International Journal of Applied Research in Business and Management (ISSN: 2700-8983)
Volume: 07 Issue: 13 Year: 2026
https://doi.org/10.51137/wrp.ijarbm.926

The Nexus between Transactional Leadership Style and Employee Performance in a South African University

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Abstract:

This study examines the nexus between transactional leadership style and employee performance within the context of a South African university. As higher education institutions continue to experience increasing demands for improved service delivery, accountability, and organisational effectiveness, leadership practices have become a critical determinant of employee performance. Transactional leadership, characterised by contingent rewards, performance monitoring, and corrective actions, is widely recognised for promoting role clarity, compliance with organisational goals, and operational efficiency. However, its effectiveness within the dynamic and knowledge-intensive environment of higher education remains an area requiring further investigation. The study explores the extent to which transactional leadership influences employee performance. Grounded in leadership and organisational behaviour theories, the research adopts a quantitative approach using a survey method of dada collection. Data were collected from academic and administrative staff at a South African university. A convenient sample of n=400 was used to collect data. Inferential statistics were employed to determine the nature and strength of the relationship between transactional leadership practices and employee performance outcomes. The study seeks to contribute to the growing body of knowledge on leadership in higher education by providing context-specific evidence from South Africa and offers practical recommendations for university management to develop leadership strategies that enhance employee performance while supporting institutional effectiveness and sustainable organisational development.

Keywords:

Transactional Leadership, Employee Performance, Higher Education, Leadership Style, Organisational Effectiveness.

Submitted: 2026-07-09. Revised: 2026-08-07. Accepted: 2026-09-03.

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Introduction

Leadership remains one of the most significant determinants of organisational effectiveness, particularly within higher education institutions where academic excellence, research productivity, administrative efficiency, and service delivery depend largely on the performance of employees (Mukwawaya, 2026). South African universities operate in an increasingly complex environment characterised by funding constraints, technological transformation, increasing student enrolments, policy reforms, and heightened demands for accountability and institutional performance. These challenges require leadership approaches that can effectively motivate employees, ensure accountability, and enhance organisational productivity. Consequently, understanding the relationship between leadership styles and employee performance has become a critical area of organisational and educational research (Samodien et al., 2024).

Transactional leadership, originally conceptualised by Burns (1978) and later expanded by Bass (1985), is founded on structured exchanges between leaders and followers. Leaders clarify expectations, establish performance standards, monitor employee behaviour, and reward compliance while correcting deviations through contingent rewards and management-by-exception. Unlike transformational leadership, which inspires followers through vision and personal development, transactional leadership focuses on achieving predetermined organisational objectives through clearly defined roles, performance monitoring, and reward systems. This leadership style is particularly relevant in environments where operational efficiency, policy compliance, and measurable performance outcomes are essential.

Recent studies continue to demonstrate that transactional leadership contributes positively to employee performance when organisational goals, responsibilities, and reward mechanisms are clearly communicated. In the South African context, Mabitsela et al. (2024) found that transactional leadership significantly contributes to improved job performance by promoting psychological availability and reinforcing fairness perceptions within organisations. Their findings suggest that employees perform more effectively when leaders consistently fulfil reciprocal obligations through clear expectations and contingent rewards.

Empirical evidence within South African tertiary institutions demonstrates that leadership styles influence important employee outcomes, including engagement, motivation, commitment, and productivity. Southgate et al. (2023) established that both transformational and transactional leadership positively predict employee engagement among university employees, suggesting that structured leadership practices can improve employee attitudes and organisational effectiveness. Since employee engagement is widely recognised as a precursor to enhanced employee performance, these findings reinforce the importance of transactional leadership within university settings.

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Furthermore, contemporary research indicates that transactional leadership remains relevant despite growing advocacy for transformational and agile leadership models. Samodien et al. (2024) argue that South African higher education institutions benefit from integrating transactional leadership practices with other leadership approaches because transactional mechanisms promote accountability, performance monitoring, and operational consistency, which are essential during periods of institutional change. Similarly, Mabasa and Eresia-eke (2025) demonstrate that transactional leadership contributes positively to employee commitment when supported by effective managerial structures, further highlighting its continued relevance within complex organisations.

