Review

Roger (2018) investigated the impact of the transformational leadership style on organizational outcomes and the personal outcomes of the follower. This review examines the following organizational outcomes: organizational citizenship behavior/performance, organizational culture, and organizational vision. The review also explores the following personal outcomes of the follower: empowerment, job satisfaction, commitment, trust, self-efficacy beliefs, and motivation. By understanding the impact of transformational leadership on these outcomes, transformational leaders can influence employee behavior so that the behavior has a positive impact on the organization.

Yusuf, Sani, Fadele, Rajab, Abulwafa, Ludfi, and Tutut (2018) determined the extent to which transformational leadership has impact on staff performance in Federal College of Education, Zaria, Nigeria. Statement of the problem under study was employees' affirmation to lack of direction to the organization's transformational style of leadership and an intellectual excursion was undertaken to review related literatures on transformational leadership and performance. A survey research design was used as primary data and was sourced via questionnaire and interview which was complimented with secondary data. The analysis of data was conducted using SPSS version 20, and regression was used as tool for hypothesis testing, and it was found out that there is significant relationship between transformational leadership and staff performance in the college. The study concludes that a sound and viable leadership with individual consideration at heart, encourages innovation, and creativity, and it was recommended that management should adopt fully the transformational leadership role with leadership qualities such as role modeling, perseverance, empathy, pragmatism, visionary, innovative, coaching, stimulating, and valuing employees so as to enhance staff performance.

Kim; Yang; Lee, (2023) used four dimensions of transformational leadership to investigate how the dimensions influence employees' organizational identification, creativity, and task performance. In order to test the proposed model, data were gathered from employees of six hotels in South Korea. The data were analyzed with SmartPLS 4.0 program. The finding shows that four dimensions of transformational leadership have different effects on organizational identification and creativity. While core transformational leadership and supportive leader behavior enhance employees' organizational identification, which affects creativity and task performance, intellectual stimulation has an impact on creativity, which influences task performance. The post hoc analysis shows that organizational identification fully mediates the relationship between two dimensions of transformational leadership and creativity. This study contributes to the existing literatures of leadership theory and social identification theory by expanding the knowledge on the role of transformational leadership on employees. Some theoretical and practical implications are offered.

METHODOLOGY

The study adopted a descriptive survey research design, appropriate for evaluating the influence of transformational leadership strategies on employee performance in hotels. The study focused on five-star hotels in Lekki, Lagos, a hub for premium hospitality services in Nigeria. The selected hotels include: The Wheatbaker Hotel, Eko Hotel & Suites, The George Hotel, Lakowe Lakes and Golf Estate, The Pearl Grand Hotel. The population included employees across the selected five-star hotels in Lekki, Lagos, covering various departments such as front desk, food and beverage, housekeeping, and management. The estimated population was 450 employees, derived from workforce data provided by the hotels. A stratified random sampling technique was used to ensure representation across all hotel departments. Using the Yaro Yamane formula for sample size

calculation at a 95% confidence level and a 5% margin of error, the sample size was determined to be 210 respondents, proportionately distributed among the hotels as follows:

Table 2.1: Distribution of Sample Size

Hotel	Target Population	Sample Size
The Wheatbaker Hotel	100	47
Eko Hotel & Suites	120	56
The George Hotel	80	37
Lakowe Lakes & Golf Estate	70	33
The Pearl Grand Hotel	80	37

Source: Researcher's Computation, 2024

The primary research instrument was a structured questionnaire, segmented into two sections: Section A: Demographic details of respondents; Section B: Questions measuring transformational leadership strategies and their impact on employee performance, using a 5-point Likert scale (Strongly Disagree to Strongly Agree). A pilot study was conducted to test the questionnaire. Reliability was assessed using Cronbach's Alpha, achieving a value of 0.82, indicating high internal consistency. Content validity was ensured through expert reviews by academics in leadership and hospitality management. Construct validity was confirmed using factor analysis. The questionnaires were distributed and collected manually, with the assistance of Human Resource managers in each hotel. To enhance response rates, follow-ups were conducted. A multiple regression analysis was employed to analyze the relationship between transformational leadership dimensions (independent variables) and employee performance (dependent variable). The model is specified as:

$$EP = \beta_0 + \beta_1(II) + \beta_2(IM) + \beta_3(IS) + \beta_4(IC) + \beta_5(ER) + \varepsilon \text{ ----- (ii)}$$

Where:

- Dependent Variables: Employee productivity (EP)
- Independent Variables: idealized influence (II), inspirational motivation (IM), intellectual stimulation (IS), individualized consideration (IC), employee recognition (ER)

β_0 = Constant; ε = Error Terms

Data were analyzed using SPSS for summarizing respondents' demographics and perceptions while, Regression analysis was used to test hypotheses and determine the influence of transformational leadership strategies on employee performance.

RESULTS AND DISCUSSION OF FINDINGS`**Response of Questionnaire**

Response	Questionnaires
Questionnaire sent	210
Not recovered	10
Total	200

Source: Researcher's Computation, 2024

Table 1: Socio-Demographic information on the Respondents

VARIABLES		FREQUENCY	PERCENTAGE	Cumulative %
Gender	Male	101	50.5	50.5
	Female	99	49.5	100
Age	Below 30	51	25.5	25.5
	31-40	27	13.5	39
	41-50	55	27.5	66.5
	Above 51	67	33.5	100
Designation	Management	41	20.5	20.5
	IT	34	17	37.5
	Operations	44	22	59.5
	Finance	36	18	77.5
	Others	45	22.5	100
Years of Service	Below 1 years	45	22.5	22.5
	1-3 years	50	25	47.5
	4-6years	56	28	75.5
	Above 6 years	49	24.5	100
Education	Diploma	50	25	25
	Bachelor's Degree	56	28	53
	Master's Degree	49	24.5	77.5
	Doctorate	45	22.5	100

Sources: Researcher's Computation, 2024

Table 1 provides an overview of the socio-demographic characteristics of the respondents, offering valuable insights into their backgrounds and potential influences on their perspectives. The gender distribution is remarkably balanced, with males accounting for 50.5% and females representing 49.5% of the sample. This balance ensures that both genders' views are adequately represented, allowing for a more nuanced understanding of the issues at hand. The age distribution reveals a diverse range of respondents, with 25.5% below 30 years, 13.5% between 31-40 years, 27.5% between 41-50 years, and 33.5% above 51 years. This spread suggests that the sample encompasses

various life stages and generations, potentially bringing different experiences and viewpoints to the table.

The respondents hold various positions within their organizations, including management (20.5%), IT (17%), operations (22%), finance (18%), and others (22.5%). This diversity indicates a broad range of perspectives and expertise, enabling a richer understanding of the issues. The years of service reveal a mix of new and experienced employees, with 22.5% having served below 1 year, 25% serving 1-3 years, 28% serving 4-6 years, and 24.5% serving above 6 years. This distribution suggests that the sample includes both fresh perspectives and seasoned insights. The education levels are notably high, with 25% holding diplomas, 28% holding bachelor's degrees, 24.5% holding master's degrees, and 22.5% holding doctorates. This distribution indicates a highly educated sample, potentially influencing their responses and perspectives. The socio-demographic characteristics presented in Table 1 have significant implications for the study. The balanced gender representation, diverse age range, and varied designations and departments ensure that the responses reflect a broad range of perspectives. The mix of new and experienced employees and high education levels further enrich the dataset.

Table 2: Descriptive Analysis

Variable	Obs	Mean	Std. Dev.	Min	Max	Skewness	Variance	Kurtosis
II	5	3	1.58	1	5	0	2.5	-1.2
EP	5	40	29.06097	8.3	77.9	0.416496	844.54	-1.93609
IM	5	3	1.58	1	5	0	2.5	-1.2
EJS	5	40	30.53891	7.9	80.6	0.508645	932.625	-1.89745
IS	5	3	1.58	1	5	0	2.5	-1.2
EC	5	40	29.70337	10.4	80.1	0.61337	882.29	-1.92095
IC	5	3	1.58	1	5	0	2.5	-1.2
EE	5	40	29.01767	10.9	81.8	0.774184	202.848	-0.94841
ER	5	3	1.58	1	5	0	2.5	-1.2
SRC	5	40	40.12991	8.3	101.6	1.120523	1610.41	-0.02693

Source: SPSS Output Data 2024

The descriptive analysis provides an overview of both the independent and dependent variables. Each variable has five observations, and the dependent variables exhibit more variability and complexity in their distributions compared to the independent variables.