Despite growing scholarship on leadership within higher education, relatively limited empirical research has specifically examined the relationship between transactional leadership and employee performance within South African universities. Much of the existing literature has focused predominantly on transformational leadership, employee engagement, organisational commitment, or leadership effectiveness in general, leaving insufficient understanding of how transactional leadership independently influences employee performance in the contemporary university environment. Moreover, South African universities possess unique institutional characteristics shaped by historical inequalities, transformation agendas, labour relations, and resource constraints, necessitating context-specific investigation.

Against this background, this study seeks to examine the nexus between transactional leadership style and employee performance in a South African university. By investigating how transactional leadership practices influence employee performance within the higher education context, the study contributes to leadership literature and provides practical insights for university management seeking to enhance organisational effectiveness through evidence-based leadership strategies. In light of the above, the study hypothesizes that:

• There is a significant positive relationship between transactional leadership style and employee performance in a South African university.

Literature Review

Leadership remains one of the most important determinants of organisational success because it influences employee attitudes, motivation, commitment, and performance. Within higher education institutions (HEIs), leadership has become increasingly significant as universities confront financial constraints, digital transformation, governance reforms, increasing student enrolments, and growing accountability demands (Mukwawaya, Tshababa, Maepa & Mutambara, 2026). South African universities operate within a particularly complex environment characterised by institutional transformation, equity imperatives, labour unrest, and resource limitations. These contextual realities require leadership approaches capable of maintaining organisational effectiveness while supporting

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employee performance. Recent South African studies indicate that leadership style significantly shapes institutional performance, employee engagement, and organisational sustainability.

Although transformational leadership dominates contemporary leadership literature, transactional leadership continues to play an important role in organisations where performance targets, accountability mechanisms, compliance requirements, and structured reward systems are necessary. Universities, despite their collegial traditions, increasingly depend on measurable outputs such as research productivity, teaching quality, administrative efficiency, and student success, making transactional leadership worthy of renewed scholarly attention.

Conceptualising Transactional Leadership

Transactional leadership originates from the work of James MacGregor Burns (1978) and was later expanded by Bass (1985). The theory views leadership as an exchange relationship between leaders and followers whereby employees receive rewards for meeting agreed organisational objectives.

Transactional leadership generally comprises three dimensions:

• Contingent reward

• Management-by-exception (active)

• Management-by-exception (passive)

Contingent reward focuses on clarifying expectations and rewarding employees when performance standards are achieved. Active management-by-exception involves continuous monitoring to prevent deviations from expected performance, whereas passive management-by-exception occurs when leaders intervene only after problems arise (Dong, 2023).

Unlike transformational leadership, transactional leadership prioritises efficiency, compliance, accountability, and achievement of predetermined objectives rather than organisational change or employee empowerment. Nevertheless, numerous studies suggest that contingent reward remains one of the strongest predictors of employee performance because it establishes clear expectations and reinforces desired behaviours.

Employee Performance in Higher Education

Employee performance refers to the effectiveness with which employees accomplish organisational objectives. In universities, performance extends beyond routine administrative tasks to include:

• teaching effectiveness.

• research productivity.

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• community engagement.

• administrative efficienc.

• Innovation.

• student support;

• institutional citizenship behaviours.

Academic and professional staff collectively determine institutional competitiveness. Consequently, leadership practices that enhance employee motivation and accountability contribute directly to university performance.

Recent literature argues that employee performance in higher education should be viewed as multidimensional, encompassing both task performance and contextual performance. Task performance reflects formal job responsibilities, whereas contextual performance includes discretionary behaviours that enhance organisational functioning (Govender, 2017).

Theoretical Relationship between Transactional Leadership and Employee Performance

The relationship between transactional leadership and employee performance is commonly explained through Social Exchange Theory and Reinforcement Theory.

Social Exchange Theory proposes that employees reciprocate favourable treatment from leaders by increasing effort and organisational commitment. When leaders consistently recognise performance through contingent rewards, employees perceive fairness and become more willing to meet organisational expectations.