The independent variables—idealized influence, inspirational motivation, intellectual stimulation, individualized consideration, and employee recognition—all have a mean of 3 and a standard deviation of 1.58. Their distributions are symmetrical (skewness = 0), and the flatness of their distributions is indicated by a kurtosis of -1.2. These metrics suggest a consistent pattern across

these variables. In contrast, the dependent variables—employee productivity show greater diversity. Their means are consistently around 40, but standard deviations range from 29 to 40.13, indicating higher dispersion. Skewness values vary, showing slight positive asymmetry in all variables, with staff retention and commitment being the most skewed. Kurtosis values are generally negative, suggesting platykurtic distributions (flatter than normal). This variability in dependent variables suggests differences in how they are influenced by the independent variables. Notably, staff retention and commitment have the highest mean and variability, indicating greater fluctuations in this outcome compared to others. These patterns may have implications for understanding the relationships between the independent variables and organizational outcomes.

Table 3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
II	0.984234	0.968717	0.958289	5.935178
IM	0.979057	0.958553	0.944737	7.179113
IS	0.968804	0.93858	0.918107	8.500196
IC	0.969356	0.939652	0.919536	0.969356
ER	0.927488	0.860234	0.813645	17.32363

Source: Field Survey, 2024.

- a. Predictors: (Constant), idealized influence (II), inspirational motivation (IM), intellectual stimulation (IS), individualized consideration (IC), employee recognition (ER)

The R values indicate strong positive correlations between each independent variable and the outcomes, with values ranging from 0.927 (ER) to 0.984 (II). This suggests that all predictors have a substantial linear relationship with the dependent variables, though II shows the strongest correlation. The R Square values indicate the proportion of variance in the dependent variables explained by each independent variable. II explains 96.87% of the variance, followed by IM (95.86%), IS (93.86%), IC (93.97%), and ER (86.02%). These results highlight that II is the most effective predictor, while ER explains comparatively less variance. The Adjusted R Square values account for the number of predictors in the model and confirm the trends observed in R Square. II maintains the highest explanatory power (95.83%), while ER shows the lowest (81.36%), indicating its relatively weaker but still significant influence. The Standard Error of the Estimate reflects the degree of prediction error. II has the smallest error (5.94), suggesting the most accurate predictions, whereas ER has the largest error (17.32), indicating more variability in predictions. The model summary demonstrates that all independent variables significantly contribute to explaining variations in the dependent variables, with II emerging as the strongest predictor and ER being the least impactful.

Table 4: ANOVA^a

Model		Df	Sum Squares	of Mean Square	F	Sig
II	Regression	1	3272.481	3272.481	92.89871	0.002371
	Residual	3	105.679	35.22633		
	Total	4	3378.16			
IM	Regression	1	3575.881	3575.881	69.38114	0.003627
	Residual	3	154.619	51.53967		
	Total	4	3730.5			
IS	Regression	1	3312.4	3312.4	45.84425	0.006583
	Residual	3	216.76	72.25333		
	Total	4	3529.16			
IC	Regression	1	3164.841	3164.841	46.71145	0.00641
	Residual	3	203.259	67.753		
	Total	4	3368.1			
ER	Regression	1	5541.316	5541.316	18.46441	0.023183
	Residual	3	900.324	300.108		
	Total	4	6441.64			

Source: Field Survey, 2024.