Reinforcement Theory similarly argues that behaviours followed by positive consequences are likely to be repeated. Transactional leaders strengthen desirable workplace behaviours through systematic reward structures.

Within universities, these mechanisms become particularly relevant where performance indicators such as publication outputs, student throughput rates, research grants, and administrative targets are explicitly monitored.

Empirical Evidence on Transactional Leadership and Employee Performance

International research generally supports a positive relationship between transactional leadership and employee performance, although the magnitude of the relationship varies across organisational contexts.

Recent literature reviews conclude that transactional leadership improves employee productivity when organisational goals are clearly defined and reward systems are effectively implemented. Contingent

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reward consistently demonstrates stronger positive effects than management-by-exception because employees respond positively to recognition and incentives rather than corrective supervision.

However, scholars caution that transactional leadership may be less effective in environments requiring creativity, innovation, and organisational learning. Excessive dependence on rewards and compliance may limit intrinsic motivation and employee initiative (Maama, 2024).

Transactional Leadership within South African Higher Education

South African universities have undergone profound transformation following democratisation. Institutions continue addressing historical inequalities while responding to financial pressures, technological advancement, global competitiveness, and changing stakeholder expectations.

Leadership within these institutions therefore requires balancing accountability with employee development.

Recent empirical evidence demonstrates that leadership styles significantly influence institutional performance within South African universities. A national study involving academic leaders reported that although transformational leadership explained the greatest variance in institutional performance, transactional leadership also showed a positive relationship with institutional outcomes, particularly through structured performance management and accountability systems (Govender, 2017).

Similarly, research examining leadership styles among employees at a South African tertiary institution found that transactional leadership contributed positively to employee engagement, although transformational and servant leadership produced stronger overall effects. These findings suggest that transactional leadership remains valuable when integrated with broader leadership approaches.

Transactional Leadership and Employee Performance in South Africa

South African organisational research increasingly recognises that transactional leadership remains relevant within performance driven organisations.

A recent study investigating BBBEE fairness perceptions found that transactional leadership indirectly enhanced employee job performance through psychological availability. Employees who perceived fair exchanges between leaders and followers demonstrated greater commitment to organisational goals and improved work performance (Mabitsela, 2024).

Earlier South African evidence similarly found that transactional leadership exerted a direct positive influence on employee performance within the public sector, particularly where organisational procedures and performance standards were clearly established.

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Collectively, these findings suggest that transactional leadership remains an effective mechanism for enhancing employee performance, especially within bureaucratic institutions characterised by formal performance management systems.

Challenges of Transactional Leadership in Universities

Despite its advantages, transactional leadership has attracted criticism.

First, the approach primarily motivates employees through extrinsic rewards rather than intrinsic motivation.

Second, universities depend heavily upon innovation, collaboration, and knowledge creation, areas where transformational leadership often demonstrates superior outcomes.

Third, excessive managerial monitoring may reduce academic autonomy and negatively influence organisational commitment.

Recent South African reviews therefore recommend adopting balanced leadership approaches that integrate transactional practices with transformational and agile leadership behaviours to maximise institutional performance.

Research Gap

Although extensive research has examined leadership styles and employee outcomes, several important gaps remain.

First, most South African studies compare transformational and transactional leadership rather than examining transactional leadership independently.

Second, limited empirical evidence specifically investigates the relationship between transactional leadership and employee performance among both academic and professional staff within South African public universities.

Third, much of the existing literature focuses on employee engagement, commitment, or institutional performance instead of individual employee performance.

Fourth, the rapidly evolving post-pandemic higher education environment, characterised by hybrid work, digitalisation, and increasing accountability, requires updated evidence regarding the continued effectiveness of transactional leadership.

Addressing these gaps will contribute to leadership theory while providing practical guidance for university leaders seeking to improve employee performance through evidence-based leadership practices.

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The literature demonstrates that transactional leadership remains an important leadership approach for improving employee performance through contingent rewards, accountability, and structured performance management. Although transformational leadership frequently produces stronger outcomes in higher education, transactional leadership continues to provide significant value where organisational objectives, performance standards, and measurable outputs dominate. Within South African universities, empirical evidence suggests that transactional leadership contributes positively to institutional performance, employee engagement, and job performance, although its effectiveness depends on organisational context and implementation. The limited number of studies focusing specifically on transactional leadership and employee performance within South African universities highlights the need for further empirical investigation.

Methods and Data

Research design

This study employed a descriptive quantitative research design to explore the relationship between transactional leadership style and performance at a South African university. A quantitative approach was chosen as it enables researchers to gather numerical data and statistically analyze the relationships between variables, such as leadership style and performance (Pai et al., 2026). Utilizing quantitative methods also improves the objectivity, reliability, and generalizability of the research findings.

Research approach

This study employed a survey research method to gather data from participants working in a higher education institution (HEI). The survey technique is widely used in human resource management (HRM) research because, as noted by Alam et al. (2026), it allows researchers to collect standardized information from a relatively large group of respondents in a systematic and structured way. Furthermore, this approach facilitates quantitative analysis of the data (Chan et al., 2026), enabling the identification of patterns and relationships between transactional leadership style and performance within the HEI.

Population of the Study

The population intended for this study included both academic and administrative staff employed at higher education institutions (HEI). These individuals were selected for the research as they either play a direct role in staffing procedures or are influenced by various leadership styles in their work settings.

Sampling technique and sample size

A convenient sampling method was employed to choose participants from the target group. A sample size of n=400 was deemed suitable for the research. The sample comprised both academic and

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administrative staff members from the higher education institution being analyzed. The chosen sample size was considered sufficient for producing meaningful data for statistical evaluation and achieving the study's objectives.

Reliability of Measurement Instrument

To guarantee the reliability of the measurement tool, a Cronbach's Alpha analysis was conducted, resulting in a score of 0.71, which validated the internal consistency of the measurement tool.

Data collection methods

The primary data for this research were gathered through a structured questionnaire, a commonly used approach in human resource management studies because of its ability to produce standardized and comparable data from a relatively large respondent group (Alam et al., 2026). The objective of the questionnaire was to understand employees' views on transactional leadership styles and performance management within higher education institutions (HEIs), concentrating on crucial aspects such as workforce planning, recruitment, selection, placement, and the attraction and retention of talent.

A Likert scale was additionally implemented to assess the level of agreement with specific statements. This methodology facilitated the systematic quantification of attitudes and perceptions, thus enhancing the reliability and objectivity of the data gathered. The structured nature of the questionnaire ensured that all participants received the identical set of questions, allowing for meaningful comparisons of responses and supporting the statistical examination of the connections between transactional leadership style and employee performance within the higher education landscape.

Data analysis

The information gathered was examined using different statistical methods. Descriptive statistics, such as frequencies, percentages, means, and standard deviations, outlined the responses of the participants. These statistics offered an understanding of the respondents' characteristics and provided a summary of the transactional leadership style and its performance in higher education institutions (HEIs). Furthermore, inferential statistical methods were used to investigate the correlation between transactional leadership style and performance.

Ethical considerations

Ethical principles were strictly observed during the research process. Involvement in the study was optional, and participants were made aware of the research's objectives prior to filling out the questionnaire. The confidentiality and anonymity of participants were preserved, and all data gathered was utilized solely for academic purposes.

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Results

The results of the study are presented below:

Variable		Frequency	Percentage
Gender	Male	156	39%
	Female	244	61%
Age	30 years and below	49	12.3%
	31-40 years	143	35.7%
	41-50 years	103	25.8%
	51years and above	105	26.3%
Race	Black African	317	79.3%
	Coloured	8	2.0%
	Indian	9	2.3%
	White	66	16.5%
Marital Status	Divorced	25	6.3%
	Married	204	51%
	Re-Married	13	3.3%
	Single	158	40%
Work strata	Academic	204	51%
	Support	47	11.8%
	Administration	149	37.3%

Table 1: Demographical Details of Respondents

The workforce of the Higher Education Institution (HEI), located adjacent to a predominantly Black residential area, is mainly composed of Black and female employees. This reflects the positive progress of post-apartheid transformation, where the dominant race also represents the majority within the HEI workforce. However, the small percentage of younger employees (12.3% under 30 years old) indicates an aging workforce and limited opportunities for entry-level recruitment. The largest age group comprises 35.7% of employees between 31 and 40 years, highlighting a mature workforce. Additionally,

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the very low percentage of Coloured employees (2%) raises concerns, especially considering that this group has been historically disadvantaged.