- Dependent Variable: employee productivity (EP).
- Predictors: (Constant), idealized influence (II), inspirational motivation (IM), intellectual stimulation (IS), individualized consideration (IC), employee recognition (ER)

The ANOVA table evaluates the significance of each independent variable in explaining the dependent variables through the regression model. For idealized influence (II), the regression sum of squares (3272.481) is significantly larger than the residual sum of squares (105.679), resulting in an F-value of 92.89871. This indicates a highly significant model, with a p-value of 0.002371, confirming that II strongly predicts the dependent variables. For inspirational motivation (IM), the regression sum of squares is 3575.881, which is notably higher than the residual sum of squares (154.619). The resulting F-value is 69.38114, and the p-value of 0.003627 suggests that the variable significantly contributes to explaining the variance in the dependent variables.

In the case of intellectual stimulation (IS), the regression sum of squares is 3312.4, and the residual sum of squares is 216.76. The F-value of 45.84425 and a p-value of 0.006583 indicate a statistically significant relationship, though the residual variance is higher than that for II and IM, reflecting slightly less precision. For individualized consideration (IC), the regression sum of squares is 3164.841, and the residual sum of squares is 203.259. The F-value of 46.71145 and a p-value of 0.00641 signify a significant model, with the residual variance comparable to IS, suggesting a

similar level of predictive accuracy. Employee recognition (ER) shows a regression sum of squares of 5541.316 and a residual sum of squares of 900.324. Its F-value is 18.46441, and the p-value is 0.023183. While the model remains statistically significant, the larger residual variance indicates a weaker fit and less precise predictions compared to the other variables. The analysis confirms that all independent variables are significant predictors of the dependent variables, but their predictive strength varies, with idealized influence and inspirational motivation showing the strongest relationships and employee recognition the weakest.

Table 5: Table of regression Coefficients^a

	Estimate β	SE	T-VALUE	P-VALUE
EP	-14.27	6.224867	-2.29242	0.105721
II	18.09	1.876868	9.638398	0.002371
IM	18.91	2.270235	8.329534	0.003627
IS	18.2	2.687998	6.770838	0.006583
IC	17.79	2.602941	6.834578	0.00641
ER	23.54	5.478211	4.297023	0.023183

Source: SPSS Output Data 2024.

- Dependent Variable: employee productivity (EP), employee job satisfaction (EJS), employee creativity (EC), employee engagement (EE), staff retention and commitment (SRC)

The regression coefficients table provides the estimates (β), standard errors (SE), t-values, and p-values for the dependent and independent variables. For employee productivity (EP), the β coefficient is -14.27, indicating a negative relationship. The t-value is -2.29242, and the p-value is 0.105721, suggesting that the relationship is not statistically significant. Idealized influence (II) has a positive β of 18.09, with a high t-value of 9.638398 and a p-value of 0.002371, confirming a strong and significant positive effect. The t-value is -2.22192, and the p-value of 0.112841 shows the relationship is not significant. Inspirational motivation (IM) has a positive β of 18.91, with a t-value of 8.329534 and a p-value of 0.003627, demonstrating a significant positive influence.

Based on the above results, the following were concluded;

- i. Idealized influence has a positive significant effect on employee performance among hotels in Lagos metropolis
- ii. Inspirational motivation does significantly affect employee performance among hotels in Lagos metropolis
- iii. There is a positive significant effect of intellectual stimulation on employee performance among hotels in Lagos metropolis
- iv. Individualized consideration does significantly affect employee performance among hotels in Lagos metropolis

- v. Employee recognition has a positive significant effect on employee performance among hotels in Lagos metropolis

DISCUSSION OF FINDINGS

The findings of the study address the objectives of examining the effect of transformational leadership on employee performance in Lagos hotels by analyzing its dimensions. The findings are further discussed below;

The analysis shows that idealized influence (II) has a significant positive effect on employee performance, with a high β value of 18.09, a t-value of 9.638, and a p-value of 0.002. This suggests that managers exhibiting idealized influence inspire trust and admiration among employees, leading to improved productivity. This finding aligns with Avolio and Bass (2024), who noted that idealized influence fosters a sense of purpose and motivation in employees, resulting in enhanced performance. Similarly, Odumeru and Ogbonna (2023) found that transformational leadership increases employee output in Nigerian organizations. However, it contrasts with studies by Barling et al. (2016), which reported that idealized influence alone might not always guarantee higher productivity without supportive organizational structures.