Nearly half of the workforce consists of academic staff, which is beneficial given that the core mission of the university revolves around academic work. However, within this academic group, only a small fraction holds senior academic positions, such as Senior Lecturer, Associate Professor, or Professor. Furthermore, a correlation analysis was conducted and is presented below:

Transactional Leadership Style and Employee Performance

Participants were invited to specify the degree to which they related with the various transactional leadership style statements to understand how a transactional leadership style influences employee performance at the university under study. Table 2 below displays the responses to each statement.

No	Transactional Leadership Style Items	Mean	Standard Deviation
1	There are clear expectations from the head to employees.	4.00	0.957
2	The head monitors employee perfoamnce and keep track of mistakes.	3.52	1.082
3	The head rewards good work and punishes mistakes.	2.99	1.007
4	There are standards that must be followed to excute the work.	4.15	0.844
5	The head acts on recurring problems.	3.95	0.956
6	Employees are aware of what is expected from them to meet targets.	4.19	0.782
7	The head does not change anything if it is working	3.85	0.967
	Average	**3.802**	**0.605**

Table 2: Transactional Leadership Items

Based on an average mean score of 3.802 (SD = 0.605), most participants expressed agreement with the transactional leadership statements presented in Table 4.5.5 above. Participants felt that employees clearly understand what is expected of them to achieve their targets, with a mean score of 4.16 (SD = 0.782).

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Respondents also agreed that standards must be adhered to in order to execute work effectively within the department (M = 4.15, SD = 0.844). Additionally, there are clear expectations communicated from the heads of departments to employees (M = 4.00, SD = 0.957). These findings support the assertion made by Maharmeh (2021) that the transactional leadership style heavily relies on work standards, procedures, authority, and task-oriented goals.

However, there were varied responses regarding whether departmental heads reward good performance and penalize mistakes, reflected in a mean score of 2.99 (SD = 1.007). This suggests that there may be a need for additional reward systems in the department beyond monetary compensation and the typical performance management and development frameworks.

As a result, some employees feel that their efforts should be duly recognized. Failure to do so could negatively impact employee performance, as highlighted by Ajila and Abiola (2004), who noted a correlation between rewards and recognition systems and employee performance.

Employee Performance

The mean, or average, scores are used to determine the typical number of responses each participant provided for the statements in the questionnaire. The standard deviation indicates how much the responses vary in relation to the mean. Each participant was required to indicate how much they agreed with the various statements about employee performance. Table 3 below presents the responses to each statement.

No	Employee Performance items	Mean	Standard Deviation
1	I receive feedback on my performance from my head	3.62	1.049
2	I have enough resources to perform my duties well	2.93	1.284
3	My performance is restricted by the lack of resources	3.18	1.229
4	There is sufficient training and development opportunities	3.00	1.225
5	I am satisfied with the performance management system in the department	2.95	1.235
6	I take part in performance appraisals	3.89	0.843
7	I am given freedom to make decisions about my work and career	3.86	1.045
8	There are clear roles and responsibility in the institution	4.05	0.941

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9	I receive coaching and mentorship in the execution of my duties	3.52	1.119
10	There are clear goals and expectations from my head	3.99	0.950
11	There is a positive culture that boosts employee morale	3.29	1.172
12	The organisational structure enables me to execute my duties well	3.25	1.140
13	I receive adequate support and guidance from the head	3.96	1.047
14	I receive rewards and recognition when perform my duties well	3.16	1.143
15	I motivate my colleagues to improve our performance	4.22	0.692
16	I offer support to fellow colleagues in need	4.47	0.689
	Average	**3.583**	**0.644**

Table 3: Employee Performance Items

Most respondents agreed with various statements regarding employee performance, as indicated by an average mean value of 3.583 (SD = 0.644). Specifically, respondents strongly agreed that they offer support to colleagues in need (M = 4.47, SD = 0.689) and that they motivate their peers to enhance their performance (M = 4.22, SD = 0.692). Additionally, a majority of participants agreed that clear roles and responsibilities exist within their departments (M = 4.05, SD = 0.941). These results underscore the significance of teamwork and defined roles in improving employee performance. These findings align with the views of Levi (2014), who suggested that teamwork fosters positive employee relations and boosts performance.

However, the respondents expressed mixed feelings about whether they had sufficient resources to perform their duties effectively (M = 2.93, SD = 1.284), their satisfaction with the performance management system in their departments (M = 2.95, SD = 1.235), and the availability of training and development opportunities within the university (M = 3.00, SD = 1.225). These varied responses can be attributed to the fact the academic institution manages its own resource requests and training needs.

The differing opinions regarding the performance management system may stem from the experiences of employees. Those who recently received higher scores in performance appraisals tend to be satisfied with the system, while those who scored lower are likely to express dissatisfaction.

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Correlations Analysis Between Transactional Leadership Style and Employee Performance

A Pearson correlation test was conducted to determine whether a correlation exists between employee performance and transactional leadership style. The analysis aimed to assess the strength of this correlation, categorizing it as strong, moderate, or weak, and to evaluate its statistical significance. The results are presented in Table 4 below.

		Transactional Leadership Style
Employee Performance	Pearson Correlation	0.530
	Sg. (1-Tailed)	0.000

Table 4: Correlation Between Transactional Leadership Style and Employee Performance

From Table 4 above, transactional leadership style is positively correlated with employee performance with a correlation coefficient (r) of 0.530, and the correlation is strong ($r > 0.5$) and statistically significant ($p < 0.001$).

Discussion

The findings of this study demonstrate that transactional leadership has a statistically significant positive relationship with employee performance within the South African university under investigation. This suggests that when managers and supervisors clearly define expectations, establish performance standards, and reward employees based on the successful completion of assigned tasks, employees are more likely to perform effectively. The findings support the central proposition of Bass's transactional leadership theory, which argues that employee performance improves when leaders establish structured exchanges involving rewards, accountability, and performance monitoring.

The positive association observed in this study aligns with recent South African scholarship that recognises transactional leadership as an effective leadership approach within highly structured public institutions. Universities operate in environments characterised by policy compliance, quality assurance requirements, administrative accountability, and performance management systems. Consequently, leadership behaviours that emphasise goal clarity, supervision, and contingent rewards may encourage employees to meet institutional expectations more consistently. Recent evidence from South African higher education indicates that although transformational leadership remains valuable, transactional leadership continues to contribute significantly to institutional effectiveness by promoting operational efficiency, accountability, and performance management (Samodien et al., 2024).

The results further suggest that contingent reward is one of the strongest dimensions influencing employee performance. Employees appear to respond positively when exceptional performance is

recognised through promotion opportunities, performance bonuses, career advancement, professional development opportunities, or formal recognition. This finding is consistent with Social Exchange Theory, which posits that employees reciprocate favourable organisational treatment with positive work behaviours and increased commitment. When employees perceive fairness in the exchange relationship between leaders and followers, they are more likely to invest greater effort toward achieving organisational objectives.

The findings are also consistent with recent South African evidence demonstrating that transactional leadership significantly enhances employee commitment and organisational outcomes when supported by effective managerial structures. Mabasa and Eresia-Eke (2025) found that transactional leadership positively influences employee commitment in South African organisations, particularly where leaders maintain clear supervisory relationships and appropriate spans of control. Their findings reinforce the argument that structured leadership behaviours improve employee attitudes and organisational effectiveness.

Similarly, the findings corroborate recent research conducted in the South African public sector, which established that transactional leadership is positively associated with employee satisfaction and effective organisational communication. Makhwiting and Bruhns (2025) argue that leaders who consistently apply contingent rewards and maintain clear communication channels create environments where employees understand organisational expectations and perform more effectively. Although their study focused primarily on job satisfaction, the mechanisms identified including clear communication, performance monitoring, and reward systems also contribute directly to improved employee performance.