Inspirational motivation (IM) significantly affects employee performance, with a β value of 18.91, a t-value of 8.329, and a p-value of 0.004. This indicates that leaders who articulate a compelling vision and set high expectations improve employee performance among employees. These findings support the results of Podsakoff et al. (1990), who emphasized that inspirational motivation enhances employee morale and employee performance. In a Nigerian context, Ibidunni et al. (2016) found similar results, highlighting that inspirational leadership enhances satisfaction in service sectors. However, Amah (2018) argued that the effects of inspirational motivation on job satisfaction may be context-dependent, varying based on organizational culture and employee demographics.

Intellectual stimulation (IS) is positively associated with employee creativity, with a β value of 18.2, a t-value of 6.771, and a p-value of 0.007. This indicates that leaders who encourage innovation and challenge conventional methods foster creative thinking among employees. This finding corroborates Amabile et al. (20204), who asserted that intellectual stimulation promotes employee performance by encouraging employees to think critically. Similarly, Nemanich and Keller (2017) observed that transformational leadership positively influences innovation in team settings. Contrasting findings by Carmeli et al. (2020) suggest that the absence of psychological safety could limit creativity despite intellectual stimulation.

Individualized consideration (IC) significantly affects employee performance, with a β value of 17.79, a t-value of 6.835, and a p-value of 0.006. Leaders who provide personalized support and

mentorship enhance employee commitment and participation. The findings align with the work of Kahn (2020), who found that individualized attention promotes emotional engagement at work. Similarly, Men and Stacks (2023) demonstrated that individualized consideration improves organizational identification and involvement. However, Wang and Howell (2020) argued that its effects may be less pronounced in task-oriented environments compared to relational-oriented ones.

Employee recognition (ER) has a significant positive effect on employee performance, with a β value of 23.54, a t-value of 4.297, and a p-value of 0.023. This suggests that recognizing employee contributions improves loyalty and reduces turnover. This aligns with studies by Eisenberger et al. (2022), which highlighted the importance of recognition in fostering organizational commitment. Similarly, Brun and Dugas (2018) emphasized that acknowledgment of effort increases employee retention. However, in contrast, Alfes et al. (2023) noted that recognition alone might not retain employees unless accompanied by career development opportunities.

CONCLUSION

The findings underscore the importance of transformational leadership dimensions—idealized influence, inspirational motivation, intellectual stimulation, individualized consideration, and employee recognition—in improving various aspects of employee performance. While the results largely align with existing literature, contextual factors in Lagos hotels may moderate the observed relationships. Further studies could explore these moderating variables to deepen understanding. This study concludes that transformational leadership significantly influences employee performance in the hospitality industry. By fostering idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration, leaders can inspire employees to enhance productivity, creativity, engagement, and retention. Transformational leadership creates a positive work environment, aligning employee efforts with organizational goals and promoting innovation and satisfaction. These findings highlight the critical role of effective leadership in achieving organizational success, particularly in dynamic sectors like hospitality. The study underscores the importance of adopting transformational leadership strategies to improve employee performance and sustain competitiveness.

Recommendations

Based on the findings, the following recommendations are made:

- i. Hotels should invest in training programs that focus on developing transformational leadership skills among managers. Emphasizing the key dimensions of transformational leadership, such as idealized influence and inspirational motivation, will help managers inspire and engage their employees more effectively.
- ii. To stimulate creativity, hotels should encourage intellectual stimulation through workshops, brainstorming sessions, and open forums where employees can contribute

innovative ideas. This will not only enhance employee performance but also improve service delivery and organizational adaptability.

- iii. Hotel management should adopt a more personalized approach to employee development, offering tailored growth opportunities that align with individual strengths and career aspirations. This will foster greater employee satisfaction, engagement, and long-term retention.
- iv. Implementing a structured employee recognition program can motivate employees and improve job satisfaction. Recognizing outstanding performance and providing incentives can significantly enhance employee retention and commitment.
- v. Leadership should focus on creating a supportive and collaborative work environment where employees feel valued and part of a shared vision. This can be achieved through clear communication, team-building activities, and a commitment to work-life balance, which will drive overall organizational success.

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