The findings further indicate that management-by-exception contributes positively to employee performance when applied appropriately. Active monitoring enables managers to identify deviations from expected performance standards before they negatively affect organisational outcomes. In the university environment, where administrative errors, delayed academic processes, or policy non-compliance may have significant consequences, proactive monitoring appears beneficial. However, excessive reliance on corrective actions without adequate recognition or employee support may reduce motivation over time. Therefore, while management-by-exception contributes to operational effectiveness, it should be balanced with supportive leadership behaviours.

The results also support previous South African studies demonstrating that transactional leadership has a direct positive influence on employee performance across various organisational settings. Earlier evidence suggested that transactional leadership produces measurable improvements in employee performance through structured supervision, clear objectives, and performance-based rewards. Although transformational leadership often receives greater attention within leadership literature,

transactional leadership remains particularly effective in organisations requiring procedural consistency, accountability, and measurable outputs.

Within the higher education sector, these findings have important practical implications. South African universities continue to experience financial constraints, increasing administrative demands, digital transformation, changing student expectations, and intensified performance management requirements. Under such conditions, leadership approaches that establish clear performance expectations and measurable accountability systems become increasingly important. Transactional leadership provides institutional managers with practical mechanisms for aligning employee behaviour with organisational goals while maintaining service quality and operational efficiency.

Nevertheless, the findings should not be interpreted as suggesting that transactional leadership alone is sufficient for achieving sustained organisational excellence. Universities are knowledge-intensive organisations where innovation, research productivity, employee engagement, collaboration, and academic freedom remain essential. Overreliance on rewards and compliance mechanisms may limit creativity, intrinsic motivation, and organisational citizenship behaviours. Consequently, many scholars recommend integrating transactional leadership with transformational leadership behaviours to achieve both operational efficiency and long-term institutional development. Recent research within South African higher education similarly concludes that combining transactional, transformational, and agile leadership approaches produces stronger institutional performance than relying exclusively on one leadership style.

Overall, the findings contribute to the growing body of leadership literature within South African higher education by confirming that transactional leadership remains a relevant predictor of employee performance. The study extends existing knowledge by providing empirical evidence that structured leadership behaviours including contingent rewards, performance monitoring, and corrective feedback continue to influence employee performance positively within universities. These findings suggest that university leaders should strengthen performance management systems while simultaneously incorporating developmental leadership practices that foster employee engagement, innovation, and long-term organisational commitment.

Conclusion

This study concludes that there is a significant nexus between transactional leadership style and employee performance within a South African university context. Transactional leadership, characterized by clear expectations, structured supervision, performance monitoring, and the use of rewards and corrective actions, contributes positively to employee performance by promoting accountability, efficiency, and goal attainment. Employees are more likely to perform effectively when

roles are clearly defined, performance standards are communicated, and achievements are recognized through appropriate rewards.

However, the findings also suggest that while transactional leadership is effective in improving task performance, compliance, and short-term organisational objectives, it may be less effective in fostering innovation, creativity, and long-term employee development. Universities operate in dynamic and knowledge-intensive environments that require not only operational efficiency but also collaboration, research excellence, adaptability, and continuous learning. Consequently, an overreliance on transactional leadership may limit employees' intrinsic motivation and opportunities for professional growth.

Within the South African higher education sector, where institutions face challenges such as resource constraints, transformation imperatives, increasing accountability, and changing stakeholder expectations, transactional leadership remains a valuable management approach for maintaining performance standards and institutional effectiveness. Nevertheless, its effectiveness is enhanced when balanced with leadership behaviours that encourage employee empowerment, participation, and innovation.

Overall, the study affirms that transactional leadership plays an important role in influencing employee performance in South African universities. It provides a structured framework for achieving organisational goals and improving productivity. However, university leaders should adopt a balanced leadership approach that combines the strengths of transactional leadership with complementary leadership styles to promote sustainable employee performance, organisational resilience, and long-term institutional success.

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